

Responses to Questions taken on Notice

Inquiry into the appointment of Mr John Barilaro as Senior Trade and Investment Commissioner to the Americas

Hearing Date – 5 August 2022

Question (p.37)

KYLIE BELL: We closed the WeWork office during COVID. The WeWork office closed; therefore, our staff couldn't go there anymore.

The Hon. DANIEL MOOKHEY: We, at that point, were paying \$500,000-ish for that office, were we not?

KYLIE BELL: For the WeWork office?

The Hon. DANIEL MOOKHEY: For that period of time, maybe.

KYLIE BELL: I would have to take that on notice. I don't think it was particularly expensive arrangements

Answer

On 15 September 2015 the NSW Government signed a WeWork membership agreement for office space for four people. The membership fees were USD2,900 per month. The membership was cancelled due to the COVID-19 pandemic in October 2020.

Question (p.40)

The Hon. DANIEL MOOKHEY: The Americas office. When did we open it? When did we sign the lease?

KYLIE BELL: I would have to take that on notice. I suspect you've got the document.

Answer

The lease for the New York office was signed on 4 August 2021. The office space is located within the Australian Consulate in New York and has been occupied since May 2022.

The office fit out took 6 months and the total cost is confirmed as AUD\$943,260 (comprising of construction AUD\$865,593 and IT AUD\$77,667), this cost included design, project management, IT and fit-out works. The lease for the tenancy is USD \$82,298 per annum or USD \$6858 per month, excluding outgoings.

Question (p.41)

The Hon. DANIEL MOOKHEY: We'll get back to precisely what updates were being provided a bit later on, Ms Bell, but can I just establish right now: What are the monthly costs of that New York office? Both in – for the physical costs?

KYLIE BELL: I do have them here. Maybe I could take that just on notice, while I –

The Hon. DANIEL MOOKHEY: Feel free, Ms Bell. Take 10 seconds, it's fine. We've got time.

KYLIE BELL: I've got a lot of papers.

The Hon. DANIEL MOOKHEY: I know the feeling.

KYLIE BELL: I can tell you the fit-out cost, but I'm not sure if I can tell you the – what I might do is take it on notice and give it to you after the break.

The Hon. DANIEL MOOKHEY: I appreciate that. Can I ask you to take two further questions on notice, if you don't mind, for ideally an answer after the break? Can we just get a total annual cost of the entire Global NSW network?

KYLIE BELL: I can probably give you that.

The Hon. DANIEL MOOKHEY: And can we also just get the US operations side of that, if you don't mind? Thank you.

Answer

Expenditure across the international network for 2021-22 FY was \$12.7 million.

Labour Expense Cap (LEC) funding	Operational Expenditure (OPEX)	Capital Expenditure (CAPEX)	TOTAL
\$5.6 million	\$5.3 million	\$1.8 million	\$12.7 million

Question (p.44)

The CHAIR: So that's two weeks from 17 December to 31 December – to New Year's Eve. That was the extent of the advertising? Was it one week in the paper and two weeks online? Is that right?

KYLIE BELL: I would have to take that on notice because the advertising was obviously organised by NGS at my direction. How long – typically people apply for jobs at the end of the year is my experience, unless something is wrong. Often people sell their homes, go through new jobs over that Christmas-January period. And the role was open for nearly a month

Answer

The STIC Americas role was advertised in the Australian Financial Review (AFR) hard copy on 17 December and AFR online from 17 December to 23 December 2021. It was also advertised on the iworkfornsw site for 5 weeks (15 December 2021 to 19 January 2022).

Question (p.59)

The Hon. PENNY SHARPE: Did Mr Cartwright approach you for that change or did you initiate it?

KYLIE BELL: I believe Mr Cartwright approached us for that change.

The Hon. DANIEL MOOKHEY: When did he do that?

KYLIE BELL: I would have to take a fixed date on notice, but I know it was this year because I wasn't involved –

The Hon. DANIEL MOOKHEY: Is there a fringe benefits tax regime in place in the United Kingdom?

KYLIE BELL: Yes, I assume some sort of – I don't know what it's called but it's not called "fringe benefits tax".

The Hon. DANIEL MOOKHEY: The last question is: As a result of that change, isn't it the case that rather than Mr Cartwright having to pay that tax, the people of New South Wales now need to pay that tax as a fringe benefit, or its UK equivalent, because we are his employer? That's correct, isn't it, Ms Bell?

KYLIE BELL: I believe that is so.

Answer

On 16 June 2022 a variation to Mr Cartwright's employment agreement was signed and came into effect on 6 July 2022

This resulted in a reduction in Mr Cartwright's cost of living allowance to AUD\$11,839.89 per annum and an agreement for Investment NSW to pay Mr Cartwright's rent directly to Mr Cartwright's landlord monthly, at a cost of AUD\$101,111.11 per annum, effective 6 July 2022.

Investment NSW has also agreed to make good on the tax applicable to this benefit in line with other Commonwealth employees and Agent Generals. This is estimated to be a maximum of AUD\$107,859 per annum.

Question (p.66)

The Hon. DANIEL MOOKHEY: Okay. When was Mr Cartwright appointed Agent General? Was it around 1 October 2021 or thereabouts?

KYLIE BELL: I would have to take it on notice.

Answer

Mr Cartwright commenced employment with Investment NSW on 26 July 2021. Mr Cartwright's appointment was announced by the NSW Government on 1 October 2021.

Question (p.67 / 68)

KYLIE BELL: I understood that in 2019 we had — or we, as in NSW Treasury, in 2020 we had found a candidate but then did not proceed. We did not proceed with any of the expansion at that point because of COVID. I understood that they might have gone back to some of those candidates from the first round and most of those had well and truly —

The Hon. DANIEL MOOKHEY: Gone?

KYLIE BELL: Yes, moved on with roles.

The Hon. DANIEL MOOKHEY: But there wasn't any reopening of the process? There was no further —

KYLIE BELL: No, there was a reopening. Look, I'm going to have to take some of the dates on notice because —

The Hon. DANIEL MOOKHEY: Please take it on notice. That's fine. But was there public advertisements for the role?

KYLIE BELL: There was definitely a public advertisement in 2019. I feel like there was a public

advertisement in 2020 again.

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The Hon. DANIEL MOOKHEY: Can you, on notice, give us the dates?

KYLIE BELL: Yes, sure.

The Hon. DANIEL MOOKHEY: Can you also, on notice, give us the publications?

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The Hon. DANIEL MOOKHEY: Thank you. Ms Bell, I think you kindly had agreed to take that on notice.

KYLIE BELL: Yes. I am taking on notice the date that it was advertised —

The Hon. DANIEL MOOKHEY: And the publications?

KYLIE BELL: Yes, and the publications. I can assure you I feel like this is the one where you and I know it was the Times and the AFR, but I'm not 100 per cent sure so I want to take it on notice.

Answer

The Agent General for the UK, and STIC Europe and Israel positions were advertised by NSW Treasury in the Australian Financial Review and Financial Times including online, in December 2019.

Question (p.68 / 69)

The Hon. DANIEL MOOKHEY: Ms Brown describes a Teams call that she confirms Mr Carr was on. To be fair to her, she wasn't sure whether you were on it or not.

KYLIE BELL: It was Ms West. We've confirmed.

The Hon. DANIEL MOOKHEY: It was Ms West?

KYLIE BELL: Yes. That's why I think she might have —

The Hon. WES FANG: Which is probably how you know about it as well.

The Hon. PENNY SHARPE: What are you talking about?

KYLIE BELL: No, no. We had — I think — I can go back and confirm that we have checked records.

The Hon. DANIEL MOOKHEY: You did check?

KYLIE BELL: Yes.

The Hon. DANIEL MOOKHEY: To the best of your knowledge, you were not on that call?

KYLIE BELL: I was definitely not on that call and it was Ms West and Mr Carr.

The Hon. DANIEL MOOKHEY: Given that you checked, can you identify the date of that call?

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KYLIE BELL: I didn't, but I can take that on notice.

The Hon. DANIEL MOOKHEY: Can you take it on notice?

KYLIE BELL: I can take that on notice, yes. There were a number of calls, I believe, just as I had a number of calls between human resources and, you know, the candidate for China or —

The Hon. DANIEL MOOKHEY: Just to be clear, though, Ms West ceases service circa — she certainly ceases formal service in November but she ceases —

KYLIE BELL: On 1 October.

Answer

One of the meetings was held on 25 May 2021 and included Mr Cartwright, Ms Brown and Ms West (via Teams). Another of the meetings was held on 28 October and included Mr Cartwright and Ms Brown (in person) and Mr Carr (by phone).

Please refer to responses to questions taken on notice during the 3 August 2021 hearing for further detail.