

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 – 8 August 2022

Question (p.66 / 69)

The Hon. DANIEL MOOKHEY: Who was running the media@investment.nsw.gov.au account?

AMY BROWN: I'd need to take that on notice.

The Hon. DANIEL MOOKHEY: Okay. That's fine. No problems. But I presume the senior media adviser would have access to that account?

AMY BROWN: I'd need to take it on notice

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The Hon. DANIEL MOOKHEY: But also, we still need to get to the bottom of who has access to the Investment NSW Media account, because it is also possible that that's how people become aware too.

AMY BROWN: Fair enough.

The Hon. DANIEL MOOKHEY: If it's possible we can get access to that information this afternoon, that would be helpful.

AMY BROWN: I'll take it on notice and if we can revert this afternoon, we will.

Answer

_____ is a communal email address used by all members of the Investment NSW Media and Corporate Affairs Team to communicate with media representatives and stakeholders.

Access to this email account has not provided media team members with any confidential recruitment information in relation to Senior Trade and Investment Commissioners, prior to their identities being shared for announcement drafting purposes.

Question (p.78)

The Hon. PENNY SHARPE: Can you unpack all that for us?

AMY BROWN: That's where it got really complicated. The Agent General was the first role. So whilst every other senior trade and investment commissioner has been, I would say, very straightforward to negotiate with – they know what band 3 means, they know what the salary band is, they know that a cost-of-living allowance is Mercer benchmarked. It's not sufficient money to change the world.

The Hon. PENNY SHARPE: Sorry to interrupt you but when people applied for the role, it was clear that that was the – was the remuneration clear, particularly the first one?

AMY BROWN: That is a really good question. I might even take on notice what the role description said, because I felt like when the roles transitioned across from Treasury, the recruiter, through no fault on her own, was very unclear on what we could pay them, what were the rules around it. And I felt that my Treasury colleagues who'd come across were the same, partly because it's the Agent General. What does that mean? They got a very long advice as to whether or not it falls within the GSE Act at all and therefore the salary banding. So it was very confused. Once I

determined – it didn't take much – that these are GSE Act appoints and they needed to comply, then it all flowed pretty straightforward from there with the subsequent appointments, and from the very beginning the recruiter was able to say to them, "This is the salary. Take it or leave it." This one was particularly vexed because nobody knew.

Answer

The Role Description, developed by NSW Treasury, stated the role was within the Senior Executive Band 2/3 remuneration range.

Question (p.84)

The Hon. DANIEL MOOKHEY: Was the view that the Agent General was putting forward that one of the expenses that should be paid for under a general expense claim was offshore school fees?

AMY BROWN: The way I understood it, it was more that if his salary was comprised of a base salary and a cost-of-living allowance, his expectation was that the entirety of his salary, no matter how it was comprised or characterised, should be paid from the very beginning.

The Hon. DANIEL MOOKHEY: Yes, but I guess the question – what I'm trying to understand is the dynamic of the dispute, for want of a better term. Was the dynamic of the dispute a claim that a matter of school fees and other offshore fees should be paid for separately to the cost-of-living allowance?

AMY BROWN: I don't think so. I might just take that on notice and get a bit more advice.

The Hon. DANIEL MOOKHEY: Do you mind doing that?

AMY BROWN: Because it's quite complicated.

Answer

In October 2021, Mr Cartwright requested the full payment of his cost-of-living allowance while still in Australia, to cover the cost of upfront UK living expenses being incurred (upfront London rent and payment of an education consultant to assist his sons gain entry into an appropriate private school).

Mr Cartwright expressed the view that he had agreed to the salary package on the basis that cost-of-living expenses would be payable from commencement of employment.

Ms Brown rejected this request on the basis that the contract Mr Cartwright signed explicitly stated that the cost-of-living allowance were not payable until he was in the UK.

Question (p.86)

The Hon. WES FANG: Ms Brown, how much is the FBT liability of these costs?

AMY BROWN: We only get an estimate from the tax office because, as you know, you get bills that you're never sure of from the outset. But the estimate is a maximum of 107,859.

The Hon. DANIEL MOOKHEY: Additional FBT?

AMY BROWN: Correct.

The Hon. DANIEL MOOKHEY: So that's pretty significant, yes?

AMY BROWN: It was more than I thought it was going to be, yes.

The Hon. DANIEL MOOKHEY: Well, it's almost the equivalent of the actual full cost-of-living allowance.

AMY BROWN: That's right.

The Hon. WES FANG: Is that a deduction — because it's next year in the UK that we have the employees that we use to employ, I guess, the operations within Investment NSW in the UK. Is that a deduction to that entity?

AMY BROWN: I'll need to take that on notice.

Answer

From 6 July 2022 Investment NSW pays Mr Cartwright's rent directly to Mr Cartwright's landlord monthly. The payment of rent arrangement is AUD\$1,944 per week / AUD\$101,111.11 per annum.

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.

Investment NSW does not have a UK entity. The final amount of tax payable and the tax treatment and implications will be known once Investment NSW's annual tax return in the UK is finalised in March 2023.