

PORTFOLIO COMMITTEE NO. 1 – PREMIER AND FINANCE

Tuesday, 8 March 2022

Examination of proposed expenditure for the portfolio area

ENTERPRISE, INVESTMENT AND TRADE, TOURISM AND SPORT, AND WESTERN SYDNEY

UNCORRECTED

The Committee met at 9:30.

MEMBERS

The Hon. Tara Moriarty (Chair)

Ms Abigail Boyd

The Hon. John Graham

The Hon. Don Harwin

The Hon. Shayne Mallard

The Hon. Daniel Mookhey

The Hon. Penny Sharpe

PRESENT

The Hon. Stuart Ayres, *Minister for Enterprise, Investment and Trade, Minister for Tourism and Sport,
Minister for Western Sydney*

* Please note:

[inaudible] is used when audio words cannot be deciphered.

[audio malfunction] is used when words are lost due to a technical malfunction.

[disorder] is used when members or witnesses speak over one another.

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**

The CHAIR: Good morning, everybody. Welcome to the additional public hearing for the inquiry into budget estimates 2021-2022. Before I commence I would like to acknowledge the Gadigal people, who are the traditional custodians of this land. I would also like to pay respects to the Elders past, present and emerging of the Eora nation and extend that respect to other Aboriginals present. I welcome Minister Ayres and accompanying officials to this hearing. Today the Committee will examine the proposed expenditure for the portfolios of Enterprise, Investment and Trade, Tourism and Sport, and Western Sydney.

Before we commence, I would like to make some brief comments about the procedures for today's hearing. Today's proceedings are being broadcast live from the Parliament's website and a transcript will be placed on the Committee's website once it becomes available. In accordance with the broadcasting guidelines, media representatives are reminded that they must take responsibility for what they publish about the Committee's proceedings.

All witnesses in budget estimates have a right to procedural fairness according to the procedural fairness resolution adopted by the House in 2018. There may be some questions that a witness could only answer if they had more time or with certain documents to hand. In those circumstances, witnesses are advised that they can take questions on notice and provide an answer within 21 days. If witnesses wish to hand up documents, they should do so through the Committee staff. Minister, I remind you and the officers accompanying you that you are free to pass notes and refer directly to your advisers seated at the table behind you. Finally, could everyone please turn their mobile phones to silent for the duration of the hearing.

Ms KAREN JONES, Chief Executive Officer, Office of Sport, affirmed and examined

Ms KYLIE BELL, Executive Director Trade and Investment, Investment NSW, on former oath

Ms AMY BROWN, Secretary, Department of Enterprise, Investment and Trade, and Chief Executive Officer, Investment NSW, on former oath

Dr SARAH HILL, Chief Executive Officer, Western Parkland City Authority, on former oath

Mr STEVE COX, Chief Executive Officer, Destination NSW, on former affirmation

Mr SIMON DRAPER, Chief Executive Officer and Coordinator General, Infrastructure NSW, on former affirmation

The CHAIR: Today's hearing will be conducted from 9.30 a.m. to 12.45 p.m. with a 15-minute break at 11.00 a.m. We are joined by the Minister in the morning, and in the afternoon we will hear from departmental witnesses from 2.00 p.m. to 5.15 p.m. with a 15-minute break at 3.30 p.m. During these sessions there will be questions from Opposition and crossbench members only. If required, an additional 15 minutes is allocated at the end of the morning and afternoon sessions for Government questions. Thank you for your attendance today. We will begin with questions from the Opposition.

The Hon. JOHN GRAHAM: Thank you, Chair, and welcome, Minister. Congratulations on your new roles, and thanks to the officials who are joining you today. I start by asking about one of the grants programs that has recently been looked at, the Refresh and Renew scheme. Seven out of 10 of those grants went to Coalition electorates. You declined to comment when you were asked about this. How do you explain that outcome?

Mr STUART AYRES: I am not sure whether this mic is actually on.

The CHAIR: I am not sure if any of them are except for mine. Hansard have got it, but we will see how we go.

The Hon. JOHN GRAHAM: Minister, how would you like to explain that outcome?

Mr STUART AYRES: I have played no role in the Refresh and Renew selection process, so I will say that they have followed the merit-based selection and they have been determined based on that process.

The Hon. JOHN GRAHAM: You are the Minister; you are here now.

Mr STUART AYRES: Yes, I just answered that question.

The Hon. JOHN GRAHAM: Do you think that seems like a fair outcome?

Mr STUART AYRES: I think that the merit-based application process was followed and those grants were allocated based on the merit of those applications.

The Hon. JOHN GRAHAM: So there are no concerns, from your point of view, that this is one more politically skewed grant scheme under this Government.

Mr STUART AYRES: I do not accept the proposition that it is a politically skewed grant scheme. I am saying to the Committee that there was an application process. It was a merit-based application, and I am supporting the process that determined those results.

The Hon. JOHN GRAHAM: One of the \$10,000 grants went to a business on the mid North Coast—

The CHAIR: Sorry, everybody, we are having technical difficulties. People cannot hear the broadcast, so we will have to pause proceedings until we fix our IT issues. We will pause the broadcast here.

(Short adjournment)

The CHAIR: Welcome back, everybody. Apologies for the technical difficulties. Given the sound was not working for the outside world, we are going to start from the beginning. I do not need to do my introduction again.

The Hon. JOHN GRAHAM: Minister, welcome.

Mr STUART AYRES: It is joyous to be here.

The Hon. JOHN GRAHAM: Congratulations on your new roles.

Mr STUART AYRES: Thank you.

The Hon. JOHN GRAHAM: I thank the officials who are appearing with you today. I do not know if you are going to see this coming, but I was intending to ask you about the Refresh and Renew grants. Seven out of 10 of those went to Coalition electorates. How can you defend that?

Mr STUART AYRES: As I was saying before the broadcast, this is a merit-based application process. Applications were assessed by Destination NSW, and the recipients of this fund were selected based on their meritorious application. I did not play an active role in the selection of the grants. They are approved by me as the tourism Minister, but they are selected based on their merit.

The Hon. JOHN GRAHAM: Why is it that under this Government voters in Coalition electorates are more meritorious? That is how it seems.

Mr STUART AYRES: I think that is a poor characterisation of the applications. As I understand it, there was a large amount of applications. That is not unexpected, given the impacts that have happened on the tourism industry over the past two years. But the applications were assessed independently. There is no criteria in the application process that refers to where these businesses are located in relation to seats, so I think it would be a poor characterisation to suggest that Destination NSW considered the seats that businesses are located in when making their selections.

The Hon. JOHN GRAHAM: Minister, one of those \$10,000 grants went to a business on the mid North Coast that is owned by one of the directors of the board who was involved in assessing the applications. In that region this application got up but, of the 159 applications, 141 others missed out. Do you defend that process as well?

Mr STUART AYRES: I will defend the process for meritorious selection in general. I am going to work on an assumption here that that selection process would have ensured that there was an appropriate level of probity around that individual grant and that any required declarations around that were undertaken. But I am happy to take on notice and come back to the Committee to update the Committee to ensure that took place.

The Hon. JOHN GRAHAM: Minister, data from the Office of Sport shows about three-quarters of the grants from the Greater Sydney Sports Facility Fund were awarded to Liberal-held electorates in the lead-up to the last election. How do you defend that grant process?

Mr STUART AYRES: I am not sure what the remit of the extension of this budget estimates hearing is, but that was three years ago.

The Hon. JOHN GRAHAM: It is in scope. You are the Minister. How do you defend it?

Mr STUART AYRES: The selection process, once again, was undertaken, and that grant program has continued on. It has been operating under different Ministers over the past three years as the portfolio arrangements have changed. Once again, it is a meritorious-based selection process.

The Hon. JOHN GRAHAM: Evidence to the Parliament shows it was not a merit-based selection process. You hand-picked the successful grants from a short list that was provided by the Office of Sport. How do you defend that process?

Mr STUART AYRES: The passage of time—I will need to go back and look at everything that took place here. But what I will say is, that process was undertaken. I do recall that there were a number of applications that came from the Penrith community—the Penrith local government area. So I did—

The Hon. PENNY SHARPE: That is nice.

Mr STUART AYRES: No, there were.

The Hon. PENNY SHARPE: We believe you.

Mr STUART AYRES: There were a number from the Penrith LGA.

The Hon. JOHN GRAHAM: We have seen the outcomes.

Mr STUART AYRES: Yes, a much larger number than others, and I did provide advice to the Office of Sport that it would need to limit those applications.

The Hon. JOHN GRAHAM: But you accept that you hand-picked from a list from the Office of Sport. That is the evidence to the Parliament. Do you accept that, as Minister? Is that your recollection?

Mr STUART AYRES: No, I will take that on notice and go back and look at the selection process. This was three years ago.

The Hon. JOHN GRAHAM: Do you accept that 12 out of those 15 grants immediately before the election—\$33 million—went to Liberal electorates?

Mr STUART AYRES: I think that has been widely reported.

The Hon. JOHN GRAHAM: Yes, do you accept that, Minister? Do you accept that fact?

The Hon. DON HARWIN: I think you have asked it and he has answered it.

Mr STUART AYRES: Yes, it has been widely reported—where the grants went.

The Hon. JOHN GRAHAM: Minister, the CEO of the Australian Clay Target Association, Tony Turner, received a phone call in relation to the proposed convention space in Wagga from a government official saying, "The Minister wants it bigger." Were you that Minister?

Mr STUART AYRES: I have provided evidence to the Independent Commission Against Corruption in both a private hearing and a public hearing, and I do not think it would be prudent that I add any more to that. Everything I have had to say about this is already on public record.

The Hon. JOHN GRAHAM: You are now in the Parliament at estimates. You also have obligations to the Parliament. Were you that Minister?

Mr STUART AYRES: I do not recall using that phrase at all.

The Hon. JOHN GRAHAM: Do you believe that when that official referred to the Minister "wanting it bigger" that official was referring to you, as that Minister?

Mr STUART AYRES: I am not going to speculate on what people think.

The Hon. JOHN GRAHAM: Do you stand by your comment that ICAC should get independent funding "when they stop wasting our money"?

The Hon. DON HARWIN: Point of order: The Independent Commission Against Corruption is not part of the Minister's portfolio. His portfolio is not officially connected to it. I think the question is out of order.

The Hon. JOHN GRAHAM: To the point of order: It is relevant to every Minister's portfolio, particularly when they are giving out this many grants.

The CHAIR: Correct. The question is in order.

The Hon. JOHN GRAHAM: Minister, do you stand by that comment that ICAC should get independent funding "when they stop wasting our money"?

Mr STUART AYRES: I have watched ICAC allocate its time to various inquiries. I have participated in one of those. I am highly critical of the way in which it has undertaken those—some of the timing around those investigations. It has access to funds, like all other public agencies, and it should make sure it allocates them appropriately.

The Hon. JOHN GRAHAM: When you say "critical", does that include being critical of the most recent inquiry—the one that you just referred to appearing at?

Mr STUART AYRES: Yes, I do.

The Hon. JOHN GRAHAM: So you are unapologetic about those comments about the ICAC?

Mr STUART AYRES: I think ICAC has access to public funds; it should use those public funds appropriately.

The Hon. JOHN GRAHAM: Do you believe it is "wasting our money", to use your words? Do you stand by that part of the comment?

Mr STUART AYRES: I gave evidence in the public hearing very clearly that I did not believe that Gladys Berejiklian had breached any code of conduct inquiry. I thought it was a travesty that the ICAC delayed its inquiry, quite clearly, into its investigation into the allocation of funds to the ALP, and that it recently—in fact, subsequent to those comments that were captured on the microphone—has released that outcome.

The Hon. SHAYNE MALLARD: After the by-elections.

Mr STUART AYRES: I think that outcome should have been reached much earlier.

The Hon. JOHN GRAHAM: But in saying that ICAC is "wasting our money", do you accept that you are out of step with the public and out of step with the Premier in putting that view?

The Hon. DON HARWIN: I think you have asked it and he has already answered it.

The Hon. PENNY SHARPE: Have you got a point of order or are you just interjecting?

The Hon. SHAYNE MALLARD: Well, what are you doing?

The Hon. PENNY SHARPE: Stopping him from interjecting.

The Hon. JOHN GRAHAM: Do you accept that you are out of step with the public in putting that view?

Mr STUART AYRES: All public agencies have a responsibility to allocate their funds that have been provided to them by the taxpayer. There are members of this Parliament who are yet to have hearings concluded. ICAC has decided to expand investigations, which it has every right to do. But I think there is, clearly, a requirement for ICAC to utilise those funds that are provided to it in the most appropriate fashion.

The Hon. JOHN GRAHAM: You are putting a stronger view than that, though, Minister. You are saying that ICAC is wasting our money. Do you accept that is out of step with the public mood?

Mr STUART AYRES: I think the public deserves to have a strong anti-corruption watchdog. I think it is absolutely critical that the independent commission follows the information that is provided to it and sees those inquiries through. My criticism of it has been the decision to divert resources away from those existing inquiries into the inquiry that expanded the reach into the former Premier.

The Hon. JOHN GRAHAM: Minister, on 2 July 2016—you were the tourism Minister—you announced a tourism restructure to create destination networks. They were the key vehicle to deliver tourism to regional and rural areas of the State—that is, outside the capital cities. When you announced the boundaries on that date for the Destination Sydney Surrounds North network, why did you include the Penrith local government area, which is in your own electorate?

Mr STUART AYRES: At the time, the destination networks were replacing what were local—I cannot remember the exact acronym. They were local tourism organisations—LTOs. Many of those LTOs were failing.

The Hon. JOHN GRAHAM: I think they are RTOs, yes, but go on.

Mr STUART AYRES: No, there is a combination of both—RTOs and LTOs. Some of those RTOs were failing. The Government adopted a position that it would no longer continue to fund some of those failing RTOs, and it established the policy settings around creating destination networks. Blue Mountains had a regional tourism organisation historically. At the time, Blue Mountains LGA, Penrith LGA and Hawkesbury LGA had created a tourism alliance. The Blue Mountains was logically going to be allocated—at the time, we say, logically—going to be allocated to the Sydney Surrounds North, and it made sense—and was supported by all three LGAs at the time—that those three LGAs move into the Sydney Surrounds North destination network.

The Hon. JOHN GRAHAM: Penrith as a local government area, for the reasons you are outlining, should be in the regional basket. Do you accept though that that is different to, say, the national definitions that Tourism Research Australia use, for example, that make it clear that they refer to these regional areas as all local government areas—I am quoting now—outside of capital cities areas and the Gold Coast? They are the regional tourism areas. Do you accept that?

Mr STUART AYRES: Yes, I accept that the regional locations do not include Hawkesbury and Penrith.

The Hon. JOHN GRAHAM: Yes. No. Exactly. I will get you to look at this piece of paper. Why is it that on the Destination Sydney Surrounds North website, if you look at this, the justification on the website, when you look at Penrith, is to click through to the Tourism Research Australia data for the local government profile. That is the list you have in front of you, Minister. It shows all of the regional local government areas in that Sydney Surrounds North destination network. They are all there: Blue Mountains, Central Coast, Cessnock, Dungog, Hawkesbury, Lake Macquarie, Maitland, Muswellbrook, Newcastle, Port Stephens, Singleton, Upper Hunter shire. Twelve of the 13 local government areas are there. One is not—Penrith, in your electorate. Why did you put Penrith in when that is not the position of the national tourism authorities?

Mr STUART AYRES: At the time—and I will emphasise to the Committee that there have actually been subsequent reforms to the destination networks.

The Hon. JOHN GRAHAM: Yes, I am clear on that.

Mr STUART AYRES: But at the time the main issue there was how to deal with the Blue Mountains. The Blue Mountains, Hawkesbury and Penrith had created a tourism alliance because there are some substantial weaknesses that exist in each of those LGAs. For instance, the capacity to deliver extra accommodation will be

very difficult to deliver in the Blue Mountains, given its development constraint. So short-term accommodation is more likely to be provided in a location like Penrith. That makes logical sense, given its proximity to new tourism assets like the airport. Hawkesbury is also an important gateway access point into the Blue Mountains. Those three local government areas at the time had formed that alliance. That alliance no longer exists in the structure that it did at the time. But the presence of Blue Mountains brought Hawkesbury and Penrith into those locations.

The Hon. JOHN GRAHAM: But you accept, Minister, this was your decision at the time to include your local area in there, even though it was not regional. It was your decision. Do you accept that?

Mr STUART AYRES: We definitely put forward the proposal to include Hawkesbury and Penrith to Cabinet, and Cabinet agreed to that.

The Hon. JOHN GRAHAM: When you say "we", you mean you as Minister.

Mr STUART AYRES: Yes. We engaged with the tourism sector. We engaged with local governments. I think it is also fair to reference that the Penrith LGA has three State seats that overlap it.

The Hon. JOHN GRAHAM: Was it a departmental recommendation to include Penrith?

Mr STUART AYRES: Yes. We discussed at the time the presence of those three council areas being in the tourism alliance. That is why we put forward that proposal in relation to the destination networks.

The Hon. JOHN GRAHAM: Yes. But you are saying it was not your idea, the department recommended it to you.

Mr STUART AYRES: I would have to go back and—this was four years ago, five years ago.

The Hon. JOHN GRAHAM: Yes. Did you declare a conflict of interest when these boundaries were set to include your electorate?

Mr STUART AYRES: What conflict of interest would I be declaring?

The Hon. JOHN GRAHAM: The fact that you are including your own area in these boundaries, separate to any of the other regional areas.

Mr STUART AYRES: That is not a conflict of interest.

The Hon. JOHN GRAHAM: But you accept you made the decision, though. Did you declare a conflict of interest when any of the grants were issued to your area subsequently, after you included this area in the regional—

Mr STUART AYRES: The ministerial code of conduct makes it incredibly clear. This is not a conflict of interest. Hopefully, you get a chance to read it some day.

The Hon. JOHN GRAHAM: Do you accept that for a city like Newcastle, for example—which, as you know, is excluded from sports grants, both metropolitan and regional grants—they get nothing in the sports grants area.

Mr STUART AYRES: They are included in the Greater Sydney Sports Facility Fund.

The Hon. JOHN GRAHAM: Do you accept in this instance why they might feel upset, given you are including a city local government area and they are missing out on grants? Do you accept that?

Mr STUART AYRES: The existence of the destination network does not determine where grants go. It was a governance structure that was put in place to facilitate and support tourism operators right across the State. Surely you can recognise that, if the Blue Mountains council and the Hawkesbury council and the Penrith council, all recognising their own individual weaknesses, want to collaborate together to improve the performance of tourism in those locations—

The Hon. JOHN GRAHAM: I think you have said that alliance no longer exists, Minister. I want to ask you about a specific grant. Funding of \$130,000 was given, including to Penrith, for a marketing campaign. There was a recommendation to proceed, despite a score of seven out of 15 on the assessment and no criteria achieving a satisfactory rating. You signed off that grant, including to your local area. Do you stand by that decision?

Mr STUART AYRES: Yes.

The Hon. JOHN GRAHAM: Did you declare a conflict of interest when you made it?

Mr STUART AYRES: There is not a conflict of interest.

The Hon. JOHN GRAHAM: Minister, I will move on to another issue. The New South Wales Government announced to great fanfare the appointment of the Jobs for NSW board. As the Minister responsible for enterprise and industry, are you embarrassed that this has now been wound up after a Treasury review?

Mr STUART AYRES: I am not embarrassed at all. Jobs for NSW was established under Premier Baird. We have since, in fact just recently established a new department. Last year we created Investment NSW. I think governments will always review the performance of what it does. I think we have got a better model now than what we had under Jobs for NSW.

The Hon. JOHN GRAHAM: Jobs for NSW has been scrapped. The Act still exists. It is one of the few bits of legislation you have as Minister. Why have you not repealed that legislation, now it is a ghost agency?

Mr STUART AYRES: As I understand it, there are still funding allocations that are trailing out of that. So that Act is still relevant.

The Hon. JOHN GRAHAM: As Minister you previously defended the investments by the Go NSW Equity Fund, including controversial surf and turf investments into oyster and beef investments. Do you stand by those comments?

Mr STUART AYRES: Yes. Once again, nothing has changed here. The assessment process for how those grants were undertaken—Jobs for NSW used a third-party investment adviser. They have allocated that. Jobs for NSW and the Go Equity fund has been wound up. I understand that both of those investments turned a small profit.

The Hon. JOHN GRAHAM: Those were exited on 4 May 2020. That is the public reporting. That accords with your understanding?

Mr STUART AYRES: Yes. I will take it as given that the material you are reporting is correct.

The Hon. JOHN GRAHAM: Yes. I do not think that is in doubt. They created 100 jobs. That is the Government's view? Is that—

Mr STUART AYRES: Those investments?

The Hon. JOHN GRAHAM: Yes.

Mr STUART AYRES: I will take that as a given if that is what has been reported.

The Hon. JOHN GRAHAM: You say they turned a profit as the Government exited. What was that profit?

Mr STUART AYRES: It was \$900,000.

The Hon. JOHN GRAHAM: The public comments have said that there was a profit; it relied on a \$900,000 valuation. Does that mean we actually got \$900,000 extra? The fact we had the valuation does not guarantee that.

Mr STUART AYRES: I will take that on notice and provide that material back to the Committee.

The Hon. JOHN GRAHAM: Even it was \$900,000, even if we did get that full benefit of the valuation, do you accept that that is less than 5 per cent per annum as a return to taxpayers? It is hardly a winning profit in this environment.

Mr STUART AYRES: In the current environment?

The Hon. JOHN GRAHAM: Do you accept that return is relatively low?

Mr STUART AYRES: I think 5 per cent is pretty good when the cash rate is less than half a per cent.

The Hon. JOHN GRAHAM: Do you accept on 4 May 2020 that is pretty much the bottom of the Australian stock market? The All Ordinaries hit a low in the days and weeks before that. We have sold at the bottom of the market. Do you accept that?

Mr STUART AYRES: The Government made a decision to exit the Go Equity fund. I think once the policy decision was made, you were always going to be selling out at the market conditions at the time.

The Hon. JOHN GRAHAM: Yes. But do you accept that was at the bottom of the market? That is quite clear if you even thumb through the *Financial Review* occasionally.

Mr STUART AYRES: I am not going to go back and reflect on where the market was two years ago.

The Hon. JOHN GRAHAM: This investment created 100 jobs. Originally when this was announced, the projection was for 4,900 jobs. Do you accept that, in job creation terms at least, this fund was a total failure?

Mr STUART AYRES: The Government reviewed the Go Equity fund. It decided it did not want to continue with what was effectively an approach to equity loans. It exited that fund and it sold out its investments.

The Hon. JOHN GRAHAM: You said 4,900 jobs—only got 100. Is that a failure, Minister?

Mr STUART AYRES: I think in relation to those businesses you will never really get an opportunity to work out whether it was successful or not because they never got to fully materialise the life of their investment.

The CHAIR: The crossbench. Ms Boyd?

Ms ABIGAIL BOYD: Thank you very much, Chair. Good morning to you, Minister, and to all of you.

Mr STUART AYRES: You too, Ms Boyd.

Ms ABIGAIL BOYD: Let us start with an easy question. I see that you are now Minister for Enterprise, Investment and Trade.

Mr STUART AYRES: That is correct.

Ms ABIGAIL BOYD: What is the enterprise element of that?

Mr STUART AYRES: I think the best way to describe the enterprise element is "a modern version of industry". The term "industry" has often been used. We see consistently, across both business and academia, a move towards the concept of enterprise being the driving force here. This is about ensuring that businesses stay strongly focused towards profitability. That profitability is increasingly linked to talent, research and development. We want to make sure that New South Wales, in the way we label our departments, is in line with the direction that the economy moving and particularly what is taking place in business investment, research and development, and our university sector. I know UTS and a number of universities now have professors labelled like this, modernising their terms. I also noted that the role that the former Premier took on board at Optus also had this term. It is a reflection of a trend that is taking place across the economy.

Ms ABIGAIL BOYD: So this idea of enterprise is really about that initiative and resourcefulness side of it, then, or are you saying it is actually a replacement for the word "industry" in the portfolio?

Mr STUART AYRES: I think it is a modernisation of the word "industry".

Ms ABIGAIL BOYD: So industry as a whole still sits with you, then?

Mr STUART AYRES: Yes. Most of the responsibilities that existed in the former Minister's portfolio, with the "industry" title, sits with this department.

Ms ABIGAIL BOYD: Within government, who is responsible for transitioning one industry to another industry? So if you have an unsustainable or old-fashioned industry, or an industry that is being disrupted out of the market, whose responsibility is it to look after the workers and move them to another industry?

Mr STUART AYRES: Ministers are allocated across a number of different portfolios. To give you an example, if there are industrial relations arrangements, they would exist with the employment or industrial relations Minister. The area that I suspect is most impacted here will be around energy policy, where energy policy has an impact on the way the economy functions, which is going to force degrees of transition. We would play a role in supporting those Ministers. Minister Kean, for instance, who is the energy Minister, has set forward a strong policy position around moving towards net zero emissions. This is consistent with what is taking place around the world. Importantly for us, we are seeing capital flows moving into different businesses. Whilst government is not a substitute for the private sector, where government allocates its resources is about enabling the private sector to make that transition and also take full advantage of emerging trends in the market. That is consistent with the economic blueprint that the State Government—

Ms ABIGAIL BOYD: I think that is the perfect example, isn't it? When we are looking at energy, as you say, there are market elements that are shifting energy transition. But if we look at the experience across the world, government has had to intervene to make sure that people were not left behind in that. I do not think we can rely on private enterprise to be leading that transition. What is your role in ensuring that communities are not left behind in that sort of transition?

Mr STUART AYRES: I do think the private sector will lead on that. Private capital will far outweigh any amount of resource or revenue.

Ms ABIGAIL BOYD: Just to clarify, I am not talking about the transition of energy from, for example, closing down a power station and setting up something else. I am talking about what happens on the ground with workers and communities who are reliant. That is not a thing that the private sector is necessarily going to step in to plug; that is a government responsibility. What is your Government doing to ensure there is an actual, proper transition for those communities?

Mr STUART AYRES: We will replay back in the example. Recently Minister Kean and I announced a series of support mechanisms available for workers post the announced closure of the Eraring Power Station, which will be about education and training programs to allow those workers to be able to access that support to help transition into what will be emerging jobs in those locations. Now, some of these things will take time, and we also have to continue to invest in what I would describe as enabling infrastructure. That can be both education and capital activities that allow jobs to be created in those emerging markets. And then, we have to work with the private sector around matching their needs for skilled staff with staff that are transitioning from other sectors of employment.

Ms ABIGAIL BOYD: Does that mean you are also working with the skills Minister and making sure that those opportunities to upskill and re-skill are available within those communities without those people having to travel and move to different locations? I guess what I am getting at here is: Is there a coordinated response from your Government to make sure that people are not falling through the gaps?

Mr STUART AYRES: The answer to that is yes, and it will continue to evolve as we continue to respond to market dynamics. The Government has said quite openly about the need for various geographical locations around the State that are connected to industries that will struggle to attract capital over the longer term. That will put more pressure on existing assets. Eventually, you will find a point where those assets cannot continue to function because they cannot attract the capital to continue to run. We can predict the time frames at which that will happen, and I think there is an obligation for the Government to work with industry and those communities to prepare those locations, geographic in many respects, for that transition that comes to them.

Ms ABIGAIL BOYD: One of the issues with energy transition is that where we have existing, for example, coal-fired power stations, they have been positioned in particular areas because that was the most appropriate geographical location for those power stations, whereas the replacement—

Mr STUART AYRES: Yes, close to coal deposits.

Ms ABIGAIL BOYD: Yes, near coal deposits, near bodies of water. Whereas when you look at solar and wind, they often are something that is much more appropriate in a completely different location. The experience from South Australia was that you ended up with coal communities or communities that rely on coal being left behind, with whole new industries starting up in completely different areas. Again, what is your Government going to do to ensure that we get replacement industries of a different type going into those communities to make sure they still have jobs?

Mr STUART AYRES: I think the Government has said a clear part of our net zero strategy and the decarbonisation of the economy, which is happening across the globe—you need to be able to link where energy is generated to where energy is used. The renewable energy zones that the New South Wales Government has announced in regional New South Wales over time will be world leaders in energy generation. What we need to be able to do is transport or transmit that energy back to the locations where it is going to be used. They are going to be heavily industrialised locations like the Hunter, like the Wollongong community, that have often used high-energy businesses. They will continue to use high-energy businesses. But if you are able to lower the cost of those inputs then Australian industries will be more competitive on the global stage. The price position for manufacturing will be better. The challenge for the Government, and more broadly for the economy, is to support energy generation through renewables and invest substantially in the transmission of that energy back to locations where manufacturing is going to take place.

Ms ABIGAIL BOYD: One of the great benefits of the renewables industries is that to a much greater degree they are "switch on and leave". When you have something like a solar farm, there are a significant number of jobs involved to construct, but when it comes to the ongoing maintenance there are not as many jobs in that. We face a real risk in New South Wales with the energy transition—which I embrace and has to happen, and we are really glad about it—that workers get left behind. That is why I am turning my attention to that now. In those circumstances you are going to have to look for new industries, aren't you, to plug those gaps?

Mr STUART AYRES: Yes, we will, but I think those industries will not be planned by government. They will respond to market conditions that are set up in the economy. One of the things that government should look to do, through its regulatory framework, is make sure that the low-cost energy that you generate in a renewable energy zone can be deployed in an economy so that businesses can invest their capital into new,

employment-generating businesses. Almost certainly these are going to be businesses that are able to manufacture an export product to a larger market. This is not about replacing people who work in a coal-fired power station with the ability to construct a solar farm. This is about people who work in coal-fired power stations transitioning into new jobs in the same location because those new industries have emerged based on competitive inputs into those businesses.

Ms ABIGAIL BOYD: So you are expecting that just to happen, rather than it being shepherded by government?

Mr STUART AYRES: I think government does need to play a role in working alongside the private sector. The Government has a role to play in ensuring that the infrastructure that enables low-cost energy to be deployed to the market can get there. It is not going to be up to government to fund or deliver or run businesses that would be run by the private sector.

Ms ABIGAIL BOYD: No, but the Investment part of your portfolio name—is that purely talking about private investment rather than government investment in helping to kickstart new industries?

Mr STUART AYRES: The Government is a relatively minor investor in these locations. We might undertake small seed funding activities. We might support businesses in an early stage growth phase. We support things like Sydney Startup Hub and Western Sydney Startup Hub. Those exist in the technology space but really the role of Investment NSW is to attract private sector capital into New South Wales. The taxpayers are never going to fund that transition themselves.

Ms ABIGAIL BOYD: Are you aware of the inquiry we ran into coal ash repositories and the opportunities there for a new industry in coal ash re-use?

Mr STUART AYRES: Not in detail, I think would be a fair answer.

The Hon. SHAYNE MALLARD: It was a bestseller.

Mr STUART AYRES: I have no doubt there are substantial opportunities like there are in a full approach to the circular economy where existing products which are considered waste can be re-used in many other parts. Coal ash is included in that.

Ms ABIGAIL BOYD: There is a huge number of jobs and opportunities involved there. What we found during that inquiry was a real desire from industry to come together in the form of basically a task force. You have industry, local government, worker reps and everyone else coming together around the table to work out how best to incentivise that industry. Unfortunately, that recommendation was rejected by your Government. Will you take another look at that to try—I am not asking you to put public money in; I am asking you to perform a coordination role with industry and community.

Mr STUART AYRES: I am happy to look at the recommendation to see whether it has value in the community and whether it has value in supporting or utilising that asset. I think fundamentally, though, what you need to be able to do is ensure there is a customer base. Businesses will not attract investment unless they have got a service or product to sell to customers.

Ms ABIGAIL BOYD: What I am hearing from you is a very hands-off approach—the industry will just work that out—when that has not played out in practice in other locations. Aren't you concerned that we are missing opportunities in growth areas to really help new industries develop that not only provide a great job-for-job transition but also would set us up to have a thriving industry?

Mr STUART AYRES: I am absolutely focused on ensuring that New South Wales gets—and the role of the Government is to work alongside the private sector to ensure that we get—a smooth transition from a high-carbon to a low-carbon economy, because there will be disruption along the way. I am happy to take on your suggestion of a task force. In this particular coal ash setting, without knowing the detail, I do not think it would be appropriate for me to speculate or comment on how successful I thought that would be.

Ms ABIGAIL BOYD: I understand and, as I said to Minister Griffin when he was before estimates, I understand when I first raise a coal ash question you get a leave pass if you are not totally familiar with it, but it is something I will continue to raise with you.

Mr STUART AYRES: The principle of coal ash sits alongside a lot of other waste products. Ultimately, Australia needs to reduce its storage and distribution of waste and the best way to do that is re-use it in other parts of the economy.

Ms ABIGAIL BOYD: We are talking about 80 per cent of our total waste in New South Wales being in coal ash. It is quite a large percentage and it is currently not being re-used into construction products. If you

read the report you will see that we have identified some obstacles that could be unblocked by government. So if you will commit to have a look at that, that would be fantastic.

Mr STUART AYRES: More than happy to do so.

Ms ABIGAIL BOYD: Let us talk about climate change. Over nine out of 10 western Sydney residents that were recently surveyed by Sweltering Cities agreed politicians and political parties should do more to deal with heat and to have specific policies on heat. Obviously, western Sydney particularly suffers when we have extreme weather events as we are seeing right now. What measures have you taken to address the risk of extreme heat and the impact that has on western Sydney residents?

Mr STUART AYRES: I think in the macro settings the New South Wales Government has—I mentioned net zero before. We have set reductions targets to 2050, so we are setting a macro policy framework that we believe over the longer term will have a more positive impact on the environment. We are also taking a more practical approach to what we do in a local planning sense, ensuring that in places like the aerotropolis we use existing riparian corridors and a strong focus around tree canopy. And then, from a tree canopy perspective, the Government has invested substantial amounts of money, not specifically through my portfolio but through—

The Hon. PENNY SHARPE: You are nowhere near your targets, Minister. On trees, you are nowhere near your targets.

Mr STUART AYRES: I am not saying I am. I am just saying we have invested money in tree planting as well.

Ms ABIGAIL BOYD: At the beginning of that response you mentioned that—and I am getting a bit sick of the Government saying this when I ask these questions—we are now transitioning our energy and that will reduce greenhouse emissions, eventually. That is not going to stop the climate change that we have already basically doomed ourselves to live with. We are looking at 1.5 degrees heat increase at least and extreme weather events. What we are doing now to transition to net zero is to prevent even more catastrophic climate change in the future. What is your Government doing with specific policies to adapt to the impact of extreme weather events on the people of New South Wales, particularly western Sydney?

Mr STUART AYRES: I am not going to take the opportunity to raise Warragamba Dam as a response to that question.

Ms ABIGAIL BOYD: I would love it if you did, because I do not think you understand the science behind it, but carry on.

Mr STUART AYRES: We will leave that for later in the hearing. To be fair, the Government has set out a series of policy announcements across government that take a proactive position on climate change. We do so also within a broader national framework. We engage with other States to do so. You may want the Government to set more ambitious objectives.

Ms ABIGAIL BOYD: Again, we are not talking about targets and we are not talking about reducing emissions; we are talking about people in western Sydney living right now with extreme heat and extreme weather events that they are asking the Government to have plans to address. We are not talking about mitigation and prevention. Climate change is with us. What is this Government doing to better prepare the residents of western Sydney?

Mr STUART AYRES: A substantial change in the way we design suburbs right across western Sydney to reduce heat island impacts is probably the most profound thing that we are doing and working closely with local government to achieve that.

Ms ABIGAIL BOYD: Will you be looking at changing basically where people can live? Will you be looking at ceasing to allow developments on a flood plain, for instance? What level of adaptation planning are you doing for western Sydney?

Mr STUART AYRES: At the most basic level, there is a consistent planning flaw that is the one-in-100-year flood level. This is a 1 per cent change of a flood—

Ms ABIGAIL BOYD: It has just gone out the window.

Mr STUART AYRES: No, I actually reject that. I think it is a sound scientific-based position around the risk of floods.

Ms ABIGAIL BOYD: I think you need to update your scientific knowledge.

Mr STUART AYRES: We can continue this conversation in the course of the hearing, but a one-in-100 flood level is a consistent approach to reducing exposure of populations to flood risk—that is, an extreme flood level. It has a 1 per cent chance each year of taking place. On top of that, the Government has also restricted development in locations that would not flood in a one-in-100, or even one-in-500 or above one-in-500, if the people who live in those locations would be subject to cut evacuation routes. So we have reduced that. We have also reduced substantially the amounts of residential development that can take place in say, for example, the north-west growth sector. That was approved by the previous Government that did ignore flood risk and we have pared that back to reduce the amount of people who can live in those locations. Even in my own community of Penrith, the Penrith CBD has a limit on the amount of residential dwellings that can be developed in the Penrith CBD so that it is consistent with access to flood evacuation routes.

The Hon. JOHN GRAHAM: Minister, firstly, as of today, do you support or oppose the proposal to build 5,000-plus homes at Penrith Lakes?

Mr STUART AYRES: Categorically oppose.

The Hon. JOHN GRAHAM: I will turn back to your comments about the ICAC. The Premier told the National Press Club, "The ICAC in New South Wales plays a very important role in preventing corruption and uncovering corruption." Do you accept in making your comments that the ICAC is "wasting our money" that you are sending a very different message to the Premier?

Mr STUART AYRES: No, I completely agree with what the Premier said.

The Hon. JOHN GRAHAM: But you have doubled down on your comments that ICAC is wasting our money.

Mr STUART AYRES: I want ICAC to investigate corruption.

The Hon. DANIEL MOOKHEY: Greetings to you, Minister. It is good to see you. Congratulations to the secretary on her additional role as well. Minister, have you figured out exactly what your role is with the WestInvest yet?

Mr STUART AYRES: My role with WestInvest? I am the Minister for Western Sydney.

The Hon. DANIEL MOOKHEY: Last time we asked you this question you made it clear you did not have any formal role. Since the new ministerial arrangements you now have a role?

Mr STUART AYRES: No, I think you have seen announcements by the Premier and the Treasurer a couple of weeks ago. WestInvest funding is allocated and managed by DPC and the Treasurer announced a steer co selection body of three senior public servants to make recommendations to government.

The Hon. DANIEL MOOKHEY: Other than turning up to the ribbon cuttings, do you have any role?

Mr STUART AYRES: I do not play a role in the assessment of the applications, no.

The Hon. DANIEL MOOKHEY: As the Minister for Western Sydney, you have no role in the decisions as to where the money is particularly going?

Mr STUART AYRES: Well, we have made it very clear that we want the residents of western Sydney to undertake the have-your-say and expressions of interest process that has been released. Local governments have been allocated \$400 million across the 15 local government areas.

The Hon. DANIEL MOOKHEY: Yes, I am aware, Minister. I am not asking about the royal "we" section of this. I am asking specifically about your role.

The Hon. DON HARWIN: Point of order: The Minister is trying to answer the question and had not finished. The Hon. Daniel Mookhey has intervened and will not let him finish. The Minister should be allowed to finish.

The Hon. DANIEL MOOKHEY: In my defence, I was pushing the Minister to be directly relevant to my question, which was precisely what is your role, not how does the policy work?

The CHAIR: Minister, you are entitled to finish your answer but also we can have a robust exchange.

Mr STUART AYRES: The second tranche is a competitive application process—\$1.6 billion that has been publicly announced. The third tranche is government agencies making recommendations. I am sure my agencies will make submissions.

The Hon. DANIEL MOOKHEY: Yes, but the question was: In making the decisions to allocate any of the money under any of those tranches—

Mr STUART AYRES: The Treasurer has made the selection criteria clear.

The Hon. DANIEL MOOKHEY: You do not actually have a role? You are just confirming that, as Minister for Western Sydney, you do not actually have decision-making authority as to where this money goes?

Mr STUART AYRES: The criteria for the selection processes—

The Hon. DANIEL MOOKHEY: Listen carefully to my question.

Mr STUART AYRES: Yes, and I am responding to you saying that the steering committee that has been established, it has already been announced. The Ministers who will sign off on it are the Premier and the Treasurer.

The Hon. DANIEL MOOKHEY: Sure. Is this meant to help western Sydney recover from COVID or not?

Mr STUART AYRES: I think a \$5 billion injection into western Sydney will help it recover from COVID.

The Hon. DANIEL MOOKHEY: You said on 24 February that this is not a fund to focus on areas that were local government areas of concern. Is that still the Government's policy position?

Mr STUART AYRES: Yes. This is a \$5 billion fund into 15 local government areas across western Sydney. It allows these communities that are going to change substantially over the long term, particularly as they take on more of Sydney's population growth, to be able to invest in public amenity, to be able to invest in—

The Hon. DANIEL MOOKHEY: Yes, I know what it is. But the question is specifically: Is it your view that this is not a fund to focus on areas that were local government areas of concern during the Delta outbreak?

Mr STUART AYRES: No.

The Hon. DANIEL MOOKHEY: You said in the same press conference that this is not a local government area of concern fund. Is that still your view?

Mr STUART AYRES: Yes.

The Hon. DANIEL MOOKHEY: When the fund was announced—and I am reading from the website—it says, "This was meant to help local communities hit hard by COVID 19." So when did it change?

Mr STUART AYRES: I think lots of local government areas were impacted by COVID-19, whether they were subject to the NSW Health recommendations to go to local government areas of concern.

The Hon. DANIEL MOOKHEY: When the policy was announced by the then Treasurer, Mr Perrottet, and equally the then Premier Berejiklian—and you were there too—the point was repeatedly made that this was meant to be helping those LGAs of concern that were hit hard. I am asking you precisely: From September 20, when you announced that this was meant to help local government areas—or certainly left a very strong impression that it was meant to help local government areas of concern get back on their feet—and now what changed?

Mr STUART AYRES: This fund is not exclusively for local government areas that were during the Delta outbreak local government areas of concern.

The Hon. DANIEL MOOKHEY: Well clearly. Have you figured out how many jobs this fund is meant to create?

Mr STUART AYRES: There is not a jobs target that is attached to WestInvest.

The Hon. DANIEL MOOKHEY: Why not?

Mr STUART AYRES: Because it is investing in public amenity. I have got no doubt that jobs will be created for it, but we have not established a target for WestInvest.

The Hon. DANIEL MOOKHEY: I know there is no target. I am asking why, as jobs Minister, no target has been set? Is there any particular policy reasons why you thought that a \$5 billion fund should not have a jobs target to it?

Mr STUART AYRES: No. I am not the jobs Minister. We have changed the title.

The Hon. DANIEL MOOKHEY: Okay. You are the enterprise Minister. So who exactly is responsible for jobs nowadays under these new ministerial arrangements if it is not you?

Mr STUART AYRES: I think most Ministers will always take responsibility for generating jobs, but I think you can fairly say that the Treasurer still is the lead economic Minister in New South Wales.

The Hon. DANIEL MOOKHEY: It might be news to him. Minister, even if we accept under your new arrangements and your new responsibilities this was the biggest part of the economic recovery strategy—and I am reading now from the document that is titled "NSW Economic Recovery Strategy". It says here "\$5 billion for the creation of WestInvest", which is more than every other initiative combined. So why is it that a fund that is meant to be powering our economic recovery has no jobs target?

Mr STUART AYRES: Because we have already told the public the purpose of this fund. We have given it the key areas that we want to hear expressions of interest from the fund. It is an investment into the future of western Sydney. We have said very clearly over the last 10 years the New South Wales Government has invested huge quantum of funds into larger-scale infrastructure. We want to use this to be able to expand or enhance the public amenity that exists across these 15 local government areas.

The Hon. DANIEL MOOKHEY: So what was passed off as the biggest stimulus program announced by the New South Wales Government after the Delta outbreak and on the eve of the Omicron wave—the biggest stimulus initiative that we are borrowing money to pay for—is not actually meant to create jobs or boost economic activity. It is a very strong impression you are leaving, Minister—

Mr STUART AYRES: No, that's your—

The Hon. SHAYNE MALLARD: Spin.

Mr STUART AYRES: Yes, I think that is a fair observation from Mr Mallard. There is going to be \$5 billion invested in infrastructure projects across western Sydney. It will create jobs. It will be stimulatory.

The Hon. DANIEL MOOKHEY: But we just do not know how many.

Mr STUART AYRES: No. And you can model the full impact of all of those and you can try to—

The Hon. DANIEL MOOKHEY: Given that this was passed off as a stimulus measure, for which the Premier and the new Treasurer announced it as such when they announced this economic recovery strategy, the documents that were released just last week show that at least when it comes to the \$2 billion fund—

Mr STUART AYRES: What don't you like about the fund, Mr Mookhey?

The Hon. DANIEL MOOKHEY: —the process you were describing before—

Mr STUART AYRES: You don't like western Sydney?

The Hon. DANIEL MOOKHEY: Excuse me?

Mr STUART AYRES: I am just trying to work out what you don't like about the fund.

The Hon. DANIEL MOOKHEY: The fact that you have no idea what it is meant to do, Minister, is my main objection. You might be able to persuade me to the merits if you are capable of articulating a strategy, a target, a jobs figure. Maybe you can answer this question: Why is it the case that what is meant to be a stimulus fund will not have the first project out the door until the end of the year?

Mr STUART AYRES: The full impacts of COVID will stretch past many months, probably into years.

The Hon. DANIEL MOOKHEY: Minister, it is going to be more than 14 months after WestInvest was announced that the first dollar is spent.

Mr STUART AYRES: That is because we want to listen to the views of the people of western Sydney.

The Hon. DANIEL MOOKHEY: No, is it not the case the more likely explanation is basically your Government is making this up?

Mr STUART AYRES: No, I think if we want to go and spend the taxpayers' funds from western Sydney a good place to start would be asking them what they would like us to do with it.

The Hon. DANIEL MOOKHEY: You are doing it with \$2 billion but not the \$3 billion.

Mr STUART AYRES: That is just not correct.

The Hon. DANIEL MOOKHEY: Let me read from your website: "A total of \$3 billion will be made available to New South Wales government agencies." And I will go on, "a total of \$2 billion". Now, Minister, I am prepared to accept that your maths might not be great, but \$3 billion out of \$5 billion you are not seeking

views. It is a different process, and that process is closed and only open to government agencies. Tell us, what are the criteria that a government agency is going to need to pass in order for them to access this \$3 billion?

Mr STUART AYRES: The guidelines for those will be released at a later date. The Treasurer has said that.

The Hon. DANIEL MOOKHEY: When are they going to be out? This is six months out, Minister. This six months since this was announced and this is just for government agencies. When are you going to be able to tell the agencies what guidelines they are going to need to meet in order for them to access this fund, given the next budget is now only a couple of months away?

Mr STUART AYRES: The Treasurer has made comments about this in the public. I do not need to add more than those. But I think it is critical to emphasise that the expressions of interest, the have-your-say process, that has been made available for the people of western Sydney will shape and influence the way the Government—

The Hon. DANIEL MOOKHEY: The \$2 billion. I am asking—

Mr STUART AYRES: No, I am saying—

The Hon. DANIEL MOOKHEY: I am asking you, Minister—

Mr STUART AYRES: Yes, and I am responding to that.

The Hon. DANIEL MOOKHEY: You need to understand that there is a distinction in the policy that your Government announced that you do not seem to be across.

The Hon. DON HARWIN: Point of order: The Minister was clearly responding to the question and he was not allowed to finish before the Hon. Daniel Mookhey started interrupting him.

The CHAIR: Arguably, he was clarifying his question, but I will allow the Minister to finish and then we are at time.

The Hon. DON HARWIN: If he actually listened to the answer he might not need to ask the question.

The Hon. DANIEL MOOKHEY: I am not sure that is the problem.

Mr STUART AYRES: I think the difference here is that we want to hear from the people of western Sydney about how they invest—

The Hon. DANIEL MOOKHEY: About the \$2 billion, but not the three.

Mr STUART AYRES: No, about the three.

The Hon. DANIEL MOOKHEY: How will you be consulted in this?

Mr STUART AYRES: Have Your Say will influence the way public agencies—

The Hon. DANIEL MOOKHEY: How are they going to be able to consult? Pray tell, how do they put a submission into DFC?

Mr STUART AYRES: The Have Your Say elements—I can repeat this over and over again—

The Hon. DANIEL MOOKHEY: No, Minister, I am not sure you checked.

Mr STUART AYRES: —will give people in western Sydney an opportunity—

The CHAIR: We are going to have to come back to this. Minister, I will let you finish, but it is Ms Boyd's—

Mr STUART AYRES: No, we will keep going.

Ms ABIGAIL BOYD: We have loads of time. Just taking you back to the questions before on climate change adaptation and preparedness, given that your Government has no clear climate change adaptation or preparedness plan for western Sydney, will your Government be stepping in to help the people in western Sydney seek insurance for their properties, given that insurers are walking away?

Mr STUART AYRES: Sorry, can you be more specific? Walking away from what?

Ms ABIGAIL BOYD: Sorry. It is getting increasingly difficult to find insurance cover for extreme weather events particularly in places that have suffered from a number of them recently such as the three one-in-100-year floods that the western Sydney residents have had to deal with in the recent past.

Mr STUART AYRES: Just to be very clear, we have not gone anywhere near a one-in-100-year flood event in western Sydney in a long time.

Ms ABIGAIL BOYD: Given the increasing frequency and severity of those disasters that are impacting people across our State, including in western Sydney, it is becoming increasingly difficult to get insurance for your home and contents to cover those sorts of events. Given that there is no climate change adaptation or preparedness plan from this Government, will you be stepping in to assist them financially with that insurance?

Mr STUART AYRES: I think the first thing I would say is whether it is bushfires or floods, as two very obvious examples—

Ms ABIGAIL BOYD: Of climate change.

Mr STUART AYRES: —people need to be acutely aware of the location in which they are living and the risk which they are undertaking to live there. There are areas that are more prone to bushfire impacts, there are areas more prone to flood impacts. Choosing to live in those locations does come with a consequence and people need to be aware of what that consequence is. A direct response to the high-risk flood impacts across the Hawkesbury-Nepean is the New South Wales Government's flood mitigation strategy called Resilient Valley, Resilient Communities, which proposes nine different action items that make that community more resilient to flood impacts. Some of those include greater flood knowledge, better weather mapping, flood modelling, flood evacuation routes, the way in which we engage with councils around what they do for future developments and locations about making sure they are less likely to be impacted by floods, and it also includes raising the wall at Warragamba. These require multi—

Ms ABIGAIL BOYD: Can I just stop you there? That is an extraordinary response to say that people choose to live where they live, as though people are able to look at the map and say, "Oh, I fancy living there", and just stick a pin in it, so it costs nothing, as though everyone has the ability to live wherever they like. That is clearly not the case.

Mr STUART AYRES: I am not saying that they have; a lot of people do not have a choice about where they live.

Ms ABIGAIL BOYD: They do not have a choice where they live, that is correct.

Mr STUART AYRES: I am not suggesting that is the case. I am saying that whether it is by choice or whether it is by default or forced outcome, people do need to be aware of the risks that are presented to them about where they live.

Ms ABIGAIL BOYD: So people who are already socio-economically disadvantaged who have lived in their communities for decades, who are now dealing with higher and higher temperatures and extreme weather events, they are asking the Government to step in and actually prepare for and help them. It sounds to me like you are taking a personal responsibility approach to this. Is that right?

Mr STUART AYRES: I think, using the Hawkesbury-Nepean as an example, we have already provided a clear pathway to make that more resilient, but some people are going to continue to choose to live in historical developments that will have high risk to floods.

Ms ABIGAIL BOYD: Again, "continue to choose to live". Have you seen housing affordability numbers in this State?

Mr STUART AYRES: Yes, but this is a really good example about why it is a farcical proposition to buy out large tracts of residential homes in places that are in locations that have a flood risk. It is just not a feasibly possible option to buy out all of those people and ask them to relocate into a location that, based on the value of their home in one location, they may not be able to afford to buy in another. It is better to reduce that risk in the location that they are in and mitigate that flood impact.

Ms ABIGAIL BOYD: It is also a farcical proposition to expect people who are living in those areas, who have lived there for a long, long time, to suddenly pick up and move and afford a house somewhere else without any government assistance whatsoever, is it not?

Mr STUART AYRES: Of course.

Ms ABIGAIL BOYD: Right. So where is the government assistance financially for people dealing with the effects of climate change?

Mr STUART AYRES: There could well be a role for government—

Ms ABIGAIL BOYD: There is.

Mr STUART AYRES: —in being able to make communities more resilient to the impacts of climate change. I am not convinced that that extends to the point of paying for people en masse to be relocated. I just want to be really clear—as an example here, we are seeing this in Lismore right now—these communities are not a relatively small township, like Grantham in the Lockyer Valley, that can be completely relocated in one go. These are large-scale well-integrated communities—

Ms ABIGAIL BOYD: That require infrastructure that protects them against the worst effects of climate change.

Mr STUART AYRES: Like raising Warragamba Dam wall.

Ms ABIGAIL BOYD: Sorry, the science does not support you on that, but you keep saying we will talk about that later. Can I ask you something a bit more on one of your other portfolio areas, which is Sport, but still related to climate change? We saw during the 2018 Ashes series England's captain was hospitalised, suffering from dehydration because the air temperature hit 41.9 degrees. We continue to make further investments in Sydney's sporting facilities, but without taking into account sufficient climate abatement and adaption plans are we just building more sporting facilities that are going to be unusable because of climate change?

Mr STUART AYRES: I do not think climate change is going to substantially impact the sporting infrastructure in Sydney or New South Wales.

Ms ABIGAIL BOYD: On what basis do you make that statement? Has there been an audit?

Mr STUART AYRES: No, I am saying as a long-term Minister and someone who has been engaged in this portfolio I think I have a reasonable degree of experience to be able to say that the impacts of climate change are not going to substantially impact the major sporting events that are in our major sporting stadiums.

The Hon. PENNY SHARPE: It is already impacting on CommBank.

Ms ABIGAIL BOYD: Yes, and also what about all of the other sporting facilities in communities that are outdoors? If we are looking at temperatures, particularly in western Sydney, of 50 degrees, are we not making any plans to ensure that there are sporting facilities that are indoor and air-conditioned in the future?

Mr STUART AYRES: Of course indoor sporting infrastructure is important, but it is not a complete substitute for outdoor sport activity. I think sports will need to be able to ensure that they provide good information to—if you are talking from a community perspective—local clubs about how to protect the safety of their participants. But I think those settings sit with sports, and governments can provide advice around that. I do not think that we are going to be changing local cricket fields—and this is not an anti-climate change comment so please do not take it—

Ms ABIGAIL BOYD: I am not going to, no.

Mr STUART AYRES: I am just saying I do not think we will be changing local football fields and local cricket fields from what are largely open public spaces and investing substantial amounts of infrastructure into them to turn them into indoor spaces because of climate change.

Ms ABIGAIL BOYD: No, and to be clear, that is not the suggestion. I am asking whether there has been any sort of audit or strategy put in place within the Office of Sport that looks at the risk of certain facilities being unusable for greater percentages of the year because of these extreme climate change events, whether it be extreme heat or floods or whatever, to ensure that people can continue to play sport all the year round.

Mr STUART AYRES: I will take that on notice to just determine whether there has been any of that work done.

Ms ABIGAIL BOYD: I will cede the rest of my time, if you want to finish off.

The Hon. PENNY SHARPE: I will follow up on the stadium issue in particular. Minister, my understanding is that there is already a stormwater problem at CommBank in Parramatta. We have obviously had very heavy rains; I accept that. The Wanderers and Phoenix teams' games were cancelled recently as a result of that, but there has been criticism that the issues of stormwater that were warned about in the EIS process through the Office of Environment and Heritage were not addressed. Do you have a view about that? Are you aware of that issue?

Mr STUART AYRES: I will take that on notice and come back to you.

The Hon. PENNY SHARPE: Basically, there was criticism from the Office of Environment and Heritage that during that process, which was supposed to be a rigorous process for a very important stadium, they were warned that this would happen. Obviously, we have seen it in real time. If you could you also come back to

us on notice about whether the number of other games that will have to be cancelled as a result of that issue has been factored in and whether there will be remediation, that would be helpful.

Mr STUART AYRES: I am happy to take that on notice.

The Hon. PENNY SHARPE: Thank you. Minister, I want to ask you about the grants program for the Union Cycliste Internationale in Wollongong this year. Are you familiar with it?

Mr STUART AYRES: Yes, the UCI is a world cup event.

The Hon. PENNY SHARPE: We might have to come back to it as the bell has just gone, unless you want to keep going.

The CHAIR: We have to have a break now for 15 minutes, so we will be back at 11.15 a.m.

(Short adjournment)

The CHAIR: Welcome back, everybody. We will continue with Opposition questions.

The Hon. PENNY SHARPE: Minister, I want to ask you about the UCI Road World Championships happening in Wollongong this year. Are you aware of them?

Mr STUART AYRES: Yes.

The Hon. PENNY SHARPE: Are you aware that there have been a couple of rounds of grants funding? Are you aware that there are legacy grants attached to them?

Mr STUART AYRES: Yes.

The Hon. PENNY SHARPE: Are you aware that while it is being held predominantly in the electorates of Wollongong and Keira, the majority of the grants money has gone to Kiama?

Mr STUART AYRES: The legacy fund is not administered by the Government. We have a representative on the assessment panel. It is a fund that was established to support community cycling across the State, and UCI through their local organising committee have been allocated the legacy funds as part of our overall funding of the project. They take applications and then they distribute those funds, so the Government does not actually play a role in the distribution.

The Hon. PENNY SHARPE: You play no role in them?

Mr STUART AYRES: No, there is an Office of Sport representative on the assessment panel that plays, obviously, a role in assessing. There is a public servant that plays a role there.

The Hon. PENNY SHARPE: And who signs off on the grant?

Mr STUART AYRES: The local organising committee.

The Hon. PENNY SHARPE: Are you concerned that the majority of the funding thus far has gone to an electorate that is at least 25 kilometres from where the race is being held?

Mr STUART AYRES: I have not seen any reason to engage in the administration of that fund. It is consistent with the legacy arrangements that it was set up under.

The Hon. PENNY SHARPE: So you are happy for it to continue as is? I think there is an issue here, Minister, that if you have some involvement through the committee then you will be able to raise the issue of where the funding is going.

Mr STUART AYRES: I am happy to raise that with the local organising committee. But what I would say is I understand that there are a couple more rounds to go in allocating these funds, so I think it is probably a bit early to pass judgement on where the allocation of funds is going.

The Hon. PENNY SHARPE: I am asking you whether you will actually pay some attention to that and ensure that the funding is distributed in the electorates where the legacy event is being held.

Mr STUART AYRES: I am happy to raise that on your behalf, Ms Sharpe.

The Hon. PENNY SHARPE: Thank you. I would appreciate that. Minister, I want to talk about your cluster arrangements. Can I just confirm the agencies that are coming into the new cluster of Enterprise, Investment and Trade are the following: Investment NSW?

Mr STUART AYRES: That is correct.

The Hon. PENNY SHARPE: Institute of Sport, Office of Sport?

Mr STUART AYRES: Yes.

The Hon. PENNY SHARPE: Venues NSW?

Mr STUART AYRES: Yes.

The Hon. PENNY SHARPE: Destination NSW?

Mr STUART AYRES: Yes.

The Hon. PENNY SHARPE: Western Parkland City Authority?

Mr STUART AYRES: Yes.

The Hon. PENNY SHARPE: Create NSW?

Mr STUART AYRES: Yes.

The Hon. PENNY SHARPE: Art Gallery of New South Wales Trust, Australian Museum Trust?

Mr STUART AYRES: All of the cultural institutions—I think there are about 17 in total.

The Hon. PENNY SHARPE: I think this is right; I am just checking. Library Council, Museum of Applied Arts and Sciences, Sydney Opera House Trust, State Archives and greyhound welfare. Is that it?

Mr STUART AYRES: Yes, they are all being allocated to the department. The arts Minister has been allocated to this department, so all of those cultural institutions that sit with the arts Minister sit inside the department.

The Hon. PENNY SHARPE: You just said there would be 17 agencies, and I have only counted 14. Have we missed three?

Mr STUART AYRES: I am not sure about your total. All of the organisations that you have—you maybe have not included SARA.

The Hon. PENNY SHARPE: Archives—no, they were in there.

Mr STUART AYRES: I think you have left out Minister Anderson's portfolios of Liquor & Gaming and Racing NSW.

The Hon. DON HARWIN: Yes, she did not mention those.

The Hon. PENNY SHARPE: No, they are the ones. Okay, thank you.

The Hon. DANIEL MOOKHEY: Just on that, is the Independent Liquor & Gaming Authority in the cluster now—the ILGA?

Mr STUART AYRES: The functions of Liquor & Gaming, but the independent authority does not sit with me.

The Hon. DANIEL MOOKHEY: So the regulator part is not with you in the department?

AMY BROWN: That portfolio predominantly transitions across on 1 April.

The Hon. DANIEL MOOKHEY: Sorry, what does that mean?

Mr STUART AYRES: It means it will come across, so ILGA—

The Hon. DANIEL MOOKHEY: So ILGA, in total, will be in the department by April.

Mr STUART AYRES: Yes, the same way it currently sits inside Customer Service. It will transition across.

The Hon. PENNY SHARPE: Thank you. Just to be clear, at the moment the new entity does not exist. It does not exist until 1 April. Is that correct?

Mr STUART AYRES: No, technically, it exists legally. It was established when the Cabinet was formed and the administration arrangements were signed off on, but the formation of the department formally takes place from 1 April when it is allocated funding.

The Hon. PENNY SHARPE: Minister, do you know how much the creation of this cluster will cost?

Mr STUART AYRES: No, I think the answer to that is whatever Treasury gives us.

The Hon. PENNY SHARPE: Your colleagues might think that is really funny—

The Hon. DON HARWIN: I do not think it is funny; I have just had past experience of this at work.

Mr STUART AYRES: It is an accurate answer and, humour aside—surely there is a degree of levity that is still allowed—

The Hon. PENNY SHARPE: How about we get to where I am going with this, which is: The Auditor-General did a report that came out in December last year that looked at the changes in machinery of government in relation to DPIE and the creation of the Department of Regional NSW. It was extremely critical of the way this was administered. It made a series of recommendations to DPC and Treasury for guidelines on how existing staff and those that will be administering that—which I assume is Ms Brown—will deal with it. I would argue this is quite an unusual cluster. What is the rationale for the establishment of this cluster?

Mr STUART AYRES: I will work back on a couple of those things. When agencies move clusters, often referred to as MoGing—machinery-of-government changes—the budget that is allocated to those existing agencies moves across. That process is being undertaken with the establishment of this new Department of Enterprise, Investment and Trade cluster. There will be a request from this department to Treasury around the allocation of what I might largely call central services, or services to support the operations right across the cluster. We will take an approach to that that is to be as lean as possible. We have identified an office of the secretary as an entity that will sit across the top of this agency. We do not want this to be a heavy department bureaucracy. We have got good functioning agencies right across the department. We will play a sort of a support role, particularly for things like legal services, which would be a good example of where that could be consolidated.

The Hon. PENNY SHARPE: That is your shared corporate services. But that was not my question, Minister. My question is what is the rationale for the creation of this cluster?

Mr STUART AYRES: We think this cluster will deliver more efficient services and stronger management across all of these agencies. We think it also allows—

The Hon. PENNY SHARPE: Will there be fewer staff than there are currently?

Mr STUART AYRES: Fewer staff in each of the individual agencies?

The Hon. PENNY SHARPE: When it is brought together, will there be fewer staff than there are currently across all of those agencies that you are bringing together?

Mr STUART AYRES: I am not proposing any changes to their existing structures.

The Hon. PENNY SHARPE: So it is the same amount of staff, and you are going to have a secretary on top of that?

Mr STUART AYRES: That is correct.

The Hon. PENNY SHARPE: Are there any other senior executives that will be on top of that?

Mr STUART AYRES: We have announced two senior appointments—the secretary and the deputy secretary, Kate Foy. They are the two. All the other executive roles are in existence in the departments already. As I said, there will be that shared corporate services function, which we will—like all Ministers will do, we will seek funding from Treasury to be able to fund that.

The Hon. PENNY SHARPE: Do you know how much you are going to be seeking for that?

Mr STUART AYRES: That is subject to a Cabinet submission.

The Hon. PENNY SHARPE: You are not going to tell us. Just to give you a ballpark, when DPIE was created, it cost \$23.7 million. Are we talking about that much?

The Hon. DON HARWIN: DPIE or Regional [disorder]—

The Hon. PENNY SHARPE: No, we will get to that one. That is the second one. The Barilaro vanity project is a separate one. This one was \$23.7 million.

Mr STUART AYRES: It is subject to a future Cabinet decision and it is—so I am not going to disclose those figures at this stage.

The Hon. PENNY SHARPE: Is it \$5 million, \$10 million, \$20 million?

Mr STUART AYRES: You can go a long time, Ms Sharpe.

The Hon. PENNY SHARPE: We might have to come back at the end of the year and ask that. I do not think it is an unreasonable question. As I said, the Auditor-General was extremely scathing. There are a lot of promises made about machinery-of-government efficiency changes. You have talked about efficiency, and all you

have said to me so far is that you have two more senior executives and everyone keeps their jobs. I do not see necessarily where you are going to be saving any money in relation to the creation of this cluster.

Mr STUART AYRES: I think this cluster has not been created as a savings measure. Let us be clear about that.

The Hon. PENNY SHARPE: Good.

The Hon. DANIEL MOOKHEY: I believe you on that.

The Hon. SHAYNE MALLARD: It is strategic.

The Hon. PENNY SHARPE: That is clear.

The Hon. JOHN GRAHAM: It is becoming clear.

The Hon. SHAYNE MALLARD: The fiscal conservatives over there! It is amazing.

The Hon. PENNY SHARPE: No, the point is that the Auditor-General said that there needs to be a very clearly defined—what is the problem that you are trying to solve and what are the benefits that will be derived through this arrangement? That is what I am asking.

Mr STUART AYRES: This department allows for our investment attraction, trade and international engagement, and economic development activities to be coordinated through a more central location. On top of that, you also have the role of Office of Sport, Destination NSW and Create NSW, and a number of the related entities that sit alongside those individual agencies. We think that they can be more collaborative. We think that they can work more closely together. A lot of them are driving towards improving the performance of the visitor economy. They manage a whole suite of assets that are big economic contributors to the State. The value of the creative enterprises, the value of the sport economy, the value of the visitor economy should all have a focus for this Government, and this department will do that.

The Hon. PENNY SHARPE: How will it monitor that vision and report against that?

Mr STUART AYRES: Sorry?

The Hon. PENNY SHARPE: What is the defined reporting against that framework?

Mr STUART AYRES: All of these agencies will develop their own strategic plans. Some of them are continuing to implement them. They also report, through their annual reports, on their performance each year, and I appear before committees like this to answer your questions.

The Hon. PENNY SHARPE: That is right. A word to the wary: the Department of Regional NSW now cost \$4 million extra in direct costs to establish and is now costing almost an extra \$3 million annually.

Mr STUART AYRES: There are around 3,800 employees across this entire department. There is a substantial amount of people who are already employed in here. Some of these agencies are coming from different departments. We will want to make sure that that shared corporate services role is as efficient as it can be. As I said before, the establishment of this department is not a budgetary savings measure; it is about improving the way in which government can engage with external stakeholders and deliver on economic performance for the Government.

The Hon. PENNY SHARPE: You might want to take this on notice. It would be good to get how you are going to measure that.

Mr STUART AYRES: Happy to.

The Hon. PENNY SHARPE: And the framework against which that will be looked at.

Mr STUART AYRES: Yes, I will provide you with a more detailed answer on that.

The Hon. PENNY SHARPE: Can I confirm that the new department will have around 3,800 staff? Is that right? Is that what you just said? Sorry, I might have missed that.

Mr STUART AYRES: Sorry, the cluster of eight agencies.

The Hon. PENNY SHARPE: Yes, the cluster of all the agencies. That is what I mean.

Mr STUART AYRES: Yes.

The Hon. PENNY SHARPE: Ms Brown is here. She is currently the CEO of Investment NSW as well as the Secretary of the Department of Enterprise, Investment and Trade. Is there a new CEO position?

Mr STUART AYRES: No.

The Hon. PENNY SHARPE: So are you going to have the joint roles?

Mr STUART AYRES: That is correct.

The Hon. PENNY SHARPE: That is what is going to happen. How will you deal with the cross-board issues? My understanding is that Ms Brown is the CEO. She is also on the board of Destination NSW. How will that be worked through?

Mr STUART AYRES: It does not change.

The Hon. DANIEL MOOKHEY: Is Destination NSW staying as a standalone agency now or is it merging into Investment NSW?

Mr STUART AYRES: It is a standalone agency.

The Hon. DANIEL MOOKHEY: It is listed as part of Investment NSW's group. What does that mean?

Mr STUART AYRES: To be clear, when Investment NSW was created, Destination NSW was brought into Investment NSW. With the creation of this department, Destination NSW will continue to function as a standalone entity.

The Hon. DANIEL MOOKHEY: It is leaving Investment NSW and joining the cluster. Is that true?

Mr STUART AYRES: Yes, that is what will take place from 1 April.

The Hon. DANIEL MOOKHEY: But a year ago we were being told that the whole purpose of creating Investment NSW was to consolidate these functions. It is not even a year. In fact, I am fairly positive this is the one-year anniversary of Investment NSW. Congratulations. If it was such a good idea to merge Destination NSW in with Investment NSW literally 12 months ago, why is it that less than 12 months later we have had the decision effectively reversed at further cost?

Mr STUART AYRES: My response to that is the change of leadership and the appointment of or the election of Dominic Perrottet as the Premier allows him to establish the government structure that he wants—

The Hon. DANIEL MOOKHEY: So the Premier told you to take Destination NSW out of Investment NSW.

Mr STUART AYRES: We believe that Destination NSW will be most efficient running as the standalone entity that—

The Hon. DANIEL MOOKHEY: What was the cost of putting—

The Hon. PENNY SHARPE: A year ago, you said. What has changed in a year?

The Hon. DANIEL MOOKHEY: That question.

Mr STUART AYRES: The creation of the department.

The Hon. DANIEL MOOKHEY: What was the cost of putting Destination NSW into Investment NSW?

Mr STUART AYRES: I will take that on notice.

The Hon. DANIEL MOOKHEY: Does the secretary know?

Mr STUART AYRES: I will take it on notice.

The Hon. DANIEL MOOKHEY: What is the cost of getting them out?

Mr STUART AYRES: I will take it on notice.

The Hon. DANIEL MOOKHEY: How many staff are going to have to leave Investment NSW now?

Mr STUART AYRES: I will take that on notice.

The Hon. DANIEL MOOKHEY: Minister, let us talk about WestInvest again. I think where we left off was you—

Mr STUART AYRES: Always happy to talk about investing \$5 billion in western Sydney.

The Hon. DANIEL MOOKHEY: If you could explain to me on this point then, if you are so happy, when the last dollar will be spent from WestInvest.

Mr STUART AYRES: That will be dependent on the individual projects that are selected in each of the three rounds and the conclusion of their construction time frames.

The Hon. DANIEL MOOKHEY: How much is in this year's forward estimates?

Mr STUART AYRES: The allocation of projects will be completed by the end of this year.

The Hon. DANIEL MOOKHEY: No. This was put into the half-year budget review. There was a variation, which was listed as a new policy measure. How much of it is in this financial year?

Mr STUART AYRES: I think that question would be better directed to the Treasurer. But what I can tell you is that we have said publicly that the allocation of all of the projects will be determined this year.

The Hon. DANIEL MOOKHEY: All \$5 billion or the \$2 billion community project fund?

Mr STUART AYRES: All \$5 billion. That has also been publicly stated before.

The Hon. DANIEL MOOKHEY: I am not sure. You are telling me that all of the money will be allocated this year.

Mr STUART AYRES: That is correct.

The Hon. DANIEL MOOKHEY: And then put over the budget over what—the forwards?

Mr STUART AYRES: Yes. It will be dependent on—

The Hon. DANIEL MOOKHEY: How much is in next year?

Mr STUART AYRES: You and I both know that until you select the projects and you know the construction time frames—

The Hon. DANIEL MOOKHEY: No, that is not true, Minister, because it gets put into the budget anyway. That is how it gets reported. It has to, by law, be reported that way. You can change it in future budgets. You are more than welcome to. But it is in the budget. So for the next—

Mr STUART AYRES: I am sure that you can read the budget paper when it is published in June.

The Hon. DANIEL MOOKHEY: I did actually, which is why I am here at budget estimates asking you the question at budget estimates. Do you have the half-year budget review with you?

Mr STUART AYRES: No, I do not.

The Hon. DANIEL MOOKHEY: Do you have the budget papers?

Mr STUART AYRES: Not with me right now.

The Hon. DANIEL MOOKHEY: Then, in the absence of you bringing the budget papers to budget estimates, can you explain to me how much is in the next financial year?

Mr STUART AYRES: That will be reported in the budget.

The Hon. DANIEL MOOKHEY: It is reported in the budget?

Mr STUART AYRES: Yes.

The Hon. DANIEL MOOKHEY: I want to know how much of it is actually meant to be profiled because again this was nominated as a stimulus program. Therefore, when the money is spent is just as important as what you are spending it on. Given that your Government nominated this as a stimulus program, can you at least tell us how much is going to be spent over the forward estimates.

Mr STUART AYRES: It will be reported in the budget.

The Hon. JOHN GRAHAM: I thought you were happy to talk about this, Minister.

Mr STUART AYRES: Yes. We are going to spend \$5 billion in western Sydney.

The Hon. DANIEL MOOKHEY: Given the \$3 billion that is available to New South Wales government agencies will be all allocated by the end of this year, when will the guidelines be developed?

Mr STUART AYRES: The Treasurer has already announced that the guidelines will be released in the, I think he said, not-too-distant future.

The Hon. DANIEL MOOKHEY: Is it going to be public?

Mr STUART AYRES: Sorry?

The Hon. DANIEL MOOKHEY: Are they going to be public?

Mr STUART AYRES: Yes.

The Hon. DANIEL MOOKHEY: Is there a requirement for agencies that are wanting to spend some of this \$3 billion to produce a business case?

Mr STUART AYRES: That will be reflected in the guidelines.

The Hon. DANIEL MOOKHEY: Has that decision been made or not?

Mr STUART AYRES: It will be reflected in the guidelines. You can read them when they are published.

The Hon. DANIEL MOOKHEY: No? Again, we know that there is a committee meant to assess it, which is good. That is welcome. But we do not actually have any idea as to what they are assessing it against. These are basic questions that the Government follows when it comes to all such special funds. Again, is there going to be a requirement to produce a business case?

Mr STUART AYRES: You can read the guidelines when they are published.

The Hon. DANIEL MOOKHEY: What about a benefit-cost ratio? Is there a requirement for there to be a benefit-cost ratio of greater than one before your Government spends the money?

Mr STUART AYRES: You can read the guidelines when they are published.

The Hon. PENNY SHARPE: You cannot confirm that?

The Hon. DANIEL MOOKHEY: Does Mr Draper and Infrastructure NSW have a role in any of this?

Mr STUART AYRES: Mr Draper has been announced as one of the public servants that will play a role in the selection process and recommendations to Government.

The Hon. DANIEL MOOKHEY: Is Mr Draper in a position to tell us whether or not there is a BCR requirement greater than one?

Mr STUART AYRES: No. We have not published the guidelines.

The Hon. DANIEL MOOKHEY: That is not the question.

Mr STUART AYRES: Yes. I am—

The Hon. DANIEL MOOKHEY: Is there a requirement, before we spend this borrowed money, that we at least know that the benefit is going to be greater than the cost?

Mr STUART AYRES: You can read the guidelines on which the Government will make its selections when they are published.

The Hon. DANIEL MOOKHEY: This is a requirement of Restart NSW and other funds that are administered by Infrastructure NSW. Why has this got less of a legislative certainty than those funds?

Mr STUART AYRES: The process and allocation of funds will be governed by the guidelines that the Government will release publicly.

The Hon. DANIEL MOOKHEY: That is not my question, Minister. Again, maybe listen carefully to it. Given that other special funds have their own specific criteria—to be fair to Restart NSW, that is written into law—why does this fund not have the same legislative protections and oversight?

Mr STUART AYRES: It does not need it.

The Hon. DANIEL MOOKHEY: Why not?

Mr STUART AYRES: It does not. It is an appropriation of Government.

The Hon. DANIEL MOOKHEY: So? Technically so are the others. You are telling me that you are not worried about whether or not it has a lower governance standard than other funds.

Mr STUART AYRES: I am not critiquing the governance structure. I am saying the \$5 billion allocated to WestInvest is a good outcome for western Sydney.

The Hon. DANIEL MOOKHEY: Yes, but you are not capable of explaining why, let alone how, so I am going to keep pushing this. How can we accept that your Government is not going to be treating this like just

another slush fund if you are not in a position to explain how the money will be allocated, whether or not the benefit is meant to exceed the cost, whether or not Infrastructure NSW has the ability to exercise their independent function? Given your inability to even answer the most basic of questions about how this \$5 billion is going to be spent, why should we not be concluding that this is a slush fund?

Mr STUART AYRES: I have said to you clearly the Government will release the guidelines about how decisions are going to be made. I do not accept the principle. I think there is a latent question about the integrity of the people that will make recommendations to the Government—

The Hon. DANIEL MOOKHEY: Yes, you and the Ministers. To be very clear here, yes, given your Government's record and given when it comes to allocating discretionary funds—I want to be very up-front here—we have no confidence in your ability to exercise this, as ministries, different from public servants. That is the question. How are we going to have these funds protected from your Government's past behaviour?

Mr STUART AYRES: Is this where I—my strong view is that the guidelines will be published, the structure around selection that the Government has put in place will ensure that there is \$5 billion that will be invested across 15 local government areas in western Sydney and that will be to the substantial benefit of those communities.

The CHAIR: Ms Faehrmann.

Ms CATE FAEHRMANN: Thank you, Chair. Good morning, Minister.

Mr STUART AYRES: Good morning, Ms Faehrmann.

Ms CATE FAEHRMANN: I think this is a question for Mr Draper to begin with. I wanted to ask a question or two about Dungowan Dam just in terms of whether any business case, whether it is final or draft, for Dungowan Dam has been submitted to Infrastructure NSW.

The Hon. DON HARWIN: Point of order: Madam Chair, I wonder if you might ask the member to outline how this falls within the portfolio of the Minister under examination and whether in fact it should be directed to another Minister at another budget estimates.

The CHAIR: In relation to the point of order, the question is in order.

The Hon. DON HARWIN: No, it is not in order if it has nothing to do—

Ms CATE FAEHRMANN: To the point of order: The Minister is the Minister for investment. Investment NSW is here. So I am asking questions in relation to that portfolio.

The Hon. DON HARWIN: With respect, Ms Faehrmann, you are asking a question about a piece of water infrastructure which will be within the ownership of the State Government and which falls therefore under the portfolio of another Minister.

The CHAIR: Ms Faehrmann has just explained where she is coming from. I will allow the question and we will see—

Mr STUART AYRES: I am going to respond, just to add some clarity. Infrastructure NSW attends these hearings because I am the coordinating Minister for raising of the Warragamba Dam. All other Infrastructure NSW projects, unless they fall within the remit of one of my other portfolios—good example of that would be Sport—should be directed towards the relevant Minister. I am not being petulant about this. I am just merely saying why Infrastructure NSW is here—because of a specific tasking that is given to me as the coordinating Minister for the Warragamba Dam project.

The CHAIR: Yes, understood.

Ms CATE FAEHRMANN: All right, I am done then. I was just here for that. I will go back to chairing my other committee.

Mr STUART AYRES: I don't mean to be annoying, but—

Ms CATE FAEHRMANN: I'll come back.

The CHAIR: Fair enough. It's still crossbench time. Ms Boyd?

Ms ABIGAIL BOYD: Thank you. I wanted to take you, Minister, to a discussion that we had last budget estimates around the Supercars in Newcastle. I asked you then about the decision to continue with the Supercars, but also the Supercars attendance figures. Some of the responses that I received on notice raised some further questions. Just to take you back to that, within Destination NSW's 2017-18 annual report there is a statement that says:

In regional NSW, the inaugural 2017 Coates Hire Newcastle 500 was a resounding success, with Supercars Australia reporting a crowd of 192,242 over the three day event.

The key there is that that was a figure reported by Supercars Australia. I then asked you about allegations that they were quite inflated attendance figures, on notice. The answer you gave back to me was that Destination NSW undertakes its own evaluation of all event investments based on visitation and economic benefit to the region. That, to me, implies that Destination NSW has done some independent assessment of the attendance figures, but I understand that that is not true. Could you clarify today whether the evaluation of that event undertaken by Destination NSW was solely reliant, in relation to visitation figures, on the figures given to it by Supercars Australia?

Mr STUART AYRES: I will have to take that on notice because I am not familiar exactly with what process they undertook. I do not know whether there was any, to use your turn of phrase, independent analysis of those numbers. I will take that on notice and provide that information back to you.

Ms ABIGAIL BOYD: Would it be appropriate, perhaps, to ask Mr Cox to respond?

Mr STUART AYRES: I think we will take it on notice. It is much easier to provide more accurate information.

Ms ABIGAIL BOYD: With respect, Mr Cox is a witness here. I can ask him this afternoon when you are not here, if you like, or we can ask him here now. But if he has the knowledge then he is under oath and obliged to answer.

The Hon. SHAYNE MALLARD: Point of order: It is obvious that the Minister has said he will take it on notice and get more detailed information. Regardless of what other witnesses are here, the Minister has made that decision and he is entitled under the code, in terms of procedural fairness, to take a matter on notice. That is usually where it should end.

Ms ABIGAIL BOYD: To the point of order: The Minister and the officials are all under oath. It is very clear in the Chair's opening statement that a question is to be taken on notice only when it is genuinely unable to be answered because you do not have the information in front of you.

The Hon. SHAYNE MALLARD: We are not suggesting that.

Ms ABIGAIL BOYD: We have not asked Mr Cox if he has that information in front of him. I think he should be given the opportunity to answer.

The CHAIR: Yes. The Minister is entitled to take the question on notice, but Mr Cox is here is a witness and a question has been asked to Mr Cox. Mr Cox, you are able to answer it, if you can.

STEVE COX: Good afternoon. Unfortunately, I would have to take that one on notice as well. Individual events are assessed in individual ways, so I am happy to find the detail.

Ms ABIGAIL BOYD: Thank you. That would be very much appreciated. Minister, if I could take you now back to sport—and not in relation to climate change, you will be pleased to hear. I would like to discuss the Her Sport Her Way program and improving gender equity in sport more broadly. Are you familiar with the New South Wales Equal Pay for Equal Play campaign?

Mr STUART AYRES: I am.

Ms ABIGAIL BOYD: Very good. Has any consideration been given to limiting those Her Sport Her Way grant recipients to organisations that provide equal opportunity and equal prize money along with an actionable gender equity strategy?

Mr STUART AYRES: We have already put in place a requirement for sporting organisations that receive those funds to put a women's strategy in place. What we have not done is tie sport grant funding to organisations based on the principle of equal pay, and there is a reason why I think that would be a bad thing to do. A lot of the government funding that we do provide for sporting organisations, particularly for the enhancement of women's participation, engagement and professionalisation of sport—if we were to remove that funding, the capacity for those sport organisations to actually improve what happens with women would be compromised. I think it would be women who would lose out if we undertook that. I think the principle that the campaign is trying to reach is a sound one. What I do not think we should do is harm or damage what has been quite a substantial improvement in the way sport engages with women and the professionalisation of women's sport. We should be continuing to encourage that. We should continue to use government funds to deliver against those objectives.

Ms ABIGAIL BOYD: In terms of using government funds to deliver those objectives, I agree with you that what you do not want is for there to be a withdrawal of all funding, which then makes it so that we cannot have women playing sport to the levels that they should be. But, on the other hand, we are dealing with a situation where women athletes are not getting paid the same as men for the same role. Does that then imply a greater need for government funding to correct that inequity?

Mr STUART AYRES: In professional sports, pay is often linked to the revenues that are generated by those sports. So, if we want women to be getting paid more for playing in professional sport, we will need more people to watch and engage with female sport. That is almost an indisputable fact. These sports generate revenue through the people who watch them. That comes from a corporate perspective. No matter what the Government gives, it is not going to outweigh the amount of revenue that is generated through non-government sponsorship. What government should do is continue to encourage particularly the professionalisation of women's sport, increasing pay for female athletes.

In my mind there is a direct correlation of the quality of the sport against the professionalisation of those sports, i.e. paying women more. You have seen this in sports like cricket, which were leaders in finding corporate support to pay female cricketers to become more professional. The quality of their performance has increased. The Government did not do that, but the Government did set conditions and also helped those sports create strategies to improve the performance of their sport when it comes to engaging women and increasing professionalisation. It would seem counterintuitive for me to then support the idea of withdrawing funds from those sports that are indeed trying to enhance women's participation and increase professionalisation.

Ms ABIGAIL BOYD: Firstly, there is a lot to unpack there, but I will just come back to the first question. Given that there is a concern that you have expressed, that if you were to make equal pay for equal play a condition of these grants, there would be a basic withdrawal of funding or you would not be giving as much funding, my question to you was: Does that not mean that you just need to provide a bit more funding to allow those sports to be able to also provide equal pay for equal play?

Mr STUART AYRES: A huge portion of what the New South Wales Government invests through the Office of Sport into infrastructure program delivery like Her Sport Her Way is about enhancing accessibility for women. It is a key focus of almost all of our infrastructure funds that are in the community at the moment. If we get allocated more funds to be able to do more things, then I think it stands to reason that we want to see more women and girls playing sport, so we would invest more money behind that if it was allocated to us.

Ms ABIGAIL BOYD: Just coming back to the remainder of your response to the last question, in relation to—if more people are watching then there will be more interest, and then women will get paid more because they will be more revenue in the sport. That is what I understand you were saying. Clearly that works both ways. If there is no decent pay for women, why would anybody be going into that sport in the first place? The attractiveness of the sport is low. Clearly these things need to come together. If we have equal pay—and, accordingly, respect—for women players, wouldn't women be encouraged to then invest their time in that sport? That would itself create a better quality of play.

Mr STUART AYRES: I absolutely want to see more professional female athletes. I am just not convinced that it is the role of Government to pay those athletes with taxpayer funds.

Ms ABIGAIL BOYD: I would love to know what you think the role of Government is because if it is not to correct historic inequity in something as simple as sport, where decades of leaving it to the market or to whatever has not worked, what is the role of Government?

Mr STUART AYRES: I think what you are seeing at the moment is quite a profound adoption by high-profile sports in Australia to substantially increase their female product. You have seen it with AFLW and you have seen it with the women's NRL program. Cricket has been right at the forefront of that. In fact, right now the Women's ICC T20 World Cup is on. In fact, New South Wales was a leader in this space with the professionalisation of women's cricket when a corporate, Lendlease, funded the salaries of female cricketers so that they could be professional athletes. That very decision by corporate Australia allowed for the substantial increase in the performance of female cricket, which in my mind triggered a very clear run that has allowed women's cricket to become much more profound in the community.

Ms ABIGAIL BOYD: So you credit the advancement of women in cricket to a corporation, not to the clubs, communities and players associations who have been actively pushing women to get more involved in the sport. You are actually crediting some investment from a corporation.

Mr STUART AYRES: I am not saying to the exclusion of local cricket clubs that have fostered female cricketers in their local cricket clubs, the amount of local coaches or all of those things. The reality is that what

took women's cricket in New South Wales from where it was to allow women to not have to work but to focus exclusively on their cricket-playing ability was the financial support provided by Lendlease.

Ms ABIGAIL BOYD: Extraordinary.

Mr STUART AYRES: This is exactly what you want to happen. I want every ASX 200 business in Australia to fund more women's sport. What is wrong with that?

Ms ABIGAIL BOYD: Please stop.

Mr STUART AYRES: That is exactly what you want to happen. You want them to sponsor women athletes so they get paid more money. That is what happens in sport.

Ms ABIGAIL BOYD: Can we talk about AFL. At the moment the average salary for men's AFL is \$372,224. A lot of the players get over \$1 million. I think one of them gets \$1.2 million. So it is \$372,224 as an average. Women players get between \$20,239 and \$37,155 per year. We are looking at a difference of almost—what is it—a factor of 20. You would say that that is enough for a woman to give up whatever other opportunities she had to then commit herself to a career in AFL? Is that sufficient to you?

Mr STUART AYRES: Ms Boyd, I am saying the exact opposite to that. I am saying that unless you make sport supported and attracted by corporate Australia, then women will not be able to play and earn enough money to forgo what they would do in their other workforce. The professionalisation of sport is funded through the people who watch it. People who watch it then generate sponsorship revenue. Sponsorship revenue gets reinvested back into the athlete through their salary. We are on a rapid, rapid uptake here. Just a few short years ago there was no NRLW, there was no AFLW, and the concept of seeing Belinda Clark on your TV screen in an Australian World Cup team was unimaginable. Now Meg Lanning is on posters on walls of young cricketers, both male and female, right across the country.

Ms ABIGAIL BOYD: Again, the fact that you are crediting corporate Australia with that is quite extraordinary, and the idea that there is a concept of corporate Australia.

The Hon. DON HARWIN: It is the truth though, Abigail.

The Hon. PENNY SHARPE: Stop interjecting.

The CHAIR: We do not need commentary from the sidelines, thank you. You can take a point of order.

The Hon. DON HARWIN: Point of order: The stream of abuse that is coming from Ms Abigail Boyd to the Minister, which is what I am responding to, is partly why I am getting exasperated. I think her treatment of the witness is completely out of order, and your performance in the chair is not much better.

The CHAIR: There is no abuse here. In fact, this is an abuse of process.

The Hon. PENNY SHARPE: I do not think he needs your help, actually.

The CHAIR: We are now just wasting time. Ms Boyd, you can continue, without commentary from the sidelines.

Ms ABIGAIL BOYD: Again, if we could look at the A-League soccer, men are getting \$136,791 as an average wage whereas women are getting \$17,055. Again, these are massive discrepancies. Can I confirm—and then I will hand over to Ms Sharpe because I do not think I can cope anymore—that you believe it is the responsibility of corporate Australia and not the Government to be encouraging women into sport in New South Wales.

Mr STUART AYRES: It is everyone's responsibility, Ms Boyd. It is not just the Government. It is not just businesses and corporate Australia. It is everyone's responsibility. We all benefit from that.

Ms ABIGAIL BOYD: Everyone else is pulling their weight though.

Mr STUART AYRES: The Government is not going to pay the salaries of professional athletes.

Ms ABIGAIL BOYD: No, and that is not what is being asked of you.

The Hon. DON HARWIN: You have repeatedly asked for that.

Ms ABIGAIL BOYD: We are asking you to be actively encouraging.

Mr STUART AYRES: If you want female athletes to be more professional and get paid more dollars, if you want that pay to be equal, then you need to drive more corporate revenue into sport. That is the only way.

Ms ABIGAIL BOYD: Or you could perhaps regulate the way that you give grants or a whole bunch of things.

The Hon. DON HARWIN: Are you asking a question or are you just debating?

The Hon. PENNY SHARPE: I want to pick up on something slightly different but it is about the same issue. The Her Sport Her Way strategy adopted Sport Australia's Mandatory Sports Governance Principles, which has the target of 40 per cent of women on boards for State sporting organisations, which would be a good start. Are we on track to actually achieve that?

Mr STUART AYRES: I would have to take that on notice. I do not know off the top my head what the allocations are.

The Hon. PENNY SHARPE: If you could take that on notice in terms of how many organisations are meeting the criteria and whether you have a time frame. I know, for example, the ACT is on track, from their report in terms of their State organisations. There are much fewer in the ACT, I accept that. But it would be good to know.

Mr STUART AYRES: There is a vast number of State sporting organisations. I will take that on notice.

The Hon. PENNY SHARPE: I am also keen to understand what role the Office of Sport has in monitoring that, in terms of are we asking the questions and do we know?

The Hon. DANIEL MOOKHEY: Minister, can we have clarified, is Minister Anderson in your cluster now?

Mr STUART AYRES: The Hospitality and Racing portfolio is in this cluster. Sorry, I think Ms Jones was going to answer the previous question.

KAREN JONES: The previous question.

Mr STUART AYRES: Minister Anderson's Hospitality and Racing portfolios are in the Enterprise, Investment and Trade cluster. His Lands and Water portfolio is in the department of planning.

The Hon. DANIEL MOOKHEY: So is he now in both clusters, as in he is formally a Minister who has got interactions with both, not—

Mr STUART AYRES: He has two portfolios and they are split across different clusters.

The Hon. DANIEL MOOKHEY: Are Minister Anderson's functions in respect to ILGA supportive of this cluster?

Mr STUART AYRES: Yes, they will be from 1 April.

The Hon. DANIEL MOOKHEY: And that includes the casino regulation function?

Mr STUART AYRES: That is correct.

The Hon. DANIEL MOOKHEY: And that includes the liquor, hospitality and gaming regulatory and enforcement function?

Mr STUART AYRES: Yes.

The Hon. DANIEL MOOKHEY: Do you have any role in any of that?

Mr STUART AYRES: No, that sits with Minister Anderson—other than being the cluster Minister.

The Hon. DANIEL MOOKHEY: So why has ILGA been moved?

Mr STUART AYRES: Because the hospitality—all of those arrangements that currently sit with DCS are being moved across through the machinery of government arrangements with Minister Anderson into this department.

The Hon. DANIEL MOOKHEY: We have gone through at some length over the past few years the Better Regulation regulatory structure, which has taken root in the now DCS, or Department of Customer Service. What care has been given to ensure that ILGA has the requisite levels of independence in the new structure?

Mr STUART AYRES: I do not propose any changes to ILGA's function.

The Hon. DANIEL MOOKHEY: Sure, but ILGA's funding comes from distinct sources. It does not actually come from—

Mr STUART AYRES: There will be no change to that.

The Hon. DANIEL MOOKHEY: But what I am interested in is the reason why all the other regulators were kept there in DCS was in order to ensure that each of them could comply with their respective laws and equally their respective and different funding sources. For example, SIRA gets its funding from workers compensation programs. ILGA gets it from casino funds, when it comes to casino enforcement. How is your cluster going to keep ILGA's separate accounts accounted for?

Mr STUART AYRES: There is no proposed change.

The Hon. DANIEL MOOKHEY: There is one: It is coming into your cluster.

Mr STUART AYRES: Its account arrangements, we are not proposing to change anything with the way ILGA functions.

The Hon. DANIEL MOOKHEY: Sure. What steps are you taking to ensure that this cluster is not using any of those resources for purposes that are impermissible?

Mr STUART AYRES: Why would we do that?

The Hon. DANIEL MOOKHEY: Multiple reasons actually, from past experience. But I am asking you the question: What steps are you taking to ensure that there is effectively a wall between ILGA's regulatory functions in the other place—

Mr STUART AYRES: My best answer is that the existing functions of ILGA will not change, regardless of where they are located—

The Hon. DANIEL MOOKHEY: Finally, is the reason why ILGA has been moved into a cluster to take it out of the remit of Minister Dominello's portfolio?

Mr STUART AYRES: No, I do not believe that is the case at all.

The Hon. JOHN GRAHAM: Minister, I might ask you about the night-time economy. Firstly, are you aware of the decision of the Victorian Government to supply a minimum fee for musicians who perform, if there is public funding attached to the performance, of \$250? There is a guarantee of \$250 that the musician gets for performing. Are you aware of that decision?

Mr STUART AYRES: I have seen the announcements. I do not know all of the details that are in that individual announcement by the Victorian Government. But, yes, I have seen what they have announced.

The Hon. JOHN GRAHAM: This issue has been raised with the New South Wales Government, it has been raised with you in your former role. So far the Government here in New South Wales has declined to back that idea: a guarantee that the artist gets, say, \$250 if there is public funding applied to an event. Will you back that decision, that principle, here in New South Wales?

Mr STUART AYRES: That is not something that we are currently proposing. We have got a 24-hour economy strategy, 39 action items—35 of those are currently underway. I think you are familiar with a number of them. But that proposal that has been brought forward by Victoria is not something that we are currently considering as a pathway forward.

The Hon. JOHN GRAHAM: I will turn to the question about venues. Firstly, I want to give you some credit for the \$24 million that has been announced to support New South Wales venues; you played a key role in seeing that funding applied. But you have been warned that, without more support, venues in New South Wales will close. We have lost the Lansdowne Hotel, 505 and the Giant Dwarf theatre, Frankies will close as a result of the metro and the Narrabeen RSL has paused its operations. Are you concerned that we will continue to lose venues in Sydney at the moment?

Mr STUART AYRES: I think the economic conditions make hospitality businesses, particularly access to live music, immensely challenging. It is one of the reasons why the Government put that \$24 million behind live music venues. I think one of the biggest challenges that exists with many of these locations that have been traditionally live music venues that we have all got to know and love is that they also have other uses that are permissible in them. In constrained economic times landowners, property owners, will often look to maximise the use of their asset and that does put pressure on locations that are music venues. That is the main reason—

The Hon. JOHN GRAHAM: These are five of the key independent venues in Sydney; they are gone. You are being warned there are more on the way. Do you accept that is the risk right at the moment?

Mr STUART AYRES: I think in the current environment there is always risk that venues will go. I think there are also people who want to open up more live music venues—that is not to say that is an easy thing to do right now, particularly as confidence is only starting to re-emerge in the—

The Hon. JOHN GRAHAM: It has been one-way traffic, Minister. The number of closures has really exceeded the number of people opening their doors. You would accept that?

Mr STUART AYRES: Yes, I am not denying that. As you would expect with the profound impact of COVID-19 over the last two years, one of the things that I think I have to say is most disheartening for me was the work that was done by industry and government in developing the 24 Hour Economy Strategy, the time frame at which we launched that was literally just before COVID.

The Hon. JOHN GRAHAM: Yes, I agree with that.

Mr STUART AYRES: And I do not think it has really had an opportunity to fully implement all of its benefits. In many respects, we have just been in trying to keep people going and alive. We have also prime pumped a lot of other activities—things like events, the CBD revitalisation, there are a lot of music activities—

The Hon. JOHN GRAHAM: To your credit, Minister. I am glad you mentioned the strategy because you have not answered my question about one of the key elements of that strategy—that is the poem which is in there, the night-time economy poem entitled *Sydney's 24-hour Vision*.

Mr STUART AYRES: The poem?

The Hon. JOHN GRAHAM: I will remind you about a little bit of it. It says:

There are cities that never sleep but somehow keep you dreaming.

Global cities.

Sydney is one of them.

I will not read you the full poem, Minister. Although I will draw your attention to my favourite line:

Where we also value our functional amenities—late-night pharmacies, all-hour gyms and accessible public transport.

Minister, you will not answer who wrote this poem and how much it cost taxpayers. What are the answers to those questions?

Mr STUART AYRES: I think we have responded to that on notice in the past.

The Hon. JOHN GRAHAM: Yes, and refused to provide the details of who wrote it and how much it cost.

Mr STUART AYRES: It was included in the cost.

The Hon. JOHN GRAHAM: Who wrote this?

Mr STUART AYRES: It was included in the cost of the strategy.

The Hon. PENNY SHARPE: It is a terrible poem.

Mr STUART AYRES: I will take that on notice.

The Hon. SHAYNE MALLARD: Are you a critic of it?

The Hon. JOHN GRAHAM: Read the poem.

The Hon. DANIEL MOOKHEY: Did you write the poem?

Mr STUART AYRES: No, I did not write the poem.

The Hon. DANIEL MOOKHEY: Just getting it on the record. It is probably in your interests to distance yourself.

The Hon. JOHN GRAHAM: It is in your interests; that is an important clarification.

The Hon. DANIEL MOOKHEY: Where are we up to in terms of recruiting your senior trade and investment commissioners for America and Greater China?

Mr STUART AYRES: We are close to the end of that recruitment process. I can confirm for the Committee that I understand the short-listed candidates are undertaking interviews in the next month for both of those roles.

The Hon. DANIEL MOOKHEY: Fair enough. And you expect to be announcing them in the coming months, according to your press release in December. Are we still on track?

Mr STUART AYRES: Yes, I would expect both of those appointments would be announced in April.

The Hon. DANIEL MOOKHEY: What process was utilised to select those two positions?

Mr STUART AYRES: We undertook a recruitment process and utilised NGS, a global recruitment company, to conduct that process for selection or identification of candidates. Then there is a selection panel and an interview panel is the final stage. There is a series of testing arrangements that go with that as well.

The Hon. DANIEL MOOKHEY: Was there an open advertisement?

Mr STUART AYRES: Yes, for all of them.

The Hon. DANIEL MOOKHEY: Let's unpack that. All the positions were subjected to a call for applications via a public advertisement. That is the first question?

Mr STUART AYRES: Yes.

The Hon. DANIEL MOOKHEY: Were these two included in the previous call for advertisements for the earlier candidates?

Mr STUART AYRES: We did open a round for New York earlier. The process for selecting candidates, we launched that smack-bang in the middle of COVID impacts. We thought that had quite a profound impact on the people who made applications so we withdrew that process, delayed it and started it later when COVID started to subside, and China was moving in the same time frame as that.

The Hon. DANIEL MOOKHEY: In respect to the agent general position in London—a position that is operating from India, which I think also covers the wider areas of the Subcontinent and the Middle East—is that correct?

Mr STUART AYRES: That is correct.

The Hon. DANIEL MOOKHEY: And equally the positions that were covered for Asia. Is that correct?

Mr STUART AYRES: Yes.

The Hon. DANIEL MOOKHEY: They are the three that you referred to that went through a slightly separate process. Is that correct?

Mr STUART AYRES: No. We went through an open recruitment process for—I did not have carriage of the role during the agent general one, but the recruitment process for north Asia—so Japan, Korea and ASEAN, which is based out of Singapore and India—were all done through open markets.

The Hon. DANIEL MOOKHEY: So who had carriage for the agent general position?

Mr STUART AYRES: The former Deputy Premier had it at the time.

The Hon. DANIEL MOOKHEY: Okay. Why?

Mr STUART AYRES: Because the Trade portfolio was allocated to him.

The Hon. DANIEL MOOKHEY: In respect to the Asian positions, or the three that were announced in December—is probably the best way of describing them—you placed advertisements in the *Financial Times*, did you not?

Mr STUART AYRES: I would have to take that on notice—the *Financial Times* or the *Financial Review*?

The Hon. DANIEL MOOKHEY: I think you will find that put them in the *Financial Times* as well as the AFR. I think you will find that you also put it in *The Economist*.

Mr STUART AYRES: That does not surprise me. We did put—

The Hon. DANIEL MOOKHEY: Apparently you paid for those advertisements, I think, close to \$40,000, particularly for the *Financial Times*—a great paper—and *The Economist*. What I am interested in is why then didn't you put these two positions in those advertisements?

Mr STUART AYRES: I would have to take that on notice and go back to the—

The Hon. DANIEL MOOKHEY: For the other two positions did we also then run a second round of advertising in those publications?

Mr STUART AYRES: I will take that on notice. I do not know the full detail of the advertising program.

The Hon. DANIEL MOOKHEY: We might explore that with the officials this afternoon. What are the KPIs for these positions?

Mr STUART AYRES: We have been through this in the past. Their job is to represent New South Wales in these markets, to play a role in investment attraction into New South Wales and also facilitating exports for New South Wales businesses into those markets.

The Hon. DANIEL MOOKHEY: The agent general position has now been operating for, what, a year, close to a year?

Mr STUART AYRES: A lot of these roles have been in establishment for a longer period of time than they have been in the market. Some markets have not been accessible because of COVID. The agent general has just recently been able to go to London. Our senior trade investment commissioner for North Asia I think has only just been recently granted access into Japan but has been able to access the Korean market a little bit more frequently. We have our Indian person in the market and the ASEAN role starts in April.

The Hon. DANIEL MOOKHEY: How much money are you expecting the agent general in the UK to attract this year—investment attraction?

Mr STUART AYRES: We have not set a benchmark figure where you would have a spreadsheet number that says you need to attract X, Y, Z—

The Hon. DANIEL MOOKHEY: I will settle for any figure. Whether it is in spreadsheet form or benchmark or whatever, how much investment attraction is the agent general in the UK meant to attract over the next three years?

Mr STUART AYRES: We are not benchmarking that with a figure.

The Hon. JOHN GRAHAM: I hope you have set some goal.

Mr STUART AYRES: Yes, we have.

The Hon. JOHN GRAHAM: What is that goal?

Mr STUART AYRES: I have said their objective, their role is to attract investment into the State and to support businesses from New South Wales—

The Hon. JOHN GRAHAM: And you do not mind how much.

Mr STUART AYRES: —export into international markets.

The Hon. PENNY SHARPE: What is the baseline figure then? What do we currently have? How are we going to tell whether they have done any better?

AMY BROWN: I will make a comment and maybe Ms Bell would like to add. We have both investment KPIs and export KPIs. What we are seeing is actually the number of new investment opportunities identified that align with New South Wales' priority industries and places, because some opportunities are better than others, I suppose you could say. We also want to make sure that those opportunities and clients are properly account-managed at the right level of seniority. The third one is an investment deal supported with foreign businesses including capital investment and jobs created or retained as a direct result of that person's assistance. As you know, the FDI number for Australia is already pretty large, but it is, firstly, getting New South Wales a higher proportion of that and adding to it. And then there are similar KPIs on the export side as well.

The Hon. DANIEL MOOKHEY: That is helpful. Just to unpack those four criteria, let us start with the most obvious: How are you going to identify how many jobs have come from their work?

Mr STUART AYRES: I think what Ms Brown has just articulated is what you might describe as an activity-based benchmark where—

The Hon. DANIEL MOOKHEY: So we are paying for activity, not outcome?

Mr STUART AYRES: It is measured in activities. Where those outcomes are identified from the work, you would then be able to measure foreign direct investment if it is on the investment side; you would be able to value exports; and, I dare say, with engagement with those businesses you would be able to identify the number or value of jobs that are created from that activity. But the performance metric is going to be an activity-based metric, yes.

The Hon. DANIEL MOOKHEY: How much is the salary?

Mr STUART AYRES: I would have to take that on notice.

The Hon. DANIEL MOOKHEY: Does Ms Brown know?

AMY BROWN: I will take it on notice.

The Hon. DANIEL MOOKHEY: We do not know? We do not know what this will impact?

The Hon. PENNY SHARPE: Come on, you do know.

The Hon. DANIEL MOOKHEY: How much will this impact?

Mr STUART AYRES: I do not know.

The Hon. DANIEL MOOKHEY: Is it \$487,000 salary?

Mr STUART AYRES: I do not know the full value—

The Hon. DANIEL MOOKHEY: Is it benchmarked to a band 3 of the SES? Ms Brown is nodding.

The Hon. JOHN GRAHAM: Ms Brown is nodding, Minister. Is that the—

AMY BROWN: We disclosed that previously, yes.

Mr STUART AYRES: I said I do not know, I would have to take on notice you asked me how much they are being paid.

The Hon. JOHN GRAHAM: You are being told by your official. You just do not want to say it.

The Hon. DANIEL MOOKHEY: I am now putting to you a direct—

The Hon. SHAYNE MALLARD: Point of order: The Minister is trying to answer the question. He said he would take it on notice and he is explaining the reasons. He is getting two ALP members throwing comments at him simultaneously. I do not know how Hansard is managing. So can we have some order in this debate? The Minister has the right to answer or take it on notice, and one at a time.

The CHAIR: In fact, the Minister is entitled to take it on notice, but we have also had the question asked to Ms Brown, and comments from Mr Mookhey in relation to Ms Brown nodding, for the purposes of Hansard, are perfectly in order. So we are getting an answer, I think, from Ms Brown, but she is also entitled to take it on notice.

Mr STUART AYRES: Can I please answer? We have said publicly and stated to you as well that these are band 3 roles with a SOORT determination to—

The Hon. DANIEL MOOKHEY: Hang on a minute. Did you say SOORT determination?

Mr STUART AYRES: Sorry, SOORT selection, so band 3. I will take on notice the value or the figure that you are looking for because I do not have that information with me.

The Hon. DANIEL MOOKHEY: Let us just unpack what you just said then, Minister. Are you saying that the entire salary package went through a SOORT determination?

Mr STUART AYRES: No.

The Hon. DANIEL MOOKHEY: Did the department take active steps to avoid a SOORT determination?

AMY BROWN: I think, as we have previously disclosed, the salaries are within the current band 3 range, as per the SOORT tribunal ranges. There is no separate SOORT determination that was pursued.

The Hon. DANIEL MOOKHEY: That was not the question. The question was: Did the department take steps to avoid a SOORT determination?

Mr STUART AYRES: Not to my knowledge.

The Hon. DANIEL MOOKHEY: Ms Brown?

AMY BROWN: No.

The Hon. DANIEL MOOKHEY: Alright. We might pick that part up this afternoon. Let us talk about the Agent General to the UK. Is their maximum salary in line with band 3?

Mr STUART AYRES: Yes.

The Hon. DANIEL MOOKHEY: What about allowances? Are they entitled to an allowance?

Mr STUART AYRES: There are allowances in their package; that is not included in their salary.

The Hon. DANIEL MOOKHEY: Are they entitled to a cost-of-living allowance?

Mr STUART AYRES: We have an independent assessment that determines cost of living based on the market that they are going to versus the market that they are in.

The Hon. DANIEL MOOKHEY: Is that a yes?

Mr STUART AYRES: For the agent general, the answer is yes.

The Hon. DANIEL MOOKHEY: What about the person who is posted to North Asia, that senior trade commissioner in Japan? Are they also entitled to a cost-of-living allowance?

Mr STUART AYRES: I will have to take that on notice.

The Hon. DANIEL MOOKHEY: Does Ms Brown know?

AMY BROWN: The cost-of-living allowances are set by a Mercer benchmark to compare the cost of living in the two cities.

The Hon. DANIEL MOOKHEY: Step by step. Are they entitled to a cost-of-living allowance?

AMY BROWN: If the Mercer benchmark determines that the cost of living in the relevant jurisdiction is higher than it is in Sydney, New South Wales—

The Hon. DANIEL MOOKHEY: Sure, I am asking—

The Hon. DON HARWIN: Point of order: The secretary was giving a directly relevant answer and was just cut off and interrupted by the honourable member.

The Hon. DANIEL MOOKHEY: The secretary was not giving an answer.

The Hon. DON HARWIN: She was. And could the member please be directed by you, as Chair, to let the witness answer the question?

The CHAIR: I am not sure that it was directly relevant and I think Mr Mookhey was clarifying his question and asking for a directly relevant answer. We do need to be directly relevant in these hearings.

The Hon. SHAYNE MALLARD: You have not upheld one of our points of order.

The CHAIR: Because there is nothing wrong with the question. If you have a valid point of order, I will consider it.

The Hon. SHAYNE MALLARD: Not one point of order upheld for us.

The Hon. DANIEL MOOKHEY: Rest assured, Ms Brown, I will give you the opportunity to explain the criteria, but the question was: Is currently the trade commissioner who has been posted to Japan entitled to a cost-of-living allowance?

AMY BROWN: I will take it on notice.

The Hon. DANIEL MOOKHEY: Is that cost-of-living allowance, Minister, for the agent general, \$112,000?

Mr STUART AYRES: I would have to take that on notice because, as we have just tried to explain to you, the availability of an allowance is determined by that independent body, Mercer, to determine whether they are entitled to one. So it is not a blanket answer of is every person overseas in these roles.

The Hon. DANIEL MOOKHEY: I am not asking about every person overseas. I am asking specifically about two positions: the agent general and the position in Japan. I asked you about the agent general and I have not yet asked you about the Japanese position yet. In respect to the current position, I am putting it to you very clearly here that the agent general in the UK gets an additional cost-of-living allowance of \$112,000. Is that true?

Mr STUART AYRES: I will have to take the value of that figure on notice.

The Hon. DANIEL MOOKHEY: Does Mr Brown or Ms Bell know?

AMY BROWN: I will have to take it on notice.

The Hon. DANIEL MOOKHEY: Is it the case that that allowance was determined after Mercer was asked to provide a benchmark?

Mr STUART AYRES: That is the process which we undertake for the provision of allowances.

The Hon. DANIEL MOOKHEY: And Mercer is a consultancy, is it not?

Mr STUART AYRES: Yes.

The Hon. DANIEL MOOKHEY: How much do we pay Mercer?

Mr STUART AYRES: I will have to take that on notice.

The Hon. DANIEL MOOKHEY: Equally, in addition to that, are we paying for any expenses to do with the children's education when it comes to those two particular positions?

AMY BROWN: That is included within the allowance, yes.

The Hon. DANIEL MOOKHEY: Let us just be very clear here. Is SOORT required to approve an allowance under section 38 of the Act?

AMY BROWN: No.

The Hon. DANIEL MOOKHEY: Is cost-of-living allowance being paid under section 38 of the Act?

AMY BROWN: As I said, I will need to take on notice the specifics around each post and which are paid cost-of-living allowances.

The Hon. DANIEL MOOKHEY: Who is the employer? Who employs people? Who is the direct employer? Is that you, Ms Brown?

AMY BROWN: Investment NSW, correct. I hold the employer functions and they are public servants under the Government Sector Employment Act.

The Hon. DANIEL MOOKHEY: So you agree to the remuneration package, do you, Ms Brown?

AMY BROWN: Yes.

The Hon. DANIEL MOOKHEY: Do you recall agreeing to a cost-of-living allowance of over \$100,000 in respect to these two positions?

AMY BROWN: I will have to take the exact figure on notice, please.

The Hon. DANIEL MOOKHEY: I am not asking for the exact figure. Do you recall agreeing to a cost-of-living allowance of over \$100,000 when you appointed these people last December?

AMY BROWN: With respect to the agent-general, I recall approving a cost-of-living allowance, yes. I do not recall the exact figure, I am afraid.

The Hon. DANIEL MOOKHEY: Did you disclose to the Minister that you were doing that?

Mr STUART AYRES: Yes.

The Hon. DANIEL MOOKHEY: So we have at least two positions that are getting paid the equivalent of a secretary's salary. You will actually find that the remuneration package is more than a secretary's, unless there are other parts of the secretary's package that are not public. Given that we are paying at least two of those eight people more than we are paying department secretaries, can you please explain to me why we are only using an activity-based measure to test their output?

Mr STUART AYRES: Sorry, activity is a reflection of output.

The Hon. DANIEL MOOKHEY: Are you honestly telling me that those two positions should be paid more than the Secretary of the Department of Premier and Cabinet?

Mr STUART AYRES: I know this is great political theatre—

The Hon. DANIEL MOOKHEY: No, it is a serious question, Minister.

Mr STUART AYRES: This is a serious answer.

The Hon. DANIEL MOOKHEY: Those people are being paid the equivalent of the police commissioner, you will find.

Mr STUART AYRES: I know it is political theatre to try to compare jobs in additional markets to jobs in the public service in New South Wales.

The Hon. DANIEL MOOKHEY: If you were in a position to assign value for money, I might be inclined to—

The Hon. DON HARWIN: Point of order: The Hon. Daniel Mookhey is doing it again. The Minister was giving a directly relevant answer, which would have answered the honourable member's question, but he did not let him finish. I wanted to hear the rest of the answer.

The CHAIR: I do not uphold the part of the point of order that said Mr Mookhey is "doing it again", because I do not know what that means, but I will allow the Minister to finish his answer. That is valid.

Mr STUART AYRES: The benchmarking for salaries for these roles is commensurate to the markets that they are going in. They are commercial roles; they are in different markets to the employment conditions that exist here in Australia. I do not think it is a fair and reasonable thing to try to compare what takes place in those markets to the police commissioner or a secretary. They are entirely different functions, and they should be remunerated based on what those functions require of them in the markets in which they are conducting their work.

The Hon. DANIEL MOOKHEY: Even if one accepts all that to be true, their roles should then be scrutinised. Minister, can you please explain to us how exactly this is going to create value for taxpayers?

Mr STUART AYRES: I have said to you already—

The Hon. DANIEL MOOKHEY: I am asking you to elaborate.

Mr STUART AYRES: —and the secretary has confirmed the KPIs around activity that each of these individuals and their teams will be required to do. They will report against those. Where investment is generated through these relationships or export opportunities are generated, we will be able to report back against those performances. But from a KPI perspective, we have made the determination that the way to determine whether they are meeting their requirements for the taxpayer—whether they represent value for money—will be based around those activities. That will be reported; we have not said anything other than that.

The Hon. DANIEL MOOKHEY: Is that written into their contracts?

Mr STUART AYRES: The KPI activities?

The Hon. DANIEL MOOKHEY: Yes.

KYLIE BELL: It is not in their contracts.

The Hon. DANIEL MOOKHEY: It is not in the contracts.

Mr STUART AYRES: We will take it on notice.

The Hon. DANIEL MOOKHEY: So we have not actually written into the contracts that they are responsible for this.

Mr STUART AYRES: I cannot recall, and I am not sure that I—

The Hon. DANIEL MOOKHEY: Ms Bell was seeming to answer. Is it written into the contracts?

AMY BROWN: A contract and a performance agreement are different things.

KYLIE BELL: —are two separate things.

AMY BROWN: So a performance agreement, yes.

The Hon. DANIEL MOOKHEY: Sure, and I asked specifically about a contract.

AMY BROWN: A contract refers to—

The Hon. DANIEL MOOKHEY: Is it in the performance agreement?

KYLIE BELL: Yes.

AMY BROWN: Yes.

The Hon. DANIEL MOOKHEY: Can we get in detail what precisely is in the performance agreement?

AMY BROWN: We will take it on notice and provide you whatever we can, yes. Thank you, Mr Mookhey.

The Hon. PENNY SHARPE: At budget estimates last year, I think Ms Brown said that the overarching business plan and performance framework was being finalised. Has that been finished?

AMY BROWN: Do you mean for the agency?

The Hon. PENNY SHARPE: Yes, for Investment NSW.

AMY BROWN: That is correct: Yes, that is finished. We have just completed our corporate strategy; it is contained within that document. It is not public yet, but we have been talking about it, yes.

The Hon. PENNY SHARPE: To go back to the conversation we were just having with Mr Mookhey, it is fairly explicit in the KPIs in both export and investment attraction. That is actually set out within the framework.

AMY BROWN: Indeed.

The Hon. PENNY SHARPE: Thank you, Minister, I want to ask you about the Advanced Manufacturing Research Facility. Are you familiar with it?

Mr STUART AYRES: Yes.

The Hon. PENNY SHARPE: Good, Minister, when you announced it, you were talking about a 13,000 square metre standalone facility. You talked about it helping generate 200,000 jobs. Minister, why is the facility now only 2,840 square metres?

Mr STUART AYRES: It is not. The first building that we are building at Bradfield, which we call building one, is a forerunner to the full Advanced Manufacturing Research Facility. We have to do a series of site establishment works. We would like to have a presence on site. We would like to have a site that allows some of our partners or future investors to engage in the site. The full AMRF will be subject to a final investment decision that goes before Government in the future.

The Hon. PENNY SHARPE: Just to be clear, you have basically announced a facility, but other than this stage one there is no final commitment from the Government about this 13,000 square metre facility.

Mr STUART AYRES: We have committed to delivering the Advanced Manufacturing Research Facility. We have undertaken our—

The Hon. PENNY SHARPE: You have committed to delivering it, yes, and the original commitment, as I said, was for a 13,000 square metre facility.

Mr STUART AYRES: Yes.

The Hon. PENNY SHARPE: But so far we have stage one, which is 2,840 square metres. I am trying to understand the second part of your answer, which suggested that you are looking at a bigger facility but you have not finally decided whether that will go ahead, presumably because the business case needs to be provided. Is that what is going on?

Mr STUART AYRES: Yes, the final investment decision for that will still need to go before Government.

The Hon. PENNY SHARPE: So it is not locked in.

Mr STUART AYRES: We are committed to the Advanced Manufacturing Research Facility; it is just going through its process.

The Hon. DANIEL MOOKHEY: Is this the facility that is meant to be run by the CSIRO?

Mr STUART AYRES: No, the CSIRO has announced that they will relocate to the Bradfield City Centre. They will be in their own building.

The Hon. PENNY SHARPE: Will it be counted as part of the facility?

Mr STUART AYRES: No, it is a separate building.

The Hon. PENNY SHARPE: It is completely separate. So when you talk about 13,000 square metres of facility, the CSIRO is co-located—we like co-location; it is a good thing—but it is not part of the 13,000 square metres.

Mr STUART AYRES: No.

The Hon. PENNY SHARPE: Thank you. The announcement in June last year talked about \$22.9 million worth of specialised equipment. How much equipment is in there now?

Mr STUART AYRES: The building has not been built, Ms Sharpe.

The Hon. PENNY SHARPE: Right, so there is nothing in there. Government members might be snorting over the side here.

The Hon. SHAYNE MALLARD: We are not snorting; that is offensive.

The Hon. PENNY SHARPE: It sounded to me like you were snorting. We are just trying to understand what has been delivered of the promise so far. The shared use is \$22.9 million. My information suggests that there is about \$3.2 million worth of equipment already in there. You are saying no, because you just said zero.

Mr STUART AYRES: There is not equipment in a building.

The Hon. PENNY SHARPE: Because there is no building.

Mr STUART AYRES: Yes, that is correct.

The Hon. PENNY SHARPE: Does the commitment around something like 3D printers, et cetera, remain?

Mr STUART AYRES: I am not going to comment specifically about 3D printers, but the objective here—

The Hon. PENNY SHARPE: Just to be clear, you did talk about this. You said you were going to house facilities and business services to test, prototype and rapidly scale advanced manufacturing technologies such as 3D printing, high-tech manufacturing equipment, research spaces, and virtual and augmented reality equipment. I am just trying to get a sense of how much of that is actually going to be delivered.

Mr STUART AYRES: All of those things. I was about to say I was not going to comment on specific pieces of technology, but I expect there will be a wide range of research and development activities, technology and equipment that will go into this. We have said in the past that we have utilised some examples from overseas. The Advanced Manufacturing Research Centre which was set up in Sheffield has given us a good case study in which we can Australianise some of those examples. We think that is—

The Hon. PENNY SHARPE: What does Australianising an example look like?

Mr STUART AYRES: This is a business set up in the UK, so I am not saying you just lift everything that exists in the UK. There are Australian industries, there are industries that are more specific to western Sydney, there is the alignment with our own economic blueprint and there is a focus on different industries that will engage advanced manufacturing. Excuse my broad, sweeping term, but I do not want to just replicate what exists in Sheffield; I would like to make it relevant to the community and the economy it is going to function in.

The Hon. DANIEL MOOKHEY: What is the total budget for the construction of the Advanced Manufacturing Research Facility?

Mr STUART AYRES: Building one?

The Hon. DANIEL MOOKHEY: Yes, we will start there.

SARAH HILL: The capital cost of the building is \$24.9 million.

The Hon. DANIEL MOOKHEY: Let us be very clear here. That is separate from the Bradfield City Centre first building?

SARAH HILL: No.

Mr STUART AYRES: No, that is the Bradfield City Centre first building.

The Hon. DANIEL MOOKHEY: That is the same facility, is it?

Mr STUART AYRES: Yes.

The Hon. DANIEL MOOKHEY: Is that separate from the Bradfield City Centre stage one enabling works?

Mr STUART AYRES: Enabling works for the entire site, not just for one building.

The Hon. DANIEL MOOKHEY: Just to be very clear, it is not. Fair enough. You do not have *Budget Paper No. 3* with you, do you?

Mr STUART AYRES: No, I do not carry it with me every day. I wish I did. It is riveting reading.

The Hon. DANIEL MOOKHEY: To be fair, I do. You would be surprised if I did not ask questions about it. Take my word for this because I am reading directly from *Infrastructure Statement 2021-22: Budget Paper No. 3*. On page 5-33, under "Western Parklands City Authority" and "Works in Progress", it states that the agency got \$5 million for "Advanced Manufacturing and Research Facility (Planning)" this year and \$1 million last year. In total, it has received \$6 million for that. What are we getting for that \$5 million?

SARAH HILL: For the avoidance of doubt, there are two buildings. There is building one that we mentioned earlier, which is a multipurpose building with the pilot AMRF component within it. We are currently undertaking a full business case for the full AMRF, which was referred to earlier—circa 13,000 square metres—and that funding is to support business cases and technical assessments of equipment that is required within that building.

The Hon. DANIEL MOOKHEY: Just to be clear for Hansard, what did you call it? AMRF?

SARAH HILL: AMRF—Advanced Manufacturing Research Facility.

The Hon. DANIEL MOOKHEY: That is the Advanced Manufacturing Research Facility.

SARAH HILL: Yes.

The Hon. DANIEL MOOKHEY: So the \$5 million that is listed in the budget paper is for a business case. Is that right?

SARAH HILL: In addition to other technical assessments. It is quite a high-specification building. It needs to be designed. There are architectural components and a range of different things that need to be assessed to ensure that it is fit for purpose.

The Hon. DANIEL MOOKHEY: Indeed. When is that business case due to complete?

SARAH HILL: It is currently being prepared, and then it will be a matter for the Government to determine.

The Hon. DANIEL MOOKHEY: Minister, when you say that you are yet to take a final investment decision, is that because you are waiting for that business case to complete?

Mr STUART AYRES: No, that is standard practice.

The Hon. DANIEL MOOKHEY: Yes, it is, but it is not standard practice to therefore go out there and say that it is going to create 200,000 jobs, which is the claim that you made, until the decision was made. When you said in November 2020 that the AMRF would help drive the creation of more than 200,000 jobs, where did you get that figure from?

Mr STUART AYRES: That figure is a figure that we have used consistently for the Western Parkland City. It was part of the city deal. We said that—

The Hon. DANIEL MOOKHEY: You said it was about the AMRF, not the whole concept of a new city in Bradfield. Given that you made that specific claim about this particular facility—

Mr STUART AYRES: I did not. Now you are just putting words in my mouth.

The Hon. DANIEL MOOKHEY: No, I am not sure that is true, Minister. I think you will find that you did, but I would be happy to clarify. I am happy to test.

Mr STUART AYRES: You can go back and look at lots of my comments about the city deal and the Western Parkland City—

The Hon. DANIEL MOOKHEY: I have; I am quite the student of your statements.

Mr STUART AYRES: —and the fact that the policy settings are there to generate 200,000 new jobs across eight local councils. The delivery of the AMRF is just one of the strategies.

The Hon. DANIEL MOOKHEY: Minister, just calm down.

Mr STUART AYRES: I am pretty calm.

The Hon. DANIEL MOOKHEY: I am asking you a specific question here. When you made that claim, you did not have a business case, did you?

The Hon. DON HARWIN: Stop patronising him.

Mr STUART AYRES: Sorry, when I did what?

The Hon. DANIEL MOOKHEY: When you made the claim about the AMRF and its job-creating benefits, you did not have a business case.

The Hon. SHAYNE MALLARD: It is just logic.

Mr STUART AYRES: Of course we had not completed a final business case.

The Hon. DANIEL MOOKHEY: Indeed. Tell me now, how many jobs are we expecting it to create?

Mr STUART AYRES: We have said consistently since we signed the city deal that the investments that we would make across transport, land use, the development of the Bradfield City Centre—what was then known as the Aerotropolis Core—would generate 200,000 additional jobs across the eight councils of the Western Parkland City.

The Hon. DANIEL MOOKHEY: When is the AMRF meant to open?

Mr STUART AYRES: I am not sure. Dr Hill, what are we saying is the target date? Is it 2025?

SARAH HILL: By 2025, 2026, yes.

The Hon. DANIEL MOOKHEY: Do we have any tenants in it yet?

Mr STUART AYRES: No, it is not built.

The Hon. DANIEL MOOKHEY: Yes, I am aware, but often you do get tenants and people who are indicating interest to move into it before, particularly for a facility of this size.

The Hon. PENNY SHARPE: You have done it in the case of a partner.

The Hon. DANIEL MOOKHEY: It is pretty standard. Where are we up to in terms of finding people to use this facility?

Mr STUART AYRES: We have not undertaken any precommitment exercise yet.

The Hon. DANIEL MOOKHEY: When will you be starting that?

Mr STUART AYRES: We are already engaging with our foundation partners and across a wide range of businesses who have engaged the Government through multiple stakeholder roundtable forums around interest in the Western Parkland City, some of which have expressed an interest in the AMRF. We will continue to work with those. We have always seen this as a landing pad for people and for businesses that want to be able to grow in western Sydney. The first building is a first step in that direction. Obviously, we have already seen CSIRO make a commitment around relocating to this location as well.

The Hon. DANIEL MOOKHEY: The parkland authority released an invitation to partner in the Bradfield City Centre and the AMRF in October 2021. How many companies or organisations have since expressed an interest in partnering in the AMRF?

Mr STUART AYRES: I will have to defer to Dr Hill for that.

SARAH HILL: Just to be clear, the first building had an expression of interest for tenants, which was released in December. That is a matter that is still being assessed. In terms of the broader number of tenants who are interested in the AMRF, we have had quite a range of interest from foundation and city partners. That is something that I am happy to take on notice if there is an exact number I can give you.

The Hon. DANIEL MOOKHEY: At this point, are we finalising a business case without anyone expressing a direct interest?

SARAH HILL: We certainly have a lot of direct interest in partnership around the AMRF, potential usage of equipment and potential tenancies.

The Hon. DANIEL MOOKHEY: But the standard for a business case requires you to provide some form of income protection, which requires you to have something firmer than just an expression of interest. You do need a precommitment. It is pretty standard. Do we have any of them?

SARAH HILL: We have to have a business case and an investment decision before we make any precommitments.

The Hon. DANIEL MOOKHEY: Yes, and the question is: Has anyone even expressed an interest in negotiating a precommitment?

SARAH HILL: As I said, there has been a lot of interest in the AMRF.

The Hon. DANIEL MOOKHEY: What does "a lot of interest" mean?

SARAH HILL: We have many organisations, through partnerships, that have identified that through the agreements and various other engagements.

Mr STUART AYRES: I just want to be clear on one thing. You do not need precommitments to develop a business case, which you have just said.

The Hon. DANIEL MOOKHEY: Okay, that is a discretionary choice of government. Some business cases do. Just to be clear here, Minister, you have made it clear that you do not require precommitments before you develop a business case?

Mr STUART AYRES: Yes.

The Hon. DANIEL MOOKHEY: Fair enough. Can I get an update on where the authority is up to in converting its partners to binding commitments? People may recall that we asked this question earlier in the last estimates hearing.

SARAH HILL: Since we last met, we have a further five agreements with organisations. We now stand at 33. We have a number of collaborations with those partners, and we are also working through proper processes, such as the EOI I mentioned in December, to secure tenancies and other binding agreements.

The Hon. DANIEL MOOKHEY: I will pick this up with the officials.

The Hon. JOHN GRAHAM: I turn back to the issues that I was asking about regarding Jobs for NSW. There has been a recent announcement—on 4 March—about a new committee that has been established. Minister, could you give us the background on the Investment Attraction Council, which has been announced this week?

Mr STUART AYRES: Yes, we announced an advisory body to provide advice to government and myself, to the department, about government investment attraction initiatives. All of those members have willingly given their time to us as volunteers, which I think is an outstanding contribution to the State of New South Wales, and I look forward to working with all of them closely.

The Hon. JOHN GRAHAM: You have some senior business people on the council, who have been invited back to government to assist in these investment tasks. It is a very similar role to the Jobs for NSW board, though. Would you agree with that?

Mr STUART AYRES: No, I would not. I would say that this body is designed to provide advice—you could call it "strategic advice" if you wanted to be a little bit more corporate in your language—whereas the Jobs for NSW board at the time had some very specific designated tasks under the Act. These are a number of very high-performing individuals. They are passionate about the State of New South Wales. I think they want to see the State continue to grow and evolve. They want the economy to be strong and resilient, and they have offered their time to help us achieve that.

The Hon. JOHN GRAHAM: Minister, you did not make this announcement. Ms Brown made this announcement. It must be one of the few announcements that you have not been associated with. Is that background of closing down the Jobs for NSW board the reason you were not associated with it?

Mr STUART AYRES: No.

The Hon. JOHN GRAHAM: Your colleagues know you as the greatest photobomber in this Government, but you missed this announcement. Is there a reason for that?

The Hon. SHAYNE MALLARD: What rubbish!

Mr STUART AYRES: I think last week we thought that, given the impacts of the floods, it was probably more appropriate that it came from Investment NSW.

The Hon. JOHN GRAHAM: So a low-key announcement of this. As you say, Jobs for NSW does still exist. You are required as Minister to appoint a number of board members. Are all those board positions filled that you are required to appoint under the legislation?

Mr STUART AYRES: I am not sure what our board requirement is under the current arrangements.

The Hon. JOHN GRAHAM: But you agree this legislation is your sole responsibility as Minister.

Mr STUART AYRES: The legislation is, but I do not think there is a legislative requirement to maintain the board. But I will take that on notice.

The Hon. JOHN GRAHAM: Are all the legislative requirements under Jobs for NSW, the Act that reports to you, being fulfilled at the moment, given that the Government has closed down this organisation and it is a ghost agency?

Mr STUART AYRES: To the best of my knowledge, but I will take that on notice to ensure that the Committee gets accurate advice.

The Hon. JOHN GRAHAM: Will this organisation be renewed? Will it be revived, given this legislation?

Mr STUART AYRES: Jobs for NSW?

The Hon. JOHN GRAHAM: Yes.

Mr STUART AYRES: Jobs for NSW does not exist. It only exists because of the trailing payments from the Jobs for NSW fund.

The Hon. JOHN GRAHAM: It exists in legislation, Minister.

Mr STUART AYRES: True.

The Hon. JOHN GRAHAM: This Act has its sole function to establish that.

Mr STUART AYRES: I accept the Act exists, but all of the functions around that do not exist anymore. We have wound them all down.

The Hon. JOHN GRAHAM: But you will not repeal the Act.

Mr STUART AYRES: Repealing the Act is a logical next step for what would take place. I think the creation of the Department of Enterprise, Investment and Trade, the establishment of Investment NSW and the Jobs Plus initiative that the Government has underway all say that there will come a point in time where it would make logical sense to repeal the Jobs for NSW.

The Hon. JOHN GRAHAM: I agree with that, Minister. But I am putting to you that the reason you have not repealed this Act and the reason you did not photobomb this announcement is because you are embarrassed about what happened with the Jobs for NSW organisation, which had to be shut down because it was a total failure.

Mr STUART AYRES: No. I think that is a preposterous suggestion. These are volunteering their time to support the State. They conducted their first meeting last week. We had always planned to make the announcement. I think the Government limited a number of its announcements last week because of the strong focus that existed on the floods.

The Hon. JOHN GRAHAM: I can only tell you that a number of your colleagues were very surprised you were not there. I will hand to my colleagues.

The Hon. PENNY SHARPE: Are you able to give us an update on where the Modern Manufacturing Commissioner is up to?

Mr STUART AYRES: It is currently advertised. The recruitment process for that is underway right now.

The Hon. PENNY SHARPE: Will that commissioner sit within your cluster?

Mr STUART AYRES: Yes, they will.

The Hon. PENNY SHARPE: When do you anticipate that they will be appointed?

Mr STUART AYRES: The recruitment process opened a number of weeks ago. I think it closes at the end of this week on 13 March.

The Hon. PENNY SHARPE: Who is on the selection panel for that?

Mr STUART AYRES: I have not determined the selection panel for that role yet.

The Hon. PENNY SHARPE: But it definitely is going to be sitting with you.

Mr STUART AYRES: Yes.

The Hon. PENNY SHARPE: What do you expect to be the salary of the commissioner?

Mr STUART AYRES: I will take it on notice. I do not know the exact figure.

The Hon. PENNY SHARPE: We can ask you this afternoon. If you can tell us this afternoon, that would be great.

Mr STUART AYRES: Yes. I am sure they will be able to.

AMY BROWN: That is fine with me.

The Hon. PENNY SHARPE: Are you able to give us an idea of what the operating budget for the new commissioner's office will be?

Mr STUART AYRES: I do not have a specific figure. Obviously, we want to recruit the person. We have started to map the idea of a relatively small office that would sit alongside the Modern Manufacturing Commissioner. If I was going to, I would point you in the same direction as the size of the team that sits around the 24-Hour Economy Commissioner, which is a relatively small team. We would want them to be able to be a role that provides advice to Government about enhancing modern and advanced manufacturing policy settings and also be a strong conduit between industry and government.

The Hon. PENNY SHARPE: Did the Premier consult you before announcing the appointment of a commissioner?

Mr STUART AYRES: Yes.

The Hon. PENNY SHARPE: Has the task force that was announced at the time been appointed yet?

Mr STUART AYRES: It was announced this morning.

The Hon. PENNY SHARPE: There you go. Can you tell us who is on it?

Mr STUART AYRES: Yes, I can. Chris Jenkins from Thales; Bronwyn Evans, who is the CEO of Engineers Australia; Dig Howitt, who is the CEO of Cochlear; and Roy Green, who is a special adviser to UTS.

The Hon. PENNY SHARPE: The chair is Tony Shepherd.

Mr STUART AYRES: Tony Shepherd is the chair. He was announced by the Premier at the time of the establishment.

The Hon. DANIEL MOOKHEY: Is the Modern Manufacturing Commissioner going to be supported by legislation? Are they going to have a legislative remit or—

Mr STUART AYRES: I do not think that is likely. I cannot see a reason at this stage why they would need to have their role entrenched in legislation.

The Hon. DANIEL MOOKHEY: It is just that various commissioners have their roles entrenched in legislation and others do not. So I am trying to understand the spectrum of where they will fit in. Is it really just a job title? Or is it actually going to have legislative function and power?

Mr STUART AYRES: It could well evolve into legislative function and power. At this stage, I do not see that that is going to be an immediate arrangement. The task force has been asked to provide recommendations back to Government within a relatively tight period. I think we have said four months. I would have thought not dissimilar to the way the 24-Hour Economy Commissioner has taken on a role around implementing those recommendations. Whilst this will be slightly different—industries are, obviously, more nuanced—you can see a similar structural pathway in this role.

The Hon. DANIEL MOOKHEY: Other jurisdictions have given like positions the ability of the commissioner to interrogate government procurement, given how essential procurement now is in constructing advanced manufacturing. Is this commissioner going to have the power, for example, to scrutinise Sydney Metro and the western harbour tunnel, the two biggest procurements that are coming in New South Wales in the next year, in terms of their manufacturing—

Mr STUART AYRES: Government has not made that determination.

The Hon. DANIEL MOOKHEY: The western harbour tunnel procurement—the expressions of interest process closes in three months. Is this Modern Manufacturing Commissioner going to be in place at all to play a role in the western harbour tunnel procurement?

Mr STUART AYRES: I think procurement of large-scale infrastructure and the focus of the Modern Manufacturing Commissioner are two separate functions and—

The Hon. DANIEL MOOKHEY: It would be, except for the fact that the ability to use procurement in major infrastructure projects like the western harbour tunnel is how we generate manufacturing. That is the example that has been followed by Western Australia, South Australia and Victoria. I am just trying to understand whether or not they are going to have that like power or not.

Mr STUART AYRES: I am not ruling out legislative activity or legislative powers given to this commissioner, but at this stage my preference is to appoint the person and have the task force make its recommendations. If it makes recommendations to Government that suggest the use of legislative power for the commissioner, that is something the Government can consider into the future.

The CHAIR: It is now open to the Government to take 15 minutes if they wish.

The Hon. SHAYNE MALLARD: I think we would be killed.

The CHAIR: In that case, we have concluded this morning's session. Thank you, Minister, for joining us. We appreciate your time.

(The Minister withdrew.)

(Luncheon adjournment)

Ms **KATE FOY**, Group Deputy Secretary, Tourism, Sport and Arts, Department of Enterprise, Trade and Investment, on former affirmation

Ms **KERRIE MATHER**, Chief Executive Officer, Venues NSW, sworn and examined

The CHAIR: Welcome back, everybody, to this afternoon's session for this budget estimates hearing. We will begin questions for this afternoon with the Opposition.

The Hon. DANIEL MOOKHEY: Thank you again to the officials for joining us. Secretary, as is usual custom, at this point we ordinarily give you the opportunity to provide any updates from the morning, if you so wish, on any questions that were taken on notice or any initial information that was sought that arose from this morning's questioning.

AMY BROWN: Thank you, Mr Mookhey. We do not have anything to update, other than the questions that we have already taken on notice. We will keep them.

The Hon. DANIEL MOOKHEY: Thank you, I appreciate that. Secretary, by any chance, do you have the budget papers with you?

AMY BROWN: Not with me, no.

The Hon. DANIEL MOOKHEY: That is okay. I am just going to refer, for people who are following along at home, at first instance to *Budget Paper No. 4*, which is the agency financial statements.

AMY BROWN: Yes.

The Hon. DANIEL MOOKHEY: I refer to page 5-11, which is the Investment NSW entry. At first instance, you will see that you were the recipient—when I say "you", I mean the agency was a recipient—of \$255 million worth of grants and subsidies.

AMY BROWN: Yes.

The Hon. DANIEL MOOKHEY: What is that for?

AMY BROWN: In terms of—

The Hon. DANIEL MOOKHEY: I will read you the line item.

AMY BROWN: Yes, please.

The Hon. DANIEL MOOKHEY: The grant and subsidies revised in 2020-21—which, to be fair, only covered the first three months of the agency's operation—was \$16 million. You have then been allocated \$255 million in grants and subsidies for this year. That is to your agency. To be clear, Destination NSW is reported separately in the budget papers.

AMY BROWN: That is correct, yes.

The Hon. DANIEL MOOKHEY: I presume it is not them.

AMY BROWN: Yes.

The Hon. DANIEL MOOKHEY: Even if you were to annualise the \$16 million—multiply it by four because it was really a quarter—that would take you to somewhere near \$100-ish million.

AMY BROWN: Yes.

The Hon. DANIEL MOOKHEY: But it is \$255 million, which is a huge increase. I would like to know what exactly that is for.

AMY BROWN: In terms of our grants programs?

The Hon. DANIEL MOOKHEY: I do not know whether it is for your grants program or not, but it is not your other operating expenses and it is not your employee expenses.

AMY BROWN: Thank you for the clarification. We have a number of grants programs that we administer as Investment NSW. Some of them are quite sizeable because they are over quite a discrete period of time, such as Jobs Plus, which is \$250 million. We have others. The CBD Revitalisation Program, for example, is \$50 million. Entrepreneurship in Innovation Ecosystems is \$35 million. Some of those, because they are COVID recovery-style grants, are really over a one- to two-year period so that we can realise the benefits over a short period of time.

The Hon. DANIEL MOOKHEY: On notice, can we please get that \$255 million broken down by grant program?

AMY BROWN: Certainly.

The Hon. DANIEL MOOKHEY: Can we also get how much of that has gone out the door, given that it is all meant to be acquitted this year?

AMY BROWN: Certainly.

The Hon. DANIEL MOOKHEY: Do you have those numbers with you, by any chance?

AMY BROWN: I have them with respect to most of the—

The Hon. DANIEL MOOKHEY: Ones you have just mentioned?

AMY BROWN: —specific ones.

The Hon. DANIEL MOOKHEY: Do you want to go through them?

AMY BROWN: Okay. Actually, I had better take it on notice, sorry, because a lot of these—for example, the Entrepreneurship in Innovation program actually has five subsections that sit under it. Some have only just been announced, such as the Westmead Innovation Ecosystem Fund, for example. Some have been going for a bit longer, such as the Boosting Business Innovation Program. So it is kind of tracking which ones we have a head start on for the year.

The Hon. DANIEL MOOKHEY: Do you want to give us the headline figures? Any additional detail you wish to provide on notice would be most welcome.

AMY BROWN: In terms of the money that has gone out the door or how they are broken down in terms of dollar figure?

The Hon. DANIEL MOOKHEY: I am going to say both, if you do not mind. You were rattling off a list before.

AMY BROWN: Yes, sure.

The Hon. DANIEL MOOKHEY: If you wish to use that as the basis, if that is comprehensive—if we can get the money that has been allocated to the program and the money that has gone out the door at top level. On notice, any further would be great.

AMY BROWN: Sure. I am focusing on 2021-22 because, as we said, this is a one-year program. It is \$35 million. Underneath it sits the Boosting Business Innovation Program at \$6 million.

The Hon. DANIEL MOOKHEY: Sorry, which one is this?

AMY BROWN: I beg your pardon. It is the Entrepreneurship in Innovation Ecosystems Action Plan. It is the Boosting Business Innovation Program at \$6 million; the Westmead Innovation Ecosystem Fund at \$10 million; the Tech Central innovation ecosystem fund at \$8 million; TechVouchers at \$2 million; and Building Partnerships at \$3 million.

The Hon. DANIEL MOOKHEY: Thank you. Is that accounting for the full \$255 million?

AMY BROWN: No. That is just one of our programs, but the reason I raised it as an example is that it is a one-year program and it is an example of one that we need to deploy quickly.

The Hon. DANIEL MOOKHEY: Do you have the other parts of that \$255 million to hand?

AMY BROWN: I have a list of all of our grants programs. It will take some time to run through. I don't know if you would prefer that we take it on notice.

The Hon. DANIEL MOOKHEY: No, I am looking for the ones that are specifically funded. Maybe on notice, can we get the \$255 million budget allocation broken down by grant program?

AMY BROWN: Yes.

The Hon. DANIEL MOOKHEY: And can we also get it broken down by money out the door on that grant program—so how much was allocated for the year and how much has gone out the door?

AMY BROWN: I will take it on notice and provide as much as I absolutely can.

The Hon. DANIEL MOOKHEY: To the extent to which you can provide information on the application process, the number of people who applied, the number of successful applications, and the number of rejected applications, which is relatively standard reporting, that would be useful, if possible.

AMY BROWN: Yes, that is fine.

The Hon. DANIEL MOOKHEY: Do you mind if I ask you a couple of other questions about Investment NSW?

AMY BROWN: Fine.

The Hon. DANIEL MOOKHEY: Firstly, how are you intending to do both jobs?

AMY BROWN: Me personally? Thank you for your question. The way I see it—again, it is not uncommon in the private sector that someone has a kind of dual role within the same organisation. But the mandates of the broader Enterprise, Investment and Trade cluster are very much aligned with the mandate of Investment NSW. It really is about driving economic recovery for our State coming out of COVID, but then also making the most of opportunities from a global perspective. The way we see it, our investment attraction and economic development entities sitting alongside some of the sectors that have been quite hard hit as a result of COVID, such as tourism and the arts, is actually a very strong mandate. And also, having the agencies that have a mandate of making New South Wales a better place to live, work, study, have a career, and so on, is very much aligned with our objective to attract global investment into our State.

The Hon. DANIEL MOOKHEY: I think that was more the mission description of the department.

AMY BROWN: Yes.

The Hon. DANIEL MOOKHEY: How are you intending to balance the roles?

AMY BROWN: From my perspective, again, the alignment of that is a starting point for me to be able to do both roles, and then I have a very strong leadership team across the cluster—for example, Ms Kate Foy, who has the group deputy secretary role that looks after Tourism, Arts and Sport, and then Dr Sarah Hill, who is looking after Western Parkland City. I will also be appointing a CEO to look after Liquor & Gaming and Racing NSW. That is the main leadership across the department, and then with Investment NSW I already have a very strong leadership team across the agency.

The Hon. DANIEL MOOKHEY: Ordinary practice is that there is a department and then there are agencies within the cluster.

AMY BROWN: That is correct.

The Hon. DANIEL MOOKHEY: I want to concentrate on the department, not the agencies within the cluster.

AMY BROWN: Certainly.

The Hon. DANIEL MOOKHEY: There is going to be, I presume, only one band 4, which is you, in the department?

AMY BROWN: That is right. I am the secretary.

The Hon. DANIEL MOOKHEY: How many band 3s are we looking at?

AMY BROWN: As at today, the department only has two employees—me and Kate Foy.

The Hon. DANIEL MOOKHEY: A fine job you are both doing.

AMY BROWN: We are doing well, are we not?

The Hon. DANIEL MOOKHEY: As big as Whitlam's first Cabinet.

AMY BROWN: This is it. The cluster itself, the bulk of it does sit in the 17 agencies within the cluster. The department over the top does play that coordination function. It is me and Kate Foy as the employees. The employees of Liquor & Gaming and Racing NSW that are currently sitting in the Department of Customer Service are actually being transitioned into the Department of Enterprise, Investment and Trade. Those employees will come in and I would propose to appoint a CEO over that group. But really, the number of this kind of senior executive leadership within the department itself is quite modest.

The Hon. DANIEL MOOKHEY: That is as it stands down, but by June 2023 after a full year of completion of the department's operation, what is the size of the department going to be, distinct from the agencies?

AMY BROWN: We are still in the process of designing it as we get an idea as to what is transitioning across from other departments. But to give you an idea, there are just under, I believe, 300 people coming across from the Department of Customer Service into our department, and then, for example, we will have some level of cluster coordination functions or shared operational services sitting at department level. But I am not proposing for that to be sizable because the majority of the agencies are already standalone in terms of their own corporate functions.

The Hon. DANIEL MOOKHEY: I appreciate that, but that is not particularly unique to a department, hence it is: What is the department distinct from the agencies? We have established that currently there are two employees. Are there going to be more deputy secretaries?

AMY BROWN: Within the department? Not at this point.

The Hon. DANIEL MOOKHEY: Ms Foy will remain the only deputy secretary?

AMY BROWN: At this point, yes.

The Hon. DANIEL MOOKHEY: What about executive directors?

AMY BROWN: Yes. There is likely to be some need to have executive directors to lead the relevant functions. For example, for operational functions, each section is normally headed by an executive director, such as IT or legal or so on. Yes, I would expect there to be a number of executive directors in the department.

The Hon. DANIEL MOOKHEY: When are you going to know?

AMY BROWN: On 1 April.

The Hon. DANIEL MOOKHEY: That is three weeks away.

AMY BROWN: That is right. These are all very live discussions, Mr Mookhey.

The Hon. DANIEL MOOKHEY: When did you find out about the establishment of this department?

AMY BROWN: When it was announced. I was appointed on 27 January.

The Hon. DANIEL MOOKHEY: Congratulations. When were you approached to lead it?

AMY BROWN: Very close to 27 January.

The Hon. DANIEL MOOKHEY: Were you aware that this department was going to be formed?

AMY BROWN: Yes. The department itself was established on 21 December.

The Hon. DANIEL MOOKHEY: Yes, that is when the new ministry was. We have established that there are 300 people coming across. What is going to be the total size of the department in a year's time?

AMY BROWN: I can only estimate at this point. Certainly, no more than 500 people, but it might not even be that many. There are other people coming across, not just the 300 that I referred to.

The Hon. DANIEL MOOKHEY: Who else is coming across directly to the department as opposed to within their agencies that are coming to the department?

AMY BROWN: I will need to take that on notice.

The Hon. DANIEL MOOKHEY: What are they going to be doing? I understand that the 300 that are transferring are performing their existing functions under the new arrangement, but who are the other people who are coming and what are they doing?

AMY BROWN: Some of the structures are still being formed. For example, there is a Science and Innovation portfolio that sits under Minister Henskens. There are still some unresolved issues as to where some of the employees sit, whether it is within Investment NSW or the department. We are still resolving that.

The Hon. PENNY SHARPE: On that, I did notice that the Minister failed to mention Minister Henskens as one of his Ministers within the cluster this morning. Minister Henskens is going to have the office of the Chief Scientist and Engineer. Is that correct or are there other things going into that as well?

AMY BROWN: He has the Office of the NSW Chief Scientist and Engineer but he also has some other R&D and innovation-style groups that sit within Investment NSW, such as the Innovation and Productivity Council, for example.

The Hon. PENNY SHARPE: I was going to ask you about that. When was the last time it met?

AMY BROWN: It met in December. I am pretty certain that was the last time.

The Hon. PENNY SHARPE: Did it finalise the innovation scorecards that it had previously done in 2018 and 2019 at that meeting?

AMY BROWN: I do not recall it being discussed at that meeting, but I am happy to take it on notice.

The Hon. PENNY SHARPE: Would you be able to tell us where the innovation 2021 scorecard is up to and when it is going to be published?

AMY BROWN: I will take it on notice.

The Hon. PENNY SHARPE: Was it just once last year? I am happy for you to take it on notice to establish how many times it met.

AMY BROWN: It certainly meets more frequently than that. From memory it is quarterly. I have no evidence that it meets any less than that. I do not think we have missed any meetings in the past 12 months.

The Hon. PENNY SHARPE: The scorecard 2021 is outstanding but it looks to me the 2020 one is as well. Can you take on notice whether the idea of doing the scorecard is no longer being pursued?

AMY BROWN: I will take it on notice.

The Hon. DANIEL MOOKHEY: Returning to the questions to do with the department, have you been given a budget for the year?

AMY BROWN: No. It is still in the process of being decided.

The Hon. DANIEL MOOKHEY: I presume you are going to get a budget for next year?

AMY BROWN: Correct.

The Hon. DANIEL MOOKHEY: What money are you spending?

AMY BROWN: We are not spending.

The Hon. DANIEL MOOKHEY: Nothing. It is just the two of you. Fair enough. That is interesting. You have not even been given an allocation?

AMY BROWN: The discussion is still being had as to what funding is transferring from other departments versus any new funding that we might be seeking, which is all subject to a Cabinet decision.

The Hon. DANIEL MOOKHEY: Of course. Fair enough. I will ask specific questions about Investment NSW now, which are similar, if you do not mind, only because your annual report only covered three months of your operation last year. I wanted to get some updates on the figures because you are in a unique position to all the other agencies in the general government sector in that you only operated for three months, therefore your annual report, which is the last available public information, only covers three months.

AMY BROWN: Yes.

The Hon. DANIEL MOOKHEY: How many total staff are there right now in Investment NSW?

AMY BROWN: I had it marked. I am not going to take it on notice because I do know. Full-time equivalent staff in Investment NSW is 461.6 people.

The Hon. DANIEL MOOKHEY: Is that including Destination NSW?

AMY BROWN: Correct.

The Hon. DANIEL MOOKHEY: To be fair, at the time that you last reported your figures as at 30 June 2021, that also included Destination NSW?

AMY BROWN: Yes.

The Hon. DANIEL MOOKHEY: In the past nine months your staff has gone from 286 to 461.

AMY BROWN: I would have to take that on notice. That does not sound—

The Hon. DANIEL MOOKHEY: I am reading from your annual report—page 18. Do you have your annual report by any chance?

AMY BROWN: No.

The Hon. DANIEL MOOKHEY: Again, I am literally reading from the Investment NSW 2020-21 annual report, page 18: total staff, 286.

AMY BROWN: I am not sure why that number is significantly lower. That actually sounds like the number minus Destination NSW. I will need to check.

The Hon. DANIEL MOOKHEY: This is a report that has been filed with Parliament, so I presume it is accurate, right?

AMY BROWN: Correct, it is accurate.

The Hon. DANIEL MOOKHEY: I do not think Destination NSW filed a separate annual report at the end of last year. I could not find one.

STEVE COX: We do file a separate annual report, yes.

The Hon. DANIEL MOOKHEY: Do you have it with you?

STEVE COX: I do not have it with me, no.

The Hon. DANIEL MOOKHEY: Can you potentially get it this afternoon?

STEVE COX: It is publicly available, I believe. I think it was finalised on 30 November 2021.

The Hon. DANIEL MOOKHEY: Why are you reporting on 30 November 2021? Did you get a special exemption from Treasury?

STEVE COX: Yes, there was a special exemption for one month later.

The Hon. DANIEL MOOKHEY: Okay, but your reporting date is different?

STEVE COX: It is an annual report.

The Hon. DANIEL MOOKHEY: Everyone else reports as of 30 June 2021.

STEVE COX: Sorry, the report is 30 June. It was published—

The Hon. DANIEL MOOKHEY: Okay. You will clarify whether or not 286 does not include Destination NSW?

AMY BROWN: I will clarify that.

The Hon. DANIEL MOOKHEY: How many people do you have who are PSSE band 1 right now in Investment NSW?

AMY BROWN: I have a number here, which is senior executives.

The Hon. DANIEL MOOKHEY: It is the first of the senior executive bands.

AMY BROWN: Yes, 42.

The Hon. DANIEL MOOKHEY: At band 1? How many at band 2?

AMY BROWN: I beg your pardon, 42 is all of the senior executives.

The Hon. DANIEL MOOKHEY: How many at band 1, 2 and 3? You can take it on notice if you need to.

AMY BROWN: I will take it on notice.

The Hon. DANIEL MOOKHEY: The reason I mention this is the Public Service Commissioner—to cut to the chase—fingers Investment NSW as the reason why the entire SES went up. It is in her report. The Public Service Commissioner has said that the reason why there has been a rise in the number of senior executives across the public service is predominantly explained by the decision to create Investment NSW. This is a government policy so you may not be in a position to comment on it, but they actually promised to be reducing the size of the senior executives by 10 per cent each year. It has done the opposite, actually. It has gone up by about that much every year. Were you given a special exemption from the cap on senior executives in order to hire 42 of them?

AMY BROWN: No, I did not hire 42 of them.

The Hon. DANIEL MOOKHEY: How many came in from—

AMY BROWN: They were the senior executives that came in from other agencies. Some came across from Premier and Cabinet, some came across from Treasury and some came across from DPIE at the time. They were transferred as part of the machinery of government change. Our staff transferred from other departments.

The Hon. DANIEL MOOKHEY: Are you subject to a reduction in senior executives or not?

AMY BROWN: Nothing over and above what the other public service agencies are subject to.

The Hon. DANIEL MOOKHEY: Have you had the chance to read that report from the Public Service Commission? No surprise if you have not.

AMY BROWN: No.

The Hon. DANIEL MOOKHEY: On notice, can you have a look at it and respond specifically? Because they do identify Investment NSW explicitly as the reason why the size of the SES—how many additional positions to the ones you inherited did you hire last year?

AMY BROWN: I will need to take it on notice. I do not know if "not many" is a sufficient answer for you. I will take it on notice. There was no dramatic expansion in our executive structure.

The Hon. DANIEL MOOKHEY: We would have asked the Public Service Commissioner but that is now deferred. I would be appreciative of a position.

The Hon. PENNY SHARPE: You identified this morning, Ms Brown, that you are going to be remaining on the board of Destination NSW. Given this coming together of all of these agencies, have you actually been able to map the number of executives that sit on other boards across the cluster? It is quite an unusual situation. Do you know how many are in the same situation as you, for example?

AMY BROWN: I have not undertaken that task, but I can endeavour to do so because that is an interesting question.

The Hon. PENNY SHARPE: Your role as the Deputy Secretary, then as the CEO—your roles are going to clash. I am interested in how you are going to actually manage to be a board member of Destination NSW, the CEO of Investment NSW and then the secretary across all of these other agencies. Do you envisage that you may have to separate those out? I understand that maybe immediately you cannot deal with that, but that may become a problem.

AMY BROWN: It is a very good question. Thank you for raising it. I believe legislatively under the Destination NSW Act, the position on the DNSW board is actually the secretary. So it will be the Secretary of Enterprise, Investment and Trade. That is my role.

The Hon. PENNY SHARPE: That was envisaged under different governance arrangements, not necessarily when you are in the same cluster.

AMY BROWN: I believe that the secretary of Treasury previously held that role when DNSW sat in the Treasury cluster. It is usual that it is the cluster secretary who undertakes that function.

The Hon. PENNY SHARPE: You do not know whether there are going to be others who are in that situation?

AMY BROWN: Not that I can think of.

The Hon. PENNY SHARPE: Are you able to unpack for me the difference between the changes that have been made as a result of the Western City Aerotropolis Authority being disbanded in favour of the Western Parkland City Authority? What are the practical differences between the two organisations?

AMY BROWN: I would like to refer that question to Dr Hill, if that is okay.

SARAH HILL: The main difference relates to the operational area. The Western City Aerotropolis Authority related to the aerotropolis—the 11,000 hectares of land around the airport. The Western Parkland City relates to the 800,000 hectares of the eight city deal councils.

The Hon. PENNY SHARPE: Essentially, the aerotropolis is absorbed into that 800,000. Is that right?

SARAH HILL: It is part of the Western Parkland City.

The Hon. DANIEL MOOKHEY: Secretary, I might just take you back to various aspects of Investment NSW, if that is okay, now that I have brought the document up. On your annual report, it lists you having spent \$2 million on consultants in the three months for which this reporting period applied. I am on page 24. I am interested specifically in two that are listed. The first is Newgate Communications strategic communications advice—\$75,000. What was that for?

AMY BROWN: I will take the detail on notice with an overarching comment that establishing the new agency required quite a bit of advice and expertise on how to establish ourselves in terms of corporate policies and the like, but then also how we were to do things like branding and, in particular, what sort of branding would resonate with the global market and how we should best approach making sure that New South Wales was

differentiated and understood internationally. Again, most of the advice that we received was in that context, and communications was a big part of that.

The Hon. DANIEL MOOKHEY: Equally, the report says that you—again, by "you" I mean the agency—paid \$131,000 to KPMG Australia for something called economic advisory services for Project Henrietta. What is Project Henrietta?

AMY BROWN: I believe that there is a level of confidentiality around that, but I will take it on notice and provide anything that I can.

The Hon. DANIEL MOOKHEY: What is confidential about it?

The Hon. SHAYNE MALLARD: It would not be confidential if she told you.

AMY BROWN: Project Henrietta is.

The Hon. DANIEL MOOKHEY: It is listed in an annual report. It is \$131,000 that has gone to KPMG. What is this project?

AMY BROWN: I will take it on notice.

The Hon. DANIEL MOOKHEY: I appreciate that you have, but are you taking it on notice because there is a Cabinet process involved in this? Because I am entitled to press for a question and answer unless you can identify a specific reason as to why.

AMY BROWN: What I will say is that many of our advisory services from the big four relate to very confidential commercial projects because we have a commercial division. So I just want to take it on notice and only provide what I need to, given that it is all commercial in confidence and might relate to a private counterparty.

The Hon. DANIEL MOOKHEY: Under the Parliamentary Evidence Act, commercial in confidence is not a ground to not answer questions. I appreciate you are going to take it on notice but, to be very clear here, the grounds upon which to withhold information are limited. Are you confident that this is a position which is Cabinet related, or is it commercial in confidence or—

The Hon. SHAYNE MALLARD: Point of order: I know it is probably wasting my time to do it but the reality is that the witness has repeatedly said she will take it on notice. In the resolution of the House, a member can take a thing on notice and does not require to be cross-examined about why she is taking it on notice. She has provided the information that she needs to check on the issues about commercial in confidence. She has given you some information about why she takes it on notice. She has the right to take it on notice. I think you should move on.

The Hon. DANIEL MOOKHEY: To the point of order: I am not intending to ask more but, to be clear here, we have established in multiple committee proceedings that commercial in confidence is not one of the grounds upon which a witness can take a question on notice and decline to answer. I am all but inviting the secretary to say it is a Cabinet process, or at least to take it on notice to check whether it is a Cabinet process, which may allow us to move on. In terms of what comes back on notice, I want to be very clear here that commercial in confidence is not a ground.

The Hon. SHAYNE MALLARD: To the point of order: The witnesses—what is the document called, the entitlements of the—

The Hon. DANIEL MOOKHEY: Procedural fairness.

The Hon. SHAYNE MALLARD: Procedural fairness does not have conditions on taking it on notice. You are shadow-boxing with the witness to try and get her to reveal what the nature of it is, and she said she will take it on notice.

The Hon. DANIEL MOOKHEY: To be fair, again, the actual procedural fairness resolution says that a witness can take it on notice if they are not in a position to provide an answer. That is it.

The CHAIR: Correct.

The Hon. SHAYNE MALLARD: She is not.

The CHAIR: Let me rule on this. You are quite right the witness is entitled to take it on notice. I think what Mr Mookhey is doing is clarifying what is being taken on notice, not to shadow-box with the witness but to determine what it is that we are going to get an answer to, because we are—this Committee being "we"—are entitled to get this information.

The Hon. SHAYNE MALLARD: We will get it on notice.

The CHAIR: Perhaps a better way to do this is just to explain—in order to provide procedural fairness to the witness, commercial-in-confidence is not an appropriate reason not to answer. I do accept that you might want to take advice.

AMY BROWN: That is it.

The CHAIR: You can even come back to it this afternoon if you prefer.

AMY BROWN: Thank you, Chair.

The CHAIR: But it cannot be because you think it is commercial-in-confidence, if that helps.

AMY BROWN: That is very helpful. I do understand. I would just prefer to seek some advice. I could even come back to you after the break if I can get anything by then.

The Hon. DANIEL MOOKHEY: Sure. I am not going to press it, Secretary.

AMY BROWN: Thank you.

The Hon. DANIEL MOOKHEY: Secretary, the other thing that is listed on this is that apparently in the three-month period there were 41 engagements that were worth less than \$50,000, which, incidentally, for what it is worth, I am fairly positive is a record across all of government in terms of the number of engagements that are less than \$50,000 and therefore not reported. What were the 41? Do you need to take it on notice?

AMY BROWN: They were not required to be disclosed.

The Hon. DANIEL MOOKHEY: For the purposes of the annual reporting Act. I am not suggesting that the decision not to disclose it in the annual reporting Act was illegitimate. You are well and truly entitled not to disclose it in the annual reporting Act. Hence the question: What were they?

AMY BROWN: I will take it on notice. Again, Mr Mookhey, we were in the establishment phase in terms of our agencies. We were getting lots of assistance in terms of getting the right policies and procedures in place; continuing rolling out our international network, which requires a level of international advice, both on work health and safety international laws, IT and so on and so forth. So there was a lot that we needed, and I expect that is why it is quite disaggregated.

The Hon. DANIEL MOOKHEY: On notice, can we get a full list of the 41—the successful consultants or the consultancy that provided the service, the cost of it, as well as whether or not that particular consultancy had to go to tender or not, which, to be fair, if it is less than \$50,000 it is unlikely that it did, but therefore how each of the consultants was selected? I ask that because it is a significant amount of money. It is about a third of your bill on these type of engagements. So if you are in a position to provide us that on notice, that would be great.

AMY BROWN: I will do so.

The Hon. PENNY SHARPE: Sorry, we are jumping around a little bit and I apologise for this. This might be for Dr Hill. I wanted to confirm in terms of the staffing for the Western Parkland City Authority, the aerotropolis basically has come into the parklands authority—is that right?

SARAH HILL: Yes, that is right.

The Hon. PENNY SHARPE: Did all of the staff do that as well?

SARAH HILL: All the staff remain the same.

The Hon. PENNY SHARPE: Can I confirm that there are about 55 staff at the authority?

SARAH HILL: There are 55. As of the last financial year annual report, there were 55 permanent employees, yes.

The Hon. PENNY SHARPE: Am I right in reading this that 22 of them are SES?

SARAH HILL: That is as of—I am not sure what date that is as of.

The Hon. PENNY SHARPE: That was what was in the annual report, so I am just checking.

SARAH HILL: Then that would be the case.

The Hon. PENNY SHARPE: Just under half of your 55 staff are senior executive services. Is that right?

SARAH HILL: Well, there are 55 employed, there are 95 in the organisation as of that annual report, and that 22 would be the case in the annual report.

The Hon. PENNY SHARPE: Sorry, I am just looking at the annual report.

SARAH HILL: Sure.

The Hon. PENNY SHARPE: I cannot find—the figures that I have got is that the headcount of employees as at 2021 is 55, and you are saying it is 96. Where does the 96 come from?

SARAH HILL: Permanent employees, and then there were secondees and contractors as well.

The Hon. PENNY SHARPE: But there are 55 permanent employees, is that right?

SARAH HILL: Correct, yes.

The Hon. PENNY SHARPE: And of those, 22 are senior executive service.

SARAH HILL: Yes.

The Hon. DANIEL MOOKHEY: Is that still the case?

SARAH HILL: Yes, I believe it would be still the case, but I am happy to check and take that on notice to verify that.

The Hon. PENNY SHARPE: Thank you.

The Hon. DANIEL MOOKHEY: Thank you. That would be appreciated.

The Hon. PENNY SHARPE: In terms of your location, you are at Parramatta, aren't you?

SARAH HILL: We currently are at Parramatta, that is right.

The Hon. PENNY SHARPE: My understanding is that there is a plan to move further west—is that right?

SARAH HILL: That is right, yes.

The Hon. PENNY SHARPE: When is the lease up in Parramatta?

SARAH HILL: It is up in mid this year.

The Hon. PENNY SHARPE: Do you have an idea about where you are moving to?

SARAH HILL: We are currently negotiating through Property NSW a tenancy in Penrith CBD.

The Hon. DANIEL MOOKHEY: When will you be moving?

SARAH HILL: As soon as the building is ready to occupy.

The Hon. PENNY SHARPE: You are saying that basically you will be moving to Penrith. Are you anticipating—sorry, I am just trying to get these numbers right. You have about 55 staff, and then you have said there are another 40 or so kind of contractors. Is that right?

SARAH HILL: As of the last annual report, that is correct.

The Hon. PENNY SHARPE: But you are basically located together, so it is about 100 staff. Are you anticipating that to grow very much more between now and when you have to move?

SARAH HILL: It will grow in light of the growth in projects and work that we need to do. Yes, we anticipate it will grow.

The Hon. PENNY SHARPE: How many more staff are you anticipating that you will end up with?

SARAH HILL: That is a matter that we are currently undertaking some workforce planning around in light of the commitments that we have. I am happy to take that on notice and come back to you.

The Hon. PENNY SHARPE: That would be good. If you could even just take me through what—I suppose, where do those positions go? Where is the growth? What are you picking up in terms of what you are needing to do?

SARAH HILL: In terms of projects or in terms of skill sets of staff?

The Hon. PENNY SHARPE: Both.

SARAH HILL: Okay. Bradfield City Centre is probably the key project that you would be aware of, and that is where building one and the AMRF are. There is a very strong need for a range of skill sets in that context—obviously development, construction but also technical skill sets in relation to advanced manufacturing, managing equipment through the AMRF. There is also a range of skills in relation to city building, everything

from environmental assessments through to Aboriginal outcomes. So quite a range in the context of Bradfield City Centre. We also have a broader remit around investment attraction and commercial outcomes across the parkland city, working closely with councils. Indeed, our relationship agreement with the councils has led to a number of strategic outcomes around blueprints and economic development road maps that were released at the end of last year. So it is an array of sort of city-wide strategic coordination as well as delivery in terms of Bradfield City Centre and across all of that investment attraction, consistent with the work of the broader cluster.

The Hon. PENNY SHARPE: Thanks for that. I am interested in how, under the new machinery of government arrangements, there are different planning agencies across three or four different clusters. How is the work that you are doing going to work in with, what was it, the three-city strategy? I know it is now six cities because it is now regional as well. How do they work in together, particularly around planning for things like transport and that kind of thing? What role do you play in that and how do you see that fitting, given I do think it is unusual that planning now sits across four clusters under four different Ministers?

SARAH HILL: It might help to say that, for the avoidance of doubt, we are not a planning authority. Our role is investment attraction, delivering coordination. We do not have planning functions in terms of approvals or strategic planning. That still very much sits with the Greater Cities Commission and indeed the department of planning as well as local government. So that remains the case. In the blueprint, we do have a diagram though that shows a connection between the documents we are preparing. So indeed the blueprint is an example of a document that is prepared, it coordinates land use and infrastructure or it identifies priorities for those, and really it is the next level of detail down from the district plans. It is, however, a non-statutory document. So it is not recognised in planning legislation.

The Hon. PENNY SHARPE: Obviously, transport is the key—

SARAH HILL: Transport is the key.

The Hon. PENNY SHARPE: —even if you are just talking about the aerotropolis, let alone the much larger area. Where does all of this work that you are doing plug into Transport for NSW's planning?

SARAH HILL: That is a really important question because our work feeds out of the transport strategy and identifying and really filling in the next level of detail from the transport strategy, but also given the detail of knowledge that we have across the city and the work we are doing with various stakeholders, our intent is that our work also feeds into the refresh of the transport strategy.

The Hon. PENNY SHARPE: Will you have input into where metro stations will be and where new lines are being planned?

SARAH HILL: As the overarching place-based authority in the western city, we would hope that Transport would continue to work with us to ask us for our input.

The Hon. PENNY SHARPE: How do they get your input? Is there a committee that you work to or a sub-committee of Cabinet you are working to? Where does the work that you are doing plug into the direct planning of transport, as one example? We could talk about health or a whole range of other things.

SARAH HILL: There is a number of different ways and obviously we work closely with them, and have various meetings, as we do, across all agencies of government.

The Hon. PENNY SHARPE: Are they meetings as needed? It is not a formal structure?

SARAH HILL: It depends on the nature of the situation. In the case of Campbelltown justice precinct, we have a cross-government agency group. In the case of City Deal, we have three levels of formal governance. For example, the most senior level relates to Ministers and mayors of councils. The next layer relates to the head of DPC as well as the general managers. The next layer down, which is the coordination committee, has a number of different representatives of government agencies, and collectively they inform City Deal deliverables or other city planning matters. So there is a number of different governance layers and mechanisms that we use.

The Hon. PENNY SHARPE: Would you be able give us, on notice if you like, who is on that coordination committee?

SARAH HILL: I am very happy to. It is public in the City Deal as well, which is available on the website, but I am very happy to take that on notice and give you the details of that.

The Hon. DANIEL MOOKHEY: Dr Hill, what is your current head count?

SARAH HILL: The current head count is over 95. I would say it would be in the order of 120, but it does fluctuate.

The Hon. DANIEL MOOKHEY: Is that in terms of FTE or the number of people who are working?

SARAH HILL: I would have to take the details of that on notice so that we are consistent with our terminology.

The Hon. DANIEL MOOKHEY: That would be great. But it has increased?

SARAH HILL: It has increased, yes.

The Hon. DANIEL MOOKHEY: Has the contractor's bill gone down?

SARAH HILL: Yes, it has. The proportion of contractors has gone down. The work continues and the growth of projects means we need to do more to deliver the city.

The Hon. DANIEL MOOKHEY: Indeed. Just reading from your budget, which is on page 520 of *Budget Paper No. 4 – Agency Financial Statements*, your employee related expenses, basically your budget, close to doubled from \$9 million to \$17 million. I presume that is to facilitate the expansion of the staff?

SARAH HILL: It also reflects the machinery of government changes—

The Hon. DANIEL MOOKHEY: They were reflected in the year previous. I think the way in which the budget is reported is that that is reflected the year previous.

SARAH HILL: Not to my knowledge.

The Hon. DANIEL MOOKHEY: Maybe not, that is fair.

SARAH HILL: No.

The Hon. DANIEL MOOKHEY: Apparently you got \$36 million for grants and subsidies, too.

SARAH HILL: That is right.

The Hon. DANIEL MOOKHEY: What is that for?

SARAH HILL: That is for the livability program through the City Deal.

The Hon. DANIEL MOOKHEY: What is that?

SARAH HILL: I am very happy to share with you details of the City Deal. The livability program has been an ongoing program which is joint-funded by the Commonwealth, the State and councils. It represents 28 projects that relate to livability outcomes. There is a range of projects from water parks through to leisure and recreational facilities across the eight City Deal councils.

The Hon. DANIEL MOOKHEY: That \$36 million has to be concluded by the end of this year?

SARAH HILL: Yes, that is correct.

The Hon. DANIEL MOOKHEY: And that has been dispersed over 28 projects?

SARAH HILL: That is correct.

The Hon. DANIEL MOOKHEY: I am aware the City Deal prescribes that. Can the Committee get on notice a list of the projects?

SARAH HILL: I can share them with you now if you like?

The Hon. DANIEL MOOKHEY: If you want to table it, that is fine.

SARAH HILL: Can I just make a correction? A number of them have been completed so that money is not across the full 28.

The Hon. DANIEL MOOKHEY: If you wish to table whatever information you wish to table about that now, that would be helpful.

The Hon. JOHN GRAHAM: I might turn to the questions I was asking, which were broadly about the Jobs for NSW area. Firstly, I want to ask about the expert council which was established on 4 March. Ms Brown, you announced that last Friday. Some senior people are on this council. What is their job?

AMY BROWN: So, yes, the investment attraction council is a group of, as you say, esteemed business leaders. They are going to do a bit of a mix of things. One is to advise me and Minister Ayres on opportunities for New South Wales, based particularly on global trends, for example. What they see through their business eyes, as to things we should be looking out for; where we can home in on and generate economic benefit; what industries we should focus on; and what the global trends are, such as de-carbonisation, and how to make the most of that.

It is also to provide slightly more focused advice on what our pipeline could look like in terms of global investment that we want to attract and things that are a bit more specific, so we know what to use our network to go after.

The Hon. JOHN GRAHAM: That is certainly a level of clarity beyond what has been published to date. Are there key performance indicators or guidelines that spell that out in more detail at the moment?

AMY BROWN: No.

The Hon. JOHN GRAHAM: Acknowledging it is a recent announcement.

AMY BROWN: And they are unpaid.

The Hon. JOHN GRAHAM: You have clarified though that this does provide advice not only to you but also to the Minister. How would you see that working? On what sort of basis? How regularly?

AMY BROWN: We have not established a cadence of meetings yet, although we have met once. They are very busy people so I will not be meeting with them weekly or anything like that. But I would suspect that we will have some roundtable discussions, and the Minister will attend, either on an ad hoc basis or more regularly, as his diary permits.

The Hon. JOHN GRAHAM: I put to you that they are fulfilling a similar role in some respect as the former Jobs for NSW board. How do you want to distinguish them from that former role?

AMY BROWN: Jobs for NSW was before my time but my understanding based on the legislation is that that board has some level of approval. It was a kind of stronger governance, if you will, whereas this is more an advisory function. I see them as quite distinct, actually.

The Hon. JOHN GRAHAM: Turning to that legislation, I asked the Minister whether he believes all the aspects and requirements of that legislation—this is one of the few bits of legislation that Minister Ayres has—are being fulfilled. I might ask you that same question. Do you believe that the Jobs for NSW Act has had its requirements met?

AMY BROWN: Yes, my understanding is that all of the requirements of that legislation have been met.

The Hon. JOHN GRAHAM: Who are the four members that Minister Ayres or his predecessor have appointed to the Jobs for NSW board?

AMY BROWN: I will need to take that on notice because, as the Minister was alluding to, a lot of what Jobs for NSW was seeking to achieve has been superseded by things like Jobs for NSW, our global network and so on. In that sense, while there is some funding that exists within it and it funds some of our entrepreneurial programs, it is not as active, if you will, as it was, for example, when it sat in NSW Treasury, so there is not a lot for me to report on.

The Hon. JOHN GRAHAM: Ms Brown, this is a legislative requirement for a body that still holds funds. The requirement is that four members need to be appointed by your Minister. Has that occurred?

AMY BROWN: I just need to get some legal advice on how the legislation works with respect to whether it is Jobs for NSW—it is a term for the body itself, and so how it works with respect to those board appointments that you are referring to versus just the fact that it exists and holds funds is satisfying the legislative requirement. Everything that accords with my understanding is that it is, but I will need to seek some more advice.

The Hon. JOHN GRAHAM: Perhaps you could also take on notice who the member appointed by the Minister for regional development is, who the nominee of the secretary for Treasury is if they are not serving in their own capacity and who the nominee of the Secretary of the Department of Premier and Cabinet is if they are not serving in their own capacity. Another requirement of the legislation is for an annual report for Jobs for NSW. There is an annual report, although it is for 2019-20. There have been no subsequent annual reports that I am aware of. What is your understanding of the situation?

AMY BROWN: I will need to come back to you on that. I understand that there are some reporting requirements with respect to Jobs for NSW that still need to occur. We currently have our audit and risk committee looking into the fund itself and what it is that we need to do to comply. I will come back to you.

The Hon. JOHN GRAHAM: Again, I put to you that this is one of the few pieces of legislation your Minister has and it appears it is just not reporting since 2019-20. You have talked about the fund.

The Hon. DANIEL MOOKHEY: Sorry, John, could I ask just one follow-up from that? When you say the audit and risk committee is looking into it, which audit and risk committee?

AMY BROWN: Investment NSW has an audit and risk committee.

The Hon. DANIEL MOOKHEY: What powers does this audit committee have over this fund?

AMY BROWN: It is providing advice to the CEO as to whether or not there is anything we should be doing in addition to manage our risk across our portfolio.

The Hon. DON HARWIN: It is an internal audit committee.

The Hon. DANIEL MOOKHEY: They are constituted with specific powers. That is fine if it is effectively operating off the dough that has been delegated, is your answer.

AMY BROWN: Yes.

The Hon. JOHN GRAHAM: Turning to the fund which you have mentioned, does that fund—the Jobs for NSW fund—still exist? It was meant to be established as a special deposit account with that title.

AMY BROWN: The fund does still exist and it funds particular programs within Investment NSW, including the Minimum Viable Product grant.

The Hon. JOHN GRAHAM: Yes, correct.

AMY BROWN: And some functions that relate to the startup hubs.

The Hon. JOHN GRAHAM: Yes, just those two though; the other functions have collapsed. What is the balance of the account of the Jobs for NSW fund?

AMY BROWN: I will take that on notice.

The Hon. JOHN GRAHAM: Turning to the annual report, this is the annual report 2019-20, which, as I say, I believe is the most recent one, this does outline the Go NSW Equity Fund and indicates that—that was where I drew the report on page 9—it refers to the 100 jobs that were created as a result of investments from the equity fund in its first two years of operation. When this was announced on 17 October 2017, this is what the Government said—this was Mr Barilaro at the time:

The capital funding invested into the companies could create up to 2500 new jobs ... A further 2400 jobs could be created by 2025 through recycled funds.

That is a total of 4,900 jobs. The annual report says 100 jobs were created as a result of this fund. It also goes on to say that was "well ahead of schedule". How is this well ahead of schedule given it is a fraction of the jobs that John Barilaro was promising?

AMY BROWN: I believe the question was asked to my Minister this morning and he answered it. I do not have anything to add because this fund predated me taking on this responsibility. But, yes, the 100 jobs figure accords with what I have.

The Hon. JOHN GRAHAM: I am asking you about the most recent annual report for a fund which is in your agency and I am hoping to understand how this is factually accurate, that creating 100 jobs is well ahead of schedule.

AMY BROWN: I do not have anything to add in addition to what the Minister said this morning.

The Hon. JOHN GRAHAM: Would you perhaps like to take that on notice?

AMY BROWN: I can take it on notice and see if there is anything else I can provide.

The Hon. JOHN GRAHAM: I think that would be helpful. I might table those documents. If you are happy to take this on notice—and I did not put this question specifically to the Minister, given the time, which is why I want to put it to you and I would like a response—how is it that this fund is claiming to the Parliament that it is well ahead of schedule on its job claims given these two documents?

AMY BROWN: Thank you. I will take it on notice.

The Hon. DANIEL MOOKHEY: I might just follow up on that. Did the Jobs for NSW fund enter into any agreements with Treasury last year?

AMY BROWN: With Treasury?

The Hon. DANIEL MOOKHEY: Yes.

AMY BROWN: I will have to take that on notice.

The Hon. DANIEL MOOKHEY: When did it actually cease functioning, to the best of your recollection?

AMY BROWN: It has not ceased functioning, it is still—

The Hon. DANIEL MOOKHEY: As in when did it close, I think is the term we are using?

AMY BROWN: If I said the word "close" I do not think that is quite right.

The Hon. DANIEL MOOKHEY: Maybe I have misunderstood.

AMY BROWN: It still has funds within it and those funds are being deployed.

The Hon. DANIEL MOOKHEY: Did it get any inflow last year?

AMY BROWN: Did it get—sorry?

The Hon. DANIEL MOOKHEY: Inflow, funding inflow.

AMY BROWN: Not that I am aware, but I will take that on notice.

The Hon. DANIEL MOOKHEY: But you are not aware of any later transaction in Treasury?

AMY BROWN: No. The only thing that would have occurred last year is that it transferred from Treasury to the Premier and Cabinet cluster when it came across from Treasury into Investment NSW.

The Hon. DANIEL MOOKHEY: The Treasury, in your report, reports this in their related party disclosures at the back of their financial statements, it says that they had a related party entity—well, certainly a transaction that required disclosure with the Jobs for NSW fund. This is what they describe, and I am reading it—again, if people want to follow at home, it is the Treasury annual report page 94—"It is Jobs for NSW fund – to support ongoing obligations to create jobs in NSW \$18.5 million." Do you know what that means?

AMY BROWN: No, although I do not know whether or not the transfer of the funding that remained within Jobs for NSW from Treasury to Premier and Cabinet had to be disclosed as a related party transaction or not, but that is the only transaction that I can think of as and between Treasury.

The Hon. DANIEL MOOKHEY: To be fair, the other one they do list is Western Parkland City Authority, which they are very clear was the grant to fund the agency—they are very, very explicit about that.

AMY BROWN: Yes.

The Hon. DANIEL MOOKHEY: Which is why this one raises additional questions because they are quite thorough in describing that. They say that they gave Destination NSW \$110 million grants, which is reflected in Destination NSW's annual reports, but we do not know what this \$18.5 million is, as to whether it is new money that got put into the fund. Are you in a position to shed any light?

AMY BROWN: I have no knowledge of the fund being recapitalised, so I would expect that it is simply transferring funds from one department to another.

The Hon. DANIEL MOOKHEY: Is Jobs for NSW paying staff any administration costs?

AMY BROWN: I will take that on notice.

The Hon. DANIEL MOOKHEY: It says here that apparently Jobs for NSW was charged \$3.3 million for the recoupment of staffing and administration costs.

The Hon. JOHN GRAHAM: In which financial year? In this financial year?

The Hon. DANIEL MOOKHEY: In the financial year 2020-2021. Whose staffing costs and administration costs is Jobs for NSW paying?

AMY BROWN: I will need to confirm that it might be in relation to the funding of the startup hub.

The Hon. DANIEL MOOKHEY: Will you take that on notice?

AMY BROWN: Yes.

The Hon. JOHN GRAHAM: Can I just underscore, if that is the case—that there is expenditure in the 2020-21 financial year—the fact that you are not reporting starts to become a major problem?

The Hon. DANIEL MOOKHEY: To be very clear, there is expenditure—it has been disclosed in the Treasury—it is just that we do not know what it is because there is no annual report despite a legislative obligation to file one.

AMY BROWN: I understand.

The Hon. DANIEL MOOKHEY: Can I also ask in that respect, in respect to the Jobs for NSW fund, is it still an asset?

AMY BROWN: I will need to take that on notice.

The Hon. DANIEL MOOKHEY: Because it had shares in various entities, according to the last financial report, and I want to know what has happened to those shares, some of which are actually quite significant, in terms of whether or not it still is the legal owner of—one of them, I think, was a 10 per cent interest in a quantum computing company. Has it still got that or not?

AMY BROWN: I am happy to provide a list of assets and functions that sit within Jobs for NSW.

The Hon. DANIEL MOOKHEY: I am specifically interested in what they own, as in whether they have any ownership of their equity assets in any organisation, because there were a few—we had the Go NSW which we exited as well, but there were other residual ones which I want to know particularly how they are going. Are they making money or they are not making money? Any detail would be useful.

AMY BROWN: Sure, okay.

The Hon. JOHN GRAHAM: Just staying on the Jobs for NSW fund, I just want to ask these questions. The annual report—and I remind you this is the 2019-20 annual report—recaps that the Jobs for NSW fund has an allocation of \$190 million, its original allocation. It indicates that at 30 June 2020, Jobs for NSW had committed \$156.2 million to job creation investment opportunities. My question is: What has happened to the rest of the money as at that time, 30 June 2020?

AMY BROWN: I will need to take it on notice because Investment NSW did not exist, so a lot of this is prior to my time.

The Hon. JOHN GRAHAM: Yes, understood.

AMY BROWN: And, like I said, since I have taken it over it really is just funding a very small handful of programs.

KATE FOY: I am sorry, I am just noticing there are quite heavy deluges around Sydney. We have got quite a few people at the table. With the Chair's permission, if there are questions for other members we are more than happy to stay but, if there are not, I would not mind relieving my colleagues if there are no questions.

The Hon. JOHN GRAHAM: That is sensible.

The Hon. DANIEL MOOKHEY: Chair, it was the Opposition's intention to try to conclude the entire session by 3.30 p.m.

The CHAIR: Which is the time for the scheduled break.

KATE FOY: Fine. Thank you, I appreciate that.

The Hon. DANIEL MOOKHEY: It is entirely a legitimate question. But that is our intention—if we think we have five or 10 minutes, to give the witnesses the opportunity to skip the break and finish it by 3.45. That is our intention.

KATE FOY: We would be happy to do that, but there is only so many of us. If there was one or two, you would—

The CHAIR: A perfectly reasonable request.

KATE FOY: Thank you. I appreciate that.

The Hon. DANIEL MOOKHEY: It is unlikely that Mr Cox will have questions, but Infrastructure NSW will definitely have a few and Office of Sport will get some too, but we do not wish to detain Mr Cox.

The Hon. PENNY SHARPE: But for Ms Mather, I do not have anything for Venues either.

STEVE COX: I am across the city, so I may have to go.

The CHAIR: You are welcome to go, but otherwise we break at 3.30 and that may well be the conclusion.

The Hon. PENNY SHARPE: We are planning on letting you go at 3.30.

AMY BROWN: Thank you.

KATE FOY: Thank you. I appreciate that.

The Hon. JOHN GRAHAM: On the Jobs for NSW Fund, given Ms Brown's answer in relation to 30 June 2020, if there has been expenditure, as outlined, could you give us an update on notice about what the balance of the fund was at 30 June 2021 and in the same terms? So, of the \$190 million, how much has been expended? Where is the money at that second date?

AMY BROWN: Yes. We will provide that.

The Hon. DANIEL MOOKHEY: Secretary, to the best of your knowledge, this is a special deposit account, is it not—Jobs for NSW?

AMY BROWN: I believe so.

The Hon. DANIEL MOOKHEY: Have you taken advice as to whether or not it is complying with the Government Sector Finance Act when it comes to the reporting of special deposit accounts?

AMY BROWN: Everything that accords with my understanding is that it complies with all legislative obligations, yes.

The Hon. DANIEL MOOKHEY: Because, you see, the one that it does not seem to comply with is it is not listed. To be fair, this might be the fault of Treasury, but I want to know whether or not your department or Investment NSW has been providing the inputs required for them to report. Under the Act, all special deposit accounts have to be listed in the Treasury report. I am looking at the Treasury financial reports and every other SDA, to the best of my knowledge, is there except for Jobs for NSW. It is not reported at all as an administrative item in the Treasury, which is where usually we get the disclosure of the balances according to all of them, which is a legislative requirement—at least that is my understanding. Were you providing that information to Treasury as to its balances for their purposes or not?

AMY BROWN: We are providing all information that we are required to, yes. But if you would like me to provide a more detailed answer as to that anomaly that you have called out—

The Hon. DANIEL MOOKHEY: Yes. Just on notice, if you can provide a specific response to the question as to why Jobs for NSW is not listed as a special deposit account—

The Hon. JOHN GRAHAM: Given that it is required legislatively to be one.

The Hon. DANIEL MOOKHEY: Or, again, why it is not listed, to be very specific, at page 79-80 of the Treasury financial statements. I accept that it might not be issues to do with the agency. It might just be the way that Treasury has reported it. But I think you probably therefore need to say that before we can then take it up with them.

AMY BROWN: Thank you.

The Hon. JOHN GRAHAM: I am turning now to the programs that were in operation. You have talked about two of those out of the Jobs for NSW fund. That is the MVP and the Building Partnership grants.

AMY BROWN: That is right.

The Hon. JOHN GRAHAM: And, secondly, obviously the Sydney Startup Hub is operating.

AMY BROWN: That is right.

The Hon. JOHN GRAHAM: The annual report, though, does show these funds closing, which I think we agree on: Regional Solutions, Incubator Grants, Legacy Programs, Local Innovation Network, Multinational Corporations, Accelerating Growth Loans, Regional Growth Loans, Strategic Growth Loans, Loan Guarantees. We have talked about the fact that the GO NSW Equity Fund is exited. All of these programs were part of the high hopes for Jobs for NSW and are closed. What about the programs, though, which you have not referred to as operating but they are not indicated as closed here. I wanted to ask about those.

AMY BROWN: They might still be operating, if you just call them out.

The Hon. JOHN GRAHAM: Yes. The Regional Investment Attraction Fund.

AMY BROWN: Yes. That is still current.

The Hon. JOHN GRAHAM: Tech Central is obviously still current and has a significant amount of funding.

AMY BROWN: That is right.

The Hon. JOHN GRAHAM: Space Industry Development Strategy.

AMY BROWN: Same.

The Hon. JOHN GRAHAM: Global NSW activation.

AMY BROWN: Yes.

The Hon. JOHN GRAHAM: All the others are closed.

AMY BROWN: Yes. We also have the Western Sydney Investment Attraction Fund and the Cyber Security Industry Placement Program.

The Hon. JOHN GRAHAM: Why are they not listed in this annual report?

The Hon. DANIEL MOOKHEY: When were they created?

AMY BROWN: I will take that on notice.

The Hon. JOHN GRAHAM: Turning to my colleague's question, when were they created?

The Hon. DANIEL MOOKHEY: When were those two programs created?

AMY BROWN: The Western Sydney Investment Attraction Fund—is that the one you are referring to?

The Hon. JOHN GRAHAM: Yes.

The Hon. DANIEL MOOKHEY: There are two. There is the cyber one you mentioned—

AMY BROWN: Yes. These were created under the industry development strategies for each of those sectors. There is a space sector. We have released the relevant strategy that lists the programs underneath it, and the same for cyber security.

The Hon. DANIEL MOOKHEY: When?

AMY BROWN: When were they released?

The Hon. DANIEL MOOKHEY: No. When were they created, these specific ones, these grants?

AMY BROWN: I do not know the date of creation. I just know they fund—

The Hon. JOHN GRAHAM: Really we are asking is it because they were created after 30 June 2020? Is that the reason they are not reported on?

AMY BROWN: I would say that is very likely because those strategies were not released until the last 12 months.

The Hon. JOHN GRAHAM: Raising the question: Where are you reporting? How is this money being spent if there is not an annual report because this has been closed?

AMY BROWN: Yes. It would need to be covered in an annual report.

The Hon. JOHN GRAHAM: Can I turn to the specifics of the GO NSW Equity Fund where in 2019-20 the spend—and this is as the fund is being exited on 4 May that year—is \$680,000. What was that money spent on?

AMY BROWN: Which date, sorry?

The Hon. JOHN GRAHAM: On 4 May 2020, I think we agree that the GO NSW Equity Fund was exited.

AMY BROWN: That is right.

The Hon. JOHN GRAHAM: I will ask some questions about that in a minute. In that financial year 2019-20 the actual spend is listed in the annual report as \$680,000. What is that money spent on?

AMY BROWN: I will take that on notice. That was before my time.

The Hon. JOHN GRAHAM: Okay. The fund was exited. Essentially, the equity holding was sold. Was that sold to First State Super?

AMY BROWN: The details of the exit process is something, again, I do not want to venture too far into without knowledge because this is all before my time, so I would prefer to provide separate information.

The Hon. JOHN GRAHAM: Take that on notice, yes.

AMY BROWN: Yes.

The Hon. JOHN GRAHAM: I do want to press the question I had a brief moment to mention with the Minister. The Government has made the argument, "We have made a profit on this." There was a \$900,000 valuation.

AMY BROWN: Yes.

The Hon. JOHN GRAHAM: Did we make a \$900,000 profit on this? Do you have any other information that would shed light on that question?

AMY BROWN: Just that it was based on the valuation as at the exit date.

The Hon. JOHN GRAHAM: So the valuation was relevant. Did it determine the sale price, though? Did we sell it at the valuation? Or can you give me that guarantee at least?

AMY BROWN: No. All I can tell you is what the valuation was.

The Hon. JOHN GRAHAM: Yes. And if we spent \$680,000, noting that, in my view, this is less than a 5 per cent return and we sold at the bottom of the market—I will not ask you to comment on those that the Minister did—do we have to take this \$680,000 that we spent in 2019-20 off the \$900,000, in which case we have got almost no return at all? If you could take that on notice.

AMY BROWN: Yes. Before my time, so I will take it on notice.

The Hon. JOHN GRAHAM: Yes. Understood. I think they are the set of questions in relation to that.

The Hon. DANIEL MOOKHEY: I might then direct questions through you, Secretary, to Infrastructure NSW if that is possible?

AMY BROWN: Of course.

The Hon. DANIEL MOOKHEY: Mr Draper, it is good to see you. What exactly is Infrastructure NSW's role in WestInvest?

SIMON DRAPER: Infrastructure NSW does not really have a formal role in WestInvest. I personally sit on the steering committee, as the Minister mentioned this morning, for WestConnex—

The Hon. DANIEL MOOKHEY: Sitting in your individual capacity, or are you representing your agency, or—

SIMON DRAPER: As the CEO for Infrastructure NSW. That is why I was appointed to it. But we do not have a role as you described with Restart this morning. We do not have a legislative role in WestInvest.

The Hon. DANIEL MOOKHEY: The steering committee was announced last week. When did you find out about it?

SIMON DRAPER: I do not know the exact date. It would probably be in January, I would say.

The Hon. DANIEL MOOKHEY: Fair enough. What is the remit of the steering committee?

SIMON DRAPER: Steering committees advise the Treasurer on a number of factors, including the parameters, the guidelines for the fund. As the fund progresses, the steering committee will also review specific proposals for advice to the Treasurer.

The Hon. DANIEL MOOKHEY: When you refer to this as a fund, just to be really clear legally, what are you talking about?

SIMON DRAPER: Whether it is held in a separate account and that sort of thing?

The Hon. DANIEL MOOKHEY: It is an open question. What is it?

SIMON DRAPER: It is an allocation of an amount designed for a specific purpose. If you have got questions about the legal status of it, you are probably better off asking Treasury because they administer the fund, for want of a better term.

The Hon. DANIEL MOOKHEY: When you are using the term "fund", you are referring to projects that may have the label of WestInvest attached to them? Correct?

SIMON DRAPER: Yes, where they are getting funding allocated to them through the process used by that fund, yes.

The Hon. DANIEL MOOKHEY: I think the Minister referred to it this morning as an appropriation, so can we refer to it as appropriation? Is that a better way of describing it?

SIMON DRAPER: I could not advise you on that; I think you are better off asking Treasury.

The Hon. DANIEL MOOKHEY: Do you know when the steering committee is required to finalise the guidelines?

SIMON DRAPER: Yes, there is a timetable for that. I have not brought that with me today, but there is a timetable over the next few months so that the whole program is intended to be rolled out over the next six months, as you said this morning.

The Hon. DANIEL MOOKHEY: To be fair, that is sort of inconsistent with other public language. One of the funds is meant to be the assessment process for the community component, which is \$2 billion, but the \$3 billion is not actually stated. Do you know when the \$3 billion is meant to be acquitted?

SIMON DRAPER: I think the \$3 billion in part will be managed through the State budget process.

The Hon. DANIEL MOOKHEY: Just to be clear here, some of this is capital and some of it is recurrent. Do you know the difference between how much is meant to be capital and how much is meant to be recurrent?

SIMON DRAPER: I do not believe there is any allocation between them. My understanding is the intention of the fund is to allocate money to new projects and new assets, not to maintenance.

The Hon. DANIEL MOOKHEY: The half-year budget review says that there is a capital component and a recurrent component, and it is not clear as to how much. That half-year budget review was published on 16 December. Have you been advised in your membership of the steering committee as to whether you are assessing the recurrent, the capital or both?

SIMON DRAPER: We will be required to make recommendations on any proposals that go up to the Treasurer for funding. But the intention of the fund is to fund new assets and new services, not the maintenance of existing services.

The Hon. DANIEL MOOKHEY: Some of what has been described as permissible under these funds is school modernisation and the like. That is actually one of the major categories. Is this new money being brought forward? Is that projects that did not succeed through other application processes that are now coming to WestInvest? Do you know how the component that is WestInvest relates to the broader school infrastructure budget?

SIMON DRAPER: I think the best way to answer that is in the general sense that all of the funding that would be allocated through the fund is intended to be additional to existing programs.

The Hon. DANIEL MOOKHEY: Presumably, the capital components of those projects will need to be registered with Infrastructure NSW if they are above \$10 million.

SIMON DRAPER: Yes, that is correct. If they are above a certain size, they will have to go through the assurance process.

The Hon. DANIEL MOOKHEY: Have any of them been registered so far?

SIMON DRAPER: No. Sorry, I should say not that I am aware of, because we have not got that far in the process. People may have notified our assurance area of an intention to do a project and that may end up being funded through the program, but I am not aware of any.

The Hon. DANIEL MOOKHEY: Can you find out on notice whether any have been notified and/or registered?

SIMON DRAPER: Certainly.

The Hon. DANIEL MOOKHEY: Thank you. Separately notified and/or registered—the two steps.

SIMON DRAPER: Yes, sure.

The Hon. DANIEL MOOKHEY: Thank you. I was asking questions this morning about the approval process or the advisory process, as we now call it. I guess it is an advisory process. Is there an ability for Ministers to retain discretion? Has that been explained to you?

SIMON DRAPER: The steering committee makes recommendations to the Treasurer. Clearly, it is up to Executive Government to accept, not accept or amend recommendations that come up from the public service, including from the steering committee.

The Hon. DANIEL MOOKHEY: Does your steering committee have a terms of reference?

SIMON DRAPER: Yes.

The Hon. DANIEL MOOKHEY: Can you provide it to us on notice?

SIMON DRAPER: Yes. I will probably seek consent from the Department of Premier and Cabinet, who have governance of that, but I will follow that up and come back on notice.

The Hon. DANIEL MOOKHEY: Do not let them tell you what to do!

SIMON DRAPER: We will try.

The Hon. DANIEL MOOKHEY: Do your terms of reference make it quite clear that you are acting in an advisory capacity?

SIMON DRAPER: Yes, it is a capacity to advise and make recommendations to the Treasurer. Correct.

The Hon. DANIEL MOOKHEY: But what happens after the projects are gone? Do you have a supervisory capacity over the efficiency of spend?

SIMON DRAPER: I will check that on notice for you. I do not believe there is an ongoing monitoring process for each of those projects. I would say there is usually a funding deed entered into. To the extent that the project is only funded as it is completed, there will be a supervisory role through that period.

The Hon. DANIEL MOOKHEY: I am interested in the interaction between the Infrastructure Investor Assurance Framework and WestInvest. Under the IIAF, you are required to risk-rate every project over \$10 million, are you not?

SIMON DRAPER: Yes. I know you are familiar with this, but there are different tiers. We have different degrees of granularity and frequency of doing that, yes.

The Hon. DANIEL MOOKHEY: With WestInvest, are those projects likely to be risk-rated by Infrastructure NSW prior to the funding decision or after?

SIMON DRAPER: Depending on the scale of them, they will go through the normal assurance process. We would normally rate a project if it met the criteria for getting into a tier one or a tier two. We would normally be doing that all the way through the process, including during the business case process.

The Hon. DANIEL MOOKHEY: Has the steering committee met?

SIMON DRAPER: Yes.

The Hon. DANIEL MOOKHEY: When did it meet?

SIMON DRAPER: I have not got all the dates, but I think it has met at least three or four times.

The Hon. DANIEL MOOKHEY: And how many meetings are scheduled between now and September?

SIMON DRAPER: There is a schedule of meetings. I do not have those with me, but it is a fairly regular series of meetings.

The Hon. DANIEL MOOKHEY: Do you mind getting it on notice?

SIMON DRAPER: Yes, sure.

The Hon. DANIEL MOOKHEY: Thank you. Insofar as your terms of reference or any other explanation that has been given to you, are you meant to be applying a BCR perspective or not?

SIMON DRAPER: That is not explicit, I do not think, in the terms of reference that we have as a committee. But the guidelines for the program itself are still being developed, and that may come through in those guidelines for different elements of the fund.

The Hon. DANIEL MOOKHEY: Do you have any idea what criteria you are meant to apply as a member of this steering committee for projects coming out of this fund?

SIMON DRAPER: Yes, we do.

The Hon. DANIEL MOOKHEY: What are they?

SIMON DRAPER: I will have to take that on notice because I have not brought that document with me, but there are certainly criteria we have been given for the project. An example of one I gave you earlier is that

the intention is that it is for projects which are additional to the existing portfolio of assets, that it is not for maintenance. There is a series of things, and then there is the intention of the types of assets, as you described earlier, that they might go into.

The Hon. JOHN GRAHAM: I will turn to a range of night-time economy issues, essentially similar to those I canvassed with the Minister, and step through a couple of those for some additional information. The first of those was the idea of a \$250 minimum fee for musicians for government-subsidised events. That issue has been raised with the Government. Have there been any discussions or any background that you can provide about that concept?

AMY BROWN: Not that I have been party to, no.

The Hon. JOHN GRAHAM: Are you aware of any objection to this in principle?

The Hon. DON HARWIN: That is a policy question.

AMY BROWN: Mr Graham, I have not been in any discussions on this topic.

The Hon. JOHN GRAHAM: Thank you. Sorry, I was distracted by the—

The Hon. PENNY SHARPE: The movement over there.

The Hon. JOHN GRAHAM: That is right.

The Hon. PENNY SHARPE: Signs of life.

The Hon. JOHN GRAHAM: But you do accept that this has been raised in correspondence with both the former arts Minister and also with your Minister, Minister Ayres.

AMY BROWN: If it is correspondence between the Ministers, I am not privy to it.

The Hon. JOHN GRAHAM: I will put to you it has been raised directly.

AMY BROWN: Okay, thank you.

The Hon. JOHN GRAHAM: I will turn to Destination NSW at that point. Why can we not make sure that artists or musicians are getting a small amount when you are funding public events to the tune of sometimes millions of dollars?

STEVE COX: Our position is not to do with salaries and payments in relation to those artists. We support events based upon the visitor economy return. We do an economic assessment on what we expect the visitor economy return to be and then support the events accordingly.

The Hon. JOHN GRAHAM: So you are concerned about the impact on the New South Wales economy as a whole, but if the musician walks out of the venue with nothing in their pocket then that is not a concern for Destination NSW.

STEVE COX: No, that is not the case, but it is not in our legislative body to dictate the payments of salaries to musicians.

The Hon. JOHN GRAHAM: It would not be a legislative requirement. Is it a policy that you might apply? Is it a guideline that you would consider implementing?

The Hon. DON HARWIN: Point of order: Madam Chair, if it is a policy matter then it should be directed to the Minister, not to the CEO of Destination NSW.

The Hon. JOHN GRAHAM: That is an outstanding point of order, and I have to concede.

The CHAIR: It is indeed, and I will uphold it.

The Hon. PENNY SHARPE: It was a nice try, though.

The Hon. SHAYNE MALLARD: He tried to slip it past us.

The Hon. JOHN GRAHAM: I think you are really indicating this is not a consideration to date. You would really need the Government to indicate this was important for them as a matter of policy to act on that. Is that fair, Mr Cox?

STEVE COX: If it is a policy matter for the Government, then yes.

KATE FOY: If I may say, matters around arts and performances are not exclusively the domain of Destination NSW. I suggest the policy question also be directed to Minister Franklin, who is appearing next week. I am sure we would be happy as part of that to come back with further information. But suffice to say—and if

I can acknowledge my former Minister—the level of investment in arts and culture is significant, and particularly during COVID there was well over \$250 million of support. I am sure that would have gone into the pockets of many artists. The re-emergence of the arts sector, and the performing arts sector particularly, over the past couple of months has seen investment and jobs recovery in arts and those associated industries come back with some strength.

The Hon. JOHN GRAHAM: Thank you for that answer, Ms Foy. I am conscious of the time. I want to assure you that I was coming to you on that question next. I think that underlines partly the answer here though, which is that this is an opportunity, given the significant funding that is flowing.

KATE FOY: Ideas come from everywhere. I will take it to have a look at any correspondence that has come in and give it its due regard.

The Hon. JOHN GRAHAM: I want to turn to the night-time economy strategy. I think the Government was referring to it as the 24 Hour Economy Strategy. I asked the Minister about this at the last estimates. Rather than go through a detailed item-by-item run-through of this, Secretary, and rather than take all of our time, I simply asked if we could get an indication of progress on each of the actions. That did not occur. The answer I got back was a gentle wobble through some good things that have happened but did not indicate where we were up to. I certainly do not want to detain your officials, but I do think it is reasonable to ask, for each of the actions in this strategy, can we get an indication about whether it is complete, whether it is in progress or whether it is yet to start—the sort of traffic-light analysis that would be the basis for any departmental look at this? If you are happy to take that on notice, I am relatively happy to leave that.

AMY BROWN: That is great. The only comment I will make is that 35 out of the 39 actions are in progress.

The Hon. JOHN GRAHAM: Great.

AMY BROWN: That is the kind of high-level number. Of course, we have the information within our own agency as to where everything is up to. We will provide something back to you.

The Hon. JOHN GRAHAM: Perhaps if you could give that high-level analysis and some indication on each of those actions about what has been taken, I am happy to leave that in your hands and see what you come back with. I did want to ask you about some of the measurement framework for that in a little bit more detail. This is contained on page 69 of the strategy. It runs through some of the things that we might measure—social measures, economic measures and cultural measures. Can you give us any indication about where some of these indicators are up to? Have they actually been developed?

I might give you a couple of examples. To measure social measures, key indicators are a participant demographic study, a night-time economy satisfaction score, sentiment analysis and, sensibly, an examination of what I assume are the BOCSAR figures on alcohol and drug related violence and crime. Have those measures been developed at all? Are you measuring them? Do we have any indication?

AMY BROWN: I think each of those measures are at varying stages of maturity insofar as what I have visibility of at the secretary level. The office of the 24 Hour Economy Commissioner sits in Investment NSW and is supported by a small team of people. What I can do is request an update as to the status of each of those and provide it to you.

The Hon. JOHN GRAHAM: It is each of those key indicators. There are perhaps 12 of them. If you are able to be clear, have they been developed? What is the measure? What is the result in that measure at the moment? The economic measures are particularly interesting. The number of core night-time economy businesses and non-core or supporting businesses operating between 6.00 p.m. and 6.00 a.m., do we know that in New South Wales?

AMY BROWN: Yes, we would absolutely have a data point on that, which I can provide. Obviously all of this has been impacted very much so due to the pandemic, particularly the restrictions that we have ebbed and flowed on.

The Hon. JOHN GRAHAM: Which is one of the reasons I am asking.

AMY BROWN: Yes, it has obviously varied quite extensively since the strategy was launched. We are doing everything to double down on not only recovering the sector but then enabling it to flourish.

The Hon. JOHN GRAHAM: Why don't we report that, Secretary? If we know that, why don't we report it?

AMY BROWN: Across all of our portfolio and the various offices and agencies that sit within it, and I think it was actually Ms Sharpe that suggested this to me a couple of estimates ago, I want to see what indicators we actually can be loud and proud about and report on—everything from the senior trade and investment commissioners and our economic data through to this. I will very much take that as feedback and see what it is that we should be putting out there as an agency.

The Hon. JOHN GRAHAM: I appreciate that answer. I might put a strong view to you in relation to this by way of feedback. Those numbers are collected in public research by the capital city mayors. They have reported on that over a number of years. It has been very valuable research. It is being done by local government, whereas the State Government does not seem to have the first clue about what is going on by way of its published research. That is how it feels from the outside. It may be different—

AMY BROWN: I think it is different on the inside, Mr Graham. All of our work is very data informed. We have open data policies, and every agency that has access to data collaborates. It is kind of centralised. A lot of the policy recommendations that we make are data informed, so I would expect we have access to some fantastic stuff that we would be able to share.

The Hon. JOHN GRAHAM: Perhaps, on notice, if you are happy to—you have already agreed to respond on these measures. If you are able to separately, on notice, respond to this question: What other data are you bringing to the table? As you measure this challenge for the night-time economy generally and for the night-time economy under COVID, what does the State Government know? What are you prepared to publish down the track?

AMY BROWN: I will take that away. I agree.

The Hon. JOHN GRAHAM: The other answer on notice that I was upset about last time—and so I will raise it with you this time—was the issue that I have put back to the Minister about the night-time economy poem contained in the night-time economy strategy. This is page 11 of the strategy. Someone was paid to complete this poem. I am conscious, Ms Foy, of the time, so I am not going to read the whole poem. I was very tempted to. I am definitely going to read it all in the Parliament if I do not get an answer to this reasonable question. Who wrote this? How much did it cost? How much did the strategy cost? I am hoping for answers to each of those three questions, but I am happy for you to take them on notice.

AMY BROWN: The strategy was released in September 2020. As you say, that was when it was part of the Treasury cluster. I will have to take the question away. I understand the frustration.

The Hon. JOHN GRAHAM: Thank you.

The CHAIR: Before we move on to the next set of questions, can we just talk logistics for a second? Everyone has got some interest in getting out of here early, with the weather warnings. We are scheduled to have a break at 3.30 p.m., which is part of our sessional orders. There are probably a couple of people that we can excuse at this point. What we are proposing to do is skip the break, keep the Committee going for another 15 minutes maximum until 4.00 p.m. and then finish.

The Hon. DANIEL MOOKHEY: On that basis, we can excuse some witnesses now and then recall the session. It is likely that we can finish by 4.00 p.m., but if it is the case that the Government wants to—

The Hon. SHAYNE MALLARD: Finish at 3.45 p.m.

The Hon. DANIEL MOOKHEY: We are likely to go to 4.00 p.m. on the basis of the Opposition, but certainly not with all of the witnesses. If you want to take the break, we take the break. We can excuse some witnesses now, and they do not have to return after the break. The others who are likely to face one or two questions will have to come back, and then we can excuse them as soon as we are done.

The Hon. SHAYNE MALLARD: If we do not take the break, we will go to 4.15 p.m.?

The CHAIR: No, not 4.15 p.m.

The Hon. SHAYNE MALLARD: If we do take the break, we will go to 4.15 p.m., with the Government's 15 minutes option at the end.

The CHAIR: If we take the break, we are just in the normal standing orders.

The Hon. PENNY SHARPE: We are trying to be helpful; we are not trying to be difficult.

The Hon. DANIEL MOOKHEY: If we take the break, we are going to go through until 5.15 or until exhausted.

The CHAIR: Let me put this in the reverse because, if there are people who can be excused, let us do that at the very least.

The Hon. PENNY SHARPE: Ms Mather, Mr Cox and Mr Draper.

The CHAIR: You are welcome to make a run for it. Thank you very much for your attendance today. If any questions were taken on notice, you will be contacted by the secretariat. Thank you very much.

(Kerrie Mather, Steve Cox and Simon Draper withdrew.)

The Hon. SHAYNE MALLARD: If we go through the break, can we aim for 3.45?

The Hon. DANIEL MOOKHEY: No, we will definitely need another 30 minutes. The witnesses who will be required are Ms Brown and Ms Bell—just those two. I think we only have one or two left for Ms Jones and Dr Hill.

The Hon. SHAYNE MALLARD: We will go through until 4.00 p.m. with no break.

The CHAIR: Okay. Otherwise, we would need to go into a deliberative.

The Hon. DON HARWIN: No, we will just press on.

The Hon. SHAYNE MALLARD: The maximum is four o'clock.

The CHAIR: To be clear, because it is part of the standing orders, we agree that we will not take a break.

The Hon. DANIEL MOOKHEY: Yes, I am totally fine. If we have until 4.00 p.m., I am certain we will be done.

The Hon. SHAYNE MALLARD: Yes, that is fine. We reserve the 15 minutes if we need it. We do not need it; it is just the principle.

The CHAIR: Yes, of course. That 15 minutes is still available if you want it.

The Hon. SHAYNE MALLARD: But there are serious weather conditions outside.

The Hon. PENNY SHARPE: Yes, we know.

The Hon. SHAYNE MALLARD: The northern beaches and—

The Hon. PENNY SHARPE: I know. It is alright; we have the Bureau of Meteorology information.

The CHAIR: We have reserved time.

The Hon. SHAYNE MALLARD: All the trains are cancelled all over the place. David did not do it this time.

The Hon. PENNY SHARPE: Not this time.

The CHAIR: If everyone is comfortable with that, we will continue with questions.

The Hon. PENNY SHARPE: I have some sport questions. Ms Jones, you are up. There are not a lot of questions, you will be pleased to know—just a few.

KAREN JONES: Great.

The Hon. PENNY SHARPE: I want to get an update from you. On the closure of the Myuna Bay Sport and Recreation Centre, the previous acting sports Minister, Minister Lee, said that compensation would be paid to the waterski club and Morisset Rotary Club, which were impacted by the closure in 2019. Can you give me an update on the status of the compensation to those two organisations?

KAREN JONES: Yes, I can. Thank you for the question. In terms of the Rotary club, my understanding is that it has actually not received monetary compensation but it has been found alternate accommodation, courtesy of Origin Energy. In terms of the waterski club, I am in contact with Peter Atkinson from the waterski club, as recently as last week, looking at an alternate location for it as well. Obviously, its preference is to remain at Whiteheads Lagoon because it does actually provide good water for it to carry out its activities. It has tried a number of other locations within the region. However, it has not yet settled on an alternate location, so I am still in conversations with it.

The Hon. PENNY SHARPE: Just to be clear, it is not going to be possible for the club to stay at that location, given the risk assessment on the ash dam. Is that right?

KAREN JONES: Correct.

The Hon. PENNY SHARPE: My understanding is that when the centre was closed, there were about 30 teachers and staff members. I believe there were some transition arrangements in place for the staff to be relocated or employed again within the Office of Sport. Are you able to give me an update on what happened to those 30 staff?

KAREN JONES: Yes. Thirty is incorrect. In terms of Office of Sport staff, we had 15 who were actually directly impacted as a result of the closure of Myuna Bay.

The Hon. PENNY SHARPE: But there were more staff than—the 15 were just the Office of Sport. Was the total headcount 30?

KAREN JONES: There were some casuals. At that time we operated a casual pool and so those casuals could be redeployed at our other locations.

The Hon. PENNY SHARPE: Yes, but do you know whether they were?

KAREN JONES: I beg your pardon?

The Hon. PENNY SHARPE: They could have been, but do you know whether they actually were?

KAREN JONES: Yes, they were. They absolutely were.

The Hon. PENNY SHARPE: Great, so the casuals were redeployed. And the 15 full-time staff?

KAREN JONES: The 15 full-time staff were actually given one of three options. They could have taken a redundancy, they could have been retrained within the Office of Sport functions or they could have been redeployed. Of the 15, nine actually decided to take a redundancy and the remaining six are working at our other centres.

The Hon. PENNY SHARPE: Great. Thank you very much for that. A new site has been announced. Is that correct?

KAREN JONES: Yes.

The Hon. PENNY SHARPE: It is the old Morriston Hospital land site?

KAREN JONES: Yes, that is right.

The Hon. PENNY SHARPE: Origin has indicated that it will rebuild that. What do you expect to be built on that site?

KAREN JONES: We are calling it, at the moment, the Lake Macquarie sports centre. We are looking at regional sporting facilities that can not only be used by the Office of Sport, in terms of running our programs, but also be more broadly available to the general public.

The Hon. PENNY SHARPE: Sports fields, indoor sports hall, pool, bike and walking trails were talked about previously. Is that still part of the plan?

KAREN JONES: Yes, it is.

The Hon. PENNY SHARPE: Great, thank you.

The Hon. DANIEL MOOKHEY: Just to be clear, Chair, we do not have anything further for Ms Foy, but she is welcome to stay.

KATE FOY: If I can, I would not mind, as the friend of the people.

The Hon. DANIEL MOOKHEY: It is at your discretion.

The Hon. SHAYNE MALLARD: Masochist.

KATE FOY: Indeed.

The Hon. PENNY SHARPE: She just wants to check that we are not misbehaving.

KATE FOY: I have made sure the kids are safe, so I am good, thank you.

The Hon. DANIEL MOOKHEY: I think it is fair to say that we have nothing further for Ms Jones, so whether Ms Jones stays or goes is at her discretion.

The CHAIR: I think everyone is comfortable with that. Thank you, Ms Jones.

KAREN JONES: I will take the opportunity, thank you.

The Hon. DANIEL MOOKHEY: Fair enough. We will do our best to get Dr Hill released as well.

(Karen Jones withdrew.)

The Hon. DANIEL MOOKHEY: Dr Hill, I follow up on a question that was taken on notice last time. You may recall that we were talking about Commonwealth land that the authority has acquired and, specifically, its contamination. I asked you what the extent of the contamination was. In response, I was told:

Detailed site investigations will determine the nature and extent of any contamination.

Where are you up to with the detailed site investigation?

SARAH HILL: We are currently undertaking detailed site investigation.

The Hon. DANIEL MOOKHEY: Who is undertaking it?

SARAH HILL: I would have to take that on notice.

The Hon. DANIEL MOOKHEY: When will it be completed?

SARAH HILL: Shortly, but the exact details I would have to take on notice.

The Hon. DANIEL MOOKHEY: Okay. Separate to that, have you been advised that the land has PFAS on it?

SARAH HILL: I understand there are very low levels and it is not certain as to the source of that—whether it is on site or off site.

The Hon. DANIEL MOOKHEY: Is that the principal contamination that we are investigating?

SARAH HILL: I would have to take that on notice.

The Hon. DANIEL MOOKHEY: What else do you think could be there? Have you been advised as to what else is there?

SARAH HILL: No. Again, just to avoid any confusion, I would have to take that on notice.

The Hon. DANIEL MOOKHEY: With respect to the acquisition, we have established previously that the Commonwealth discounted the sale. Let me put it to you this way: Did the Commonwealth discount the sale process and sale price in exchange for the authority accepting the land as is?

SARAH HILL: Consistent with my earlier answer, the Commonwealth did take that into consideration in negotiating the sale value.

The Hon. DANIEL MOOKHEY: Yes, so we did discount the sale value to account for the contamination?

SARAH HILL: It was taken into consideration, yes.

The Hon. DANIEL MOOKHEY: At the time that we acquired the land, did we have an estimate as to what the contamination was?

SARAH HILL: We had some estimates. We had some assessments undertaken, and the Commonwealth had undertaken some assessments as well.

The Hon. DANIEL MOOKHEY: At the time did we quantify the liability as to cost for us to clean up the contamination?

SARAH HILL: We had estimates and so did the Commonwealth.

The Hon. DANIEL MOOKHEY: What were the estimates for New South Wales?

SARAH HILL: I would have to take that on notice.

The Hon. DANIEL MOOKHEY: I think you did before. Do we have any further information?

SARAH HILL: As I said, at the moment we are still undertaking detailed assessments.

The Hon. DANIEL MOOKHEY: Given that previous land acquisitions by other agencies have resulted in us having to pay \$100 million in contamination clean-up costs, what is the liability we are looking at?

SARAH HILL: Consistent with my earlier answer, any assessment that has been undertaken, either by us or the Commonwealth, shows very low levels, and certainly below reportable levels.

The Hon. DANIEL MOOKHEY: Sure. What impact is this going to have on construction?

SARAH HILL: As part of any construction process, we are undertaking a range of assessments and due diligence, and we will factor that into any work that we are doing. But at the moment the levels are very low, so we are continuing as planned.

The Hon. DANIEL MOOKHEY: I think you said previously that the Commonwealth had warranted that it would assist in paying \$10 million to remediate. Do you recall that?

SARAH HILL: I said the cost was under \$10 million in the estimates, as a point of clarification.

The Hon. DANIEL MOOKHEY: Yes, is that still what you think?

SARAH HILL: That is to the best of my knowledge but, as I said, we are still undertaking detailed assessments.

The Hon. DANIEL MOOKHEY: To be very clear, the Commonwealth has not actually given us a guarantee to pick up any of the tab. Instead, it discounted the acquisition cost. Correct?

SARAH HILL: As I said, it was factored into the cost of the land, rather than any retrospective agreement around the transfer.

The Hon. DANIEL MOOKHEY: Did we get a \$10 million discount on the acquisition price?

SARAH HILL: As I said, it was less than \$10 million. I am not in a position to speak any further about the nature of the arrangements.

The Hon. DANIEL MOOKHEY: Why not?

SARAH HILL: They were certainly conducted before my time. I would have to take advice on the confidentiality of those matters.

The Hon. DANIEL MOOKHEY: Is that on the basis that it could be commercial in confidence?

SARAH HILL: No, certainly not.

The Hon. DANIEL MOOKHEY: What independent valuation process did you get before we decided to pay—actually, what was the acquisition cost?

SARAH HILL: As set out in the budget papers, it was \$293 million.

The Hon. DANIEL MOOKHEY: What was the land valued at prior to acquisition?

SARAH HILL: The land valuation is reflected in the cost, but I am happy to take that on notice.

The Hon. DANIEL MOOKHEY: No, that is what we paid; that is not what the land is valued at.

SARAH HILL: That is right.

The Hon. DANIEL MOOKHEY: Did you get the land valued by anyone before you bought it?

SARAH HILL: There was a land valuation undertaken, yes.

The Hon. DANIEL MOOKHEY: Who did it?

SARAH HILL: I would have to take that on notice.

The Hon. DANIEL MOOKHEY: Was it CBRE?

SARAH HILL: I would have to take that on notice. It was certainly before my time as CEO of the authority.

The Hon. DANIEL MOOKHEY: Someone would have produced a valuation report, correct?

SARAH HILL: That is right.

The Hon. DANIEL MOOKHEY: On notice, could we get the valuation report?

SARAH HILL: I am happy to take advice on that, and I will take that on notice.

The Hon. DANIEL MOOKHEY: Has the authority met with the Periches, the Mediches or Ms Louise Waterhouse?

SARAH HILL: The authority has, to the best of my knowledge, met with the Periches and with the Waterhouse family or Louise Waterhouse, yes.

The Hon. DANIEL MOOKHEY: What was the purpose of the meetings?

SARAH HILL: They are landowners within the aerotropolis. As part of our functions, we will meet with landowners as part of our engagement in the aerotropolis.

The Hon. DANIEL MOOKHEY: Did they make any specific requests?

SARAH HILL: Not to my knowledge, no.

The Hon. DANIEL MOOKHEY: Was it just a catch-up?

SARAH HILL: I am happy to take the details of that on notice. It is recorded—

The Hon. DANIEL MOOKHEY: Did you meet with them?

SARAH HILL: I have met with them previously, yes.

The Hon. DANIEL MOOKHEY: Do you recall what you met with them about?

SARAH HILL: As part of the process of engagement with any landowner, there may be a request for us to meet, discussing certainly the plans of the authority, only public information in any case, and then understanding any plans that they have to develop in the aerotropolis.

The Hon. DANIEL MOOKHEY: On notice, can we get the dates of the meetings that the authority had, the dates you have met with those three families, and any description or detail you wish to provide about the nature of the meeting and any outcomes that were reached.

SARAH HILL: Very happy to.

The Hon. DANIEL MOOKHEY: Thank you. I think that is it for Dr Hill.

The CHAIR: If everyone else is happy, Dr Hill, you are excused.

SARAH HILL: That is all right. I will hang out with my sisters here today. I will wait.

The Hon. DANIEL MOOKHEY: Secretary Brown, first things first, can we establish where exactly Investment NSW's offices are right now?

AMY BROWN: We have personnel in a number of places.

The Hon. DANIEL MOOKHEY: Let us start with Sydney.

AMY BROWN: In Sydney, 52 Martin Place; the Sydney Startup Hub. Destination NSW is still part of Investment NSW, and they are at the Rocks.

The Hon. DANIEL MOOKHEY: Do we still have the premises at 11-31 York Street?

AMY BROWN: That is the Sydney Startup Hub. Yes.

The Hon. DANIEL MOOKHEY: The core of your personnel are at 52 Martin Place?

AMY BROWN: That is correct.

The Hon. DANIEL MOOKHEY: Was there a fit-out of 52 Martin Place?

AMY BROWN: A fit-out of 52 Martin Place. Not a full fit-out of 52 Martin Place, no, but we have done some work in terms of installing the right number of lockers and things like that.

The Hon. DANIEL MOOKHEY: Can we go through your overseas offices, please?

AMY BROWN: Yes.

The Hon. DANIEL MOOKHEY: I am just reading from page 4 of your annual report. Do you have the rent? Do we pay the Austrade offices rent?

AMY BROWN: Yes.

KYLIE BELL: Yes, we do, under our agreement with Austrade.

The Hon. DANIEL MOOKHEY: How much do we pay for the China office?

KYLIE BELL: The China office and—

The Hon. DANIEL MOOKHEY: They are not—

KYLIE BELL: They are our independent offices, yes, in Shanghai and Guangzhou.

The Hon. DANIEL MOOKHEY: So we have one in Guangzhou.

KYLIE BELL: That is why you will have rent figures in our budget there.

The Hon. DANIEL MOOKHEY: But I am asking you specifically about the premise that is in Guangzhou. How much are we paying in rent?

KYLIE BELL: I will have to get the figures for you, but I would say it is approximately \$100,000 to \$200,000 a year. I will take it on notice for the exact specific amount.

The Hon. DANIEL MOOKHEY: Please, if you do not mind. Can we get the Shanghai office?

KYLIE BELL: It would be around about the same.

The Hon. DANIEL MOOKHEY: In Bandra, in Mumbai? Fine place.

KYLIE BELL: A fine place it is.

The Hon. DANIEL MOOKHEY: To be fair, I think the Mumbai wing of my family are in Bandra. So it is a lovely place.

KYLIE BELL: I have lived there for five years, let me say.

The Hon. DANIEL MOOKHEY: You lived there for five years?

KYLIE BELL: Yes.

The Hon. DANIEL MOOKHEY: Separate conversation.

KYLIE BELL: We will take that off line.

The Hon. DANIEL MOOKHEY: How much are we paying for our Bandra office, which is otherwise—

KYLIE BELL: Rather than going through individually, I will break down each individual rent. Our independent offices are Mumbai, where we pay rent directly; London, where we pay rent directly; Guangzhou; and Shanghai.

The Hon. DANIEL MOOKHEY: What about New York?

KYLIE BELL: New York, we acquired a property, or we are about to lease a property. It would not have been in last financial year's report. We are opening within the New South Wales consulate. Our rent there is paid to the Department of Foreign Affairs and Trade because we are a subtenant within the Australian consulate.

The Hon. DANIEL MOOKHEY: Sorry. We have got a lease? Or we have acquired a property?

KYLIE BELL: We have got a lease. We have just gone into a lease with them.

The Hon. DANIEL MOOKHEY: What exactly is the division inside Investment NSW? Again, Secretary/CEO, feel free to answer any of these questions if you so wish. It is called the global trade network. Is that what it is in terms of your structure?

AMY BROWN: That could mean one of two things. It could be our international team, which includes an onshore and offshore presence. All of this sits under Kylie Bell, who is with us. Or that could mean just simply the overseas network of offices, those of our personnel who reside outside of Australia.

The Hon. DANIEL MOOKHEY: What is the budget for all the overseas operations that reside outside of Australia?

AMY BROWN: For 2021-22, it is \$21 million.

The Hon. DANIEL MOOKHEY: Do you know what is in the forwards for the coming years? Accepting that it is in the forwards but it might change because of the budget.

AMY BROWN: Yes. It certainly changes year on year.

The Hon. DANIEL MOOKHEY: Yes, but what is currently within the forwards?

KYLIE BELL: Over the next four years, from this year onwards, it is \$128 million. That includes some staff on shore that enable it. But it is \$128 million.

The Hon. DANIEL MOOKHEY: In respect to the eight trade commissioners—

KYLIE BELL: Can I just correct you. It is six.

The Hon. DANIEL MOOKHEY: Sorry. Forgive me.

KYLIE BELL: Just for the record.

The Hon. DANIEL MOOKHEY: There are six.

KYLIE BELL: Yes. Thank you.

The Hon. DANIEL MOOKHEY: Firstly, I am going to work off the presumption that the six of them are going to be working in offices that we have gone through.

AMY BROWN: Yes.

The Hon. DANIEL MOOKHEY: We are still keeping the position in San Francisco, are we not?

KYLIE BELL: Correct, but we do not use an office there. It is a trade and investment commissioner. He works from his front room.

The Hon. DANIEL MOOKHEY: It says we relinquished our WeWork office, which I am sure is the reason why they collapsed. Fair enough. Are they a senior trade commissioner or not?

KYLIE BELL: No, he is a trade commissioner and employed locally. He is a US citizen and has been based in our point of presence in San Francisco for about five or six years, but he is not a senior trade and investment commissioner under the same terms and conditions as the six candidates that you are speaking about.

The Hon. DANIEL MOOKHEY: I presume the same arrangement applies to the person who is posted in Vietnam.

KYLIE BELL: The person that is based in Vietnam sits in the Austrade office in Ho Chi Minh City. He is locally engaged. We call him a trade and investment director.

The Hon. DANIEL MOOKHEY: So that is excluded from the six?

KYLIE BELL: Yes, that is right.

The Hon. DANIEL MOOKHEY: Is it the same arrangement in Singapore?

KYLIE BELL: Yes. Maybe it is just easier if I just give you the six.

The Hon. DANIEL MOOKHEY: Yes, please.

KYLIE BELL: If we start in Singapore because we were just there. He is the senior trade and investment commissioner for ASEAN. He is based in Singapore. Our operations in Vietnam, Indonesia, KL and Singapore all report to him. But those other locations are embedded within Austrade. We have Singapore STIC. His name is Andrew Parker. He will join us in April. He is coming from PwC, so we are very lucky to have him. If I go to the Americas—our head office will be in New York. We are, as I think the Minister said this morning, in the process of recruiting for that role. We will have someone on board potentially as early as April. We will then move into that office at that point in time. At the moment, we have just taken a lease. We are having the building or the space fitted out ready for occupation. In the US we also have a team—well, two people in San Francisco. As you said, we relinquished the WeWork, so they are sitting at home. But, apparently, that is what is happening in San Francisco at the moment; people are not necessarily working in offices. We are also recruiting for a person in Washington—and those interviews were held last week—who will report in to the senior trade and investment commissioner in New York.

The Hon. DANIEL MOOKHEY: Let me get this right. We have got the New York position that will have San Francisco, who is working from home, and then we are looking for someone at Washington?

KYLIE BELL: Yes. We will put someone into Toronto as well as San Diego. Those offices will be based—one person based in Austrade, who will also report in to the New York senior trade and investment commissioner.

The Hon. DANIEL MOOKHEY: Presumably, we are in Japan too.

KYLIE BELL: Yes. Japan, we have taken a lease. We have a senior trade and investment commissioner who joined us last year, Mr Michael Newman. Mike has not been able to get into Tokyo because Japanese borders have been closed because of COVID. Of course, being the Government, we want to do the right thing and the appropriate thing. So he is looking now to travel on the twenty-first, pending the Japanese Government approving his working visa. We were not able to make an application for him any earlier.

The Hon. DANIEL MOOKHEY: And the Agent-General, of course.

KYLIE BELL: The Agent-General is in London. Stephen landed in the UK in January. Again, we had to go through a process of approvals, not just with the New South Wales Government but also with the UK Government. He went across just before Australia Day. He is there now. He has an office in London, in Australia House. We are a tenant of DFAT.

The Hon. DANIEL MOOKHEY: You may have mentioned the figure before. Over the four years, was it \$121 million or \$128 million?

KYLIE BELL: It was \$128 million.

The Hon. DANIEL MOOKHEY: That is in the forwards?

KYLIE BELL: Yes, to June 2025.

The Hon. DANIEL MOOKHEY: Yes, which is the outer limit of the forwards. Do you mind, on notice, giving us the profile by year?

KYLIE BELL: This year it is 21. I think next year it is 23. It goes up a little.

The Hon. DANIEL MOOKHEY: Can I ask how many staff are going to be working out of the London office?

KYLIE BELL: The London office will have six staff.

The Hon. DANIEL MOOKHEY: And how many will be working out of—

KYLIE BELL: Globally we will have 55. We have six regions globally. Each region has nine, except for the Americas, which has 10.

The Hon. DANIEL MOOKHEY: Okay. On notice, can we get the 55 broken down?

KYLIE BELL: Sure.

The Hon. DANIEL MOOKHEY: And how are we remunerating them? Are they public servants?

KYLIE BELL: Essentially, we have the six senior trade and investment commissioners which lead each region. I think you spoke this morning about how they are remunerated. They are public servants, typically aligned with the New South Wales—

The Hon. DANIEL MOOKHEY: They are employed under the Act?

KYLIE BELL: Yes. The balance of our staff are locally employed overseas, and we typically employ people that are from the US or from UK because we are employing them for their networks and their knowledge of how to do business—

The Hon. DANIEL MOOKHEY: But they are not employed under the public service Act?

KYLIE BELL: No. They are not public servants as our team here is. They have unique contracts, which tries to ensure we comply with any Act or obligations here in New South Wales as an employer, but also that we employ—

AMY BROWN: Local requirements.

KYLIE BELL: Local requirements. For example, in the UK they get paid a UK pension. They get paid NHS. Our contracts there are very much aligned to ensuring that we employ as a UK employer.

The Hon. DANIEL MOOKHEY: Yes.

KYLIE BELL: And we have entities set up in each of the locations.

The Hon. DANIEL MOOKHEY: We are not the only Australian entity to have staff employed offshore, so I accept that basic procedure that works.

AMY BROWN: Yes. We need to be legally compliant.

KYLIE BELL: Yes. We need to comply in both locations.

The Hon. DANIEL MOOKHEY: But I am interested in specifically what the legal authority is to employ locally engaged staff under the New South Wales Act? Are they being hired as contractors under our Act? Given that we still—

KYLIE BELL: No. This is why there have been a few delays. As we have expanded the network we have had to, in a number of cases, set up unique New South Wales government entities in that country so that we can legally employ people.

The Hon. DANIEL MOOKHEY: That is what I was thinking about, actually.

KYLIE BELL: Yes. I am not a lawyer, so do not quote me. But, for example, in the UK we operate in the Crown—the State of New South Wales. In Japan we have actually had to set up a not-for-profit business entity and our staff are being employed. That has taken six months because of COVID, and our staff in Japan will be employed by that entity.

The Hon. DANIEL MOOKHEY: This is relevant for how exactly all of this will show up on our accounts and our balance sheet. Can we, on notice, get the list of the names of all the entities we have formed?

AMY BROWN: Certainly.

KYLIE BELL: Yes.

AMY BROWN: Some are employed by Austrade.

The Hon. DANIEL MOOKHEY: Yes. Look, there are different bespoke arrangements.

KYLIE BELL: Yes. It has been far more complex than we thought it would be two years ago, when we announced this, but we have had to set up and get special assistance to help with that. For example, in the US we have just set up a New South Wales government entity there so that we can employ. We have also had to hire a bespoke payroll provider that pays in each jurisdiction globally on our behalf, because the money goes into the payroll provider and then into our international staff's bank accounts.

The Hon. DANIEL MOOKHEY: Indeed.

KYLIE BELL: Anyway, it is a complex thing, but we are happy to take each of our entities—

AMY BROWN: We will provide you with more detail. That is easier.

The Hon. DANIEL MOOKHEY: I am not going to sweat this too much, but there are specific rules around the creation of these entities. They are best described as ad hoc, which is why getting a list of what we have created under what laws and how these holding entities or shell companies or companies are being run would be very helpful.

KYLIE BELL: Yes. The Premier has to delegate—for the New South Wales Government to establish any entity, it has to be signed off by the Treasurer.

The Hon. DANIEL MOOKHEY: Indeed.

KYLIE BELL: And we go through a process.

The Hon. DANIEL MOOKHEY: Thank you. That would be helpful. I am also interested in what extent they are covered by the GIPAA Act as to whether or not they are GIPAA-able as controlled entities, because depending on how you legally form will determine whether or not they are subject to freedom of information. Incidentally, I presume they are all controlled entities of Investment NSW.

KYLIE BELL: Yes, that is correct.

AMY BROWN: Yes.

The Hon. DANIEL MOOKHEY: Yes. So, for accounting purposes, at some point in your next report we are going to see them in your report as controlled entities?

KYLIE BELL: Look, financially, our international team do not have access to SAP, so most of the accounting work is still done onshore for them, and it is very paper-based.

The Hon. DANIEL MOOKHEY: Yes, but how to report all of this and therefore scrutinise it for Parliament is a relevant question. We are very interested in that because equally there are questions about how responsive they are to calls for papers and such, as well as these entities. If they are controlled by a Minister, a lot turns on it. I invite you, on notice, to provide us with a list and any further information you can about how the New South Wales Government exercises control over them or not.

AMY BROWN: Yes. It is worth noting, as well, that all of our onshore policies around risk and governance and finance and requirements to comply with information requests, and so on, apply to our offshore entities.

KYLIE BELL: And staff.

AMY BROWN: Yes, and our staff. We impose requirements on them just through the fact that they are employed via Investment NSW.

The Hon. DANIEL MOOKHEY: Indeed. I am working off the assumption that they have to follow New South Wales law regardless of where they are.

KYLIE BELL: Precisely.

AMY BROWN: Absolutely, and our contracts always have—

The Hon. DANIEL MOOKHEY: But they also have to follow local law, as well. Thank you. In respect to these six positions, are we paying for anyone's residences?

KYLIE BELL: No.

The Hon. DANIEL MOOKHEY: No?

KYLIE BELL: No.

The Hon. DANIEL MOOKHEY: Thank you. Do we have any further information around their salary packages?

AMY BROWN: In what sense?

The Hon. DANIEL MOOKHEY: The cost-of-living allowance, especially.

AMY BROWN: The cost-of-living allowance I took on notice this morning as they differ for each senior trade and investment commissioner and the Agent-General. I will provide back to you, on notice, what those allowances look like.

The Hon. DANIEL MOOKHEY: What is the budget for each office? Can you provide us, on notice, what the actual budget is as well?

AMY BROWN: We can.

The Hon. DANIEL MOOKHEY: Thank you. In respect to the Agent-General function, why are we calling them Agent-General? There was a rationale—

KYLIE BELL: History.

AMY BROWN: There is a lot of history to that.

The Hon. DANIEL MOOKHEY: I am aware of that, but there was—

AMY BROWN: The position is recognised by the UK Government, so it has a kind of dual recognition, if you will.

The Hon. DON HARWIN: [Inaudible]

The Hon. DANIEL MOOKHEY: Relax. There is not much in it, other than—two years ago Treasury were telling us, when we asked them in 2019, that they were looking into whether the title would need to be used. I am now going to infer that the title was used, but this apparently was subject to some review as part of the trade strategy. That is the reason I am asking, because we have been asking about this for two years. At the time, we were told that that gives them special access to certain diplomatic circuits, which raises the question—I know you guys care a lot about protocol when it comes to the United Kingdom. So I am going to ask the secretary to provide, on notice, what exactly are the additional privileges of being called an Agent-General and what is the intent in how we use it?

AMY BROWN: Thank you. Kylie undertook the review. I do not know if you want to comment briefly.

KYLIE BELL: Yes. I can just verify that our Agent-General does not have a diplomatic passport, for example, if that is what you are referring to.

The Hon. DANIEL MOOKHEY: We got told that they get special invites. In fact, when I was asking Treasury officials about this two years ago, I was told there was a certain slew of garden parties that an Agent-General gets to go to.

KYLIE BELL: Well, he has not been garden partying. It is winter, so he has not been to garden parties yet, but—

The Hon. PENNY SHARPE: He will.

KYLIE BELL: Essentially, it is an official title that is bestowed on State Government officials, not just for Australia but for Canada, to any State Government jurisdictions that are represented within the UK due to the Commonwealth.

AMY BROWN: Yes.

The Hon. DANIEL MOOKHEY: I am not critical of it. I am interested in what additional privileges—

KYLIE BELL: I think they might have been a bit tongue-in-cheek about the—you asked this morning about his KPIs. He is there to facilitate business for New South Wales—

The Hon. SHAYNE MALLARD: And protect our interests.

KYLIE BELL: —and protect our commercial interests in not just the UK; he also has a wider remit across Europe and Israel.

The Hon. DANIEL MOOKHEY: Sure. Can we get, on notice, how many applicants there were for these jobs?

KYLIE BELL: Yes, I think so.

AMY BROWN: We will provide you with everything we can.

KYLIE BELL: Yes. In that we used a recruitment firm, NGS Global.

The Hon. DANIEL MOOKHEY: Were they short listed?

KYLIE BELL: It was advertised in the AFR. They screened the applicants and provided a short list. They start with a long list and then a short list.

The Hon. DANIEL MOOKHEY: I am interested in how many people were on the long list, which you would have been advised, and I am also interested in how many people made it to the short list.

KYLIE BELL: Yes.

AMY BROWN: We will take it on notice.

The Hon. DANIEL MOOKHEY: For what it is worth—I can tender this—you also advertised in the *Financial Times*.

KYLIE BELL: Yes, in the UK.

AMY BROWN: We have a bit more detail on that now, yes.

The Hon. DANIEL MOOKHEY: Why did we only do three, given we paid \$20,000 in the print edition of the FT and \$10,000 on the online, and at least \$2,500 in *The Economist*. Why did we not just go for the full six?

KYLIE BELL: It was a budget decision, quite frankly. The funding was allocated for the expansion of the international network across two financial years. When we sat within NSW Treasury, they started the recruitment process. The first three roles that were advertised were the ones that we had budget for at the time, and we were waiting for the November 2020 budget to be handed down to get the balance of funding. And so it was really around scheduling and budget allocations, but also quite directly on how much we could do at one time. We can only put someone in the US when we have an entity established in the US. We are aware that some of those things take six months at the moment.

The Hon. DANIEL MOOKHEY: Secretary Brown, were you on the selection panel?

AMY BROWN: I was on the selection panel for some and not others because this function transitioned to Investment NSW in March last year.

The Hon. DANIEL MOOKHEY: What I am interested in is that we have this process, which came at some expense, to recruit these commissioners and two of them happen to be partners of PwC. Ms Brown, do you have a history with that firm?

AMY BROWN: I was a partner of PwC briefly, yes.

The Hon. DANIEL MOOKHEY: Was that a conflict? Did you know them?

AMY BROWN: I believe—and I can double-check this—Vish Padmanabhan, I think, worked at PwC but was more recently a partner of KPMG, so our tenures at the firm did not cross over, and he was based in India.

Andrew Parker was a partner of PwC and had a role in the deals function. I was in infrastructure, so we never worked together, no.

The Hon. DANIEL MOOKHEY: That was not necessarily my question. My question was did you have a conflict and did you declare one? I guess that is the second question that arises.

AMY BROWN: I noted and made the panel aware that I was a partner of PwC.

The Hon. DANIEL MOOKHEY: Who else was on the panel?

AMY BROWN: For which interview in particular?

The Hon. DANIEL MOOKHEY: If there are different panels that were used for each of the positions, feel free to tell me who was on the panel for each of them.

AMY BROWN: Every panel had various combinations of secretaries, I suppose, in that it was secretaries of Department of Premier and Cabinet, Treasury, and DPIE; the Public Service Commissioner; the CEO of Investment NSW; and the CEO of WPCA. There were different combinations of those people depending on—

The Hon. DANIEL MOOKHEY: With respect to Dr Hill and DPIE, which I presume at the time could have been Dr Betts, why were they involved on the panel?

AMY BROWN: Dr Hill was within DPC at the time, and the trade and investment entity is very related to the outcomes that we are looking to achieve in the Western Parkland City.

The Hon. DANIEL MOOKHEY: Was the head of DPIE randomly chosen to go into it?

AMY BROWN: Because I was a CEO at the time, we wanted to make sure we had a secretary-level representation on every panel to cast that most senior eye over the candidates.

The Hon. DANIEL MOOKHEY: Was this process designed by Investment NSW?

AMY BROWN: No, this process was in NSW Treasury when the function sat there and then it transitioned across after Mike Newman and Stephen Cartwright were—they had already gone through the process—

The Hon. DANIEL MOOKHEY: But you transitioned across in March last year. Presumably, at that point, I do not think that we were underway. I accept that the function came from Treasury.

AMY BROWN: That is right.

The Hon. DANIEL MOOKHEY: But that deputy secretary did not come, who was responsible for it at Treasury.

AMY BROWN: That is right.

The Hon. DANIEL MOOKHEY: But these positions were decided in the second half of last year after Treasury had ceased to be involved. Are you saying that, basically, Investment NSW followed the same protocol that was in place by Treasury to select these people?

AMY BROWN: The first two candidates, the process commenced while it was in Treasury. We kept the panel the same when it came across, or else we would have to start again. For the remaining positions, we followed the same process because it seemed like the sensible thing to do.

The Hon. SHAYNE MALLARD: Thank you for coming and for staying this afternoon.

The CHAIR: Indeed. Thank you all for your participation today. We appreciate it. A number of questions were taken on notice. The secretariat will be in touch to make the arrangements for you to provide the answers to those. Thank you very much for your time.

KYLIE BELL: Happy International Women's Day.

(The witnesses withdrew.)

The Committee proceeded to deliberate.