

PORTFOLIO COMMITTEE NO. 1 – PREMIER AND FINANCE

Thursday 1 September 2022

Examination of proposed expenditure for the portfolio area

ENTERPRISE, INVESTMENT AND TRADE, SPORT

UNCORRECTED

The Committee met at 09:30.

MEMBERS

The Hon. Tara Moriarty (Chair)

Ms Abigail Boyd

Mr Justin Field

The Hon. John Graham

The Hon. Taylor Martin

The Hon. Daniel Mookhey

The Hon. Chris Rath

The Hon. Penny Sharpe (Deputy Chair)

PRESENT

The Hon. Alister Henskens, *Minister for Enterprise, Investment and Trade, Minister for Sport, Minister for Skills and Training, and Minister for Science, Innovation and Technology*

* 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 initial public hearing for the inquiry into budget estimates 2022-2023. I acknowledge the Gadigal people of the Eora nation, the traditional custodians of the lands on which we are meeting today. I pay my respects to Elders past, present and emerging and celebrate the diversity of Aboriginal peoples and their ongoing cultures and connections to the lands and waters of New South Wales. I also acknowledge and pay my respects to any Aboriginal or Torres Strait Islander people joining us today.

Welcome, Minister and accompanying officials, to this hearing. Today the Committee will examine the proposed expenditure for the portfolios of Enterprise, Investment and Trade, and Sport. Before we commence, I will make some brief comments about the procedures for today's hearing. Today's hearing is being broadcast live via the Parliament's website. The proceedings are also being recorded 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 these circumstances, witnesses are advised that they can take a question 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're free to pass notes and refer directly to your advisers seated at the table behind you. Finally, everyone should switch their phones to silent for the duration of the hearing. Minister, I remind you that you do not need to be sworn as you've already sworn an oath to your office as a member of Parliament.

Ms LISA BRAID, Acting Secretary, Department of Enterprise, Investment and Trade, sworn and examined

Ms KATIE KNIGHT, Acting Chief Executive Officer, Investment NSW, sworn and examined

Mr STEWART WEBSTER, Managing Director, Strategy and Performance, Investment NSW, affirmed and examined

Ms KYLIE BELL, Managing Director, Trade and International, Investment NSW, affirmed and examined

Ms KATE FOY, Group Deputy Secretary, Arts, Sport and Tourism, Department of Enterprise, Investment and Trade, affirmed and examined

Dr SARAH HILL, Chief Executive Officer, Western Parkland City Authority, sworn and examined

Mr SIMON DRAPER, Chief Executive Officer and Coordinator General, Infrastructure NSW, affirmed and examined

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

Ms KERRIE MATHER, Chief Executive Officer, Venues NSW, sworn and examined

Mr KEVIN THOMPSON, Chief Executive Officer, NSW Institute of Sport, affirmed and examined

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're 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, everybody, for your attendance today. We will begin with questions from the Opposition.

The Hon. PENNY SHARPE: Good morning, Minister.

Mr ALISTER HENSKENS: Good morning.

The Hon. PENNY SHARPE: Congratulations on the new appointment.

Mr ALISTER HENSKENS: Thank you.

The Hon. PENNY SHARPE: Welcome to all of your officials. Minister, what's the current status of Investment NSW?

Mr ALISTER HENSKENS: Investment NSW is a part of the Department of Enterprise, Investment and Trade.

The Hon. PENNY SHARPE: So it's still in existence?

Mr ALISTER HENSKENS: It is.

The Hon. PENNY SHARPE: But in a different form to how it has been before?

Mr ALISTER HENSKENS: Correct.

The Hon. PENNY SHARPE: Could you explain that to the Committee, please?

Mr ALISTER HENSKENS: Sure. It was formerly an agency and it has now become a section of the department.

The Hon. PENNY SHARPE: So it is a section or a division—is that correct?

Mr ALISTER HENSKENS: That's my understanding. If I'm incorrect, I'll ask the acting secretary to correct me.

LISA BRAID: That's correct. It's a division within the department.

The Hon. DANIEL MOOKHEY: So it no longer has a separate legal form, Minister?

Mr ALISTER HENSKENS: That's my understanding.

The Hon. DANIEL MOOKHEY: When did it cease to have a separate legal form?

Mr ALISTER HENSKENS: I think—and I will be corrected by the acting secretary—I believe it occurred on 1 July for this financial year.

The Hon. PENNY SHARPE: Is it going to continue to have a CEO?

Mr ALISTER HENSKENS: At the moment it has an acting CEO, which is Katie Knight.

The Hon. PENNY SHARPE: Yes, but that wasn't my question, Minister. Given it's a division within the department, is it going to continue to have a CEO?

Mr ALISTER HENSKENS: I'll need to take advice as to the legal requirements for it to have a CEO. I believe the legislation which created it may require it to have a CEO, but I'll need to take advice on that matter.

The Hon. DANIEL MOOKHEY: What legislation created Investment NSW?

Mr ALISTER HENSKENS: I thought there was some legislation that created it, but I may be wrong about that.

The Hon. PENNY SHARPE: Maybe Ms Braid can clear that up for us.

LISA BRAID: Investment NSW was created as an executive agency.

The Hon. DANIEL MOOKHEY: Yes. No legislation was required to establish Infrastructure NSW. It was established via the administrative order.

LISA BRAID: That's correct.

The Hon. DANIEL MOOKHEY: Minister, if the organisation doesn't have a separate legal form, it's incapable of having a separate CEO unless you otherwise provide such an instruction. Are you intending to order Ms Braid or Ms Brown to create a separate CEO role for that function?

Mr ALISTER HENSKENS: Mr Mookhey, those are some of the things that I will be looking into in the fullness of time. Obviously, there are a range of options that are open to me. But that's something which I haven't yet made a determination about, being only relatively new into the portfolio.

The Hon. PENNY SHARPE: Minister, isn't it the case that for the last two years there's been a global trade strategy that's been significantly badged as Investment NSW—the most recent trip with the Premier and the former Minister? There is a lot of material in the background talking about INSW. Are you suggesting that it's not going to continue?

Mr ALISTER HENSKENS: No, our trade strategy will continue.

The Hon. PENNY SHARPE: That's not what I'm asking.

Mr ALISTER HENSKENS: You are really asking me about an administrative position within the department and how it will be characterised: whether it will be characterised as a CEO or whether it will be characterised as something else in terms of a public service category. As I've said, those are decisions which I have not yet turned my mind to as the Minister. But, obviously, there will need to be strong leadership with regard to the implementation of our global strategy. As you would be aware, in the last financial year, \$82 billion in revenue was generated from export income to our State.

The Hon. PENNY SHARPE: That's great, Minister, but that's not actually what I'm asking you.

Mr ALISTER HENSKENS: It is incredibly important that we support not only our exporters but also our investment—

The Hon. DANIEL MOOKHEY: Minister, I love exports and imports too. It's very good that, as a trading State, we trade. But, Minister, you have abolished Investment NSW. Your government has abolished this agency within 14 months of its creation.

Mr ALISTER HENSKENS: Well, we haven't—

The Hon. DANIEL MOOKHEY: Well, you have—

Mr ALISTER HENSKENS: It is a division within the department.

The Hon. DANIEL MOOKHEY: Minister, let me finish. This was heralded by the former Premier at great fanfare at the Australian Business Summit just a little bit more than a year ago. Lots of money was put into Investment NSW. It was given its own structure, its own brand, its own leadership and its own staff. Yet within 14 months of its creation, it has been abolished. Why did your Government abolish Investment NSW and fold it into the department?

Mr ALISTER HENSKENS: In order to actually have a greater focus on enterprise, investment and trade, we created a whole new department to emphasise the importance of this to the New South Wales economy.

Rather than downgrading it, as you suggest, we have, in fact, upgraded it. We have put in more resources and a greater emphasis on it. We have ensured that there is a greater coordination between all of the constituent parts that promote economic development in our State. So I do not agree with your characterisation.

The Hon. DANIEL MOOKHEY: How much money did we spend to establish Investment NSW and how much money are we spending to abolish it?

Mr ALISTER HENSKENS: I'll just find my note on that so that I'm not misleading you in any way. My recollection of the note is that the establishment—

The Hon. DANIEL MOOKHEY: Do you need check the note?

Mr ALISTER HENSKENS: I'm just trying to put my finger on it, Mr Mookhey.

The Hon. DANIEL MOOKHEY: Don't worry, Minister. If you need to consult your staff or consult others who might have access to the precise information on how much money was spent to establish this before you abolished it, you can.

Mr ALISTER HENSKENS: We haven't abolished it. It's still operating, as you know. Just one second. The funding for the department to establish itself as a new principal department—

The Hon. DANIEL MOOKHEY: Not the department.

Mr ALISTER HENSKENS: —is \$14.6 million.

The Hon. DANIEL MOOKHEY: So we have spent \$14.6 million creating a ninth department.

Mr ALISTER HENSKENS: To create the department, yes.

The Hon. DANIEL MOOKHEY: And how much did we spend to create Investment NSW last year?

Mr ALISTER HENSKENS: I'm sorry?

The Hon. DANIEL MOOKHEY: How much did we spend to create Investment NSW before we spent \$14.6 million to create the department?

Mr ALISTER HENSKENS: The recent change in Investment NSW, which I think was your original question, in terms of its abolition, was at zero cost to the taxpayer.

The Hon. DANIEL MOOKHEY: Except for the \$14.6 million to establish the department.

Mr ALISTER HENSKENS: Well, hang on. The creation of the department was \$14.6 million.

The Hon. DANIEL MOOKHEY: But I'm asking you from last year.

Mr ALISTER HENSKENS: The abolition of Investment NSW was at no cost to the taxpayer to roll it in as a division of the department.

The Hon. DANIEL MOOKHEY: If it cost us money to unwind it, I would be a little more shocked. But I'm still after how much we spent to create it in the first place.

Mr ALISTER HENSKENS: I would need to get advice on that or take it on notice.

The Hon. PENNY SHARPE: Can I then ask questions about Amy Brown stepping down as the CEO of Investment NSW? How was she able to step down as the CEO of Investment NSW?

Mr ALISTER HENSKENS: These matters all occurred before, obviously, I became Minister. I'm advised that she made—

The Hon. PENNY SHARPE: Sorry, Minister, what date did you become the Minister?

Mr ALISTER HENSKENS: It was in August.

The Hon. PENNY SHARPE: Did Ms Brown not stand down in August?

The Hon. DANIEL MOOKHEY: Did she not stand down two weeks ago?

Mr ALISTER HENSKENS: She went on leave two days after—no, not two days. It was shortly after I was appointed the Minister. I would need to defer to Ms Braid as to the exact date that she separated her role as secretary and CEO of Investment NSW.

The Hon. DANIEL MOOKHEY: What date, Ms Braid?

LISA BRAID: That decision was made on 11 August.

The Hon. PENNY SHARPE: Who made that decision, Ms Braid?

LISA BRAID: Ms Brown, as secretary of the department.

The Hon. PENNY SHARPE: So Ms Brown came in on 11 August and said, "I'm now no longer going to be the CEO of Investment NSW"?

LISA BRAID: That's correct.

The Hon. DANIEL MOOKHEY: This took place five weeks after Investment NSW legally ceased to exist. Is that correct?

Mr ALISTER HENSKENS: I will just get Ms Braid to confirm that it was 1 July.

LISA BRAID: That's correct. It was by virtue of an administrative arrangement order that was issued on 1 June.

The Hon. DANIEL MOOKHEY: So Ms Brown stepped down from a job that didn't exist, Minister. Is that a fair characterisation of events?

Mr ALISTER HENSKENS: I think I will defer again to Ms Braid because these are all matters that occurred before I became Minister but my understanding is that she—

The Hon. DANIEL MOOKHEY: The first event took place before you became Minister. Ms Braid, it is the case, is it not, that Ms Brown herself stepped down from a job that actually didn't exist?

LISA BRAID: Just to explain the structure of the department, we have a secretary, and there are three groups within the department that are headed up by CEOs. The term "CEO" is synonymous with deputy secretary.

The Hon. DANIEL MOOKHEY: It is a band 3 position. Correct?

LISA BRAID: That's correct.

The Hon. DANIEL MOOKHEY: But Ms Brown wasn't getting additional remuneration for it. Is that fair?

LISA BRAID: She wasn't.

The Hon. DANIEL MOOKHEY: Again, she stepped down from a job that didn't exist.

LISA BRAID: It is a dual function performing the role as secretary of the department and providing leadership for the group of Investment NSW.

The Hon. DANIEL MOOKHEY: Okay. Congratulations, Ms Knight. Are you the acting CEO of this group?

KATIE KNIGHT: Yes, I am.

The Hon. DANIEL MOOKHEY: Are you a band 3?

KATIE KNIGHT: Yes, I am.

The Hon. DANIEL MOOKHEY: We have now gone from a scenario where Ms Brown has stepped down from a job that doesn't exist, and someone has now stepped in to fill that job. No doubt, I am sure Ms Knight would be an excellent person for that role—no reflections on you, Ms Knight, whatsoever; please do not take any—but it is now the case that rather than paying for one person we are now paying for two. Is that correct, Minister?

Mr ALISTER HENSKENS: Mr Mookhey, you started that line of questioning saying that a role which did exist no longer existed—

The Hon. DANIEL MOOKHEY: Well, she stepped down.

Mr ALISTER HENSKENS: —but there was a role of CEO of Investment NSW. The fact of the matter was that the department secretary was fulfilling the role of department secretary and the CEO of Investment NSW. So it was a role which existed. I don't accept the premise of your question that it was a role that didn't exist.

The Hon. DANIEL MOOKHEY: I accept that you reject the premise of my question.

Mr ALISTER HENSKENS: Yes.

The Hon. DANIEL MOOKHEY: Let me ask you this: As of today, we are now paying for a secretary and we are paying for an Investment NSW CEO as two separate roles, whereas prior to 11 August we were not. Is that fair?

Mr ALISTER HENSKENS: If we want to look at the correct history of the matter, prior—

The Hon. DANIEL MOOKHEY: Well, I might—

Mr ALISTER HENSKENS: Just let me finish.

The Hon. DANIEL MOOKHEY: Please, go ahead.

Mr ALISTER HENSKENS: Prior to the establishment of the department, we had a CEO of Investment NSW, and no department secretary. We then created a department where we had a department secretary who was also continuing to perform the role as a CEO of Investment NSW. Now we have a situation where we have two different people performing two different roles.

The Hon. DANIEL MOOKHEY: Minister, your homage to Sir Humphrey in that answer, I pay credit to. Just to be clear, none of this seems—

Mr ALISTER HENSKENS: No, I think it is just important to have a proper historical context, Mr Mookhey.

The Hon. DANIEL MOOKHEY: I appreciate it—It's Mookhey.

Mr ALISTER HENSKENS: And you seem to be a partial historian rather than a full historian. I am sorry. Did I mispronounce your name?

The Hon. DANIEL MOOKHEY: Mookhey—yes you did.

Mr ALISTER HENSKENS: Apologies.

The Hon. DANIEL MOOKHEY: But that's okay. I appreciate that. You can moonlight as Sir Humphrey, and I will moonlight as a partial historian. The fact of the matter is this, is it not, Minister: This is a farce. You are presiding under a farce, aren't you?

Mr ALISTER HENSKENS: No, because the division which is Investment NSW is performing an important function for the Government and it now has a band 3 leader in that role.

The Hon. DANIEL MOOKHEY: This is a farce, isn't it, Minister? This is just a complicated game of musical chairs that has taken place on your Government's watch that has racked up millions of dollars for taxpayers. That's the fair characterisation.

Mr ALISTER HENSKENS: No, it's not. It's actually providing support for one in five jobs in our State, which is generated from exports, which is incredibly important to the economic activity of our State. Unfortunately, you appear not to realise that. If you consider one in five jobs in our State to correspond to that characterisation, then I think that's your issue, not mine.

The Hon. DANIEL MOOKHEY: The first set of events that we have canvassed this morning—no part of these events caused you any concern.

Mr ALISTER HENSKENS: They all preceded my time as Minister. As I have said to you, these are matters which I will turn my mind to in the fullness of time. I have only relatively been in the role for a short period of time and there has been a lot happening, including a budget estimates session last week as well as this week.

The Hon. DANIEL MOOKHEY: It is fair, Minister, that you have spent half your time as senior Minister answering our questions and I appreciate that. Do you have confidence in Ms Brown's continuing role as secretary?

Mr ALISTER HENSKENS: Mr Mookhey, as I said last week when I was asked this same question—and nothing has changed since then—the employment functions of Ms Brown under the public service employment Act are a matter for Mr Coutts-Trotter.

The Hon. DANIEL MOOKHEY: You're the cluster Minister, aren't you?

Mr ALISTER HENSKENS: It is not a matter for me.

The Hon. DANIEL MOOKHEY: Are you the senior cluster Minister?

Mr ALISTER HENSKENS: If I can just continue to answer your question, you would also be aware from the Head review—I assume you have read the Head review?

The Hon. DANIEL MOOKHEY: I have.

Mr ALISTER HENSKENS: You would be aware that on page 29 of the Head review, Mr Head states:

That the DPC Secretary, as the person exercising employer functions (under delegation) for Ms Brown, considers what, if any, action to take in respect of the conclusions referred to at 5.6.2 above. In doing so, the Secretary should take account of the contextual factors contained in this report as well as any matters Ms Brown wishes to be factored into his consideration.

At page 51, paragraph 7.7.1, he made a similar recommendation:

That the DPC Secretary, as the person exercising employer functions (under delegation) for Ms Brown, considers what, if any, action to take in respect of the conclusions referred to at 1.2.3 and 1.2.7 above. In doing so, the Secretary should take account of the contextual factors contained in this report as well as any matters Ms Brown wishes to be factored into his consideration.

Mr Head has made it very clear that it is necessary for Mr Coutts-Trotter to consider those matters. Mr Coutts-Trotter will be available for questioning next week, and I suggest you direct those questions to the person who is lawfully obliged, and as recommended by Mr Head, should consider those matters.

The Hon. DANIEL MOOKHEY: Minister, I might take you up on that suggestion.

Mr ALISTER HENSKENS: I'm sure you will.

The Hon. DANIEL MOOKHEY: Are you the senior cluster Minister in this cluster?

Mr ALISTER HENSKENS: I am.

The Hon. DANIEL MOOKHEY: Who else is in this cluster now?

Mr ALISTER HENSKENS: We have Minister Anderson and Minister Franklin.

The Hon. DANIEL MOOKHEY: As the senior cluster Minister, you would be well and truly aware of the fact that all senior cluster Ministers are required to assist Mr Coutts-Trotter in the discharge of that employment function. What conversations have you had with Michael Coutts-Trotter about the ongoing tenure of Ms Brown?

Mr ALISTER HENSKENS: I will repeat my answer from last week, which has not changed from last week, which is that I have not discussed those matters with Mr Coutts-Trotter—

The Hon. DANIEL MOOKHEY: Why not?

Mr ALISTER HENSKENS: —because I should not be interfering in the employment functions under the Government Sector Employment Act. That is not a matter which is legally—

The Hon. DANIEL MOOKHEY: Minister, this is not interference. We have established this before when previous secretaries have been dismissed—multiple precedents. In fact, I can recount them.

The Hon. PENNY SHARPE: It is not unusual, Minister, that Ministers—

The Hon. DANIEL MOOKHEY: I can go through them one by one, each time your Government has dismissed a department secretary as to how that took place. It is the case—

Mr ALISTER HENSKENS: Mr Mookhey—

The Hon. DANIEL MOOKHEY: Let me finish. It is absolutely the case, Minister, that you as the senior cluster Minister have a very big say, and it is not interference and it is not a breach of the code; it is a function that has been discharged by senior cluster Ministers before when they have reached similar issues. So, again, have you had any conversations with Mr Coutts-Trotter about the tenure of your secretary?

Mr ALISTER HENSKENS: Under the Act, the responsible Minister is the Premier. The Premier has delegated that role to Mr Coutts-Trotter. If Mr Coutts-Trotter requires my assistance in any matters that he is lawfully obliged to discharge, he has my number.

The Hon. DANIEL MOOKHEY: He hasn't called you.

Mr ALISTER HENSKENS: No.

The Hon. PENNY SHARPE: And you have sought not to have any consultation in relation to this matter.

Mr ALISTER HENSKENS: Mr Coutts-Trotter has the lawful obligation in relation to these matters. If he requires any assistance from me, I will be only too willing to give it to him. He has not sought that assistance.

The Hon. DANIEL MOOKHEY: Have you given a view to the Premier because you would also, Minister, be across the fact that under the delegation to which you just referred, it is actually a concurrent power between the Premier and Mr Coutts-Trotter, and the Premier can take it back at any time. Have you had any conversations with the Premier about the tenure of your secretary?

Mr ALISTER HENSKENS: No.

The Hon. DANIEL MOOKHEY: Have you sought to make contact with him or not?

Mr ALISTER HENSKENS: No.

The Hon. DANIEL MOOKHEY: So, basically, your view here is you're powerless over all of this and your opinion doesn't matter?

Mr ALISTER HENSKENS: No, I think you are wrong there. My view is that, legally, I have no power. If my opinion is sought by those who have the legal authority and responsibility, then I will be willing to assist them in any way, but they have not done so.

The Hon. DANIEL MOOKHEY: Are you ducking, Minister? Are you trying to keep yourself out of this? Is that what's going on here? I mean, you're one of the eight senior cluster Ministers now. Congratulations. But you're ducking your responsibilities here, aren't you? You've got a scenario, as Mr Head has put out a report, where you're the only person in the Government who has a secretary who has been subjected to such a report and, basically, your reaction as the cluster Minister is, "It's above my pay grade."

Mr ALISTER HENSKENS: Well, no. It is that I ought not to unlawfully interfere in the processes of those who have lawful—

The Hon. DANIEL MOOKHEY: Nothing would be unlawful about expressing an opinion.

The Hon. PENNY SHARPE: There's nothing unlawful here, Minister.

Mr ALISTER HENSKENS: Can I finish my answer?

The Hon. DANIEL MOOKHEY: You are correct. You should. Sorry.

Mr ALISTER HENSKENS: Thank you. I should not unlawfully interfere in processes which I do not have the lawful authority to be involved in. I will assist those who have the lawful authority under those processes, if asked to do so, and that is the appropriate thing. You've got a law degree, sir. You should know that.

The Hon. DANIEL MOOKHEY: I do. I will take you up on your suggestion to speak to Mr Coutts-Trotter. I appreciate that. When is Ms Brown due to return to service?

Mr ALISTER HENSKENS: She took four weeks' leave. I don't know when that leave expires. Ms Braid may have the exact date.

The Hon. DANIEL MOOKHEY: How often are you meeting with your department?

Mr ALISTER HENSKENS: I'm sorry?

The Hon. DANIEL MOOKHEY: How often are you meeting with Ms Braid?

Mr ALISTER HENSKENS: I've met with her a couple of times since, I think—perhaps more since she has been the acting secretary. You will appreciate that my tenure has been relatively short in this role as cluster lead.

The Hon. DANIEL MOOKHEY: Your predecessor used to meet with the secretary weekly. Is it your intention to continue with that practice with Ms Braid and then Ms Brown?

Mr ALISTER HENSKENS: I think it is advisable, although I would not characterise the short period that I've been cluster leader as being normal, given the interruption of two lots of budget estimates within a relatively short period of time.

The Hon. PENNY SHARPE: Sorry to be interrupting your work, Minister.

Mr ALISTER HENSKENS: I wouldn't describe that as a normal set of circumstances, but I would suggest that it's good practice to meet with the department secretary on about a weekly basis.

The Hon. DANIEL MOOKHEY: Do you have confidence in Stephen Cartwright?

Mr ALISTER HENSKENS: Again, he's employed under the Government Sector Employment Act—

The Hon. DANIEL MOOKHEY: It's a complicated question.

Mr ALISTER HENSKENS: —and, again, I don't have legal authority with regard to his employment relations.

The Hon. DANIEL MOOKHEY: Given how vaunted your Government's global trade strategy is and given how much the Premier has been keen to spruik its benefits, I just want to give you the opportunity right now, subject to the fact that you're not his legal employer—that's absolutely correct; you're not. I'm not asking you to declare your confidence in him as you are his employer. I want to give you a very clear opportunity right now, Minister Henskens, to put this to bed: Would you like to declare your confidence in Stephen Cartwright as the UK agent general?

Mr ALISTER HENSKENS: Despite your invitation for me to traverse into matters which are not my legal responsibility, I respectfully decline that invitation. But what I will say—

The Hon. PENNY SHARPE: Sorry, Minister. Can we just clarify what your role is, then?

Mr ALISTER HENSKENS: What I will say is this: The fact that New South Wales, for many years, had one person and one person only on the ground in the United Kingdom, embedded within Austrade, was not properly advancing the interests of our State in terms of the exports to the United Kingdom, Europe and Israel, and in respect of the attraction of investments into New South Wales. I 100 per cent agree with our global strategy, which, when we formulated it, was not to allow the Labor State of Victoria to have over 100 people offshore and New South Wales have under 20, which was the case when we started to undertake the strategy—

The Hon. DANIEL MOOKHEY: But, Minister—

Mr ALISTER HENSKENS: —or to have, if I may say, Queensland have more people than New South Wales, and I think even South Australia to have more people offshore than New South Wales. I think it's very important, given that one in five jobs in New South Wales is off the back of our international trade, to ensure that we have an appropriate international presence to advance the economic interests of New South Wales.

The Hon. DANIEL MOOKHEY: Given how important you've just said this is to the people of New South Wales, for the third time, would you like to declare your confidence in the person who is on the ground who's meant to be leading this strategy to develop these opportunities and to seize the investment that could be coming and to assist our exporters? It's a really simple question, Minister, given you yourself have just said how crucially important it is that we have this UK representation. Please declare your confidence in Mr Cartwright as our agent general.

Mr ALISTER HENSKENS: Look, I'm not going to play personality games. What I'm far more interested in is talking about the results.

The Hon. PENNY SHARPE: In that case—

Mr ALISTER HENSKENS: The results.

The Hon. PENNY SHARPE: I've got a follow-up question for that, Minister. If you don't want to do that, do you want to tell us about the outcome of the review of Mr Cartwright's expenses that you did for the Premier?

Mr ALISTER HENSKENS: Sure. I asked the department to conduct an examination of whether the expenses claimed by Mr Cartwright were within the policies of the department, and I was told that they were. I then asked for a second review to be conducted by persons who had not processed those expenses to examine those expenses to ensure that they had been appropriately claimed, and that review is still ongoing.

The Hon. PENNY SHARPE: Who's doing that review? The first review was conducted by whom in the department?

Mr ALISTER HENSKENS: I might just ask Ms Braid to confirm who did the first.

LISA BRAID: It was the Managing Director of Trade and Investment, Ms Bell.

The Hon. PENNY SHARPE: Right.

The Hon. DANIEL MOOKHEY: Ms Bell—who, again, I have great respect for—she undertook the review. Correct?

LISA BRAID: Initially. The review is now underway. It's being undertaken by the chief financial officer of the department.

Mr ALISTER HENSKENS: That's the second review.

The Hon. PENNY SHARPE: That's the second review.

The Hon. DANIEL MOOKHEY: That's the second review.

Mr ALISTER HENSKENS: Yes.

The Hon. DANIEL MOOKHEY: Let's go through the first review. When was that ordered?

Mr ALISTER HENSKENS: Look, I can't be—

The Hon. DANIEL MOOKHEY: You ordered it, though?

Mr ALISTER HENSKENS: Yes. I can't be precise as to exact dates, but it was—

The Hon. PENNY SHARPE: You ordered it at the request of the Premier. The Premier asked you to do it; is that correct?

Mr ALISTER HENSKENS: I—

The Hon. PENNY SHARPE: I think you did.

Mr ALISTER HENSKENS: I think the second review was at the request of the Premier. I'm not sure— are you talking about the first or the second review?

The Hon. DANIEL MOOKHEY: The first review. We asked about the first review.

Mr ALISTER HENSKENS: To be honest, I can't remember who initiated it, but I certainly asked for it.

The Hon. DANIEL MOOKHEY: Minister, through you to either Ms Braid or even Ms Bell, is it not the case that from the moment of appointment—well, from the moment that Mr Cartwright was in country— Mr Cartwright reported directly to Ms Bell. Correct?

LISA BRAID: That's correct.

The Hon. DANIEL MOOKHEY: As a result of Mr Cartwright reporting directly to Ms Bell, Ms Bell would have been the person who was approving the expenses. Correct?

LISA BRAID: That's correct.

The Hon. DANIEL MOOKHEY: So, Minister, the person who undertook the review into whether Mr Cartwright's expenses were in line with the department was the person who approved them. The actual—

Mr ALISTER HENSKENS: That was the first—

The Hon. DANIEL MOOKHEY: No, no, let me finish.

Mr ALISTER HENSKENS: That was the first review.

The Hon. DANIEL MOOKHEY: Indeed.

Mr ALISTER HENSKENS: Yes.

The Hon. DANIEL MOOKHEY: Surely when you asked for that first review, you would've stipulated that Mr Cartwright's direct manager not be the person who undertakes that review. That's just common sense. Like, you're not seriously suggesting to me that we've had to order a second review because the person who did the first review clearly was conflicted.

Mr ALISTER HENSKENS: Well, no, the first advice I sought was to satisfy me that the expenses claimed had all been in accordance with the policies of the department.

The Hon. DANIEL MOOKHEY: And the person who checked was the person who approved them.

Mr ALISTER HENSKENS: That is why a second review was requested from people not associated with the process, as a—

The Hon. DANIEL MOOKHEY: The chief financial officer?

Mr ALISTER HENSKENS: Yes.

The Hon. DANIEL MOOKHEY: Are you telling me that the chief financial officer is not associated with the process of approving expenses?

Mr ALISTER HENSKENS: No, because I believe—and Ms Braid will correct me—that the chief financial officer was not employed at the time that those expenses had been processed. But I will ask Ms Braid just to confirm that.

The Hon. DANIEL MOOKHEY: Surely their office would've been engaged. And even if you accept your premise, Minister, there is no way anyone is going to accept the chief financial officer is independent either. Why haven't you gone to an external person to check this? Why haven't you called the Auditor-General? Why haven't you gone to DPC or someone else to come in and go, "Hey, someone else should check this", particularly because the Premier asked for it?

Mr ALISTER HENSKENS: The Auditor-General always has jurisdiction over these matters.

The Hon. DANIEL MOOKHEY: Bear in mind, the way that your Government is going, I'm sure there might be a performance review. But you're seriously telling me that you are happy with the chief financial officer of this agency doing the second review. That doesn't present any issues around conflict of interest to you?

Mr ALISTER HENSKENS: Given that my understanding was that the chief financial officer was new to the role and had not been involved in the processing of any of those expenses, it seemed to me that that was a person with sufficient independence. What I asked for was that the review be conducted by somebody who had no role in the processing of those expenses, and my advice was that the chief financial officer complied with that description.

The Hon. DANIEL MOOKHEY: And that satisfied you? And you're not at all concerned that, even if there's no inherent conflict, which I don't agree with, even the perception, particularly given how much turmoil your agency is in—you're seriously suggesting that that doesn't give rise to any perception of a conflict of interest when it comes to a matter as sensitive as Mr Cartwright's expenses?

Mr ALISTER HENSKENS: No, I don't perceive—

The Hon. DANIEL MOOKHEY: When's this review due?

Mr ALISTER HENSKENS: It's in the process of being conducted, as I understand it.

The Hon. DANIEL MOOKHEY: Mr Cartwright has been in situ in London since February, correct?

Mr ALISTER HENSKENS: Yes.

The Hon. DANIEL MOOKHEY: How much has he claimed? Does Ms Braid know, or Ms Bell?

LISA BRAID: We have his expenses up to 30 June 2022.

The Hon. DANIEL MOOKHEY: What are they?

LISA BRAID: I'd have to take that question on notice to get a more up-to-date figure.

The Hon. DANIEL MOOKHEY: Some of this information has been publicly released. It was \$100,000, wasn't it?

LISA BRAID: Up to 30 June, \$85,076.

The Hon. DANIEL MOOKHEY: That's \$85,000 of expenses from February to June—four months. We're averaging \$17,000 or \$18,000 a month in expenses. Pray tell, what are these expenses?

LISA BRAID: Mr Cartwright was actually employed by Investment NSW in July 2021.

The Hon. DANIEL MOOKHEY: Yes.

LISA BRAID: So the expenses are for that period from July 2021 until 30 June 2022.

The Hon. DANIEL MOOKHEY: What expenses were we paying for Mr Cartwright while he was in Australia?

LISA BRAID: I'd refer that matter to Ms Bell.

KYLIE BELL: The \$85,000 in invoices or expenses that Stephen incurred over that period—a number were incurred last year when he was in Australia, and they were exciting things like Ubers and taxis to meetings with clients and customers. He also travelled to several regional locations, including the Hunter and Wollongong, to identify or to understand investment opportunities before he moved to the UK.

The Hon. DANIEL MOOKHEY: We paid for his taxis.

KYLIE BELL: We paid for, just as we do for most public servants—if he's going on client meetings.

The Hon. DANIEL MOOKHEY: Sure. And how much were they?

KYLIE BELL: I haven't got a breakdown of his costs pre moving to the UK. But the ground transport costs that he had over that 12-month period in both the UK and Australia, in Sydney, were under \$3,000.

The Hon. PENNY SHARPE: So what are the other expenses, then?

The Hon. DANIEL MOOKHEY: What are the other expenses?

KYLIE BELL: I think around \$45,000 were actually expenses incurred as part of his relocation.

The Hon. DANIEL MOOKHEY: But that's separate to his—

The Hon. PENNY SHARPE: That's a separate—

KYLIE BELL: No, it's actually included in that figure—in the \$85,000. Within Mr Cartwright's employment agreement, there are relocation costs, as you know from the documents you already have.

The Hon. DANIEL MOOKHEY: Yes, that's fair.

KYLIE BELL: The way that those expenses are reimbursed is Mr Cartwright and the STICs pay for them up-front.

The Hon. DANIEL MOOKHEY: Fair. To be fair to Mr Cartwright, he's entitled to \$60,000 worth of relocation expenses. But if he only spent \$45,000 of that, what has the other \$40,000 gone to? Even if I accept the logic of what you're saying there, then he's racking up expenses at the rate of \$10,000 a month, Minister.

Mr ALISTER HENSKENS: No, I don't think that's right, because over \$12,500 were office expenses. As I understand it, he had a credit card and was incurring expenses of other staff members in the London office on that credit card.

The Hon. DANIEL MOOKHEY: Sure. Fine.

Mr ALISTER HENSKENS: Because it was the only expense account.

The Hon. DANIEL MOOKHEY: This is a matter that has been attributed directly to his expense claims, correct? It's not reimbursement for office costs.

Mr ALISTER HENSKENS: No, it is. As I am advised, they were put on his credit card.

The Hon. DANIEL MOOKHEY: Pray tell, what about the other STICs positions? How much are they claiming per month?

Mr ALISTER HENSKENS: I'd need to pass to the department officer.

The Hon. DANIEL MOOKHEY: Let's talk. How much on a monthly basis is being claimed by our person in Singapore?

LISA BRAID: I don't have that information to hand.

The Hon. DANIEL MOOKHEY: Is it comparable?

LISA BRAID: It would vary depending on the individual and the office.

The Hon. DANIEL MOOKHEY: Is it comparable? Is there any other STIC office that is racking up as many?

LISA BRAID: We'll take that on notice.

The Hon. DANIEL MOOKHEY: I'm going to put to you that there isn't. Is there any basis upon which anyone can reasonably disagree with me? No. I think, Minister, we've established that the agent general in the UK is racking up above the other STIC positions.

Mr ALISTER HENSKENS: No, when someone takes information on notice, you can't assume a matter like that.

The Hon. DANIEL MOOKHEY: Minister, I will put to you—

Mr ALISTER HENSKENS: You know better than that. You know you can't do that.

The Hon. DANIEL MOOKHEY: I will put to you that no other STIC positions are racking up monthly expenses like the UK agent general.

Mr ALISTER HENSKENS: I think the position is—and I stand to be corrected—that much of the expenses claimed by Mr Cartwright have been in the nature of fixed costs and establishment costs with regard to the office and with regard to his relocation.

The Hon. DANIEL MOOKHEY: Did we pay for Mr Cartwright to attend a leadership course at Cambridge?

Mr ALISTER HENSKENS: My advice is that that was a different member of staff in the UK office, not Mr Cartwright.

The Hon. DANIEL MOOKHEY: Okay, we've paid for someone in the UK office to go to do a leadership course at Cambridge. Is that correct?

Mr ALISTER HENSKENS: That's my understanding, yes.

The Hon. DANIEL MOOKHEY: Who?

Mr ALISTER HENSKENS: I'll go to Ms Braid or Ms Bell on who that was.

KYLIE BELL: Sure. We had one of our new starters do a leadership course as part of his onboarding into the department when he joined us, I think in April.

The Hon. DANIEL MOOKHEY: You don't need to name the person, but what function do they discharge?

KYLIE BELL: They're a senior director in our business development and trade and investment team.

The Hon. DANIEL MOOKHEY: How much did that cost us?

KYLIE BELL: I think it was around \$8,000.

The Hon. DANIEL MOOKHEY: How much?

KYLIE BELL: It was \$8,000 Australian. I think around £5,000.

The Hon. DANIEL MOOKHEY: And that was within department policy, was it?

KYLIE BELL: Ms Braid might like to talk to this, but we, of course, have a program of personal development for all of our leaders within the New South Wales government and within the public service, and it's reasonably common for us to support the training and development of our staff.

The Hon. DANIEL MOOKHEY: And you support that, Minister?

Mr ALISTER HENSKENS: I certainly support any professional training that will enhance the service that our public servants can provide. I understand that it's routine, for example, for members of the public service to do the masters of public administration at the University of Sydney and that there is subsidy of those courses.

The Hon. DANIEL MOOKHEY: How many other people's courses have we subsidised upon their commencement in any of these STIC offices?

Mr ALISTER HENSKENS: I'd need to go to Ms Braid on that, or Ms Bell.

KYLIE BELL: I'd need to take it on notice around the investment that we've made in inducting and training our new staff.

The Hon. PENNY SHARPE: Minister, are you familiar with the remuneration package that Mr Cartwright has for the agent general position?

Mr ALISTER HENSKENS: I've certainly seen reports in the media about that, yes.

The Hon. PENNY SHARPE: Are you aware that there has been a change to his contract this year?

Mr ALISTER HENSKENS: I have read that, yes. These are matters that preceded me becoming the responsible Minister.

The Hon. PENNY SHARPE: Sure. I'm interested in your view about these. Can we just confirm that he has got a band 3 salary, which is \$487,000?

Mr ALISTER HENSKENS: Yes.

The Hon. PENNY SHARPE: And that because of the change to his employment contract, he has \$101,000 paid directly—the department directly pays his rent. Is that correct?

Mr ALISTER HENSKENS: That's my advice, yes.

The Hon. PENNY SHARPE: And then, on top of that, there's another \$11,000 living allowance, which comes to just under \$600,000. Is that correct?

Mr ALISTER HENSKENS: Ms Bell would be better to respond to that.

KYLIE BELL: Yes. Mr Cartwright has a band 3 salary: a base salary of, if we're talking specific figures, \$487,050. When he first joined the New South Wales Government, he negotiated a cost-of-living allowance based on the additional costs associated with living in London—that amount was \$112,950—and, of course, the one-off relocation allowance for temporary accommodation and airfares to get someone to country. Earlier in the year, the cost-of-living allowance was converted to providing direct rental payment of the value of \$101,000.

The Hon. PENNY SHARPE: And, as a result of that, there are tax implications for New South Wales, aren't there?

KYLIE BELL: Yes. When the rent is paid for that person, that is considered a benefit. And so, the Government will incur some additional—what I would call in Australian terms, but not UK terms, fringe benefits tax.

The Hon. PENNY SHARPE: Yes, that's right. I understand it's called something different. Can you tell me how much that extra amount is costing New South Wales taxpayers?

KYLIE BELL: In all honesty, we'll only know the full and accurate amount next April, when the UK tax year comes to a conclusion, because the tax is paid in the UK, not in Australia. The estimates we received from KPMG put a top end—because it's still an estimate at this point in time. The absolute maximum would be \$107,000 in Australian dollars, but KPMG's advice was that it was likely to be less.

The Hon. PENNY SHARPE: Minister, are you aware that there are any other STICs that are on this arrangement?

Mr ALISTER HENSKENS: I would need to defer to Ms Bell on that.

The Hon. PENNY SHARPE: Ms Bell?

KYLIE BELL: That arrangement is unique, but there is some unique support that we provide each different STIC. The only person that is currently having his rent paid in exchange for no cost-of-living allowance is Mr Cartwright.

The Hon. PENNY SHARPE: I'd also like to know, are there any others that we're paying tax as a result of—I understand that they're different from country to country. I know it's complicated. But is there any similar—

KYLIE BELL: I would have to take it on notice because each of our STICs pay tax in the country of origin, so we have five different tax regimes that we're working with. But because Stephen is the only one that we are paying his rent directly for at this point in time, he would be the only one that we are incurring that fringe benefits tax for.

Mr ALISTER HENSKENS: My advice is that those arrangements are similar to the arrangements for the Western Australia and Queensland agent generals in London.

The Hon. PENNY SHARPE: But they're not similar to the arrangements for the rest of the STICs in New South Wales, are they, Minister?

Mr ALISTER HENSKENS: No, but my understanding—you've got to make a jurisdiction-by-jurisdiction comparison. You have to compare apples with apples, not apples with oranges.

The Hon. DANIEL MOOKHEY: Minister, that might be the case. But when we hired Mr Cartwright, we had this fight with Mr Cartwright. The resolution of that was that he would be paid a \$107,000 cost-of-living allowance. We signed him up to his contract. That was the contract we entered into, and we entered into that contract in July last year. After some agitation by Mr Cartwright, he gets that reversed. And as a consequence of him getting that reversed, rather than him paying UK tax, we're paying it. Why aren't you seething about the fact that we are now having to pay an additional \$100,000 a year in fringe benefits tax in the United Kingdom as a result of the special deal we've done with Stephen Cartwright? Why isn't that making your blood boil?

Mr ALISTER HENSKENS: Well, these were matters that were entered into prior to me becoming Minister. They are new contractual arrangements which I'm not in a position to change.

The Hon. PENNY SHARPE: Minister, have you asked why Mr Cartwright has this special arrangement?

Mr ALISTER HENSKENS: Well, my understanding was, or is, that he was seeking to have comparable employment relations with the other agents general for other States of Australia in London.

The Hon. PENNY SHARPE: But, Minister, he is the only person to have this arrangement for the other STICs in the New South Wales jurisdiction. He was told when he got the position, after lengthy negotiations, what

the remuneration package was. Why has there been this special deal for Stephen Cartwright? And have you not sought to find out why that is the case?

Mr ALISTER HENSKENS: Well, it was an arrangement that was negotiated before I became the Minister—

The Hon. PENNY SHARPE: Yes. You're the Minister now.

Mr ALISTER HENSKENS: —so it is not an arrangement which I believe I have the power to ask to be unwound.

The Hon. PENNY SHARPE: Minister, I'm asking you what your view is. Do you think it's acceptable for one person to have a completely different arrangement to all of the other senior trade and investment commissioners across New South Wales that's costing New South Wales taxpayers an additional \$107,000 a year?

Mr ALISTER HENSKENS: Well, I think it's appropriate that we ensure that our senior representative in London is paid comparable to the other States' senior people—

The Hon. PENNY SHARPE: Minister, isn't that—

Mr ALISTER HENSKENS: Hang on. Can I finish my answer, please?

The Hon. PENNY SHARPE: Well, no, because isn't it the point that when you were—

Mr ALISTER HENSKENS: Can I finish my answer, please?

The Hon. PENNY SHARPE: The entire set-up of the STICs—

Mr ALISTER HENSKENS: Can I finish my answer, please?

The Hon. PENNY SHARPE: Well, you can try.

Mr ALISTER HENSKENS: Thank you. I believe that those are the procedural rules of these committees. I think it's appropriate that he be paid what the market is, and the market is people who perform that role in London representing the States of Australia. And, as I understand it, he is being paid a salary with features which are common to other States.

The Hon. DANIEL MOOKHEY: Minister, when we signed the contract with him in July, we had this fight with him. And when we signed the contract in July, the arrangement that you now defend applied to the Western Australia AG. It applied to the Queensland AG. So if you're saying that we have to keep him in market, what in the market changed between July and this year that led to us making the extraordinary decision that we're going to pick up the tax bill for Mr Cartwright and pay him \$100,000 a year? According to your version of events, something did. What was the change in the market that meant—

Mr ALISTER HENSKENS: No, I didn't—I have given no evidence as to the direct circumstances which led to that, because I was not involved in those.

The Hon. DANIEL MOOKHEY: Here's what we've established—

Mr ALISTER HENSKENS: But what I was simply stating was that there is a market. There is a market and, clearly, what we want to do as New South Wales is to have the best people representing our State in that market.

The Hon. DANIEL MOOKHEY: Well, Minister, here's what we've established: Your Government signs a contract with Mr Cartwright that would see him being paid a total remuneration package above all the other STIC positions, comparable to the police commissioner. He then, immediately upon signing, starts agitating to get more. According to evidence from your secretary, who's on leave, he threatens to go to the Premier, threatens to go to your predecessor, threatens to go to the head of DPC, then puts extraordinary pressure on your department earlier this year that results in a change that sees us pay \$100,000 of extra tax and him obtain a similar benefit by paying less tax. Do any of those events create any concern for you about whether Mr Cartwright's conduct has been acceptable?

Mr ALISTER HENSKENS: Well, I think those are matters which I would seek to get further advice on.

The Hon. DANIEL MOOKHEY: Well, this has all come to light. Here's what else we've discovered: In a lengthy WhatsApp message to your predecessor, he says:

All other AGs and Fed Govt execs have rent, car and school fees covered by their govt

He says this on 23 March, before listing entitlements for comparable representatives in Australian States:

The WA Govt is paying 13,500 pounds per month rent – that's more than my entire net salary!

I have had two offers for CEO roles back in Sydney but I would rather stay here and deliver for NSW. But I can't live here for 3 years without an apartment that can accommodate my family (at least on school holidays as the school fees here are twice that of Knox)

How much sympathy do you have for Mr Cartwright as he struggles to have to pay for the UK private schools at apparently double Knox? And do you think it's appropriate that he rush to Ministers in order to agitate for this type of change?

Mr ALISTER HENSKENS: I suppose I would answer that question this way: It is important that we are meeting the market so that we can ensure that we have the best representation possible in our offshore offices. The particular individual circumstances I can't comment on because I wasn't the responsible Minister at the time, nor do I have all the detail.

The Hon. DANIEL MOOKHEY: Well, Minister, your secretary has come before us and said that this behaviour was unacceptable. Do you think it's acceptable for Mr Cartwright to attempt to make direct contact to you if he has a remuneration issue?

Mr ALISTER HENSKENS: As I am not charged lawfully with his employment relations, I would push him towards the person who was responsible.

The Hon. DANIEL MOOKHEY: Do you think it's acceptable for him to threaten your officials by saying he'd go to the Premier to resolve his issues to do with his remuneration?

Mr ALISTER HENSKENS: Look, I'm not going to express a view on circumstances which I don't fully understand and have information on.

The Hon. DANIEL MOOKHEY: What I don't understand, Minister, is your secretary has come before the Parliament and said that this behaviour is unacceptable and your Government's reaction to that has been to precisely do nothing. Why haven't you ordered an investigation into Mr Cartwright's conduct here? No public servant I have ever come across has ever tried to do this—to invoke the name of the Premier, to be sending WhatsApp messages to Ministers about remuneration issues. Why hasn't this caused you to launch an investigation into Mr Cartwright and his role, or why haven't you instructed Ms Braid or Ms Brown to do so?

Mr ALISTER HENSKENS: My understanding is that you've got an upper House inquiry now on those matters, haven't you?

The Hon. DANIEL MOOKHEY: So you're telling me that you prefer me to do it for you?

Mr ALISTER HENSKENS: Well, no.

The Hon. DANIEL MOOKHEY: I'm happy to do it.

Mr ALISTER HENSKENS: I understand that you're already—

The Hon. DANIEL MOOKHEY: I'm very happy to do it.

Mr ALISTER HENSKENS: —down that road.

The Hon. DANIEL MOOKHEY: We had evidence that was adduced before that led to the Head review. How does this not cross over the trip-wire of some investigation being needed into the conduct of Mr Cartwright. Why aren't you ordering an investigation into him?

Mr ALISTER HENSKENS: Well, I will, in the fullness of time, get the full picture and then I will act appropriately.

The Hon. DANIEL MOOKHEY: Ms Braid, you are now his employer. Why aren't you investigating?

LISA BRAID: I've been acting in the role only for a very short period of time.

The Hon. DANIEL MOOKHEY: Well, we have a scenario where the secretary, who is the employer, is herself subject to clearly some—has been subject to an investigation. I'm not making any reflections on her as you continue to make your decisions about her and she's obviously now in some form of process with Mr Coutts-Trotter. Basically your Government is paralysed, isn't it, Minister? Your Government can't order an investigation because you're paralysed; because the secretary, who is the employer, is herself subject to some form of oversight by DPC. You're the Minister. You can't do anything. You're paralysed, aren't you?

Mr ALISTER HENSKENS: I don't agree with that characterisation.

The Hon. DANIEL MOOKHEY: How would you characterise it?

Mr ALISTER HENSKENS: As I've told you, when I have the opportunity, I will seek advice. I will be provided with advice on the full circumstances and then I will make decisions accordingly.

The Hon. DANIEL MOOKHEY: When do you expect to do all this?

Mr ALISTER HENSKENS: Well, when I have some time, when I'm not before budget estimates on a rolling basis—

The Hon. DANIEL MOOKHEY: So you're saying you will order an investigation when you're done with this?

Mr ALISTER HENSKENS: —I will have an opportunity to look at the matter. No, I'll form a view on what response is appropriate.

The Hon. DANIEL MOOKHEY: The additional tax bill that we're picking up on Mr Cartwright's behalf is more than the salary of a nurse—of a fifth-year nurse. A fifth-year nurse gets paid \$105,000. We've picked up a fringe benefit liability of \$107,000. Can you, pray tell, what additional benefit are we getting as a result of our decision to pay Mr Cartwright's tax?

Mr ALISTER HENSKENS: Look, again, I think the answer to that question requires me to be properly informed as to all the circumstances. Given the fact that I wasn't Minister at the time these events occurred and that I need to seek full advice on those matters, I don't think it's appropriate that I provide opinions on matters that I am not fully briefed on.

The Hon. PENNY SHARPE: Minister, have you spoken to Mr Cartwright since you've taken up this role?

Mr ALISTER HENSKENS: No.

The Hon. PENNY SHARPE: Have you met with, or spoken to, any of the other STICs?

Mr ALISTER HENSKENS: No.

The Hon. PENNY SHARPE: When are you going to do that?

Mr ALISTER HENSKENS: Again, that will be part of my administration as cluster lead and responsible Minister once I get an opportunity to focus on those matters of administration.

The Hon. PENNY SHARPE: Minister, given what you've said about Mr Cartwright and his remuneration and your view that he should be paid the same as what the other States are, rather than within the New South Wales framework for remuneration for these positions, will you be seeking to change the framework?

Mr ALISTER HENSKENS: As I understand it, the framework, as you so put it, is actually different in each jurisdiction that we have an offshore presence.

The Hon. PENNY SHARPE: No. There are some basic rules about how much people are paid and the way in which their living-away-from-home allowances are based on the Mercer index. We've talked about this a lot, Ms Bell, and others. My understanding is that, given what you've just said now, if other STICs come forward and basically make the same claims, you will be open to supporting that change?

Mr ALISTER HENSKENS: I think all positions must be looked at on a case-by-case basis.

The Hon. DANIEL MOOKHEY: Well, Minister, no other STIC position gets paid more than \$22,000 as a cost-of-living allowance.

Mr ALISTER HENSKENS: Yes.

The Hon. DANIEL MOOKHEY: Are you open now to paying them more?

Mr ALISTER HENSKENS: I think I would just repeat my previous answer, which is that all matters need to be viewed on a case-by-case basis.

The Hon. DANIEL MOOKHEY: So everyone has the right to come forward and ask for more?

Mr ALISTER HENSKENS: No. I am saying that—

The Hon. DANIEL MOOKHEY: It's out there.

The Hon. PENNY SHARPE: But that's what's happened in the case of Mr Cartwright and you've just backed that in.

Mr ALISTER HENSKENS: No, I haven't backed that in. I've said that it is important that we actually meet the market; that we attract appropriate talent to the positions. What I've said is I don't know enough about the circumstances that you raise with regard to Mr Cartwright for me to be providing any opinion on the matter.

The Hon. DANIEL MOOKHEY: Has any other STIC commissioner sought to renegotiate their remuneration since their appointment?

Mr ALISTER HENSKENS: I'd need to defer to Ms Braid or Ms Bell on that matter.

KYLIE BELL: To my knowledge, no. We've had some issues with staff getting into country due to visas just with border closures and we're evaluating, for example, whether we should extend the three-month temporary accommodation, but this is the major.

The Hon. DANIEL MOOKHEY: Ms Braid, have you met with Mr Cartwright recently?

LISA BRAID: I have met with Mr Cartwright once and that was on his commencement with Investment NSW last year.

The Hon. DANIEL MOOKHEY: Ms Knight, have you, in the last few weeks, met with him?

KATIE KNIGHT: Yes. I met with him on a Teams call with all of the STICs together to introduce myself.

The Hon. DANIEL MOOKHEY: Ms Bell, I presume you remain in weekly contact with him?

KYLIE BELL: Stephen and I meet weekly, yes.

The Hon. DANIEL MOOKHEY: Has he been complaining about the evidence that Investment NSW has been giving to parliamentary inquiries?

KYLIE BELL: I'll take that on notice.

The Hon. DANIEL MOOKHEY: Is that because you don't know?

KYLIE BELL: He doesn't complain. When we ring, we talk about work. We talk about what projects we've got underway, what deals we've got in the pipeline, what programs we've got coming up in the coming weeks.

The Hon. DANIEL MOOKHEY: Minister, when you are planning to do your first trade trip as trade Minister?

Mr ALISTER HENSKENS: I have no plans at this stage with regard to any trade trips.

The Hon. DANIEL MOOKHEY: Are you going to London at any time soon?

Mr ALISTER HENSKENS: I have just answered that question. I have no plans at the moment with regard to any trade trips.

The Hon. DANIEL MOOKHEY: Are you aware of any Minister who is travelling to London to undertake any work that would be assisted by the agent general?

Mr ALISTER HENSKENS: No.

The Hon. DANIEL MOOKHEY: Do we have any trips planned that any Government Minister is heading for the department that requires the assistance of the agent general? When is the agent general next coming back to Sydney?

Mr ALISTER HENSKENS: I'd need to seek advice from Ms Bell on that matter.

The Hon. DANIEL MOOKHEY: Does Ms Bell know?

KYLIE BELL: I would suggest there is no business need for Mr Cartwright to come back to Sydney.

The Hon. DANIEL MOOKHEY: He's returned to us already since he's gone there, correct?

KYLIE BELL: He's returned once.

Mr ALISTER HENSKENS: And that was to accompany two delegations, I believe, from the UK—

KYLIE BELL: And Germany.

Mr ALISTER HENSKENS: —that were visiting New South Wales, which is a usual thing, as I am advised, that a STIC would do.

The Hon. DANIEL MOOKHEY: We might pick up this afternoon what was the precise purpose of that travel. Minister, when are we going to have a STIC position in America?

Mr ALISTER HENSKENS: I don't know.

The Hon. DANIEL MOOKHEY: Why not? You're the trade Minister.

Mr ALISTER HENSKENS: I have been in the role for a couple of weeks. There's been a huge amount of publicity about that role, obviously. I would suggest that that publicity has been unhelpful with regard to filling that position and I would need to take advice as to when the appropriate time would be right to ensure that we would be able to attract the right person for that role.

The Hon. DANIEL MOOKHEY: Ms Bell has told us the department's view seems to be that they can't fill the role until the upper House completes its inquiry. Is that the policy preference of your Government too?

Mr ALISTER HENSKENS: Well, I don't think I've received that advice directly.

The Hon. DANIEL MOOKHEY: Well I have.

Mr ALISTER HENSKENS: But certainly I think that there would need to be a degree of clean air before we could be confident that we would fill that position with an appropriate person.

The Hon. DANIEL MOOKHEY: Do you think that the publicity that you just referred to was unjustified?

Mr ALISTER HENSKENS: If we look at the Head review and the matters that it has identified, I think that it creates a different picture to perhaps the public picture that has been created through the upper House inquiry. I don't say that critically. I just say that sometimes when you get all the evidence coming out in one go—this is similar to a criminal trial or any episodic presentation of evidence rather than the evidence as a whole—you get a slightly different picture and you get a different, I suppose, emphasis.

The Hon. DANIEL MOOKHEY: What steps have you taken to implement the Head review recommendations?

Mr ALISTER HENSKENS: The Government, as you are aware, announced its response to the Head review. The recommendations are government-wide; they are not just in my cluster. It is my expectation that the public service are implementing those recommendations.

The Hon. DANIEL MOOKHEY: When you say that the picture that has been painted by the Head review isn't the public picture, what do you mean?

Mr ALISTER HENSKENS: Sorry?

The Hon. DANIEL MOOKHEY: When you say that the picture that has been painted in the Head review isn't akin to the picture that has been painted publicly, what do you mean?

Mr ALISTER HENSKENS: I think that the Head review, as I read it, focuses very strongly on public service process and has a very subordinate role with regard to, for example, Mr Barilaro, because there are no adverse findings with regard to Mr Barilaro's conduct in the Head review.

The Hon. DANIEL MOOKHEY: Mr Head made no adverse findings about Mr Barilaro, is what you were meaning, Minister?

Mr ALISTER HENSKENS: That's as I read the Head review, yes.

The Hon. DANIEL MOOKHEY: Do you think he has been the victim?

Mr ALISTER HENSKENS: I am not going to make that sort of commentary.

The Hon. DANIEL MOOKHEY: He has.

Mr ALISTER HENSKENS: I am just saying that the Head review, when read, has a different emphasis.

The Hon. DANIEL MOOKHEY: The Premier has described the process as being fundamentally flawed. Do you agree that the process was fundamentally flawed?

Mr ALISTER HENSKENS: I think that is a good summary of Mr Head's report.

The Hon. DANIEL MOOKHEY: What steps are you putting in place to ensure, as we go about recruiting the STIC Americas position for the third time, that the same fundamental flaws will not repeat?

Mr ALISTER HENSKENS: I think the implementation of the 12 recommendations that the Government has adopted will certainly ensure a better process and also the two additional policy changes—at least, perhaps, one of the two additional policy changes, namely that all trade commissioner roles will be appointed through the GSE Act consistent with the GSC process as outlined in the Head review and that they will not be statutory appointments—will also be of assistance. Because, clearly, the GSE Act process was not strictly adhered to in the way in which the recruitments have been conducted.

The Hon. DANIEL MOOKHEY: That is an interesting point you make, Minister, and it raises this question: Has your government now abandoned the position of turning this into ministerial appointments? To be fair, the Head review is a bit ambiguous on the point. You would know, as I would know, that your department was doing its level best to adhere to the requirements of the GSE merit-based selection criteria, despite not being under a legal obligation to do so. But it was the intervention of Mr Barilaro and his Cabinet submission which created all the turmoil. You may not accept that. You may reject the premise of my question. But the question still remains: What exactly is the policy of your government here? Are you turning these into ministerial appointments, or have you abandoned that?

Mr ALISTER HENSKENS: I thought what I said was very clear, but I will just repeat it.

The Hon. DANIEL MOOKHEY: No, Minister. You are not picking up on the subtlety.

Mr ALISTER HENSKENS: It's in the press release that was issued by the Premier when the Head report was publicly released.

The Hon. DANIEL MOOKHEY: Did you ever get to the bottom of why—

Mr ALISTER HENSKENS: Sorry, do you want me to answer that last question?

The Hon. DANIEL MOOKHEY: I think you just did. Did you ever get to the bottom of why your Government never implemented its own Cabinet decision?

Mr ALISTER HENSKENS: I think that is left open in the Head report, and no is the answer to your question.

The Hon. DANIEL MOOKHEY: You are quite right that it is left open in the Head report, because Mr Head makes the point that he hasn't got legal jurisdiction to look into that particular matter. But it remains the big unanswered question as to why your government rushed a Cabinet submission through and then failed to implement it. Given, as you have just said, the Head review has left that question open, what steps are you taking to ascertain the reasons for that? because no-one else really can investigate this other than you.

Mr ALISTER HENSKENS: I know that you are very interested in going over the entrails of ancient history, but the fact of the matter is—

The Hon. DANIEL MOOKHEY: Me and various integrity agencies might be interested in this, Minister.

Mr ALISTER HENSKENS: —that it is now very clear that the trade commissioner roles going forward are going to be GSE Act appointments and not Cabinet appointments.

The Hon. DANIEL MOOKHEY: Is the reason why you are not eager to investigate this because if you did it may well reveal the fact that Stuart Ayres was correct when he said he disclosed this to the senior leaders of the Government in May and he had the concurrence of the senior leaders of the Government not to proceed with the Cabinet decision? Is the reason why you are failing to investigate this obvious question because, fundamentally, it is going to expose the Premier, the Deputy Premier and other senior leaders of the Government as being complicit in the actions of Minister Ayres?

Mr ALISTER HENSKENS: I have no personal knowledge of any of those matters.

The Hon. DANIEL MOOKHEY: You don't need personal knowledge.

Mr ALISTER HENSKENS: And it is irrelevant to the future operation and execution of a clear government policy, which is that all trade commissioners will now be appointed through the GSE Act.

The Hon. DANIEL MOOKHEY: Minister, you have a report from the former Public Service Commissioner who puts up in spotlights that he has not got the legal authority to look into this question and your reaction to that is it's irrelevant. That's the evidence you wish to give us?

Mr ALISTER HENSKENS: I am just saying that, going forward, I have no capacity to change history, as you would appreciate.

The Hon. DANIEL MOOKHEY: You do have the capacity to discover it, though.

Mr ALISTER HENSKENS: All I have as a Minister is the capacity to impact the future. And the future—it is very clear that the trade commissioners will be appointed in the future through the GSE Act.

The Hon. DANIEL MOOKHEY: Minister, I accept that it is probably beyond your power to change history, but it is—

Mr ALISTER HENSKENS: I like the element of doubt in that proposition.

The Hon. DANIEL MOOKHEY: I have faith in you, Minister. I have confidence. Despite you not having that supernatural power, you do have the power to discover it. I am putting to you the reason why you are choosing not to exercise it is because you know it will reveal the fact that Minister Ayres may have had a point when he said, "I told the senior leaders of the Government. They were fine with it."

Mr ALISTER HENSKENS: That's entirely incorrect.

The Hon. DANIEL MOOKHEY: Why won't you investigate it, then?

Mr ALISTER HENSKENS: It is not part of my role to do that.

The Hon. DANIEL MOOKHEY: Then who is?

Mr ALISTER HENSKENS: My role is to administer a portfolio, not to rake over ancient history, which seems to be your preoccupation.

The Hon. DANIEL MOOKHEY: Your definition of ancient history and my definition of history might be different, Minister, as well, because it is a live consideration here. It brings us to this point: The Head review makes it very clear that, as a result of that decision, that is what has terminated the candidacy of Ms West, who has been understood to be a person who is highly qualified for the role. Do you think your Government has wronged Ms West here?

Mr ALISTER HENSKENS: I am not going to make comment on that. I know that Mr Head's report deals with Ms West's candidacy for that position and deals with procedural matters in relation to that.

The Hon. DANIEL MOOKHEY: So, again, this falls within the category of it just doesn't occupy you enough to want to even make enquiries into this.

Mr ALISTER HENSKENS: Look, it has been fully investigated by Mr Head. He makes findings. I don't think that there is any great benefit in me redoing or reinvestigating something that has been subject to an external review and an upper House inquiry. I think Mr Head's findings are very clear on that matter and I think that anyone who reads the report is able to understand the position there.

The Hon. DANIEL MOOKHEY: Why won't you just abolish these jobs? I mean, this has been a total disaster for your Government—

Mr ALISTER HENSKENS: Because—

The Hon. DANIEL MOOKHEY: Let me finish.

Mr ALISTER HENSKENS: For the reason that I've already given you: that we have a fraction of the presence of Victoria offshore to support the trade and investment in New South Wales. We are being outplayed by the Labor State governments of Victoria and Queensland in terms of their capacity to have much greater offshore presences than New South Wales. Notwithstanding the fact that New South Wales has the most diverse, dynamic economy in our nation, we cannot allow the other States to be outplaying us offshore. It's important that we have senior leadership in these offshore offices, which is why these positions are important.

The Hon. DANIEL MOOKHEY: As I get ready to pass the baton to my colleague, I want to give you the opportunity to put this beyond any doubt. Can you give me an ironclad guarantee that if your Government is re-elected, it will not be abolishing these jobs?

Mr ALISTER HENSKENS: I can tell you what our current position is, which is that these offshore trade missions are incredibly important.

The Hon. DANIEL MOOKHEY: Your promise to the people of New South Wales is, "If you re-elect the Perrottet Government and the Liberal Party, these jobs will continue."

Mr ALISTER HENSKENS: The missions will continue to be in place because they are fulfilling an important role.

The CHAIR: Ms Boyd?

Ms ABIGAIL BOYD: Thank you, Chair. Good morning to you, Minister Henskens, and to all of the officials attending today. I think I'm going to give you some light relief from that line of questioning and ask you some questions about sport. Do you share your predecessor's view that the way that we fix gender equality in sport is by leaving it up to corporate Australia?

Mr ALISTER HENSKENS: Look, I don't want to accept that you've correctly characterised my predecessor. You may have; you may not have—I don't want to get into that. The question that you're raising is a very important question, which is about equality in sport. What I would say about that is that both government and the corporate sector have important roles to play. We obviously as government have our limitations in terms of our reach. But obviously you'd be aware that our investment is over \$201 million in the 2021-22 budget to support women and girls in sport, and that we have a number of initiatives that have been able to do that. Some \$41.17 million in Active Kids vouchers have been redeemed by girls to support the cost of participation in sport and \$158.1 million has been spent on 58 infrastructure projects that include facility components specifically intended to increase female participation.

Ms ABIGAIL BOYD: Let me just stop you there, Minister, because I am aware of those things. I am certainly not taking away from the efforts that have been made to encourage girls into sport but, fundamentally, when girls are getting paid far less than their male equivalents in professional sports it makes it a lot less of an attractive career for a young girl. I understand that Destination NSW does invest in sporting events directly. For those grant initiatives that Destination NSW has, such as the Multi-Sport Community Facility Fund, what provisions are in place to ensure gender equity?

Mr ALISTER HENSKENS: Ms Boyd, I think that equality in terms of payment is incredibly important, so I think we agree with each other on that. What I would say is, for example, I went along to the first Sydney Swans AFLW game on the weekend—great crowd, 8,000 people filled North Sydney Oval. I had the opportunity to speak to a number of the female athletes. In some cases I think the Commissioner for the AFLW said that their pay has increased enormously in recent years, in a percentage term—

Ms ABIGAIL BOYD: Sorry, with respect, that's not answering my question, which was about the grants.

Mr ALISTER HENSKENS: No, I'll come to that. I think their pay has increased something like 500 per cent. It's well under the men, and I agree that it's not yet at parity, but certainly in a range of female professional sports the salaries are trending in the right direction, if I can put it that way.

Ms ABIGAIL BOYD: Yes. I think it's going much slower than many of us would like. But there is an opportunity here for government to lead by ensuring that the grants you give to sporting organisations are only given to those clubs and organisations who have in place gender equity, whether it's in facilities for women as well as men or whether it's in terms of prize money. What is your Government doing in terms of those direct grant initiatives from Destination NSW to ensure that gender equity?

Mr ALISTER HENSKENS: We've got a couple of things. The Her Sport Her Way strategy has a target of 40 per cent female representation on State sporting organisation boards—

Ms ABIGAIL BOYD: Again, sorry, you're not referring to the grants process, though. I'm very aware of that program but I'm talking about the actual money that the Government invests through Destination NSW. What provisions are there in that funding to ensure gender equity?

Mr ALISTER HENSKENS: I'll pass to Ms Jones to give you more details. But what I would say—and I'm not diminishing your line of questioning in terms of professional sport—is that we have a range of initiatives to promote female sport at a grassroots level, including the announcement last week of our female friendly facilities fund, \$25 million over two years. It's enormously important to get the grassroots facilities that will turbocharge female sport at a local level, which then will feed into the pay of professional athletes. At the moment I hear, all too often, stories of women athletes having to change in their car because they don't have a change room—

Ms ABIGAIL BOYD: Exactly.

Mr ALISTER HENSKENS: —and that there are no proper facilities to encourage female athletes. We've had a focus on trying to improve those facilities—and there's been a strong focus over a number of years—so that we can encourage more women to participate in sport, which I think will ultimately be of assistance to what you're talking about in your question.

Ms ABIGAIL BOYD: But you have this golden opportunity as government that when you are investing directly, if you're giving money to these community organisations, that they do have these things in place. You

can level the playing field so substantially by just requiring that the government money only goes to those organisations that practice gender-equitable—

Mr ALISTER HENSKENS: Sorry to interrupt you, Ms Boyd, but the grassroots organisations are not running the professional competitions in every case. That's where—

Ms ABIGAIL BOYD: Obviously. But that's where girls and women are coming through and all stages—

Mr ALISTER HENSKENS: Yes, but you shouldn't be punishing the grassroots—

Ms ABIGAIL BOYD: But at all stages—

Mr ALISTER HENSKENS: —for the decisions that are made by professional bodies unrelated to them.

Ms ABIGAIL BOYD: No, but at all stages of sport girls are being given the message they're second rate, because there aren't change rooms for them and they don't get the same prize money, even at a community level of sport. The message that our young girls are getting is that women's sport is second rate precisely because we have all of these organisations that don't have equitable facilities for women. So it does matter.

Mr ALISTER HENSKENS: That's why we're investing much more heavily in female facilities—for that very reason. Anyway, maybe—

Ms ABIGAIL BOYD: I can pick it up with the officials in the afternoon.

Mr ALISTER HENSKENS: Maybe Ms Jones can go to what particular measures we have.

Ms ABIGAIL BOYD: Do you know how many women's sports events have been held at the Allianz Stadium?

Mr ALISTER HENSKENS: Well, no sporting events have yet been held at the new Allianz Stadium. But I'm happy to say that the first sporting event will actually be an NRLW game between the Sydney Roosters and the St George Dragons female rugby league teams as, I think, a really important statement of our attitude towards women's sport and how we are looking to promote women's sport, just as that AFLW game on the weekend that I referred to—the first game ever played by the Sydney Swans females team. For the first time in the AFLW, now all of the male clubs have a women's team, which is very important.

Ms ABIGAIL BOYD: How many women's events will be held at the Allianz Stadium in the next year, do you know?

Mr ALISTER HENSKENS: Certainly on Tuesday I am very excited that the Matildas are playing Canada. So there will be a women's football game also played. Of the first three days of sport played at Allianz, there will be two women's games and two men's games.

Ms ABIGAIL BOYD: Maybe I'll come back to the officials as to what the plans are for the rest of the year. Other States and Territories are doing much better than us on this. For example, in the ACT the Ainslie Football Club recently became the first Aussie Rules club to invest equal money into men's and women's programs. Do you have any plans to require New South Wales clubs to invest equal money in men's and women's sporting programs?

Mr ALISTER HENSKENS: I would need to take advice from Ms Jones as to what initiatives are in place along those lines but, certainly from the discussions I have had with the various different women's sporting bodies or sporting bodies about their women's programs, in my local electorate the largest cohort of increased player numbers in, say, cricket is the women's cricketers. Cricket NSW recognises how important getting more women playing cricket is to their sport. We've got the Women's—

Ms ABIGAIL BOYD: Sorry, let me interrupt you there because time is limited.

Mr ALISTER HENSKENS: We've got the Women's Basketball World Cup starting in only a few weeks. The best 16 women's basketball teams in the world playing—

Ms ABIGAIL BOYD: I am going to interrupt you because you are now eating into people's teatime and everyone will get very cranky with you.

Mr ALISTER HENSKENS: Sorry.

Ms ABIGAIL BOYD: Could I finally ask before we break—I hope that you are aware of the Equal Pay for Equal Play campaign. Will you meet with the wonderful people behind that campaign to discuss this issue further?

Mr ALISTER HENSKENS: Of course I will.

Ms ABIGAIL BOYD: Thank you.

The CHAIR: It is now time for the morning tea break. We will be back at 11.15 a.m.

(Short adjournment)

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

The Hon. JOHN GRAHAM: Good morning, Minister.

Mr ALISTER HENSKENS: Good morning, Mr Graham.

The Hon. JOHN GRAHAM: I want to turn to some of the issues now in the Sport portfolio.

Mr ALISTER HENSKENS: Sure.

The Hon. JOHN GRAHAM: Just to give you a break from my colleague Mr Mookhey, although he will contribute here. I want to turn first to the Penrith Stadium project. The budget allocates \$48 million to this project. What is the total cost of the Penrith Stadium?

Mr ALISTER HENSKENS: I may be wrong on this, so I will seek to be corrected by Ms Jones, but I believe that the budget allocation is \$309 million over the forward estimates.

KAREN JONES: That's right.

The Hon. JOHN GRAHAM: Ms Jones is nodding there; I indicate for Hansard. Minister, what is the cost of land acquisition as part of the stadium redevelopment that's part of that budget?

Mr ALISTER HENSKENS: The position with regard to the Penrith Stadium is that a final decision has not yet been made as to how we are going to deliver a sustainable, multi-use venue in Penrith. We are currently making a decision as to location and scope of the project, and that will be announced in the future. Questions of land cost and the like are premature until those matters are finalised.

The Hon. JOHN GRAHAM: Given that you are still deciding the scope of this stadium, this is very much an initial budget allocation—\$48 million in the short term, \$309 million in the budget in the forwards—but it could vary from that, is really what you are telling us, if the scope of the project is yet to be decided?

Mr ALISTER HENSKENS: That would be a decision for Government, for Cabinet, as to any changes to that budget allocation of \$309 million, and that's not a decision that has been made.

The Hon. JOHN GRAHAM: The original budget of \$309 million, though, has a scope and that did go to Cabinet. Do you agree with those statements?

Mr ALISTER HENSKENS: Given that this predates me in this new role, I can't tell you about the granular detail. What I do understand is that there is a decision which is reflected in the budget for an expense of \$309 million.

The Hon. JOHN GRAHAM: Ms Jones, do you want to contribute at this point?

KAREN JONES: Yes. The Minister is correct in that the decision that was made by Government at the end of last year was for a \$309 million project.

The Hon. JOHN GRAHAM: With a defined scope. Although, the Minister is making the sensible point that that scope could vary. Is that correct?

KAREN JONES: It was based on a business case that did have a number of options presented in it, which had different scopes for each option.

The Hon. JOHN GRAHAM: And allocated now for \$309 million. In that \$309 million, though, you must have budgeted for a certain amount for land acquisition. That's not to make any commercial commitment to any individual operator here. What is the budget within that \$309 million for land acquisition?

Mr ALISTER HENSKENS: I don't accept the premise of the question. When business cases are presented then there are indicative amounts for particular components. Whether there was an amount of a component for land acquisition, I can't say. And that's an assumption that there was.

The Hon. DANIEL MOOKHEY: Minister, I'll take you at your word that it doesn't include the—

Mr ALISTER HENSKENS: I didn't say that. I said that "If it does" is an assumption. It may or may not; I don't know.

The Hon. DANIEL MOOKHEY: Let me ask you, to be quite clear—and to Ms Jones as well—does the \$309 million include any component in the budget for land acquisition?

KAREN JONES: I'll have to take that on notice, specifically because the \$309 million was made up of various components. I don't have the information in front of me so I'll take it on notice.

The Hon. DANIEL MOOKHEY: If it doesn't, it means that in addition to paying the \$309 million for whatever, we are also paying the acquisition cost above that. That's the implication. If it doesn't include the money, then in addition to the \$309 million we are going to have to pay a lot more for land acquisition.

Mr ALISTER HENSKENS: That's based on an assumption, if I may say so—

The Hon. DANIEL MOOKHEY: It is.

Mr ALISTER HENSKENS: —which is that the location will be in a place where we need to acquire land as opposed to Crown land, where we wouldn't have to acquire land.

The Hon. JOHN GRAHAM: We will turn to that, though. But it's a fair question. It's a significant budget of \$309 million. Could it be higher if land acquisition hasn't been accounted for?

Mr ALISTER HENSKENS: I think what you are speculating on is as to location, and that is not a matter that has been determined.

The Hon. JOHN GRAHAM: Let's turn to that, because you say that no decision has been made. That's the position the Government put recently in the Parliament. Why has a letter been issued to the show society indicating that their site will be compulsorily acquired, if the Government is yet to make a decision?

Mr ALISTER HENSKENS: I might pass to Ms Jones on that matter.

The Hon. DANIEL MOOKHEY: Is it Mr Draper who's doing this?

SIMON DRAPER: Yes, I'm happy to respond. The letter that has been issued to the Paceway—to use the abbreviated term—is an initial notice. You are very well aware, I'm sure, that it's a staged process. That kicks off a six-month commercial negotiation period. It's not actually till the end of that period that a decision would be required on whether the Government wants to compulsorily acquire the site. And then there would be another couple of stages. This is an initial commercial negotiation exploration stage to allow for the potential use of that site, should the Government decide to go down that path.

The Hon. JOHN GRAHAM: When was that letter issued?

SIMON DRAPER: It was in July. I can get you the exact date, if you like.

The Hon. JOHN GRAHAM: Yes. Are you happy to table the letter for the Committee?

SIMON DRAPER: Yes.

The Hon. JOHN GRAHAM: But that formal, quite serious process has now commenced, Minister?

Mr ALISTER HENSKENS: He said it was a preliminary investigation. Those are the words that he used, if I heard him correctly. Have I misrepresented your evidence, Mr Draper?

SIMON DRAPER: No. Under the arrangements for compulsory acquisition, the first stage is a commercial negotiation.

The Hon. JOHN GRAHAM: This is the formal process for compulsory acquisition, which has now commenced for the Paceway, as you call it, Mr Draper.

Mr ALISTER HENSKENS: It's a preliminary investigation of that as one of the options for the location of the stadium, as I understand his evidence.

The Hon. DANIEL MOOKHEY: Minister, you are familiar with the terms of the just terms Act, are you not?

Mr ALISTER HENSKENS: It's been some time since I've examined them in some detail but I'm generally aware of the parameters.

The Hon. DANIEL MOOKHEY: Then you would know that the letter that Mr Draper is making reference to isn't a preliminary investigation; it's the first step that's required by that Act to initiate a compulsory acquisition. It has a much bigger status than the way you are portraying it.

Mr ALISTER HENSKENS: As Mr Draper explained it, it is a process to investigate commercial negotiations that will arrive at a figure for the land, which Government can then consider whether they wish to go down that path—

The Hon. DANIEL MOOKHEY: Minister, let me put it to you—

Mr ALISTER HENSKENS: Can I finish? Whether they wish to go down that path or another path.

The Hon. DANIEL MOOKHEY: Minister, let me just put to you that you are mischaracterising the just terms Act here. What Mr Draper is actually saying is that he has formally initiated a negotiation process that, by law, is required before the issuance a PAN notice—a property acquisition notice. It is not an investigation; it is the formal step to initiate a negotiation to see whether it's possible to obtain the site by agreement. It is not an investigation.

Mr ALISTER HENSKENS: I disagree. It's a sufficient but not necessary step along that path, but it doesn't, in and of itself, oblige that outcome. I think that's what you are conflating, somewhat disingenuously and deliberately to mislead.

The Hon. DANIEL MOOKHEY: We accept that in six months' time you may decide that it's too expensive to obtain via commercial agreement.

The Hon. JOHN GRAHAM: These sometimes fall over, Minister. We have certainly seen that. But this is a very serious step.

Mr ALISTER HENSKENS: But the Government would not be obliged to continue on the path either.

The Hon. DANIEL MOOKHEY: Indeed. But the point is that it's not an investigation step; it's the first step towards a compulsory acquisition. Granted, you are right: We might not take the second step or the third step or the fourth step. That is all true. But you can understand that, from the perspective of the Paceway and its owners, it's a pretty clear sign that this is not just at the stage of concept and that if you can obtain the site at an acceptable price, you would.

Mr ALISTER HENSKENS: I think Mr Draper explained that this is a common process of investigation.

The Hon. JOHN GRAHAM: Minister, if no decision has been made, why was this letter issued?

Mr ALISTER HENSKENS: Because it is one of the available options for the location of the stadium.

The Hon. JOHN GRAHAM: What are the other options?

Mr ALISTER HENSKENS: The other obvious option is where the current stadium is located.

The Hon. JOHN GRAHAM: So that is under active consideration by the Government, is it?

Mr ALISTER HENSKENS: There are a range of considerations that are under active consideration by the Government, as I've said. No decision has been made.

The Hon. JOHN GRAHAM: I'm asking, is keeping the stadium where it is on the existing site one of the options? Is that under active consideration by the Government?

Mr ALISTER HENSKENS: It is an option.

The Hon. JOHN GRAHAM: Other than those two options, are there any other options that you are aware of, Minister?

Mr ALISTER HENSKENS: I'll need to go to Ms Jones as to whether there are any other options.

KAREN JONES: The business case did actually examine the existing site and also the Paceway site.

The Hon. JOHN GRAHAM: Just those two options?

KAREN JONES: Just those two.

The Hon. JOHN GRAHAM: Mr Draper, from your point of view, why was this letter issued, given that the Minister is saying that no decision has been made?

SIMON DRAPER: It was issued because we were given a project authorisation order under our Act, which means we become a delivery agency for that project. One of the requests from the Government was to explore the two sites that have been referred to, the existing stadium site and the adjacent site on the Paceway. The only way to really explore the Paceway site is to enter into negotiations with the current landowners and to determine whether it's feasible to acquire the site, desirable to do so and what it would cost, so that's why we

issued that notice and there's been a meeting. Just to answer your question earlier, it was 4 July we issued that letter.

The Hon. JOHN GRAHAM: Yes, 4 July this year?

SIMON DRAPER: I don't have a hard copy of the letter with me, but I will make sure it's available.

The Hon. JOHN GRAHAM: If you are happy to table it, that would be welcomed. In those directions to your agency, were you given any indication as to the preference to the site or were those equally regarded?

SIMON DRAPER: They were both equally regarded.

The Hon. JOHN GRAHAM: Minister, I want to put it to you that while that may have been the position of the formal direction to the agency, it was not the position of the previous Minister, who clearly preferred this option. How would you like to respond to that suggestion?

Mr ALISTER HENSKENS: I can't speak for the former Minister. What I can say is that the advice that I have is that no decision has been made with regard to location and that all options are open.

The Hon. JOHN GRAHAM: The former Minister gave this commitment, essentially to the Paceway but also to the public in Penrith, "The intention of these negotiations is to allow the Paceway operations to continue in the Penrith LGA on a new site." Given your position that no decision has been made, why is the former Minister saying that?

Mr ALISTER HENSKENS: I don't see that that statement is inconsistent with anything that I've said.

The Hon. JOHN GRAHAM: Can you give a commitment that if this option is taken, that Paceway operations have to move, that the various facilities on this site have to move, that they will be relocated and supported to be relocated in the Penrith LGA area on a new site?

Mr ALISTER HENSKENS: I have no interest in answering hypotheticals. If a decision is made, then I will be happy to talk to the consequence of the decision when it's made.

The Hon. JOHN GRAHAM: Minister, it's not a hypothetical. It's a commitment that the former Minister made and I'm inviting you remake it or back away from it, and you just backed away.

Mr ALISTER HENSKENS: I didn't back away from anything. I said that I'm not going to answer hypotheticals.

The Hon. JOHN GRAHAM: I will put it to you again that this was the commitment that the former Minister gave, and I will ask if you're happy to make this commitment, that the intent is to allow Paceway operations to continue—

Mr ALISTER HENSKENS: The intent of what?

The Hon. JOHN GRAHAM: —in the Penrith LGA on a new site.

Mr ALISTER HENSKENS: The intent of what?

The Hon. DANIEL MOOKHEY: The Government's intent.

Mr ALISTER HENSKENS: The intent of what?

The Hon. DANIEL MOOKHEY: The intent of the Government is to allow—

Mr ALISTER HENSKENS: If the Paceway site is not acquired by the Government then that statement becomes otiose. You are asking me to answer a hypothetical, based on a decision that may be made in the future which has not been made, and I'm telling you that I'm not prepared to answer such a hypothetical question.

The Hon. JOHN GRAHAM: The only conclusion we can draw from that is the Paceway—

Mr ALISTER HENSKENS: You will always draw political conclusions about my evidence. But what I'm saying to you is—

The Hon. JOHN GRAHAM: I am happy to give you—

The Hon. DANIEL MOOKHEY: Point of order—

Mr ALISTER HENSKENS: —that very clearly it is a hypothetical question and no decision has been made.

The CHAIR: I have to hear a point of order, Minister.

The Hon. DANIEL MOOKHEY: We've had a fine morning of question and answer. I feel like we should continue in the spirit of question and answer.

The Hon. JOHN GRAHAM: I apologise.

The Hon. DANIEL MOOKHEY: No, it wasn't you, Mr Graham.

The CHAIR: I'll draw a blanket, one at a time question, followed by an answer for Hansard.

The Hon. JOHN GRAHAM: I was watching this morning and you were doing well between the two of you, so I'm sorry to upset the—

Mr ALISTER HENSKENS: Maybe it was the effect of caffeine at the morning tea break.

The Hon. JOHN GRAHAM: Minister, there has at least been this commitment and, to be fair, the Government has done this elsewhere. There have been other examples where community projects—say, the speedway—impacted by major transport or big infrastructure developments were given a commitment that they will be relocated and supported to relocate. I'm asking you, are you happy to give that commitment?

Mr ALISTER HENSKENS: Mr Graham, I'm sorry if it sounds like I'm prevaricating, but the fact of the matter is that I'm new in the portfolio. I do not know the true context of that commitment that you're asking me to repeat. It would not be responsible for me. It may well be a commitment that you have correctly characterised, and it is something that we are happy to back up, but it would be irresponsible for me, given my state of knowledge as a new Minister, to be saying anything definitively one way or the other on that matter. I'm not trying to be unhelpful; I'm just trying to diligently discharge my obligations as a Minister. I do not feel as if I have enough knowledge to be able to give a responsive answer to your question one way or the other.

The Hon. JOHN GRAHAM: As you say that, it sounds like the Paceway, the other organisations on this site—

Mr ALISTER HENSKENS: No, don't put words into my mouth. I am simply saying—

The Hon. DANIEL MOOKHEY: Now it's you who's jumping in.

The Hon. JOHN GRAHAM: Minister, I will let you finish.

Mr ALISTER HENSKENS: —I do not have enough information.

The Hon. JOHN GRAHAM: As you say that, it sounds like the Paceway and the other organisations on this site are operating absolutely without a safety net as the Government makes this decision. They weren't happy with how concrete the assurances were, but at least they had a safety net before. But now, listening to the position you're putting, they don't know—

Mr ALISTER HENSKENS: I don't know enough about the way in which you—

The Hon. JOHN GRAHAM: —whether the Government would be there to support their relocation.

Mr ALISTER HENSKENS: I am sorry to interrupt you, but I don't know enough about the way that you present the so-called safety net as to whether you have correctly characterised what's been said in the past or not, and that's why I'm being very careful not to express an opinion one way or the other.

The Hon. JOHN GRAHAM: There's no concrete commitment today that these groups, if they have to be relocated, to be fair to your position, will be supported to do that?

Mr ALISTER HENSKENS: Look, I don't know enough about what has been said in the past. I'm not aware that there's any change in any previous position that has been stated. I just do not know, Mr Graham, and so I am being careful not to misspeak through lack of knowledge. I'm on oath. This is a serious process. I am taking it seriously, and I'm not going to state positions when I do not have adequate information about them. That is not a position one way or the other. It's not taking away any safety net, as you want to characterise it. It is just simply saying that I do not have enough information to be able to responsively and responsibly answer your question.

The Hon. DANIEL MOOKHEY: Minister, are you going ahead with the Penrith Stadium upgrade?

Mr ALISTER HENSKENS: Yes. Our Government is committed to the Penrith Stadium upgrade because we have a very clear policy position within our Government that outer western Sydney deserve the same level of infrastructure as the centre of Sydney and as the harbour city of Sydney. We have a three-city vision for Sydney. We think that, for too long, particularly under your former Government, western Sydney was ignored and we have invested record sums of money in western Sydney, and this is part of our way of giving western Sydney the infrastructure that it needs and deserves.

The Hon. DANIEL MOOKHEY: Minister, I'm sure the people of Penrith and outer western Sydney welcome your Government's new position after 12 years in government, but given that you've now said that after 12 years you now have come to the realisation that the people of outer western Sydney deserve—

Mr ALISTER HENSKENS: No, no.

The Hon. DANIEL MOOKHEY: Let me finish—sports infrastructure of a similar standard, when will the new Penrith Stadium open?

Mr ALISTER HENSKENS: Given that in this term of government we have opened a new stadium in Parramatta—last week we opened a new stadium, which your government fought an election against opening, at Allianz.

The Hon. DANIEL MOOKHEY: Party, not government.

Mr ALISTER HENSKENS: And against this level of sporting infrastructure—

The Hon. DANIEL MOOKHEY: You mean our party.

Mr ALISTER HENSKENS: —your mantra at the last election was completely against the position that you're putting.

The Hon. DANIEL MOOKHEY: My party.

Mr ALISTER HENSKENS: Yes.

The Hon. DANIEL MOOKHEY: The actual question—

Mr ALISTER HENSKENS: Didn't you run—were you a member of Parliament at the last election?

The Hon. DANIEL MOOKHEY: I was, yes.

Mr ALISTER HENSKENS: Yes, so your position.

The Hon. DANIEL MOOKHEY: To be fair, I'm happy to talk to you about the choice your Government made to upgrade that stadium prior to the Penrith Stadium, but why don't we stay on the Penrith Stadium right now. Given that I asked you a question that you haven't answered—

Mr ALISTER HENSKENS: We have had a 10-year stadium policy, which we are implementing.

The Hon. DANIEL MOOKHEY: Minister you're breaking our wonderful habit of question and answer here.

Mr ALISTER HENSKENS: Sorry.

The Hon. TAYLOR MARTIN: It's John's fault.

Mr ALISTER HENSKENS: Sorry, I am enjoying the banter.

The Hon. DANIEL MOOKHEY: I'm sure you are. The people of Penrith would enjoy more knowing when are you going to open their new stadium? Does Ms Jones know?

Mr ALISTER HENSKENS: I will go to Ms Jones in terms of the forward program.

KAREN JONES: Thank you, Minister.

The Hon. DANIEL MOOKHEY: Ms Jones, when is it due to open?

KAREN JONES: The timing of the construction of the stadium will be determined once the final scope has been defined.

The Hon. DANIEL MOOKHEY: There's no idea yet—that's the short summary.

KAREN JONES: At the moment, the forward program over the construction of the stadium is very difficult to determine when you haven't finalised the scope.

The Hon. DANIEL MOOKHEY: Indeed.

Mr ALISTER HENSKENS: But we've got a \$309 million allocation in the forward estimates of the budget.

The Hon. DANIEL MOOKHEY: You do. Will we get the stadium for \$309 million?

Mr ALISTER HENSKENS: That's the current provision within the budget.

The Hon. DANIEL MOOKHEY: Yes, but that's not my question. The question is: Will we get the stadium for \$309 million?

Mr ALISTER HENSKENS: That is the current provision within the budget.

The Hon. DANIEL MOOKHEY: Can you guarantee that's enough money to upgrade the stadium?

Mr ALISTER HENSKENS: That is the current provision within the budget.

The Hon. DANIEL MOOKHEY: You said that this went through a business case process. I think we've adduced that that took place towards the end of last year. That's correct?

KAREN JONES: Correct.

The Hon. DANIEL MOOKHEY: Was that simply a business case for Penrith, or was that about the other options in terms of other stadiums in suburban Sydney that may or may not qualify for upgrade?

Mr ALISTER HENSKENS: Certainly, Penrith was, as I understand it, the decision of government to proceed with.

The Hon. DANIEL MOOKHEY: So the only stadium that was subject to a business case process was Penrith.

Mr ALISTER HENSKENS: I would need to ask Ms Jones.

KAREN JONES: Thank you, Minister. I think this is on the public record that government actually did decide to do strategic business cases for three stadia. That includes Jubilee Oval—so down in Kogarah—Brookvale Oval and Penrith Stadium. Final business cases were prepared for Brookvale Oval and also Penrith Stadium, and government has made the decision to proceed with Penrith Stadium.

The Hon. DANIEL MOOKHEY: But not Jubilee.

KAREN JONES: No.

The Hon. DANIEL MOOKHEY: Why wasn't the Jubilee Oval business case completed?

KAREN JONES: I will have to take that on notice, but it did not proceed to final business case.

The Hon. DANIEL MOOKHEY: When did it?

KAREN JONES: I would have to get the dates for you, but that was in early 2021, from memory.

The Hon. DANIEL MOOKHEY: Did the Office of Sport develop the business cases?

KAREN JONES: We oversaw the development of those business cases.

The Hon. DANIEL MOOKHEY: So "yes". Was it in your name?

KAREN JONES: Yes, but there was also a project steering committee that oversaw the development of the two.

The Hon. DANIEL MOOKHEY: But you were the sponsor of the project.

KAREN JONES: Correct.

The Hon. DANIEL MOOKHEY: And then Mr Draper got project authorisation. When did you get project authorisation?

SIMON DRAPER: That was in June, I believe, this year.

The Hon. JOHN GRAHAM: For the Penrith stadium?

The Hon. DANIEL MOOKHEY: For the Penrith one?

SIMON DRAPER: For the Penrith stadium only, yes.

The Hon. DANIEL MOOKHEY: So the Government asked for three business cases—one for Kogarah, one for Brookvale, one for Penrith.

KAREN JONES: Correct.

The Hon. DANIEL MOOKHEY: Somewhere along the line, the Kogarah option disappears but the Brookvale option is completed. Correct?

KAREN JONES: Correct.

The Hon. DANIEL MOOKHEY: Incidentally, given you've got project authorisation, has a summary of the business case been published on your website, Mr Draper?

SIMON DRAPER: No, because, as you've been sort of alluding to, the business case is still in development.

The Hon. DANIEL MOOKHEY: The Penrith one is?

SIMON DRAPER: Sorry?

The Hon. DANIEL MOOKHEY: The Penrith one is?

SIMON DRAPER: Yes.

The Hon. DANIEL MOOKHEY: How is that possible that you've got project authorisation and we're still developing a business case?

SIMON DRAPER: That's not unknown. That happened in the case of previous projects as well in some cases.

The Hon. DANIEL MOOKHEY: Which other projects have we decided to build before the business cases have been completed?

SIMON DRAPER: Not "decided to build" but we were involved in the business case development—well, it didn't proceed, actually—on the Homebush Stadium works that were going to happen at that time.

The Hon. JOHN GRAHAM: Perhaps not the best example.

SIMON DRAPER: It's the only example that I've got.

The Hon. DANIEL MOOKHEY: In respect to the Penrith business case, have we reached the final business case stage on that one or not?

KAREN JONES: You can pass it over to me, if that's all right.

The Hon. DANIEL MOOKHEY: Is that all right, Ms Jones?

KAREN JONES: The Penrith stadia, there was a final business case prepared towards the end of last year, which is what government based its \$309 million decision on. Then subsequent to that, there was further work done on the business case and, particularly, re-prosecuting the Paceway site.

The Hon. JOHN GRAHAM: So it became not final at that point. When did the final business case—

KAREN JONES: No, no, no, it has been final. We're currently preparing a business case addendum.

The Hon. DANIEL MOOKHEY: An addendum?

KAREN JONES: An addendum.

The Hon. JOHN GRAHAM: When were you asked to produce a business case addendum?

KAREN JONES: Government made that decision in June this year.

The Hon. JOHN GRAHAM: When in June?

KAREN JONES: I would have to get the date for you specifically.

The Hon. DANIEL MOOKHEY: Was that before the budget or after the budget?

The Hon. JOHN GRAHAM: Which was 21 June.

KAREN JONES: I will come back to you with that date.

The Hon. DANIEL MOOKHEY: Why is an addendum to the business case necessary?

KAREN JONES: Because, again, there was the opportunity to have a look at other options in that business case.

The Hon. DANIEL MOOKHEY: But we established earlier, Ms Jones, that the business case looked at two options: the Paceway option and the existing site option.

KAREN JONES: Correct.

The Hon. DANIEL MOOKHEY: So you've been asked to look at a third option?

KAREN JONES: We've been asked to re prosecute some of those options with further detail.

The Hon. DANIEL MOOKHEY: What does "re prosecute" mean?

KAREN JONES: To have a look at, again, the scope of each of those options.

The Hon. JOHN GRAHAM: Well, can I put it to you, Ms Jones: Are you telling us that you're, in fact, asked to reconsider the option of keeping the stadium on the existing site? Is that what you're telling us?

KAREN JONES: Each of the options within the business case looked at both the existing site and the Paceway site.

The Hon. DANIEL MOOKHEY: Why then do we have to go back and repeat the work?

KAREN JONES: Because we have a look at what the current stadium offerings are and take on lessons learnt from our previous stadium developments.

The Hon. DANIEL MOOKHEY: That somehow you didn't absorb six months prior in December?

KAREN JONES: We were challenged, and particularly through the Treasury gateway process we were challenged on some of the findings within the business case, and we're now looking at those in more extensive detail.

The Hon. DANIEL MOOKHEY: Was that because the benefit-cost ratio is negative?

KAREN JONES: No, it's not. No, it is not.

The Hon. DANIEL MOOKHEY: What is the benefit-cost ratio?

KAREN JONES: Again, I don't have that detail in front of me. I'm happy to take it on notice.

The Hon. DANIEL MOOKHEY: I want to be very clear here to you, Minister, and through you to Ms Jones, if possible. It's up to you, really; if you want to take the question, you're welcome to. Was the benefit-cost ratio for acquiring the Paceway site negative?

Mr ALISTER HENSKENS: I don't know the answer to that question.

The Hon. DANIEL MOOKHEY: Does Ms Jones?

KAREN JONES: No, it was not negative.

The Hon. DANIEL MOOKHEY: Well, what was it?

KAREN JONES: I don't know the exact figure, but I can tell you it wasn't negative.

The Hon. DANIEL MOOKHEY: Well, was the option of—what was the total—

Mr ALISTER HENSKENS: Sorry, are you asking whether it would be a detriment to outer western Sydney to go ahead with the stadium?

The Hon. DANIEL MOOKHEY: No, I'm asking you—

Mr ALISTER HENSKENS: Is that what you're asking?

The Hon. DANIEL MOOKHEY: I'm asking you what the BCR is. I'm telling you—how much benefit?

The Hon. JOHN GRAHAM: And you don't appear to know.

Mr ALISTER HENSKENS: Ms Jones has just said it's positive.

The Hon. DANIEL MOOKHEY: Well, what is it?

Mr ALISTER HENSKENS: I'm surprised—she has said she needs to take that on notice. I don't know the answer.

The Hon. DANIEL MOOKHEY: Well, then what was the Brookvale one?

Mr ALISTER HENSKENS: But it's extraordinary that you seem to be proposing—

The Hon. JOHN GRAHAM: Minister, this is budget estimates and you don't know.

Mr ALISTER HENSKENS: —that infrastructure in western Sydney would have a negative impact—

The Hon. JOHN GRAHAM: Minister, you don't know the BCR.

Mr ALISTER HENSKENS: —on the economy of outer western Sydney.

The Hon. DANIEL MOOKHEY: Minister, if I was to be—

The Hon. CHRIS RATH: Point of order—

The CHAIR: I will hear the point of order.

The Hon. CHRIS RATH: The Minister and his officials have every right to take questions on notice. I think it's unhelpful when the Hon. Daniel Mookhey and the Hon. John Graham constantly interject and press for an answer when the relevant official has already said that she will take that on notice.

The Hon. DANIEL MOOKHEY: To the point of order: I don't think I did. In fact, what I thought was happening is that I accepted the fact that the officials were taking it on notice, but then the Minister was asking me questions.

The CHAIR: Correct. I'm happy to rule on this.

The Hon. TAYLOR MARTIN: You wouldn't let him finish.

The CHAIR: Yes, absolutely people can take questions on notice. These are follow-up questions. They're in order.

The Hon. DANIEL MOOKHEY: Minister, what was the BCR for the Brookvale option?

Mr ALISTER HENSKENS: I've already said I don't know.

The Hon. DANIEL MOOKHEY: It's a different question. You said that about Penrith.

Mr ALISTER HENSKENS: No, I haven't seen—sorry, just so that we're clear, I have not seen any of these business cases. I've been the Minister for about three weeks and these all precede me becoming the responsible Minister.

The Hon. JOHN GRAHAM: Ms Jones, what is the budget contained in the business case addendum at this point?

KAREN JONES: It's still in development, so I couldn't tell you at this stage.

The Hon. JOHN GRAHAM: Is it likely to be additional to the budget developed for the—

KAREN JONES: Again, as I said, it's still in development, so I could not tell you at this stage.

The Hon. JOHN GRAHAM: Is it a possibility that the budget contained for the business case addendum will be additional to the budget which was allocated in the final business case?

KAREN JONES: I can't answer that question. All I can say—

The Hon. JOHN GRAHAM: Why can't you answer that question?

KAREN JONES: All I can say to you at the moment is that the scope of those options are currently being canvassed through the business case addendum.

The Hon. JOHN GRAHAM: Why can't you answer that question? Is it a possibility that there will be an additional budget contained in the business case addendum?

KAREN JONES: Because, obviously, it depends on what the scope is for each of one those options, and that is still yet to be finalised.

The Hon. JOHN GRAHAM: Therefore, it is possible? It's either possible or you couldn't rule it out.

KAREN JONES: I'm not going to say yes or no in terms of it being possible. What I will say is that the scope of those options are being canvassed in the final business case addendum.

The Hon. JOHN GRAHAM: Well, it sounds very possible when you give that answer.

The Hon. DANIEL MOOKHEY: Did you want to respond to that?

Mr ALISTER HENSKENS: It was a comment, not a question.

The Hon. DANIEL MOOKHEY: I was just being polite, Minister. You said, Ms Jones, that it was a decision of government to commission three business cases, which were for Jubilee, Brookvale and Penrith, and then somehow along the line the Kogarah option disappears. Why wasn't Leichhardt nominated as a site worthy of a business case study—Minister, probably at first instance to you—as a Government policy decision?

Mr ALISTER HENSKENS: It really goes back to what I said a moment ago that we have a three-city vision for Sydney, which is providing a 30-minute city in three areas of Sydney and the infrastructure and the

facilities to complement people living 30 minutes away from where they work and recreate. Now, we've put a world-best stadium at Allianz in the harbour city; we've put a world-best stadium in Parramatta, which is the central city; and we should be putting a sports and entertainment facility in outer western Sydney, consistent with our three-city vision and in order to ensure that people who are living in the Western Parklands City have the facilities that they need and deserve.

The Hon. DANIEL MOOKHEY: Minister, I'm not disputing the need for Penrith. What I'm asking is if it was an active choice of the Government, for the reasons you just gave, not to subject Leichhardt to a business case process.

Mr ALISTER HENSKENS: There's already a stadia in the Harbour City, which is the great Allianz Stadium that we opened last week. There is an equally fantastic stadium in Parramatta, which was opened some years ago. So Leichhardt, sitting within the realm of those two stadia, is not the same priority as outer western Sydney, which doesn't have facilities of that kind.

The Hon. DANIEL MOOKHEY: Is that the reason why you didn't put Leichhardt through a business case process, Minister?

Mr ALISTER HENSKENS: We have a 10-year-old stadia policy, which puts this kind of infrastructure throughout the three cities of Sydney.

The Hon. JOHN GRAHAM: Minister, the thing I don't understand is, when this was listed in the 2021-22 budget, it was actually an \$8 million commitment to develop a final business case for the suburban stadia strategy to enable the Government to commence the development of one stadium by 2023. When did that suburban stadia strategy get narrowed to just Jubilee, Brookvale and Penrith? When was that decision made?

Mr ALISTER HENSKENS: As those matters precede me becoming the Minister, I'll need to refer to Ms Jones to give further detail.

KAREN JONES: I'll have a look to see if I can find that date for you now.

The Hon. JOHN GRAHAM: Thank you.

The Hon. DANIEL MOOKHEY: Minister, as it currently stands, Leichhardt Oval is crumbling. It is literally falling over. And, as a result of it falling over, it's incapable of use by the NRL, which has really come to light recently. Are you at all disturbed by the fact that the Tigers aren't in a position to use what I would say is their spiritual home, and what has been your reaction to the latest developments around Leichhardt?

Mr ALISTER HENSKENS: I've seen those politically motivated comments by Mayor Byrne.

The Hon. DANIEL MOOKHEY: Did you see the video of people falling off a stand?

Mr ALISTER HENSKENS: I did, and—

The Hon. DANIEL MOOKHEY: Did that not create concern?

Mr ALISTER HENSKENS: If I can finish, for 90 years the council has been operating and maintaining that facility, and renting it out and leasing it out for patrons to use the facility. It seems to me incredibly disappointing that, under the Labor mayorship of Mr Byrne, that facility has now so degenerated that it cannot be used for the community purpose that it has been used for for the last 90 years. And I think he needs to seriously look at his position as the first mayor in 90 years of that locality who has not been able to maintain a facility for use by, originally, the Balmain Tigers and now the west Sydney Tigers.

The Hon. DANIEL MOOKHEY: Minister, I will pass on your reflections to Mayor Byrne.

Mr ALISTER HENSKENS: Good.

The Hon. DANIEL MOOKHEY: You feel free to blame him. But it's not just Mayor Byrne here. It's the Tigers themselves who are coming forward and saying, "We can't even talk to the Government about this, and no-one from the Government is even prepared to sit down and listen to us." At the same time we're now hearing confirmed that their option wasn't even put through a business case process. So, basically, you're comfortable with barring Leichhardt whatsoever, and you can rule out any engagement with Leichhardt in the next five to 10 years. Is that it?

Mr ALISTER HENSKENS: I'm very uncomfortable that Mayor Darcy Byrne has so maladministered the maintenance of that sporting facility that, for the first time in 90 years, it will be unable to house the west Sydney Tigers and its former manifestation, the Balmain Tigers, for games. And I think that's regrettable.

The Hon. DANIEL MOOKHEY: Other than blaming the mayor—

Mr ALISTER HENSKENS: Well, no, it's all politic—

The Hon. DANIEL MOOKHEY: Let me finish. Other than blaming the mayor, are you intending to have any dialogue whatsoever with the Tigers, and the rest of the NRL, including the Sea Eagles, about the development of the suburban stadia strategy? Are you going to talk to them?

Mr ALISTER HENSKENS: I've had discussions with Mr V'landys and Mr Abdo on this matter. The first meeting I had as Minister I discussed that and other issues to do with the NRL. But it's a matter of public record that we have made a decision to prioritise the over 1,000 people who are without a home as a consequence of the devastating floods that have happened around our State before the upgrades of those suburban stadia. And that's a position that, as I understood it, your leader, Mr Minns, supported.

The Hon. JOHN GRAHAM: And I reiterate that position. Minister, I want to turn to some of the details—

Mr ALISTER HENSKENS: Sorry, if I can finish answering the question—

The Hon. JOHN GRAHAM: You've strayed well away from the question.

Mr ALISTER HENSKENS: Obviously, when Mr Byrne went on television last night with signage on the ground and mock tickets and all the rest of it, trying to turn this into some sort of political stunt, that was incredibly unhelpful.

The Hon. JOHN GRAHAM: Minister, I want to take you back to the detail of Penrith Stadium, which you have committed to. I just want to ask this: If the Paceway did have to move, given your comments to date that that decision hasn't been made and we're not sure if that will be required, I take it the \$309 million does not include money for relocating them at the moment. Is that your understanding?

Mr ALISTER HENSKENS: I would need to pass to Ms Jones on that matter.

KAREN JONES: I've already taken that question on notice in terms of what that \$309 million includes and does not include.

The Hon. JOHN GRAHAM: This is slightly separate to the question of whether it includes land acquisition. This is the significant support that might be required to move that infrastructure. So that might include a new Paceway track, training facilities, stewards' facilities, drug testing stables, a clubhouse and grandstand seating. If the Government was to commit to that site and was to commit to moving them—you haven't made either of those commitments for reasons you've explained, Minister—that's a significant amount of funding, though. We're not clear at the moment as to whether that's in the business case or not in the business case. Is that correct?

Mr ALISTER HENSKENS: Ms Jones has said she would need to look at the business case to look at the constituent components, and she has taken that on notice. I've been in this role too short a period of time to have even looked at the business case, so I can't answer that question. We've taken it on notice.

The Hon. JOHN GRAHAM: I accept you've taken that on notice. Let me put this commonsense view to you, though, Minister. Given that those costs have been estimated at maybe \$80 million, it doesn't sound like that's in the \$309 million, does it?

Mr ALISTER HENSKENS: Mr Graham, if the Paceway site was proceeded with—and we're now into the realms of hypothetical because that decision has not been made—then, as your earlier questions to Mr Draper identified, there would be a just terms compensation process that would need to be undertaken. And I'm assuming that all of that would become part of the financial arrangements.

The Hon. JOHN GRAHAM: Well, that's not correct. But I'm asking now not about the just terms compensation provisions but the commitment that has been given to other groups when they've been impacted by big infrastructure: "You will be supported to move." Minister Constance, for example, gave that commitment to a number of groups. That has been crucial to building infrastructure. This is additional to the just terms compensation requirements.

Mr ALISTER HENSKENS: I understand that, and, Mr Graham, without me knowing the detail of commitments that have or have not been given in the past, I would be confident that there would be reasonable supports given if that was ultimately the decision of Government. But I just reiterate, no decision has been made.

The Hon. JOHN GRAHAM: And we just don't know whether that has been factored in or not.

Mr ALISTER HENSKENS: And we don't know whether that will be necessary or not. But, obviously, governments need to act reasonably in these matters.

The Hon. JOHN GRAHAM: You're putting the position that we don't know whether it will be necessary, but Ms Jones is putting the position that we just don't know, sitting here today. We'll have to take on notice whether it's even in the business case.

Mr ALISTER HENSKENS: Well, she has to investigate that.

The Hon. JOHN GRAHAM: This could be an \$80 million commitment to rebuild elsewhere and maybe \$20 million for the land. That's one-third of the \$300 million already, and we can't even say today if it's in the business case. I am a bit surprised by that, Minister.

Mr ALISTER HENSKENS: Well, Mr Graham, I think Ms Jones is being appropriately careful about the matter. She's taken it on notice.

The Hon. JOHN GRAHAM: Perhaps too careful.

Mr ALISTER HENSKENS: You will get your answer. Whether the numbers that you are putting to us are correct or not will be revealed in the fullness of time.

The Hon. JOHN GRAHAM: Just a couple more questions, Minister. It's not just the Paceway. It's the showground, the Paceway, the weekly markets and the cafe that operates year round. You're clear on that, aren't you? This is not just the trots being impacted here.

Mr ALISTER HENSKENS: Yes, Mr Graham. And I understand what you're putting to me. My position has not changed as to us being required to take that on notice.

The Hon. JOHN GRAHAM: I just want to make sure you understand the stakes. When it comes to harness racing, this site is important not just in Penrith but in Parkes, Bathurst and Dubbo. These are the feeder sites that, really, this site is crucial to when it comes to the harness racing industry in New South Wales. Is that something that's on your mind as Minister as you evaluate this decision?

Mr ALISTER HENSKENS: Mr Graham, I will take into account, and I'm sure Cabinet will take into account, all of these matters in the fullness of time.

The Hon. JOHN GRAHAM: Given that the Allianz Stadium—you've talked about it today—cost \$19,500 a seat, with taking that into account and perhaps some of these other costs, we're already looking at something that's double the cost of that \$309 million, aren't we?

Mr ALISTER HENSKENS: But, Mr Graham, you're make an assumption in that proposition as to a decision having been made as to one of the two different alternative locations, and you're assuming that decision has been made in putting that proposition to me.

The Hon. JOHN GRAHAM: I think that's a fair point to make in relation to some of those costs, but why do you think you can build this for so much cheaper per seat than the stadium you just built? Why will this be so much cheaper in the \$309 million?

Mr ALISTER HENSKENS: Mr Graham, given that I've already told you I haven't seen the business case and given that I've only been the Minister for a few weeks, I can't possibly answer that question.

The Hon. DANIEL MOOKHEY: Minister, when will your Government make a final investment decision on the Penrith Stadium upgrade?

Mr ALISTER HENSKENS: I can't give you a date.

The Hon. DANIEL MOOKHEY: Well, you were quite persuasive when you made the point about outer western Sydney's need for a stadium upgrade. You've been in power for 12 years. Are you seriously telling me you don't even know when your Government will make a decision as to when it's going to build the infrastructure that you say is so necessary for outer western Sydney?

Mr ALISTER HENSKENS: Look, I expect that we will make a decision by the end of the year. That would be my expectation. It could be earlier than that, but I would only be speculating on that. I don't have enough knowledge as a new Minister to really be able to give you a more accurate assessment of the time that we're talking about.

The Hon. JOHN GRAHAM: Will you commit to holding to the commitment your Government made in the budget in 2021-22 that construction would start next year? Does that commitment still stand as you sit there?

Mr ALISTER HENSKENS: I am sure that we will do everything we can to crack on with this.

The Hon. JOHN GRAHAM: But does the commitment stand? This was part of the budget in 2021-22. Do we still take that seriously?

Mr ALISTER HENSKENS: Look, I've already said what I've said about timing.

The Hon. DANIEL MOOKHEY: Mr Draper, when are you opening the tender for construction?

SIMON DRAPER: We haven't got a date for that yet. I think as—

Mr ALISTER HENSKENS: We haven't got a location yet.

SIMON DRAPER: Yes.

The Hon. JOHN GRAHAM: That's why we're asking.

The Hon. DANIEL MOOKHEY: That's why we're asking.

The Hon. JOHN GRAHAM: That's right. You're making a very strong point, Minister.

The Hon. DANIEL MOOKHEY: You're making a very good point.

Mr ALISTER HENSKENS: So to say when we're opening the tender for construction—

The Hon. JOHN GRAHAM: You're arguing the case well.

The Hon. DANIEL MOOKHEY: A very good point, Minister. Excellent insight there.

The Hon. JOHN GRAHAM: That's why we're worried.

The Hon. DANIEL MOOKHEY: You're quite right. We read in the budget last year that we're due to start construction next year, so it's a really obvious, simple question. Mr Draper, when will you be opening the tenders?

SIMON DRAPER: Like I said, we don't have a date for that. I would just reinforce what Ms Jones said earlier. It's actually Government policy, which we've talked about here before, which is that you determine the scope first before you determine the budget or the time line for delivery. That's the case with this project, too.

The Hon. DANIEL MOOKHEY: But for the Government to make a final investment decision—this is just standard for all infrastructure projects, particularly of this size. In order for you to make a final investment decision, you need to know what the construction cost is going to be. So when you say that your aspiration is to make this decision by the end of the year, how is it possible that you will meet that timetable given at this point you don't know which one you're building, you don't know where you're building it, you haven't opened a construction tender and you have no idea when the construction tender will open? Pray tell, how will the Government be in a position to make a final investment decision on the Penrith Stadium upgrade given you haven't really done even the most basic and preliminary steps?

Mr ALISTER HENSKENS: I can't accept that the most basic and most preliminary steps have not been done. We've got a business case. We're starting another process. I don't accept the premise of your question.

The Hon. DANIEL MOOKHEY: Minister, for example, I heard from the Transport officials, as did my colleague, that when it comes to the Western Harbour Tunnel they are evaluating the tenders now in order for the Government to make a final investment decision. To be clear here, according to the process that Mr Draper has to supervise when it comes to all infrastructure—the Infrastructure Investor Assurance Framework, which I'm sure you're familiar with—it makes it abundantly clear that your Government cannot make a decision on this to proceed unless you have all these steps in place, unless you decide otherwise. To be clear to you, you have got the prerogative to override all the other basic assurance steps. So is it your intention to override all the basic checks and balances that are required before the public spends \$300-odd million in order to fulfil a timetable that you've just outlined?

Mr ALISTER HENSKENS: I have not outlined a timetable, because I've been very clear with you that I've only been the Minister for a relatively short period of time and that these are all matters which I still have to be properly briefed on. But what I will say is that we will move on this matter as is reasonably sensible to ensure that we get a good outcome. Can I remind you that at the last election, because you might remember, your then leader used to have a regular press conference outside Allianz Stadium as it was being demolished.

The Hon. DANIEL MOOKHEY: Yes, we did. That is absolutely true.

The Hon. PENNY SHARPE: We did a few of those.

Mr ALISTER HENSKENS: We were able to build a 42½ thousand-spectator stadium very quickly.

The Hon. DANIEL MOOKHEY: Incidentally, at the same point, the other part of that that you're forgetting is the whole ANZ Stadium knockdown and rebuild too. How are we going in terms of your 2019 promise to knock down the ANZ Stadium and rebuild that one, given that you are so eager to remind everybody about exactly what your policy was in 2019? You've had four years to knock the stadium down and rebuild it. Where are we up to on that one?

Mr ALISTER HENSKENS: The former Premier made an announcement with regard to that matter in 2020, which I'm assuming that you recall.

The Hon. DANIEL MOOKHEY: I did, hence my scepticism about your willingness to say one thing one side of an election and your willingness to do the other.

Mr ALISTER HENSKENS: No, I'm simply saying that we can crack on with these things and get them done.

The Hon. DANIEL MOOKHEY: You have a habit, when it comes to stadiums, of changing positions when you change Ministers.

Mr ALISTER HENSKENS: There was 16 years of no infrastructure under your last administration, Mr Mookhey.

The Hon. DANIEL MOOKHEY: But, Minister, your Government has this habit of changing stadium policies on average every year. Actually, I think we're up to number six since—

The Hon. CHRIS RATH: It's dynamic.

The Hon. DANIEL MOOKHEY: It is dynamic. I welcome that interjection. It has been a dynamic policy development.

The Hon. PENNY SHARPE: That's an interesting spin.

The Hon. JOHN GRAHAM: Fiscally dynamic.

The Hon. DANIEL MOOKHEY: There's no guarantee whatsoever that you're going to build Penrith Stadium. There's a very good chance that you're going to have to backflip because you haven't got enough money, you haven't got a business case, you haven't got a tender and you've got no timetable.

Mr ALISTER HENSKENS: We have a \$309 million provision in the budget.

The Hon. DANIEL MOOKHEY: And you can't tell us that that's enough. You're making this up as you go, aren't you, Minister? Your Government's just been making this up as you go, correct?

Mr ALISTER HENSKENS: No, we're not. You've heard evidence from the public officials that we've got business cases that have proceeded. We've got provisions in the budget. We're not making anything up.

The Hon. DANIEL MOOKHEY: Well, you've got a business case that you're now having to re prosecute. Granted, that's progress—"We've had a business case. We're redoing it." But you are basically—

Mr ALISTER HENSKENS: In 16 years of when you were in government, I don't think there was one stadium that was built, was there? Was there one piece of major infrastructure?

The Hon. DANIEL MOOKHEY: This never would've happened under Mr Baird. Your Government has lost control here, hasn't it?

Mr ALISTER HENSKENS: No.

The Hon. JOHN GRAHAM: Minister, you've referred to the Allianz Stadium quite proudly. What was the final cost of that redevelopment?

Mr ALISTER HENSKENS: I may pass to Ms Braid as the appropriate person to give that number.

SIMON DRAPER: Perhaps, Minister, I can help with that?

Mr ALISTER HENSKENS: Thank you.

SIMON DRAPER: As you're probably aware, the budget that was announced was \$828 million. The final cost is expected to be \$822 million.

The Hon. JOHN GRAHAM: Minister, you'd acknowledge that that is higher than the \$729 million originally costed and that was revised up once you actually factored in the cost of knocking the other stadium over—something I would have thought would have been reasonably common sense.

Mr ALISTER HENSKENS: I'm not going to go into the whole history of the matter, but ultimately when there was a revised budget, we've come in under the revised budget.

The Hon. JOHN GRAHAM: Yes, above the original budget, below the revised budget. But do you have any reflection about the April 2022 reports that in fact the final price tag was around \$890 million?

Mr ALISTER HENSKENS: Mr Draper has just given you the cost, unless you have a basis to put it to Mr Draper that he's misled the Committee in some way.

The Hon. JOHN GRAHAM: I make no such reflection.

Mr ALISTER HENSKENS: I'm assuming that the figure he has stated to you on his oath is the correct amount.

The Hon. JOHN GRAHAM: The budget papers do reflect Mr Draper's answer for the Sydney Football Stadium. They also reflect the Sydney Football Stadium's associated works, an additional \$53 million. Minister, what are those works? Just take us through those.

Mr ALISTER HENSKENS: I would go to whoever is the appropriate public servant to—

The Hon. JOHN GRAHAM: Will someone please save the Minister?

SIMON DRAPER: The project scope that we were working on was the stadium rebuild. As I say, the budget was \$828 million. We think the final cost was \$822 million and I will indulge by saying credit to the team that worked on that to do that right through COVID. The other works I think that are referred to in the budget are works that are associated works being undertaken directly by Venues NSW. They were not within the scope of the stadiums. It might be better for Ms Mather to respond to that.

The Hon. DANIEL MOOKHEY: Venues NSW are here. I'd love to hear from them.

Mr ALISTER HENSKENS: Can I just reflect on the fact that during the build of that project, which has come out under the sum that was originally anticipated we've had a drought, we've had record bushfires, we've had a flood event—

The Hon. JOHN GRAHAM: I have to stop you there.

Mr ALISTER HENSKENS: —a global pandemic and a second flood event.

The Hon. JOHN GRAHAM: I think we've just established it was more than \$90 million above the budget that was originally anticipated before you put that view, Minister.

The Hon. DANIEL MOOKHEY: But what's the associated works—the \$55 million?

KERRIE MATHER: I assume the additional works that are being referred to are the reinstatement of facilities that were demolished to make way for the stadium. Some of those include the members' facilities, which we had direct responsibility for funding and reinstating.

The Hon. JOHN GRAHAM: Right. So the reason why the original budget leapt by more than \$90 million was because we hadn't factored in the demolition of the stadium and now this additional \$53 million is for the demolition and reinstatement of facilities right nearby as part of this process. Is that correct?

KERRIE MATHER: It's a separate project. They fall under our direct responsibility.

The Hon. JOHN GRAHAM: It's a separate project but one that would not have happened had we not demolished and rebuilt the stadium. Is that a fair statement?

KERRIE MATHER: Correct.

The Hon. JOHN GRAHAM: Minister, is it of concern to you that the original budget didn't factor in actually knocking the stadium over?

Mr ALISTER HENSKENS: I can't speak to those matters; it predates my time as the Minister. I don't know all the historical detail of that. What I do know is that the stadium's a sellout on Friday night and it's a sellout on Saturday night. It's got a larger footprint because it has disability access. It has, I think, 400 more female toilets than the previous stadium and it is a world-class facility which Sydney needs in order to be able to attract not only the great sporting events but also the likes of Elton John, Bruno Mars—you may like Justin Bieber, Mr Graham—and some of the other—

The Hon. JOHN GRAHAM: That's unparliamentary.

The Hon. DANIEL MOOKHEY: Withdraw that! Withdraw that, Minister.

Mr ALISTER HENSKENS: —artists that are going to be drawn to Sydney because we now have a world-class facility with great acoustics that can draw these international events to Sydney and stimulate our economy in the way in which they do, especially our tourism economy and our hospitality economy that have been so impacted over the last two years due to the global pandemic.

The Hon. DANIEL MOOKHEY: Understanding that that's what you're claiming are the benefits, but isn't it simply the case that as a result of the original budget having to be upward revised from \$729 million to what turned out to be \$822 million and then the additional \$53 million, was it, worth of works—

The Hon. JOHN GRAHAM: It was \$54 million, really.

The Hon. DANIEL MOOKHEY: It's \$150-odd million of additional costs that arose, which were not originally anticipated. But it is surely the case that, as a result of us having to pay the additional \$150-ish million to realise the benefits you just nominated, we have less money available to upgrade other sporting facilities across the State?

Mr ALISTER HENSKENS: Well, look, I find it fascinating that you're continuing to prosecute the former failed strategy at the last election in criticising this infrastructure investment.

The Hon. DANIEL MOOKHEY: I'm certainly criticising your Government.

Mr ALISTER HENSKENS: This infrastructure investment—

The Hon. DANIEL MOOKHEY: Look, I'm guilty of the charge of criticising your competence. That is absolutely the case. I plead guilty to the fact that I have criticised your Government's failure—

Mr ALISTER HENSKENS: No, "infrastructure", I said.

The Hon. DANIEL MOOKHEY: —to deliver its promises on budget and, as a result of your failure to deliver on budget, other projects that may be just as worthy now have to compete harder for scarcer amounts of dollars. I am guilty of accusing you of that, but I'm being very clear here in the accusation I am making to you, Minister. As a result of your Government's failure to competently execute this within its original budget parameters, we have less money available for other sporting facilities that are just as worthy of upgrade. That's true.

Mr ALISTER HENSKENS: Over 2,000 construction workers got jobs during that project. The 4½ thousand tonnes of steel, 2½ thousand of which was fabricated in New South Wales, all of the jobs that that project has provided for New South Wales and the ongoing economic benefits to our State are enormous. I think that it's regrettable that you are still unable, after 16 years of doing no infrastructure when you were last in government, to recognise the important economic stimulus that is provided by these sorts of infrastructure projects.

The Hon. JOHN GRAHAM: Minister, I want to take you to another issue—one you have been much more involved in—I think that's fair. You've deferred some questions here and I understand why. This one you have been involved in. What is the cost to New South Wales to host the NRL grand final in 2022?

Mr ALISTER HENSKENS: That matter is a matter of commercial-in-confidence and the reason for that is because, if we start disclosing amounts of money like that, then we open our State up to be outbid by other States. Queensland were heavily trying to get the rugby league grand final for their State. What we don't want to do is to disclose that sort of commercially sensitive information which makes it easier for them to steal away events of this kind. These sorts of figures are always kept confidential.

The Hon. JOHN GRAHAM: The Queensland offers have been publicly reported, but you say the public can't know how much your Government has paid to secure the grand final for one year. Is that your position?

Mr ALISTER HENSKENS: Queensland was trying to steal an event which has been held for every non-COVID year since about 1908 in Sydney.

The Hon. JOHN GRAHAM: The final should be here, but the public should know the cost.

Mr ALISTER HENSKENS: Of course, they should try and make a bit of noise about them trying to steal what is rightfully ours and which should be held here in Sydney, but I'm not going to facilitate their capacity to be able to steal events of that kind, and I'm surprised that you would be trying to help them.

The Hon. DANIEL MOOKHEY: Just quickly, Minister, whose budget is this money coming from? Which of your agencies is going to fund this? Is it the Office of Sport?

Mr ALISTER HENSKENS: I believe it is the Office of Sport.

The Hon. DANIEL MOOKHEY: Okay. Thank you. That's helpful.

Mr ALISTER HENSKENS: I'm sorry—

KAREN JONES: Can I correct—

The Hon. DANIEL MOOKHEY: No? News to you?

KAREN JONES: Yes, that's right.

Mr ALISTER HENSKENS: I may be wrong about that.

KAREN JONES: Can I correct the record?

The Hon. DANIEL MOOKHEY: Please.

The Hon. JOHN GRAHAM: Yes.

KAREN JONES: It's not the Office of Sport.

The Hon. JOHN GRAHAM: Any other suspects?

The Hon. DANIEL MOOKHEY: Who else are the suspects? Is it the department?

KATE FOY: The contract is administered through Destination NSW and the funding is provided by the New South Wales Government.

The Hon. DANIEL MOOKHEY: Mr V'landys has said that the Premier broke a handshake agreement which is, I guess, the key part of the detail that you just elided there, Minister. He's been quite public in saying he had a handshake agreement with the Premier about stadiums upgrades and the reason Queensland had the chance to snatch it from us is because, according to Mr V'landys, the Premier broke his word. Did you ever get to the bottom of whether or not the Premier shook Peter V'landys' hand and promised him some stadium upgrades?

Mr ALISTER HENSKENS: Look, I've been very clear in my dealings with Mr V'landys that I want to deal with him in a professional and courteous fashion, and all of my dealings with Mr V'landys have been on that basis. We haven't been trying to go over prior history prior to me becoming the Minister. I have been very focused on having a good working, professional relationship with Mr V'landys, and indeed that will be my approach in terms of all sporting organisations that I deal with as the Minister for Sport, so we haven't been going into those matters.

The Hon. DANIEL MOOKHEY: Minister, you are being quite conspicuous in not assuring us that your Premier shook Mr V'landys' hand and promised him a stadium upgrade. I am giving you an opportunity to clear this up—whether it is true or not. I accept the Premier has denied it, or given words that played it down, depending on how you interpret it.

Mr ALISTER HENSKENS: You will have the opportunity—

The Hon. DANIEL MOOKHEY: Minister, we will have the opportunity to ask him, but you are the Minister for Sport.

The Hon. JOHN GRAHAM: This is your chance.

Mr ALISTER HENSKENS: I wasn't there at the meeting. I can give no direct evidence on these matters.

The Hon. DANIEL MOOKHEY: You said to us that you met with Mr V'landys and Mr Abdo.

Mr ALISTER HENSKENS: Yes.

The Hon. DANIEL MOOKHEY: I presume you have had other conversations with them as well?

Mr ALISTER HENSKENS: I have met with them at least twice.

The Hon. DANIEL MOOKHEY: Your evidence is, is it, this was akin to "don't mention the war", right? "I'm not going to ask questions about whether or not my boss shook your hand and promised you a stadium upgrade."

Mr ALISTER HENSKENS: We didn't dwell on those matters.

The Hon. DANIEL MOOKHEY: Was it raised?

Mr ALISTER HENSKENS: We didn't have an "I said, he said"—

The Hon. JOHN GRAHAM: You didn't dwell. Did they raise it?

The Hon. DANIEL MOOKHEY: Did they raise it with you?

Mr ALISTER HENSKENS: Look, I am not going to go into those discussions. All I am saying is that that was not a focus of them.

The Hon. JOHN GRAHAM: So it was raised but it wasn't the focus?

Mr ALISTER HENSKENS: We were trying to work out a constructive way forward on a range of issues, and I believe that we have been dealing very well with each other.

The Hon. DANIEL MOOKHEY: But they raised it and you and/or them made the decision not to dwell on it, is basically the evidence you are giving, Minister?

Mr ALISTER HENSKENS: I am not going into private conversations I have with sporting organisations. I don't think that that is desirable. I don't think it's in the public interest and I am not going to comment one way or the other.

The Hon. JOHN GRAHAM: Minister, the former Premier had a deal with the NRL for 25 years to host the grand final. This Premier has a deal for one. The question fans want to know is: How at risk is the final after this one? What are the chances of us losing that final or the finals that follow?

Mr ALISTER HENSKENS: What we agreed to do—that is Mr V'landys and I—was to continue discussions about what would happen in the future, and that is what we will do.

The Hon. DANIEL MOOKHEY: Minister, there is no secret about the fact that in order for Premier Berejiklian to obtain the 25-year commitment she had to enter into a contract to pledge the rebuilding of the ANZ Stadium. The NRL has made the point publicly that they can and might sue for specific performance of the State's obligations. What advice have you obtained about whether or not they would have the right to sue for specific performance of the ANZ rebuild that your Government promised at the last election? Because their position is quite clear: They accepted the revised stadium proposals in a handshake arrangement with Premier Perrottet in lieu of them insisting on the Government honouring its contractual obligations when it comes to ANZ.

Mr ALISTER HENSKENS: Sorry, what is the question?

The Hon. DANIEL MOOKHEY: What advice have you obtained about the risk facing the public if the NRL decides to sue us for specific performance of the promise your Government made to knock down and rebuild ANZ?

Mr ALISTER HENSKENS: I can't speak to the legal advice that has been received. If you can remember from law school though, there is a principle that if you seek specific performance you must do so quickly. It's called laches—if you might recall that from law school.

The Hon. DANIEL MOOKHEY: That's what you are relying on? That's our defence? They didn't sue us quick enough.

Mr ALISTER HENSKENS: I just don't know that there is really a great practical reality—

The Hon. DANIEL MOOKHEY: It depends on when you renege—from law school, it turns on when you renege.

Mr ALISTER HENSKENS: —of the specific performance suit, given that Premier Berejiklian made it clear that we weren't going to go ahead with ANZ Stadium in 2020, when we are sitting here towards the end of 2022.

The Hon. DANIEL MOOKHEY: I respect your superior legal knowledge, Minister, but you are seriously telling me that the best defence we have here is, "Gee, the NRL didn't sue us in time, so we are all fine"?

Mr ALISTER HENSKENS: I am just saying that I think that is unlikely, given that nothing has happened in two years and that for any specific performance suit there would need to be demonstration that a party has acted quickly.

The Hon. JOHN GRAHAM: Minister, the Government's night-time economy strategy sits within your portfolio.

Mr ALISTER HENSKENS: It does.

The Hon. JOHN GRAHAM: After 10 years of lockouts and lockdown you are the man who the Premier has approached to make sure—

The Hon. PENNY SHARPE: Minister for fun.

The Hon. JOHN GRAHAM: —Sydney is fun again. You are bringing the fun back to Sydney.

Mr ALISTER HENSKENS: Do you think I'm after the job, Mr Graham?

The Hon. JOHN GRAHAM: What is your vision for Sydney after dark?

Mr ALISTER HENSKENS: We have got a great 24-hour Economy Strategy for Sydney, which was first developed in September of 2020. As you have been aware, the strategy comprises 39 actions against five strategic pillars. I know this is an issue that you have been highly engaged with over a period of time. I don't say that in a pejorative sense; I say that in a complimentary way. There are three components to the strategy. Stage one was the—

The Hon. JOHN GRAHAM: I will put you to rest there, Minister. I know about the strategy. I have been heavily involved in it. I am glad that it has been developed. This is my question. You are the man in charge of fun in Sydney. The Premier has put you in charge. What is your vision for Sydney after dark?

Mr ALISTER HENSKENS: My vision is obviously that we want to have a vibrant night-time economy, not only in Sydney but actually throughout the State. Part of the strategy is not being totally focused on Sydney— although obviously Sydney was heavily impacted and it is very important that Sydney has a great nightlife—but also in other parts of the State as well, Newcastle, the Illawarra and so on, and large regional centres. We want to have a vibrant nightlife. I think we have all been locked away for a long time through COVID. The entertainment industry has suffered greatly as a consequence of that. You may not know, but my first job was actually as a professional musician.

The Hon. JOHN GRAHAM: I do know that.

Mr ALISTER HENSKENS: And I am very familiar with the importance of that economy and the importance of that to the broader public. We will be having a number of initiatives coming over the summer.

The Hon. JOHN GRAHAM: What is your first priority? What is the first thing you are going to do to drive this agenda as Minister?

Mr ALISTER HENSKENS: We have the 24-hour Economy Commissioner.

The Hon. JOHN GRAHAM: I know about that.

Mr ALISTER HENSKENS: Who I had a briefing with, a short briefing with, when I first became the Minister. I hadn't an opportunity to just—because of estimates last week and all the rest of it, sitting week—to go into great detail. He gave me a broad overview. He's got a particular concern about having safe spaces for the night-time economy, which I think is very important.

The Hon. JOHN GRAHAM: I know the work that the 24-hour commissioner is doing. What I want to understand is, you are the man the Premier has put in charge; what is your first priority, as Minister, when it comes to driving this agenda?

Mr ALISTER HENSKENS: My first priority is to do everything we can for our entertainment and hospitality industry. I know I have responsibility for the 24-hour economy, but we have also got Minister Franklin, who is the arts Minister and responsible for Destination NSW. So there is somewhat of a split.

The Hon. PENNY SHARPE: Have you worked out the demarc?

Mr ALISTER HENSKENS: Pretty much. Obviously, within that Destination NSW space there is a cultural element and there's a sporting element. Obviously, in terms of Ms Sharpe's question, because I am the sports Minister I will be more focused on the sports elements of that; he's going to be more focused on the cultural elements of that. I just want to get people back out again. This is so important not only economically but also in terms of the emotional wellbeing of the community.

The Hon. JOHN GRAHAM: I obviously agree with that, Minister. My real question listening to you is: How are you going to make that happen? What are the levers you are going to pull to change where we have got to after 10 years? This is the moment where Sydney, where New South Wales, might have a chance after lockouts and lockdown. What levers will you pull in your time as Minister to drive this change?

Mr ALISTER HENSKENS: I wonder, to answer your question, if I could ask the relevant public servant to go to the specifics of what is planned in the immediate future.

The Hon. JOHN GRAHAM: I'm not interested in that, Minister, because I've got a good idea of what's planned. The Government has been reasonably upfront about that. You are the Minister. This is a complex

situation. I am interested in your view about how you are going to drive this agenda. It has been important to cities around the world, but it is complex to deal with.

Mr ALISTER HENSKENS: It is complex to deal with. Having read through some of the material that I've read through, I believe that there's possibly more we could do in terms of night-time transport and the like to be supporting that night-time economy. That's something that I haven't had an opportunity to have discussions with the transport Minister about. I think that our sweet spot, if I may say so, Mr Graham, is to not just be doing the same thing over and over again and hoping for a different result. I think we need to be looking at the particular areas where we can be doing things perhaps differently in order to be stimulating our night-time economy in a way that it hasn't been before. You're asking about my vision and my concerns.

The Hon. JOHN GRAHAM: I am.

Mr ALISTER HENSKENS: What I particularly want to get a handle on—which, candidly, I don't have at the moment because I'm very new in the portfolio—is that I want to understand to what extent the strategy to deal with recovery from the lockout laws, for example, has been modified to take into account the challenges that COVID has now also presented us with. As you would be aware, with less people working in the city, for example, that's having an important impact on the potential for night-life because many people used to go out after work, in terms of the city. But I think we've also got opportunities to look at where we can be stimulating the night-time economy in suburban areas, non-traditional areas that have had that night-time economy.

The Hon. JOHN GRAHAM: On that question, do you accept that in the towns and suburbs of New South Wales, including in the city, there is a grassroots venue crisis across the State? That is a finding of a parliamentary committee, I might add. Do you accept that that is a big part of the problem in New South Wales?

Mr ALISTER HENSKENS: To be candid, Mr Graham, before I accepted that proposition I'd need to have more information.

The Hon. JOHN GRAHAM: Do you accept that the grassroots venue crisis is most acute in western Sydney, in Sydney? That's really where entertainment venues have almost been wiped out.

Mr ALISTER HENSKENS: Again, my answer doesn't differ. I would need to know more about it. But what I would say is that certainly in western Sydney they have some very large venues around large clubs that clearly have a very important role in the provision of the night-time economy for their areas. I believe that those clubs are still operating. You may be talking about smaller venues than those. But in western Sydney there are clearly a number of very large entertainment facilities based around registered clubs which are very important to the night-time economy of those areas.

The Hon. JOHN GRAHAM: I might just encourage you, Minister, to examine that finding of that parliamentary committee—that really bipartisan view that was reached about the venue crisis in New South Wales, made worse after COVID. That's the sad thing. But that really is at the heart of this problem. I encourage you to look at that inquiry.

Mr ALISTER HENSKENS: Sure.

The Hon. JOHN GRAHAM: I want to turn to one specific measure: the recent measure announced by the Government to use the special entertainment precincts that were driven into the law by the Parliament and now adopted by the Government. One of those has been announced: quite a good proposal on Enmore Road. It appears to be just a trial, though, for a limited amount of time. Can you give us some background on that?

Mr ALISTER HENSKENS: I'd need to kick to Ms Braid or the appropriate public servant to answer that.

LISA BRAID: We'd need to take that on notice.

The Hon. JOHN GRAHAM: Minister, this is one of the few positive steps that's been taken. I'd hope we could get some details here about this specific measure.

Mr ALISTER HENSKENS: I apologise, Mr Graham, but I can't assist you with that and it doesn't seem as if we've got any public servants that can. We'll need to take that on notice.

The Hon. JOHN GRAHAM: We might come back to that in the officials' session, then, hopefully with some additional information. Can I put one view to you while you're here, Minister? This law was designed by the Parliament. The Government was very good in coming on board with this. But a short trial in the face of what are inevitably long-term land use and planning decisions made by operators may not be long enough to actually change the dynamic. I hope it is, but it seems unlikely to. I'm putting that view to you. You're welcome to respond.

Mr ALISTER HENSKENS: I think we'll definitely have a look at that.

The Hon. JOHN GRAHAM: Thank you.

Mr ALISTER HENSKENS: I think the special entertainment precinct at Enmore Road that you're talking about actually falls under the remit of both Minister Anderson, I think, and Minister Roberts.

The Hon. JOHN GRAHAM: It's a key part of the strategy, which is why I'm putting to you. But, Minister, I accept the answer you've given. I'm not debating that. I do want to ask you about the Entertainment Quarter. Again, it is something that was in front of the Parliament. The Parliament legislated and changed the arrangements that are relevant to the Entertainment Quarter. The Government is now looking at an open tender process for this site. Can you give us an update about where this is up to?

Mr ALISTER HENSKENS: Again, I think I'd go to Ms Braid for more information on that.

KATIE KNIGHT: Mr Graham, there is currently no open tender process in the market.

The Hon. JOHN GRAHAM: Let me take one step back. What is the plan for this site? Where are we up to?

KATIE KNIGHT: You'll recall that Carsingha had an unsolicited proposal, which has since been withdrawn as a result of the new legislation. They are the existing landholder for the site and there are currently no plans other than the existing lease.

The Hon. JOHN GRAHAM: Are you putting to me that there's been no progress since the Parliament dealt with this issue?

KATIE KNIGHT: Not with respect to that site.

The Hon. JOHN GRAHAM: There's no progress, no discussions since the Parliament dealt with this issue?

KATIE KNIGHT: Carsingha is the tenant at the site and they continue to maintain their interest in that site.

The Hon. JOHN GRAHAM: Have there been discussions?

KATIE KNIGHT: We've had discussions regarding the withdrawal of the unsolicited proposal but nothing beyond that point.

The Hon. JOHN GRAHAM: One of the things that would be required to go to an open tender process, Minister, is a discussion about the surrender of the lease. Are you aware whether there have been any discussions about the surrender of the existing lease?

Mr ALISTER HENSKENS: I would need to defer to the bureaucrats on that matter, I'm sorry.

The Hon. JOHN GRAHAM: Ms Knight?

KATIE KNIGHT: We are currently having a look internally within government at whether that is an option. But there are many options available with respect to the site, including the open tender process. We have not done any work with respect to that open tender.

The Hon. JOHN GRAHAM: No decision about an open tender, correct?

KATIE KNIGHT: Correct.

The Hon. JOHN GRAHAM: But no discussions about the surrender of a lease?

KATIE KNIGHT: Correct.

The Hon. JOHN GRAHAM: But you accept that would be required to go to an open tender?

KATIE KNIGHT: Correct.

The Hon. JOHN GRAHAM: What is the time line for dealing with that—well, perhaps for coming to a decision? What is the time line for coming to a decision about the path forward?

KATIE KNIGHT: There is no decision to be made with respect to the surrender of the lease.

The Hon. JOHN GRAHAM: Say that again—there is?

KATIE KNIGHT: We haven't examined in any great detail the surrender of that lease. We haven't begun any negotiations. There has been no conversation in relation to the surrender.

The Hon. JOHN GRAHAM: Yes, so I'm now asking what the timeline is. Nothing's happened; what is the time line for something to happen?

KATIE KNIGHT: There is no time line because there is no surrender of lease to be had. That presupposes that there will be a surrender of the lease. They are the current landholder for the site.

The Hon. JOHN GRAHAM: Minister, the Government made it clear it was interested, potentially, in a tender for better ways to deal with this site. We have just heard that would require the surrender of the lease. Do you have any plans for a next step in this space?

Mr ALISTER HENSKENS: Mr Graham, on these matters I really need to defer to the bureaucracy. I'm not properly briefed on these matters, given my new acquisition of the role.

The Hon. JOHN GRAHAM: The Government obviously made some commitments in the Parliament. I think all sides agreed, the public agreed and I think even the current leaseholders agreed that the current use of the site is below what it could be. It is not reaching its potential. Everyone agrees with that. Do you plan, as Minister, to tackle that challenge, to take the next step in this area?

Mr ALISTER HENSKENS: I will certainly get advice on that matter.

The Hon. JOHN GRAHAM: I might turn back to some sport issues. There has been much discussion about the naming of grandstands. At the moment not a single grandstand, let alone a single stadium, is named after a female athlete. I noted the electronic Ring of Champions in the new stadium. It included one out of five female athletes. Minister, is this good enough?

Mr ALISTER HENSKENS: Mr Graham, the Ring of Champions at Allianz Stadium is not purely electronic. There are permanent names around the ground. Indeed, it is planned that there will be, if you like, a tribute to each of the athletes in a position around the ground, which will explain their sporting achievements. I agree with you that we need to have more women. Betty Cuthbert, who set a record of three world records and is the greatest sprinter of all time—the only person, male or female, to have won the 100, 200 and 400 metres at the Olympics—she will actually be in the most prominent position where the greater majority of the public will enter into Allianz Stadium, which is befitting of her achievements as an outstanding sportswoman. The other athletes in the Ring of Champions are men. I have asked for advice as to the addition of further athletes. All of the athletes who are currently acknowledged would be largely unknown to people probably under the age of 50. I would like us to have some more contemporary athletes and many more women as part of that Ring of Champions. That is what I have asked to be put in place and that is what I expect will occur within the coming months.

The Hon. PENNY SHARPE: Minister, I'm not sure that you are an aficionado of kitesurfing?

Mr ALISTER HENSKENS: I have seen it done, but I've never done it.

The Hon. PENNY SHARPE: Are you aware that we've got a woman called Peri Roberts, who is currently the number one world champion in relation to kitesurfing?

Mr ALISTER HENSKENS: I am not aware of that, but it doesn't surprise me given that we often excel in sports of that kind in our country.

The Hon. PENNY SHARPE: Ms Roberts is basically unable, it seems, to access any support to allow her to defend her title. She is at risk of losing her number one status because she can't afford to go to the championships. What support is there within New South Wales sport to assist her?

Mr ALISTER HENSKENS: I believe we do have programs that can provide assistance of that kind, but I will go to Ms Jones in terms of the details.

KAREN JONES: Yes, we do often receive these types of requests through the Office of Sport to support individuals competing at their highest level. Obviously we try to encourage those athletes where we can. Often we point these athletes in the direction of grant programs that are available to them to apply for, to seek the support that they need. I am more than happy to reach out to Ms Roberts to provide that information.

The Hon. PENNY SHARPE: That would be very welcome. Thank you very much. I want to ask a question on the budget in relation to spending on sport for 2022-23 and obviously for 2021-22. My understanding is that there is a significant underspend in relation to the funding. Is that correct for 2021-22?

Mr ALISTER HENSKENS: I would ask Ms Braid to identify the appropriate person to answer that question.

LISA BRAID: It's Karen.

Mr ALISTER HENSKENS: Ms Jones.

KAREN JONES: Ms Sharpe, if you don't mind, I'd probably like a little bit more detail around the underspend that you are referring to.

The Hon. PENNY SHARPE: Yes, sure. I appreciate that. My understanding is that just under \$300 million of the original 2021-22 budget for the Office of Sport's expenses was not spent. Is that correct?

KAREN JONES: What you are referring to there is money that has been allocated particularly for infrastructure grant programs. What we do at the Office of Sport is we actually forecast the spend on infrastructure. As you can appreciate, when we receive applications through our grant programs, particularly for infrastructure projects, those projects do take a number of years to actually be completed.

The Hon. PENNY SHARPE: That is obviously capital expenditure, but I'm talking about other grants and subsidies to sporting teams separate to that.

KAREN JONES: No. They are not just all capital. That is basically through our grant programs. What we do with those infrastructure grants is, as I said before, we do try to forecast the spend over future years but, as you can appreciate, particularly the last financial year, there were some significant environmental events as well as cost escalations in the construction sector that saw a number of those projects delayed.

The Hon. PENNY SHARPE: But just to confirm, though, in terms of the amount allocated, less than 3 per cent was actually spent. Is that accurate?

KAREN JONES: I will take that on notice. I am not across the actual percentage, but I am happy to take that on notice.

The Hon. CHRIS RATH: Minister, you—

The CHAIR: We are at time. There is now time for Government questions, if there are any.

The Hon. CHRIS RATH: Is there anything further you want to add today, Minister, given you were rudely interrupted on a couple of occasions?

Mr ALISTER HENSKENS: In the spirit of bipartisanship, I may have interrupted a few questions as well, so no. I thank very much the Committee for their courtesy and their questions, and all the assistance of the members of the public service as well.

The CHAIR: Thank you, everybody. Thank you, Minister. Your time has now concluded. For everybody else, we will be back after the lunchbreak at 2.00 p.m.

(The Minister withdrew.)

(Luncheon adjournment)

The CHAIR: Welcome back, everybody. Mr Draper, I understand that you referred to a document that you wanted to table in this morning's session. Did you want to do that now?

SIMON DRAPER: Yes, Chair. I have a letter that Mr Graham asked me about, which is a letter notification to the Paceway regarding the acquisition of the site. I can table that now. Also, while I'm at it, Mr Graham asked me a question earlier about the date on which we got the project authorisation for Penrith Stadium. I said June but it was actually 1 July, just to correct that.

The CHAIR: Thank you very much. Unless anyone has any further answers from this morning that they want to take the chance to give now, we will continue with questions from the Opposition.

The Hon. PENNY SHARPE: Mr Draper, I will go to you to follow up on that issue with the Paceway acquisition. I thought that the time frames this morning were a little hard to understand, given everything that has to go through with the business case et cetera before the investment decision is made. Are we heading towards a process where the Paceway, essentially, could be compulsorily acquired before there's been a decision to invest in the project?

SIMON DRAPER: No, I can't foresee that happening because there's a six-month period. If we issued the notice on 4 July, that will expire on 4 January. After that point there will be a number of steps to go through. I can't foresee that we would go through an acquisition process unless there was a decision of Government that that was the option out of the business case deliberations that they wanted to pursue.

The Hon. PENNY SHARPE: I take from that, then, that you are confident that the business case issues will be resolved before 4 December.

SIMON DRAPER: Yes. If they weren't, I guess, as the lead in that process, we wouldn't exercise that option to go any further until we knew that Government—

The Hon. PENNY SHARPE: So there is the ability to not go? It is not an automatic thing once you do that?

SIMON DRAPER: Yes, that's correct.

The Hon. PENNY SHARPE: I wanted to ask about the CBD revitalisation grants. Who do I ask that to?

LISA BRAID: I have some information on that.

The Hon. PENNY SHARPE: Great. Thank you, Ms Braid. My understanding from the website is that there is a list of the successful projects, but we don't actually understand the dollar amounts that were allocated to those projects. Are you able to give me some detail about that?

LISA BRAID: I think Stewart has some details on those grants.

STEWART WEBSTER: Yes. We've got figures on all those. Just give me a second. Some \$49.26 million has been approved.

The Hon. PENNY SHARPE: Yes, that's good, but I'm wanting the breakdown project by project.

KATIE KNIGHT: We don't have that information. We'll have to provide that on notice.

The Hon. PENNY SHARPE: You don't have it here today?

KATIE KNIGHT: Correct.

The Hon. PENNY SHARPE: But you do have it?

STEWART WEBSTER: There would be scores of projects.

The Hon. PENNY SHARPE: How many projects is that altogether?

STEWART WEBSTER: The \$49 million is across all three rounds. The first round was run out of Treasury before Investment NSW existed and the remainder is rounds two and three.

The Hon. PENNY SHARPE: Where are we up to with rounds two and three?

STEWART WEBSTER: Round three is being rolled out. The events are being held out until 31 October.

The Hon. PENNY SHARPE: You may not be able to give this to me, but will you on notice give me the breakdown of the three rounds, i.e. how many projects and how much money was allocated to them?

STEWART WEBSTER: Yes.

The Hon. PENNY SHARPE: So round two has been completed, has it?

LISA BRAID: Ms Sharp, I've got some high-level information about the breakdown of each round.

The Hon. PENNY SHARPE: That would be great.

LISA BRAID: The first funding round, as Stewart mentioned, was managed by NSW Treasury and provided \$12.23 million to six projects that were delivered in late 2021. The second funding round provided \$15.5 million to 24 projects for delivery between March and May 2022. Those grants range from \$250,000 to \$1 million. The third funding round provided \$21.23 million to 40 projects, and the successful applicants will deliver events from July to October 2022.

The Hon. PENNY SHARPE: Has round three been announced?

LISA BRAID: Round three? Yes, it has.

The Hon. PENNY SHARPE: What evaluation of the projects is built into this program?

STEWART WEBSTER: There is an evaluation plan, which includes process and outcomes evaluation as per New South Wales Government guidelines. From recollection, the process evaluation is almost complete. The outcomes evaluation, of course, won't be able to be undertaken until after the projects are completed.

The Hon. PENNY SHARPE: What are you measuring within the plan?

STEWART WEBSTER: I don't have the plan in front of me. We could provide it.

The Hon. PENNY SHARPE: I'm trying to understand what the value to the economy was, obviously, and the detail of what you are actually going to be measuring in the evaluation. If you could do that for me, that would be very good. I think this is to you, Ms Braid. Can you tell me what the position description of the UK wine ambassador is?

LISA BRAID: I'll refer that matter to Ms Bell.

KYLIE BELL: Everything related to the UK is my area.

The Hon. PENNY SHARPE: Everything comes back to you, Ms Bell. I should just ask you straight up.

KYLIE BELL: The UK wine ambassador is actually employed by the New South Wales Wine Industry Association.

The Hon. PENNY SHARPE: So it's not funded—

KYLIE BELL: It's not a Government initiative, no.

The Hon. PENNY SHARPE: Are we covering any costs? I know, for example, that he came and visited New South Wales and went to a bunch of wineries. What are we covering in relation to that role?

KYLIE BELL: For the wine ambassador, I believe it's fully funded directly with the wine association—the New South Wales wine body. They have engaged that person. I think we've met them as a courtesy, but that's it.

The Hon. PENNY SHARPE: My understanding is that the previous Minister signed an MOU with the wine industry in New South Wales and then there was obviously a facilitation of him visiting and those kinds of things. But you are saying that there's actually no taxpayer dollars being spent at all on it?

KYLIE BELL: He is engaged directly by the wine association. We have an MOU with the wine association but—

The Hon. PENNY SHARPE: But that doesn't cost any money and it's just more an agreement, is it?

KYLIE BELL: The last two years in particular, as we've been helping the industry diversify into new markets out of China, we have provided \$250 million—sorry, \$250,000. I was going to say, we don't have \$250 million.

The Hon. PENNY SHARPE: Almost gave me a heart attack there. That's a lot of wine.

KYLIE BELL: We did provide \$250,000 last year to the association. We provided funding for a campaign in the US, for exporters to diversify to the US. We have provided funding for programs in Japan and Korea and, last year, I think, the UK as well. But the wine ambassador is not one of our initiatives. They are typically trade shows, for example, or campaigns like that.

The Hon. PENNY SHARPE: Interesting. Thank you. When you were establishing the global trade and investment plan, Investment NSW got advice in relation to that from Deloitte. Is that correct?

LISA BRAID: Are you referring to the establishment of Investment NSW?

The Hon. PENNY SHARPE: Yes, sorry, I am. My apologies.

LISA BRAID: That's correct. Deloitte was engaged initially to provide a 100-day plan for the agency. Subsequently, it was engaged to provide advice and support in relation to an organisational structure as well as financial services to stand up the finance function within the agency.

The Hon. PENNY SHARPE: Within that organisational structure, it also talked about the structure of the global offices network, didn't it?

LISA BRAID: Yes, it did.

The Hon. PENNY SHARPE: Can I just confirm the cost of the 100-day plan? The figures that I've got are that it was \$150,000 for phase one and \$290,000 for phase two. Is that correct?

LISA BRAID: I'll just check that. Yes, that looks correct.

The Hon. PENNY SHARPE: My understanding is that the recommended structure by Deloitte didn't include a trade and investment commissioner in the London office. Is that correct?

LISA BRAID: My recollection is that that position didn't exist initially. Ms Bell would be better placed to answer that question.

KYLIE BELL: I'm not sure, without seeing the Deloitte strategy. The six STICs were announced in 2019. I don't think they were actually—including the agent general role—considered in the Deloitte strategy. I think the Deloitte strategy focused on our domestic structure.

The Hon. PENNY SHARPE: Yes. But it also made recommendations in terms of the global officers' network, though?

LISA BRAID: Yes, the organisational structure went into quite lot of detail about each area within the agency. I do have the Deloitte report here if you could give me a moment to pull up the trade and investment team.

The Hon. PENNY SHARPE: My understanding is that there wasn't a recommendation about a STIC based in London. We know that the six were announced. Is the answer that the six were announced and, on top of that, after getting all this advice from Deloitte? Why the change that didn't follow the advice that you spent a lot of money on?

LISA BRAID: The UK structure, that's correct, that the agent general position reflected in the document along with two director positions in the London office.

KYLIE BELL: Mr Cartwright is the agent general and the Senior Trade and Investment Commissioner. He is the agent general, obviously, just for the UK because of our relationship with the Commonwealth, but more broadly he is the Senior Trade and Investment Commissioner for Europe and Israel. To my knowledge, that role has been there since it was first advertised in 2019.

The Hon. PENNY SHARPE: Yes, but it wasn't in the initial Deloitte plan is what I am trying to confirm.

KYLIE BELL: Do you mean a STIC or a TIC?

The Hon. PENNY SHARPE: I mean a STIC.

KYLIE BELL: I think it might be because within the Deloitte report they literally just referred to that position as the agent general, not a dual role.

The Hon. PENNY SHARPE: You have created the dual role because there is the TIC now, Mr Webster.

KYLIE BELL: There is a TIC and a STIC. Sorry, I think we are talking maybe the same thing but with different acronyms.

The Hon. PENNY SHARPE: Yes.

KYLIE BELL: When the first role was first advertised in 2019, the agent general role, it was advertised as agent general and Senior Trade and Investment Commissioner. It's always had that title. My suspicion is that the Deloitte report just used one of the two job titles that that position holds.

The Hon. PENNY SHARPE: Where did you get the direction to appoint the TIC in addition to the agent general STIC position? How did that come about?

LISA BRAID: No-one at the table was involved in that decision-making.

The Hon. PENNY SHARPE: So it was a decision of government?

LISA BRAID: It was a decision of the delegate at the time.

The Hon. PENNY SHARPE: Who was?

KYLIE BELL: Ms Brown was CO at the time.

The Hon. PENNY SHARPE: I just wanted to get some more information in relation to Mr Cartwright's KPIs. How do the STICs report in terms of their KPIs? Do they report to you, Ms Bell?

KYLIE BELL: Yes, they do.

The Hon. PENNY SHARPE: How frequently do they do that?

KYLIE BELL: In terms of their performance, we meet weekly, sometimes fortnightly if things are quite busy. We are currently going through the process right now of setting performance plans for the next 12 months. Each of the STICs have received their annual targets. Our offices in the UK, Europe, US and north Asia are very focused at the moment on attracting investment into the State with their secondary KPIs assisting exporters, whereas our offices in ASEAN, India and the Middle East and China are focused on helping exporters. That's typically where they want to sell into.

The Hon. PENNY SHARPE: That's fine. Are you able to give me information on how much investment has been attracted by each of the STICs?

KYLIE BELL: I would say in the last 12 months the focus has been very much on exports. With borders closed, attracting international investment has been quite difficult so we have been focused on working with multinationals and companies that are based already in Australia and New South Wales to grow. Last year, we supported 30 companies to expand or set up new operations in New South Wales. I would have to take on notice the breakdown of those that were multinationals based overseas versus companies that were already here and set up new projects with us.

The Hon. PENNY SHARPE: If you could give us a breakdown of that. I'm interested in how you allocate that decision-making to individual performance indicators for the Senior Trade and Investment Commissioner. For example, Mr Cartwright, how much investment has come to New South Wales that you've attached to his work to date?

KYLIE BELL: Sure. As I mentioned, our focus in Mr Cartwright's first six months has been setting up the office. He has been very focused. We have been very focused on supporting him build a pipeline of New South Wales exporters interested in the UK. In the first six months he's helped five companies make actual sales and the team—and I want to point out that it's not just Stephen in London, we have a team there—have already supported four Going Global programs into the UK and assisted 50 businesses over that first six-month period. When they work with companies, they are working with them over that six-month period, so they've just wrapped up the first program. We've done programs in fintech with 14 companies; health tech, 13 companies; food and beverage, nine—

The Hon. PENNY SHARPE: What does a program look like? What does the fintech program look like?

KYLIE BELL: Essentially, it is a partnership between our export adviser onshore and the offshore team. We go to market and identify companies that are interested, for example, in fintech, looking at exporting their fintech technology to the UK. We take expressions of interest. In this case, we had 14 New South Wales businesses that wanted to run on the program. The program typically runs for six months where they get intensive export assistance from their adviser here, as well as the London office. It involves everything from learning how to do business in the UK, a visit to the UK market where they participated in the fintech trade show. It involves us—like the UK office, for example—introducing each of those 14 businesses to new customers, organising programs for them so that they're set up as much as possible to succeed in that market through direct introductions to new customers and partners in country.

The Hon. PENNY SHARPE: Is the measure that 14 did the program or that 14 are actually doing business?

KYLIE BELL: The first phase is actually getting them into country and getting them prepared for success and introducing them to the customers and then normally, over the next six to 12 to 18 months, businesses start to make sales and so the measure will be how many sales those businesses have made in the UK as a direct result of our assistance.

The Hon. PENNY SHARPE: When will you know the answer to that?

KYLIE BELL: Already this year, five of the businesses that we've worked with have made export sales in the first six months of 2021-22. In the last two months this financial year, three more companies have made sales, so it's a pipeline. You build the pipeline, you work with the businesses and then, hopefully, if they're committed and we provide the right support, they generate sales.

The Hon. PENNY SHARPE: Just to be clear, so far the UK agent general, there's no investment that can be identified that he's brought to New South Wales?

KYLIE BELL: No, Mr Cartwright and the team are already building a pipeline of businesses that they are targeting to encourage them to invest in New South Wales. They are working with 12 businesses now. But Mr Cartwright was the first person to join the team on 31 January and so the team are in place from April-May and we're expecting those results.

The Hon. PENNY SHARPE: Would you be able to give me the breakdown of the other STICs? I'm very interested in the investment identified that they've brought to New South Wales.

KYLIE BELL: Sure, would you like me to take that on notice?

The Hon. PENNY SHARPE: If you can give it to me now, that would be great. If you can't, I am happy for you to take it on notice.

KYLIE BELL: I might take that on notice. There's lot of facts and figures.

The Hon. PENNY SHARPE: No, that is great. Ms Braid, I want to follow up on some questions about the changes to Investment NSW. I have seen, through the many documents that your staff have provided over the last few months, a lot of work done in relation to branding and communications and those kinds of things for Investment NSW. Do you anticipate that that branding will continue given the changes to the agency?

LISA BRAID: Yes, it will. Notwithstanding Investment NSW is no longer an executive agency, it is a group within a department with the same mandate. It has KPIs and organisational strategy. In fact, it has an increased mandate with recent budget decisions—for example, the future economy fund—which will see a lot of money injected into new programs to diversify and strengthen the economy.

The Hon. PENNY SHARPE: So you anticipate that Investment NSW will still have its own brand within the department?

LISA BRAID: Yes.

The Hon. PENNY SHARPE: That's quite unusual. I think you've taken some of this on notice this morning, but I just want to understand. The Minister gave us some figures about the creation of the entire department.

LISA BRAID: Yes.

The Hon. PENNY SHARPE: Are you able to break down more figures in terms of Investment NSW?

LISA BRAID: So Investment NSW budget for 2022-23?

The Hon. PENNY SHARPE: Yes.

LISA BRAID: In 2022-23, \$696 million is the total expense budget.

The Hon. PENNY SHARPE: What I'm trying to understand is with the creation—I mean, this is an agency that, with much fanfare, has only existed for 17 months or whatever it is, and it has been abolished, even though I accept that it exists within the structure. You can probably do this on notice because I'm not sure that you will have it with you. What were the costs of establishing Investment NSW?

LISA BRAID: There was no cost to establishing Investment NSW. It was brought about as a result of a machinery of government change that brought together groups from the Department of Premier and Cabinet, NSW Treasury and the then Department of Planning, Industry and Environment.

The Hon. PENNY SHARPE: So there was no cost in terms of whether there were any redundancies, short-term staff appointments, recruitment costs, salary increases? I know some of the staff got salary bumps in relation to this. Are you saying that there was no cost involved in the establishment of Investment NSW?

LISA BRAID: There were costs involved, but it was within the budget envelope that existed within the groups that came together to form the agency.

The Hon. PENNY SHARPE: That's okay, but it's not quite the question. I'm wanting to understand exactly how much it cost to set up Investment NSW, given that it's now sort of being disbanded. Similarly, what the costs are to make the changes in relation to that, whether they are changes in staffing and those kinds of things. I'm okay if you take those on notice.

LISA BRAID: I will take that on notice.

The Hon. PENNY SHARPE: Thank you. When Investment NSW was set up, we've already talked about some of the consultant work that was done in relation to policies, procedures and advice. Can you take me through the other consultants that were used in the establishment of Investment NSW?

LISA BRAID: The two-phase contract with Deloitte was the only consultant, as I understand it, that was involved in standing up the new agency.

The Hon. PENNY SHARPE: I think you will find there is more than that.

LISA BRAID: My apologies. There was also a contract with EY. Because Investment NSW was bringing together an offshore team, along with functions on shore, we wanted to make sure that our corporate policies were appropriately nuanced for both the offshore and onshore teams. That was a piece of work that hadn't been done before. Corporate policies hadn't really worked in previous agencies to deal with both, so we engaged EY to do a suite of corporate policies for us that made sure that nuances in jurisdictions offshore were reflected in our corporate policies, and that was a \$50,000 contract.

The Hon. PENNY SHARPE: You expect that that won't change with the new arrangements, the policies?

LISA BRAID: Those policies are now being extended to apply to the department more widely. In some cases, that requires consultation with the new groups—Create NSW, and Hospitality and Racing—but generally those policies are providing the basis for the department.

The Hon. PENNY SHARPE: I've got here that there was another consultant as well, which was Newgate Communications. Is that correct?

LISA BRAID: Newgate was involved, I believe, in providing some communications advice to improve engagement in the State's COVID-19 economic recovery. That project was transferred to Investment NSW.

The Hon. PENNY SHARPE: So that wasn't specifically for INSW, Investment NSW?

LISA BRAID: My note, yes, suggests that wasn't the case.

The Hon. PENNY SHARPE: That's fine. Thank you. In your overseas offices, how are the offices branded? Are they branded "New South Wales Government" or are they branded "INSW"?

KYLIE BELL: They actually have dual branding. They have the waratah, I think, on the left and the name, Investment NSW, on the right.

The Hon. PENNY SHARPE: Okay.

KYLIE BELL: First and foremost, the waratah.

The Hon. PENNY SHARPE: As you know, the Opposition has had a lot of interest in the costs of the trades offices and we've sought, in a variety of ways, to get information in relation to this. I understand that the budgeting for the trades office is carried out by region rather than individual offices. Is that the case?

KYLIE BELL: That is our structure, just like we would have a group on shore. The world has been divided into six regions, each led by a STIC, and the main office—for example, London or Shanghai—and then we have the spoke. The budget is typically held where the STIC is located, but it is allocated for the region. That's correct.

The Hon. PENNY SHARPE: Are you able to give me a breakdown of the budget for the six regions, then?

KYLIE BELL: I can give you costs for last year, and the budget for this year is just being finalised because of the recent changes of Investment NSW being standalone and moving into the department. Last year, for the Americas region the cost was \$1.96 million. I can take it on notice, if you like. But if you don't mind me reading them out to you—

The Hon. PENNY SHARPE: No, I'm happy for you to take me through them today. That is fine. As you can see, I'm the only one asking questions this afternoon, so we have plenty of time.

KYLIE BELL: I feel like I will keep you busy. The ASEAN cost was 1.26 million; Greater China was 2.08; India and the Middle East was 2.42; North Asia was 2.91; and the UK, Europe and Israel was 2.23 million. Those costs include three line items. The first is all of our staffing costs. The second is all of our operating costs, including everything from rent to our business development activities, like participation in trade shows, and it included the capex costs last year—which were typically one-off—for us to set up the office. So that included—

The Hon. PENNY SHARPE: For example, the New York one, which has been the subject of some discussion and cost almost \$1 million to set that up, so that 1.96 would be there.

KYLIE BELL: Yes, 1.945, that's exactly right. As the network progresses, we won't have a one-off capex. Each of the offices have now been established. In future years, the budget will just be the people and the operating costs.

The Hon. PENNY SHARPE: Did the STICs have direct responsibility for their budget allocations? How does that work?

KYLIE BELL: Just like all the other departments or the divisions within the group, we have a structure—agreed level of positions. The LECC budget is quite fixed and none of us really have flexibility around that. It is just what the staff headcount is for that office. Where they have discretion is around the post operating budgets. Again, their leases are entered into from head office here in Sydney, so many of the operating costs are fixed and are not something they can move around. Each is then given a discretionary marketing budget, which they will use to promote New South Wales and facilitate business in their region.

The Hon. PENNY SHARPE: Great. Thank you for that. I'm going to just move on because I'm just conscious of Mr Thompson, and I do have a set of questions. Once I've asked these, then you can probably go, if you wish to.

The CHAIR: We might need to play some musical chairs. Do you want to swap with someone with a microphone?

The Hon. PENNY SHARPE: I just wanted to ask you about the outcomes in relation to the Commonwealth Games. My understanding is that there were 102 athletes out of 435 that were from New South Wales and that 52 of them were from the NSW Institute of Sport. Is that correct?

KEVIN THOMPSON: That's correct.

The Hon. PENNY SHARPE: I'm wanting to understand how you felt that went, given where your corporate plan is at in terms of the targets of how many athletes we had participating. Could you take me through that?

KEVIN THOMPSON: Yes, okay. Thank you. In terms of the athlete results, those scholarship holders won 12 gold medals, nine silver and four bronze, which, when you look at the number of athletes from NSWIS that were in the team—52—is a very good strike rate of medals. So we were delighted with the performances of those athletes. Out of the Commonwealth Games sports, NSWIS runs programs for eight of the 19 sports. So that's why those numbers are 52 athletes out of the 102. We don't operate programs across 19 sports. We operate across eight of those sports.

The Hon. PENNY SHARPE: Is the plan for you to look at additional sports? How do you decide which sports you do?

KEVIN THOMPSON: We decide on the Olympic program primarily. We have 15 sport programs that are all competed at the Olympic Games and Paralympic Games. That's summer and winter. So that's our primary focus. The Commonwealth Games obviously falls in between and is an excellent multi-sport event for our athletes, to prepare them for the Olympic Games, which is a higher level of competition. So that's how we work. In terms of expanding our sport program, yes, we would love to expand the sport programs in the future. But it's a very competitive world now, globally, and each of those sport programs requires a science and medicine support staff, as well as coaching, a daily training environment and sufficient and appropriate competition for the athletes. We are budget dependent and therefore we have to make some decisions.

The Hon. PENNY SHARPE: How are you managing the new emerging sports, things like surfing and skateboarding? It's a slightly different regime in terms of how people train for those.

KEVIN THOMPSON: You are looking at the inaugural chair of the skateboard commission. I think in 2019 I was asked by the Australian Olympic Committee to start that, because the sport itself is in its infancy and it was the first time it was at the Olympic Games. It was very much creating an Olympic team from scratch. The results were outstanding. There was the gold medal from Keegan Palmer, and two New South Wales athletes recorded fifth places, so we were very competitive in those first games. Other sports such as surfing have a professional element to them, so there are already world-class athletes through their professional sport environment. But nonetheless we're working closely with them because the Olympic program is a very different environment for them to compete in. But, again, there was a bronze medal there for a New South Wales-based athlete at the games. We are looking very much at the future. We have breakdancing in Paris, for example. There is speed climbing as well now. So the focus of the games is moving towards action sports, and we need to be cognisant of that and look towards programs in those areas in the future.

The Hon. PENNY SHARPE: Is it the case that the budget allocation—either you can stretch it within the cap or you'd need additional funding to support that?

KEVIN THOMPSON: I think to be fair to the athletes, it's always about providing the best support to the athletes. Our vision is to support Australian athletes to be world's best. Therefore if you spread your resources too thinly you are not providing a good service to any of the athletes. So we need to be very careful. If we expand programs, we'll need some additional resources to do that.

The Hon. PENNY SHARPE: Are you seeking additional funding for the budget from the New South Wales Government in relation to this? Have you got a budget bid?

KATE FOY: Ms Sharpe, that's probably where Karen and I provide the support to NSWIS. We have been focused on supporting NSWIS certainly over the last six months, but Ms Jones for longer, on getting to the Commonwealth Games. And if I can just pause to take a moment to congratulate the professor and all of his team, it was a really outstanding effort. I had the privilege of meeting some of the athletes last week, which was

awesome. When it comes to their requirements, as with any other government agency, we do work through to look ahead about what the requirements are and what the strategy is. The strategy will guide how investment decisions would work, which we would present to Government. But certainly the three of us are working as a united team to look at what their requirements are. They are currently working within their budget envelope quite successfully.

The Hon. PENNY SHARPE: I just want to take you to the budget. The 2021-22 budget, as I understand it, included \$5.2 million or \$21.4 million over four years to support the institute.

KEVIN THOMPSON: That's correct.

The Hon. PENNY SHARPE: There's no equivalent figure in the 2022-23 budget paper—I've been advised. Can someone explain that to me?

KAREN JONES: I'm happy to take that question on notice, Ms Sharpe. I think you'll find that the budget allocation comes through the Office of Sport.

The Hon. PENNY SHARPE: So it's just not identified in this year's papers, is that the issue?

KAREN JONES: I will have to check that for you.

The Hon. PENNY SHARPE: Could you just check? Because we haven't been able to find it.

KATE FOY: I'm fairly certain of that to be the case—that they're aggregate, even though each of the chief executives has the accountability for their own budget, as far as the budget is concerned. That is our understanding, but we'll certainly confirm that with you should that be different.

The Hon. PENNY SHARPE: Can I just confirm, then, what the amount for this year is?

KEVIN THOMPSON: It's \$18.2 million.

The Hon. PENNY SHARPE: Is that for this year only?

KEVIN THOMPSON: This year only.

The Hon. PENNY SHARPE: I've got that it was \$5.2 million. This is in last year's budget—2021-22. It was \$21.4 million over four years. You're saying this year's budget is \$18 million. Is that correct?

KEVIN THOMPSON: Last year's budget would've been, in total, around \$17 million, which included the \$5.1 million as well.

The Hon. PENNY SHARPE: Thank you. They're the only questions I have for you. I've got some questions for Ms Hill. Thank you. You've been sitting here all day. As you would be aware, during the preparation for this Committee there were lots of questions about where Western Parkland City Authority sits. It now sits within this cluster. Why is that?

SARAH HILL: Under our legislation, we have a very strong focus around investment attraction, and so for that reason we are sitting with Investment NSW and with the Department of Enterprise, Investment and Trade. Whilst we have a Western Parkland City focus that's obviously different to western Sydney in terms of geography, really the objects of the Act speak very strongly to the importance of attracting investment. So that's our understanding of our relationship in this cluster.

The Hon. PENNY SHARPE: I understand it was a government decision. You get where you are. But is part of the issue that when this cluster was created, former Minister Ayres was the Minister for Western Sydney? That made more sense when that was originally created. But it's an issue that we've now got a Minister who's not from western Sydney, but this area remains in his area because of the link to investment.

SARAH HILL: I can only say that my understanding would be it is the link to investment and investment attraction.

The Hon. PENNY SHARPE: Thank you. I just wanted to ask you a bit about your budget and the number of staff. How many FTE have you currently got?

SARAH HILL: We speak in terms of headcount.

The Hon. PENNY SHARPE: Has that been a change? Normally things are reported as FTE in annual reports.

SARAH HILL: In short, our FTE is very similar to our headcount, in terms of the nature of that. But in terms of the actual permanent employees, we have 92 permanent employees. As to the extent of how that relates

to FTE, I can take that on notice. But most of the headcount generally aligns well with FTE—I'm advised by our head of people and culture.

The Hon. PENNY SHARPE: Maybe this is a question to you, Ms Foy. Using headcount rather than FTE—most departments use FTE, don't they? This is the first time I've actually—I mean, we often talk about the interplay between the two. I'm just trying to understand—

SARAH HILL: I'm happy to take that on notice, but I have asked the question myself and I understand it correlates very closely—headcount with FTE—in our organisation because of the nature of the work that we do.

The Hon. PENNY SHARPE: My understanding from the budget papers is that your 2021-22 budget was about \$17.6 million, but it was revised down to \$14.21 million. Why is that?

SARAH HILL: If you could just give me a moment, I'll go into—

The Hon. PENNY SHARPE: I assume that was forecast versus actual.

SARAH HILL: So you're looking at the employee-related expenses?

The Hon. PENNY SHARPE: Yes.

SARAH HILL: The budget for 2021-22 was \$14 million, and you're comparing that to—

The Hon. PENNY SHARPE: My understanding is that it was forecast to be \$17.6 million, but it ended up being \$14 million.

SARAH HILL: Yes. That may be as a result of the MOG changes that occurred at the time and some of those functions not being passed over in time for that financial year, but let me just take that on notice for the avoidance of doubt.

The Hon. PENNY SHARPE: That's great. As I said, I just wanted to understand the discrepancy. But then, your employee-related expenses are forecast to be \$21.5 million for 2022-23, quite a large jump. Why is that?

SARAH HILL: We have a recurrent baseline employee cost of \$14.6 million within that \$21,500,004. We have some additional funding for relevant projects, including the New Education and Training Model, the Advanced Manufacturing Research Facility and some projects that we're investigating, such as multi-utility corridors, as well as the Place-based Infrastructure Compact funding that was passed from the Greater Cities Commission. So there are a number of elements that come together to make up—

The Hon. PENNY SHARPE: So there are new things that have come in that you didn't have before?

SARAH HILL: Which may relate to some of that forecast versus actual in the previous year budget that I referred to.

The Hon. PENNY SHARPE: Yes. I also noticed that there has been a big jump in your operating expenses from \$19.6 million to \$33.4 million. Can you take me through why that is?

SARAH HILL: Yes, sure. Again, that's as a result of a number of new projects that we've been given, including the New Education and Training Model.

The Hon. PENNY SHARPE: Could you tell me what that is?

SARAH HILL: It's a \$37 million pilot that we've been asked to undertake over four years relating to micro-credentials and a series of micro-credentials that we have been developing in partnership with the industry. It's a flipped model that we're trialling here in New South Wales.

The Hon. PENNY SHARPE: Can you tell me a bit more about understanding what—

SARAH HILL: Sure, absolutely. This is really—

The Hon. PENNY SHARPE: Who is the micro-credential for? Who is going to apply to get it? Who delivers it?

SARAH HILL: I'm happy to say we are delivering a series of micro-credentials. On 15 June last year the Premier, the Treasurer and the Minister for Jobs, Investment, Tourism and Western Sydney at the time announced the pilot that I referred to. It's a four-year pilot that aims to deliver over 100 micro-credentials over four years. Of the four-year pilot, it's estimated there will be about 7,000 training places that are created for about 3,000 people. The organisation, the authority, is running that program. It is what we describe in layperson's terms

as a flipped model, so it provides a series of short courses or micro-credentials based on the needs of businesses with the Western Parkland City, as identified—

The Hon. PENNY SHARPE: For example, a forklift driver's licence would be a micro-credential. Is that what we're talking about when we're talking about these?

SARAH HILL: It could be, but in our case we have a strong focus around advanced manufacturing. It could be anything to do with—I'll give you some examples. Additive manufacturing was one of our first courses that we're running. Basic programming and use of collaborative robots is another example. An introduction to technical drawings, or semiconductor business processes, or CNC training, or G-code programming—various technical elements related to advanced manufacturing.

The Hon. PENNY SHARPE: How many people have enrolled in these courses to date?

SARAH HILL: We have had our first cohort and understand that we have some numbers that are coming through at the moment, because it's undertaken by a range of education providers, universities, TAFE and others. I'm happy to take that on notice just to ensure the accuracy of that answer.

The Hon. PENNY SHARPE: That would be good. In terms of the people who you're targeting to do this work, where do they come from?

SARAH HILL: We're certainly targeting citizens of the Western Parkland City. This is very much part of the focus of skilling up citizens in the parkland city and aligning them with the needs of businesses that are looking to fill gaps in skills to certainly progress the nature of businesses, particularly in that advanced manufacturing space, aviation and the defence industry.

The Hon. PENNY SHARPE: So are you tracking people who've done the courses about their employment outcomes?

SARAH HILL: We certainly are, and we're certainly undertaking surveys of those who have been through courses and understanding the implications of those courses to their future employment.

The Hon. PENNY SHARPE: Would you then, on notice, be able to tell us how many people are undertaking them and what any of the employment outcomes have been in relation to that?

SARAH HILL: I'm very happy to. But, just to manage your expectations, it only started this year given we received the funding last year. The courses have just started.

The Hon. PENNY SHARPE: Did it commence at the beginning of this year?

SARAH HILL: February this year was the first course.

The Hon. PENNY SHARPE: Yes, and that wasn't course delivery. Was that just—the program starts, and so there's the marketing and startup?

SARAH HILL: The course, I believe, started in February. I'm happy to check on that.

The Hon. PENNY SHARPE: And how long do the courses go for?

SARAH HILL: Good question. I think it varies depending on nature of the course, but they are short-term courses, generally of 40-hour duration. How that's structured over time—it may be weeks or months, depending on the nature of the course.

The Hon. PENNY SHARPE: Okay, thanks for that. We'll get the numbers on notice in relation to that.

SARAH HILL: Sure.

The Hon. PENNY SHARPE: Now, have you moved to Penrith?

SARAH HILL: No, we haven't yet, but we are planning to do that early next year.

The Hon. PENNY SHARPE: Right. I think last year we were talking—there were negotiations with Property NSW around office space in Penrith. Has that been finalised?

SARAH HILL: Yes. We're just working through the final stages of the fit-out of the building and negotiating that and designing the fit-out of the floor in Penrith.

The Hon. PENNY SHARPE: And are you able to tell me what the relocation costs are from Parramatta to Penrith?

SARAH HILL: Relocation I would have to take on notice. We're just working through that at the moment and, as we haven't relocated yet, it would be only a projection, as distinct to an actual.

The Hon. PENNY SHARPE: Yes, in order to finalise that. What's the difference in the monthly rent of the premises between Parramatta and Penrith?

SARAH HILL: I don't have that answer here with me but, again, I'm very happy to take that on notice.

The Hon. PENNY SHARPE: Thank you. And what is the difference in the size of the office space?

SARAH HILL: I can check on the actual floor space; I believe it'd be in the order of 500 to 600 square metres. But the main difference is that we have a ground-floor area for members of the public to come and learn about the city and to learn about the work that's happening in the Western Parkland City. So there is a modest increase in floor space but, again, I'm happy to take those details on notice.

The Hon. PENNY SHARPE: How was Penrith chosen?

SARAH HILL: That was a matter announced before my time by the Minister.

The Hon. PENNY SHARPE: But it was a Government decision?

SARAH HILL: Yes.

The Hon. PENNY SHARPE: The Minister at the time being Minister Ayres?

SARAH HILL: Correct.

The Hon. PENNY SHARPE: Thank you. Do you know whether any other options were explored?

SARAH HILL: I couldn't say. I'm afraid it was before my time.

The Hon. PENNY SHARPE: Are there going to need to be changes in terms of staffing in relation to the move from Parramatta to Penrith, or are all of the staff that are currently there just moving to the Penrith site?

SARAH HILL: We're working very closely with our team members to ensure a smooth transition. It's absolutely front of our mind about managing that transition well. The benefit is that we've had some time to know that this is planned or certainly has been an intention of Government. As a consequence, we've been giving due and forward notice to anyone joining the organisation that this was a planned move, so it comes as no surprise to anyone who's been joining our organisation over the last 12 months that this will be the case. We've been very open with our team. Fortunately, many of the people that we employ are already based in the Western Parkland City, so this is a benefit to them. Others will have to travel further and we're working through arrangements accordingly. So we're trying to minimise the implications to the business as a consequence and, again, the benefit of having forward notice has allowed us to minimise, hopefully, any issues. But certainly the intention is that the entire team comes to Penrith.

The Hon. PENNY SHARPE: I mean, Parramatta is obviously a fairly central location; Penrith, not so much. Do you think you'll lose staff as a result of this decision?

SARAH HILL: I think it's inevitable that staff will make decisions as it suits their travel patterns and their lifestyles accordingly, but I can say that many people have reached out to me and are very attracted by the opportunity to work in Penrith. Whilst it may not be central for some, it certainly is for others. We're building a city in Western Parkland City, so it's a hugely attractive opportunity for many skilled people living in that area.

The Hon. PENNY SHARPE: That's great. When do you think you'll be in?

SARAH HILL: We're very much dependent on the building being completed. Current expectations are January/February next year, all going well with the completion of the build and the fit-out.

The Hon. PENNY SHARPE: The current lease with Parramatta—is that on an ongoing lease? What are the arrangements? Do you have to break the lease to make the move? Have you had to extend the lease because of the delay? What's going on there?

SARAH HILL: This is really a matter for Property NSW but my understanding is that the New South Wales Government has been transitioning out of the building in Valentine Avenue. We're one of the last tenants. Our lease has been extended for a period of time in order to minimise any transition period to Penrith. But, again, it's a matter for Property NSW, which would have the specifics of the lease arrangements.

The Hon. PENNY SHARPE: Can I ask you about the investment focus with your authority. How are you tracking the investment in different locations? How do you tell what investment has been made in Wollondilly, or in Camden, or in Campbelltown? How granular is the information that you collect on that?

SARAH HILL: There are a number of ways in which we do that. I mean, we work very closely with the councils and we have a service whereby we work closely with the councils; we work closely with businesses

that are looking to relocate or expand within the parkland city and we also try to introduce them to other businesses or landowners who may be looking for tenants. So that's a little bit more fluid when it comes to working with the councils in terms of tracking exactly the investment that has come from that. We do, of course, have a lot of economic data understanding job growth, understanding where industry sectors are, and we analyse that. Our economic road map is an example of some of that analysis.

But we also, as you know, have a number of foundation and what I call broader city partners, who have signed agreements with us and who are also looking at a range of investment opportunities, research opportunities and there are some very tangible outcomes, such as an opportunity to take up tenancy within Bradfield City Centre, by way of example. We also, through our concierge service, offer support for businesses. There are a number of businesses that our team have identified have directly relocated to the Western Parkland City as a consequence of that support that they provided as well.

The Hon. PENNY SHARPE: While we're on Bradfield, how many people have moved in there now?

SARAH HILL: Well, we're just in the early stages of development there. We're just awaiting our first planning approval for our first building, so no-one is physically there yet. But we do have our first agreement for a tenant—

The Hon. PENNY SHARPE: Is that the CSIRO?

SARAH HILL: —which is Hitachi. The CSIRO will be one of our first major tenants, but Hitachi is our first tenant within our first building.

The Hon. PENNY SHARPE: I understand they're not necessarily physically there. How many agreements are in place so far?

SARAH HILL: So, we have, within our first building, one permanent tenant and we will shortly be going back out to market for additional tenants. It's only a modest-size building, so—

The Hon. PENNY SHARPE: And we'll find out. I just want to ask you about the jobs numbers and the jobs target in relation to the aerotropolis.

SARAH HILL: Yes.

The Hon. PENNY SHARPE: So 200,000 people or jobs is mentioned as the jobs target. Can you give me a breakdown of what that includes? Does that include the construction jobs, for example?

SARAH HILL: The 200,000 figure is a city-wide figure. For the avoidance of doubt, that is the 800,000 hectares of the whole Western Parkland City from Hawkesbury to Wollondilly, Fairfield to the Blue Mountains. So it's not the aerotropolis. The aerotropolis is 11,000 hectares. The target applies to the whole of the city. There is no breakdown within the target of construction or permanent versus part-time or construction jobs or multipliers. It is an overarching job target.

The Hon. PENNY SHARPE: How was that target—

SARAH HILL: Derived?

The Hon. PENNY SHARPE: Yes.

SARAH HILL: I don't know. I'm afraid that's a matter for the Greater Cities Commission.

The Hon. PENNY SHARPE: So they have derived it. Do you have any role in monitoring how that target will be met, or is that going to be their responsibility? Who is responsible for watching whether we ever get to 200,000, if we can even understand what the 200,000 is made up of?

SARAH HILL: We're certainly tracking job growth and evolution across the parkland city. We are certainly doing that. Job figures are generally the responsibility of Transport for NSW, so those numbers are based on an analysis by Transport for NSW. Population figures are generally the Department of Planning and Environment.

The Hon. PENNY SHARPE: Okay. Just to be clear, so I understand this, the job figures sit within Transport. Why is that?

SARAH HILL: Generally, it's a historical thing that they have forecast job numbers and they provide that through—

The Hon. PENNY SHARPE: For the aerotropolis?

SARAH HILL: For the whole of the State they will do forecast around job numbers, and that's the common planning assumptions so that those numbers will be used across government agencies.

The Hon. PENNY SHARPE: So Planning hasn't done the target, then. It's not Planning; it's Transport.

SARAH HILL: The Greater Cities Commission identified the 200,000 job target and that was part of the city deal, and those numbers are calculated—or the growth of jobs across the greater Sydney area of the State are calculated by or forecast by Transport for NSW.

The Hon. PENNY SHARPE: Sorry, I'm confused. Then who has ownership of the target? If the target's not met, who across the public sector is responsible for that?

SARAH HILL: Well, we're certainly tracking it and we certainly are working hard to achieve the 200,000 additional jobs.

The Hon. PENNY SHARPE: So is it your problem, Dr Hill?

SARAH HILL: Yes, it is. Over the next 20 years we will be certainly seeking to achieve over 200,000 additional jobs within the Western Parkland City.

The Hon. PENNY SHARPE: That's additional jobs. For example, the construction jobs that were there are temporary. I understand that the workforce moves from project to project and hopefully they've got a pipeline of work, but if you can't tell me what the breakdown of that 200,000 is, how can you monitor whether it's been achieved or not?

SARAH HILL: Well, you can certainly—the most clear way to do that is through ABS figures and looking at jobs growth over time and tracking that change over each census period—the actual number of jobs that are generated and attributable to the Western Parkland City.

The Hon. PENNY SHARPE: So your agency will do that?

SARAH HILL: We are certainly tracking it. Yes.

The Hon. PENNY SHARPE: If we come back next year, we will ask this question again.

SARAH HILL: Yes.

The Hon. PENNY SHARPE: That's good. In that case, then, how are you dealing with the jobs forecast? Do you break it down into these different areas? So what are you doing for Wollondilly, what are you doing for Campbelltown, Liverpool, the Blue Mountains or Camden—like, each of the seven areas? How do we understand where these jobs have been delivered?

SARAH HILL: As I said, the common planning assumptions in terms of jobs come from Transport for NSW. On the basis of that, the Greater Cities Commission in their next iteration of plans will be identifying job targets. On what geography they do that is certainly a matter for them, but we would be looking on an LGA in a cumulative basis around how those jobs are growing across the parkland city and how they equate to 200,000 jobs over that period of time.

The Hon. PENNY SHARPE: The jobs target across that area is for the entire area, which is the 800,000 hectares.

SARAH HILL: Yes.

The Hon. PENNY SHARPE: I suppose part of my curiosity about this is that 200,000 is used directly in a lot of government material that goes out. The 200,000 is just saying that that's just for the aerotropolis. The 200,000 is for the entire area. Do we have a figure for the aerotropolis specifically?

SARAH HILL: To the best of my knowledge, the 200,000 is supposed to relate to the whole of the Western Parkland City and that number is used in the city deal, which relates to that entire geography. In terms of the aerotropolis, based on the Department of Planning and Environment's numbers, if I am right in understanding, within the Western Sydney Aerotropolis plan there are some forecasts and targets for jobs. Within the precincts that they have identified, I believe—based on their analysis—that there is land rezoned sufficient enough to support over 119,000 new jobs over the next 50 years within the aerotropolis. Then they have broken it down by precinct on the basis of the land that's rezoned.

The Hon. PENNY SHARPE: Sorry, can I get that again—119,000 over 50 years?

SARAH HILL: That's right.

The Hon. PENNY SHARPE: The 200,000 is over how many years?

SARAH HILL: Twenty years.

The Hon. PENNY SHARPE: Sorry, go on. I interrupted you.

SARAH HILL: Jobs are a complex array of calculations.

The Hon. PENNY SHARPE: Yes, it's lies, lies and damned statistics, I think, for some of this. That is 119,000 over 50 years and that is just for the aerotropolis specifically?

SARAH HILL: And that is really because the aerotropolis is such a substantial area that it takes 40 or 50 years to develop that amount of land. That's why it's over that period of time. If development happens quicker, then the jobs will happen quicker too.

The Hon. PENNY SHARPE: There will be change, and obviously there are a whole lot of construction jobs up-front.

SARAH HILL: That's right.

The Hon. PENNY SHARPE: Then there is who establishes within the space. I accept that it is not a precise science. I am just trying to understand how many are in there. In terms of the jobs forecasts, you have got the 200,000 over the whole area but the breakdown in terms of area by area, Liverpool, Penrith, Fairfield, or whatever, that will come through Greater Cities?

SARAH HILL: Yes, based on Transport for NSW's numbers, as a common planning base across government.

The Hon. PENNY SHARPE: What is the current status of the Western Sydney City Deal?

SARAH HILL: It is progressing well. From my most recent information, 15 of the 38 deliverables have been completed. Furthermore, a three-year evaluation is being completed of the city deal consistent with the original agreement and it seems to be tracking well on that basis.

The Hon. PENNY SHARPE: Obviously it is linked to Federal funding and there has been a change of government. Are other things being re-looked at as a result of a change of government?

SARAH HILL: We are certainly actively discussing the new Commonwealth Government's view of the city deal and we are waiting to get feedback from the Commonwealth on that basis. In the meantime we are continuing to progress with the delivery of the 38 deliverables.

The Hon. PENNY SHARPE: Can you give me an update? My understanding is that there were rapid bus services as part of that arrangement. Can you tell me where they are up to?

SARAH HILL: That certainly is a key deliverable of Transport for NSW. I understand they have been undertaking a business case in relation to that. Other than that, I am afraid I would either have to take it on notice or to discuss it with Transport.

The Hon. PENNY SHARPE: The reason I am asking is that I am told that the business case was completed in the first quarter of 2020, or was due to be completed. Are you able to tell me whether it has been completed at all?

SARAH HILL: No. I am afraid I would have to ask my colleagues in Transport for NSW for further detail around that.

The Hon. PENNY SHARPE: What is your agency's role in terms of the Western Sydney City Deal? Are you the primary agency or how does that work across government?

SARAH HILL: There is a city deal office that was set up across three levels of government and that city deal office sits within the Western Parkland City Authority.

The Hon. PENNY SHARPE: So that is with you, yes?

SARAH HILL: It is with me, yes. And it administers or brings government together to support the administration of the city deal.

The Hon. PENNY SHARPE: Presumably you are tracking the 38 commitments?

SARAH HILL: We are, yes.

The Hon. PENNY SHARPE: So why can't you tell me about the rapid bus business case?

SARAH HILL: I can't tell you about the business case. Rapid bus, the status is ongoing. As to the detail of delivery of the rapid bus service, I would have to refer to Transport for NSW, or take the question on notice.

The Hon. PENNY SHARPE: Just to be clear, can you tell me whether the business case has been completed for those? You are saying no, you can't.

SARAH HILL: I can't give you a definitive answer on that. I would have to take it on notice.

The Hon. PENNY SHARPE: If you take it on notice, that's good. My concern is that I understand it was supposed to be done by Q1 of 2020. It is now Q3 of 2022, so we are a fair way behind.

SARAH HILL: So commitment C2 is the responsibility—or the lead agency is Transport for NSW, so I am happy to take that on notice.

The Hon. PENNY SHARPE: That is great. The way it works is you coordinate it, but each of the agencies that are delivering it deal with it. You have oversight and the reporting on the status of this, presumably, as it goes to Cabinet comes through you; is that correct?

SARAH HILL: And it is made public, indeed, on the Commonwealth Government's website. There is an annual report on the delivery of each of these commitments.

The Hon. PENNY SHARPE: I have one last lot of questions, which is about the Modern Manufacturing Commissioner. Has the commissioner been appointed?

LISA BRAID: An announcement hasn't been made about the successful candidate.

The Hon. PENNY SHARPE: There is someone whose got the job, but it hasn't been announced yet; is that right?

LISA BRAID: That's right.

The Hon. PENNY SHARPE: When do you think it's going to be announced?

LISA BRAID: There are processes that need to play out before the announcement can be made. I don't have a date.

The Hon. PENNY SHARPE: It will be a decision, presumably, of the Minister is it, in terms of when the announcement is made?

LISA BRAID: That is my understanding.

The Hon. PENNY SHARPE: The announcement was made in December. The creation of the role, do you think it is a month? Do you think it is before the end of the year?

LISA BRAID: I do think it is within the month.

The Hon. PENNY SHARPE: The recruitment for that position, how was that undertaken?

LISA BRAID: It was undertaken via a merit selection process.

The Hon. PENNY SHARPE: Did you have an agency assisting you with that?

LISA BRAID: The role was advertised on I Work for NSW on 7 July and it was managed internally.

The Hon. PENNY SHARPE: So there is no recruitment agency involved; is that right?

LISA BRAID: There wasn't in that process, no.

The Hon. PENNY SHARPE: Who's on the selection panel for that role?

LISA BRAID: I don't have that information. I'll take that on notice.

The Hon. PENNY SHARPE: Is there a publicly available position description for the commissioner?

LISA BRAID: Yes. The role description would have been released as part of the advertisement for the role.

The Hon. PENNY SHARPE: I am obviously not asking who it is, but the person has signed a contract?

LISA BRAID: Yes, the contract has been signed.

The Hon. PENNY SHARPE: Can you take us through what the KPIs are for that position?

LISA BRAID: I don't have that information. I will take that on notice.

The Hon. PENNY SHARPE: Are you able to confirm who the appointees to the Modern Manufacturing Taskforce are?

LISA BRAID: I'll refer that question to Ms Bell.

KYLIE BELL: The task force was announced in March. I feel like it might have even been announced the day of budget estimates last time. The task force was led by Mr Tony Shepherd and the task force members that supported Mr Shepherd were Mr Dig Howitt, the CEO of Cochlear; Mr Chris Jenkins, the CEO of Thales; Miss Bronwyn Evans, or potentially I think maybe Dr Bronwyn Evans, the CEO of Engineers Australia; and Dr Roy Green, our special adviser to UTS. I think that was the task force.

The Hon. PENNY SHARPE: Have they completed their work?

KYLIE BELL: They have submitted their report to the Government on, I think as per their deadline, 31 July. And that report is—

The Hon. PENNY SHARPE: It was July?

KYLIE BELL: Yes. I think originally it might have been—

The Hon. PENNY SHARPE: I have got 30 June.

KYLIE BELL: That's correct, but they submitted it on 31 July.

The Hon. PENNY SHARPE: It is with the Government. Is it going to be made public?

KYLIE BELL: It is currently going to go to Cabinet and then to be published, yes.

The Hon. PENNY SHARPE: They had obviously made recommendations. Are you anticipating that there will be a government response straightaway, or there is just the report for noting with future action that the Government may determine?

KYLIE BELL: The initial report is very comprehensive. I think the task force was very dedicated. They have made a number of wideranging recommendations. The first process will be for noting. The commissioner will then work across government in the response.

The Hon. JOHN GRAHAM: I might just deal with one Sport issue up-front. Ms Jones, it is a question about the Regional Sport Facility Fund and round two of that grant process. I understand that grant applications closed on 8 October 2021?

KAREN JONES: I can confirm those details for you. I will take that on notice, but I'm assuming that you're right there.

The Hon. JOHN GRAHAM: Announcements for the fund then started to roll out around December 2021 in an ongoing way?

KAREN JONES: Yes.

The Hon. JOHN GRAHAM: I wanted to ask about a particular grant from round two of that fund. It was in Dubbo, to the St John's Junior Rugby League Football Club. Can I ask some questions about that specific grant?

KAREN JONES: Yes. As you can appreciate, there are a lot of grants that actually get issued by the Office of Sport. I might not know the specific details on this one but I am happy to take it on notice.

The Hon. JOHN GRAHAM: No worries. Do we have any specific details about that grant?

KAREN JONES: I'm just going to have a look at my spreadsheet now.

The Hon. JOHN GRAHAM: Great, thanks. I'm happy to just give you a little bit of time to do that given it's a detailed question.

KAREN JONES: Sorry, can you just repeat the name, if that's alright?

The Hon. JOHN GRAHAM: It's the St John's Junior Rugby League Football Club. It was a grant in Dubbo.

KAREN JONES: There are 406 on my spreadsheet.

The Hon. JOHN GRAHAM: No worries. I don't mind if you want to find it because I do have some specific questions on it.

KATE FOY: Would it be helpful to give those specific questions and then—

The Hon. JOHN GRAHAM: What I might do is ask about some other issues and then, Ms Jones, I can come back to you while you've got a moment to have a look for that.

KAREN JONES: I'll just ask my colleague to look.

The Hon. JOHN GRAHAM: Yes, no trouble. That's all good. I might turn back to another area then. I am interested in the Elevate Festival. This goes back to what I would describe as night-time economy issues, although feel free to describe it elsewhere. I was interested in what assessment was done after that. How successful was this? It was obviously a high-profile event.

KATE FOY: Yes, of course. Elevate was an event that was managed by Destination NSW. I'm afraid that the preparation for that material would be done for Minister Franklin's appearance next Monday, but I'm happy to ensure that the team is ready.

The Hon. JOHN GRAHAM: Yes, okay. Maybe that's a useful way to deal with it then. Just so I'm clear on this, it's clearly referred to as part of the night-time economy strategy but it's really wholly within the control of Destination NSW?

KATE FOY: I think probably one way to characterise it is that with the night-time economy strategy, which is run by the 24-hour Economy Commissioner, there are a number of initiatives that come out of it that might fall into other areas of responsibility.

The Hon. JOHN GRAHAM: That's part of its charm.

KATE FOY: Yes, that's part of its charm. For example, the late-night events that happen out of the cultural institutions, or Elevate, or other types of activities such as Enmore Road might be administered by other people but they're connected to the strategy.

The Hon. JOHN GRAHAM: Yes, so I'm just asking is that exclusively in the control of Destination NSW?

KATE FOY: Elevate? Yes. That was exclusively—that contract and that event was managed by Destination NSW.

The Hon. JOHN GRAHAM: Great. I might just turn back to the questions, Ms Knight, on the Entertainment Quarter. I think it was clear that the Minister hadn't been briefed in depth on this issue.

KATIE KNIGHT: Correct.

The Hon. JOHN GRAHAM: Which is entirely appropriate given the short time he has spent in the role.

KATIE KNIGHT: A couple of weeks, yes.

The Hon. JOHN GRAHAM: I didn't want to dwell on it too much in that session, but if we could just rewind, I wanted to revisit that question. Clearly this was a matter of public debate. The Parliament changed the law in a way that would impact how this site might be dealt with if there was to be a next step on this site. What has happened since? Can you give us a bit of a sense of whether there is any momentum in this discussion at all?

KATIE KNIGHT: You'll appreciate that the site is owned by Greater Sydney Parklands Trust. We have been working with them to assess a range of feasibility and options for the site. We're currently still working through that.

The Hon. JOHN GRAHAM: Who is involved in that discussion? Is that really just you and the Greater Sydney Parklands Trust?

KATIE KNIGHT: Correct.

The Hon. JOHN GRAHAM: They're the only people at the table?

KATIE KNIGHT: At this stage. There is an internal government steering committee which is looking at the site.

The Hon. JOHN GRAHAM: Who is on the internal government steering committee?

KATIE KNIGHT: It's Investment NSW—sorry, the commercial transactions team of the department. It is DPE, Greater Sydney Parklands and Treasury.

The Hon. JOHN GRAHAM: They're essentially around the table in government working out, "Okay, what do we want to do with this site?"

KATIE KNIGHT: Correct. "What can we do?" Yes.

The Hon. JOHN GRAHAM: Have there been discussions with the existing leaseholder?

KATIE KNIGHT: Not since the withdrawal of the unsolicited proposal.

The Hon. JOHN GRAHAM: Okay. I think you said earlier this morning there have been discussions about the withdrawal of the unsolicited proposal?

KATIE KNIGHT: Correct.

The Hon. JOHN GRAHAM: But not since then?

KATIE KNIGHT: We have requested some information from the existing tenant to conduct that feasibility because we require that information to conduct it.

The Hon. JOHN GRAHAM: Who is in charge of that relationship? Who is actually having those discussions from the government side?

KATIE KNIGHT: That is the commercial transactions team.

The Hon. JOHN GRAHAM: Yes, which makes sense. What was the nature of the discussions around the unsolicited proposal being withdrawn?

KATIE KNIGHT: With the tenant?

The Hon. JOHN GRAHAM: Yes.

KATIE KNIGHT: We both agreed, the tenant and government, that the unsolicited proposal could not proceed because of the introduction of the legislation.

The Hon. JOHN GRAHAM: The Parliament changed the law.

KATIE KNIGHT: Correct.

The Hon. JOHN GRAHAM: The unsolicited proposal was no longer possible to proceed with it, so it was a discussion about—

KATIE KNIGHT: It was withdrawn.

The Hon. JOHN GRAHAM: —what was really a fact at that point?

KATIE KNIGHT: Absolutely.

The Hon. JOHN GRAHAM: What information have we requested from the tenant since then? I just want a general characterisation of it.

KATIE KNIGHT: The subleases with respect to the site. There is a ground lease and then the current tenant has subleases on the site.

The Hon. JOHN GRAHAM: And that's just necessary so the Government can then consider what might be a good use of this?

KATIE KNIGHT: Correct.

The Hon. JOHN GRAHAM: As you told us this morning, there's no decision yet made about—in the parliamentary discussion, formally or informally, the way the law was changed, two things led one to think that this was heading to an open tender: a common view that the site hadn't reached its potential; and a change in the law that really required, if there was any long-term lease, for an open tender to take place. But you're saying that decision about whether or not one will take place has not occurred?

KATIE KNIGHT: Correct.

The Hon. JOHN GRAHAM: Are there other alternatives for how the—well, clearly there are other alternatives.

KATIE KNIGHT: The current tenant could remain on the site and continue until, I think, 2036, and it has an extension. It is open to the current tenant to conduct its own works to revitalise the site.

The Hon. JOHN GRAHAM: My other question is can you give us some sense of the timing? It's really the question of, after this was discussed, is this something that's under active consideration by the agencies? Putting the Minister aside for the moment—quite fairly—is this something that is just going to sit there? Perhaps there is an election coming so it's just going to sit there and won't be dealt with. Or is it something where there's an active—

KATIE KNIGHT: We're actively considering it but we haven't yet reached a conclusion as to what happens next.

The Hon. JOHN GRAHAM: Any sense of the time line for what might be required to do that?

KATIE KNIGHT: I can't provide a time line, I'm sorry.

The Hon. JOHN GRAHAM: It sounds like quite a complex discussion.

KATIE KNIGHT: It's very complex, yes.

The Hon. JOHN GRAHAM: That seems fair. Ms Jones, I might come back to you, if you've got some details on that project?

KAREN JONES: Yes, I do. It was a Regional Sport Facility Fund project. The funding recipient is St John's Junior Rugby League Football Club. The update I have on my spreadsheet here is that construction commencement is due in the middle of this year, so around about now.

The Hon. JOHN GRAHAM: Great. In the middle of this year?

KAREN JONES: Yes.

The Hon. JOHN GRAHAM: I think we agreed the grant amount was for \$999,999?

KAREN JONES: Yes, that's correct.

The Hon. JOHN GRAHAM: What was the grant purpose?

KAREN JONES: The actual project itself or the project name that I have here on the spreadsheet is Growing Sports Facilities for a Growing Dubbo, but the details of it will be included in the grant application, which I can take on notice for you.

The Hon. JOHN GRAHAM: Yes, sure. Who was the grant recipient?

KAREN JONES: I just mentioned that. The grant recipient was St John's Junior Rugby League Football Club.

The Hon. JOHN GRAHAM: It was actually the recipient of the grant?

KAREN JONES: Correct.

The Hon. JOHN GRAHAM: So they were the grant proponent?

KAREN JONES: That's right.

The Hon. JOHN GRAHAM: Those two things travel together.

KAREN JONES: That's right.

The Hon. JOHN GRAHAM: Was the grant judged to be eligible and conforming?

KAREN JONES: Yes. The whole process in terms of grant assessment at the Office of Sport is governed by grant guidelines, assessment methodology and also a probity plan. We actually go through an assessment process first and foremost. We check the eligibility of each grant application against the eligibility criteria before it then moves through to the assessment process, which is overseen by an assessment panel and also involves an independent probity officer. Through that process there is a series of recommendations that are made.

The Hon. JOHN GRAHAM: It is obviously an eligible proponent. I think that is clear.

KAREN JONES: Correct.

The Hon. JOHN GRAHAM: Was it judged to be shovel-ready?

KAREN JONES: I would have to take that on notice but, yes, that was one of the criteria.

The Hon. JOHN GRAHAM: If it has succeeded through the process, it would have to be?

KAREN JONES: Again, I will take that on notice but, yes, it is one of the criteria.

The Hon. JOHN GRAHAM: Is there any significance to the amount of the grant, just \$1 short of \$1 million?

KAREN JONES: The upper limit of the grants available was \$1 million. I think you will find that there were a number of grant applications that came in just at that amount.

The Hon. JOHN GRAHAM: So just \$1 short of the total amount?

KAREN JONES: It is not unusual that that happens, yes. I will say that part of our assessment process, though, is to check the cost estimates as part of the proposals as submitted, as also with the deliverability of a grant or of a project, to make sure that they can actually build it.

The Hon. JOHN GRAHAM: For a project with a total project cost of \$1 million or more, a financial co-contribution is required of 25 per cent.

KAREN JONES: Correct.

The Hon. JOHN GRAHAM: Was that required for this grant?

KAREN JONES: There were a couple of options under the grant guidelines. They either had to make a co-contribution or, alternatively, they could have applied for financial hardship, and demonstrated financial hardship.

The Hon. JOHN GRAHAM: Which of those two did they take?

KAREN JONES: I would have to take that on notice.

The Hon. JOHN GRAHAM: How do the financial hardship provisions work?

KAREN JONES: They would actually have to demonstrate that they did not have the capacity to provide a financial co-contribution.

The Hon. JOHN GRAHAM: Great. So, on notice, you will tell us if that was triggered?

KAREN JONES: Correct.

The Hon. JOHN GRAHAM: Where was this project located?

KAREN JONES: Again, I would have to take that on notice. The only information I have in front of me is that it is in Dubbo. It is in the Dubbo Regional Council LGA.

The Hon. JOHN GRAHAM: Has a funding agreement been issued for this project?

KAREN JONES: Yes, it has.

The Hon. JOHN GRAHAM: When was that issued?

KAREN JONES: Again, I will take that on notice.

The Hon. JOHN GRAHAM: You said that construction commencement was imminent. Has it occurred?

KAREN JONES: That is the status that I have, is that current construction commencement is due in the middle of this year. I have a baseline operational date. So somewhere between now and when the project will be completed is around January 2023.

The Hon. JOHN GRAHAM: So it should be complete in January 2023.

KAREN JONES: Correct.

The Hon. JOHN GRAHAM: It is required to be complete by 30 June 2023 by the current guidelines.

KAREN JONES: Correct. That's right.

The Hon. JOHN GRAHAM: But we don't know if construction has commenced?

KAREN JONES: I've got here that construction commencement is due in the middle of this year.

The Hon. JOHN GRAHAM: When you say "middle of this year", when was it due?

KAREN JONES: At the moment it says in June 2022 but, again, I will have to get that confirmed for you. These projects, they tend to tell us when they want to start construction, and sometimes they experience delays on that. But I can have my team check in with them and see whether or not it has started.

The Hon. JOHN GRAHAM: Presumably it would have been due on 18 June 2022 because if it was any later than that, it would have been outside the grant guidelines, which require projects to commence construction within six months of funding being announced.

KAREN JONES: I will take that on notice.

The Hon. JOHN GRAHAM: Given that it was announced on 18 December, if construction had not started by 18 June it would be outside the guidelines. I understand you don't have the details, but would that be a correct conclusion?

KAREN JONES: That is right. That is what the requirement is under the grant guidelines. But there is also advice around variations, where there are exceptional circumstances, such as things like flood, where construction might be delayed.

The Hon. JOHN GRAHAM: Yes, so they could sensibly say, "We are applying for a variation."

KAREN JONES: Correct.

The Hon. JOHN GRAHAM: But they would have to trigger that to be within the grant guidelines.

KAREN JONES: They would have to make representation to the Office of Sport for a variation, and there are certain tolerances around whether or not we grant a variation. Again, being really reasonable around what sort of impacts they might have suffered as a result of things like pandemic, flood, construction costs, supply of materials and what have you.

The Hon. JOHN GRAHAM: Yes, all of which makes sense, and all of which would be done in writing, correct?

KAREN JONES: Correct.

The Hon. JOHN GRAHAM: You can't tell me now, but you can tell me on notice the specific location that this grant is for?

KAREN JONES: Yes, absolutely. Part of being shovel-ready is that they have a site that is nominated.

The Hon. JOHN GRAHAM: Do we know who owned the site that they have nominated?

KAREN JONES: Again, I will take that on notice. My apologies, I don't know the details of these but, as I said, there are about 400 infrastructure projects that we are managing.

The Hon. JOHN GRAHAM: I think that's quite understandable.

KAREN JONES: Thank you.

The Hon. JOHN GRAHAM: I might just give you an idea, again, of some of the detail I would like on notice. I am particularly interested in the location. This project has been discussed in the community and at council. One of the issues is the site doesn't seem to have been quite determined about exactly where this club would be. Originally it was an application for council land. I am not clear that that has actually been approved by council, though, so that's why I asked for the location specifically. Could you tell us, certainly on notice, given what you've told us so far?

KAREN JONES: Yes.

The Hon. JOHN GRAHAM: You have assured us it is likely to be eligible. For that to be the case, there must have been a signed letter of consent from the landholder for the project on the land for which the facility is likely to be developed.

KAREN JONES: That's right. Again, we ask for certainty around where the facility will be built and obviously part of that certainty is ensuring that there is landowner's consent provided.

The Hon. JOHN GRAHAM: Can you assure us that a signed letter of consent was given?

KAREN JONES: I will take that on notice for you.

The Hon. JOHN GRAHAM: Also, the grant guidelines require that additional information should also be provided with the application, including evidence of the applicant's tenure and lease arrangements.

KAREN JONES: Correct.

The Hon. JOHN GRAHAM: Can you provide those on notice?

KAREN JONES: Yes.

The Hon. JOHN GRAHAM: It is very explicit that for projects like that on public land, a signed letter of consent may be provided, but I think we have covered that.

KAREN JONES: Yes.

The Hon. JOHN GRAHAM: Projects must also have an approved development application as part of their application or demonstrate a DA is not required.

KAREN JONES: Correct.

The Hon. JOHN GRAHAM: That is part of the shovel-ready criteria.

KAREN JONES: The shovel-ready component.

The Hon. JOHN GRAHAM: Again, on notice, could you—

KAREN JONES: That is right. They either had to demonstrate that they had DA consent already or that they would be a complying development under the planning legislation.

The Hon. JOHN GRAHAM: I should make it clear in this question about whether a letter of consent was provided, there certainly was some discussion at council and there may be a letter welcoming this grant, but it appears there had been quite a specific council discussion opposed to giving consent to any project as a planning process being undertaken by the council was rolling out. I was just interested in the specific nature of that letter or that assurance.

KAREN JONES: Again, happy to take that on notice in terms of that information.

The Hon. JOHN GRAHAM: If you could just confirm some other key details for the project, which is the total investment, which I understand is \$2.6 million in phase one?

KAREN JONES: Again, they are required to disclose that information as part of their application process.

The Hon. JOHN GRAHAM: Yes, so just on notice if you are able to clarify that.

KAREN JONES: Absolutely.

The Hon. JOHN GRAHAM: And also the total investment which was planned for phases one, two and three. I understand it is \$6.8 million, but if you could confirm that on notice that would be welcome.

KAREN JONES: Absolutely, yes. That is fine. Thank you.

The Hon. PENNY SHARPE: I will ask one follow-up on that. In relation to the grants program, the grants that are provided to organisations, are they required to be for community use as well, or are they allowed to be for exclusive use?

KAREN JONES: No, it does depend on the proposal that is put before us. One key objective of all of our grant programs is that they have the maximum public benefit as possible. By far the majority of those are for broader public and community use.

The Hon. PENNY SHARPE: Would you just be able to take on notice a list of the successful ones and which ones are for exclusive use of the recipient?

KAREN JONES: Yes, absolutely.

The Hon. PENNY SHARPE: Thank you.

The CHAIR: It is 3.30 p.m. We were due to have a break, but in fact I don't think we will come back from the break if everyone is comfortable with that, unless the Government has any questions.

The Hon. CHRIS RATH: We are very content.

The CHAIR: In which case, thank you, everybody, for your attendance today. We do appreciate it. A number of questions were taken on notice. The secretariat will be in touch and answers will be due within 21 days. Thank you all for your attendance today.

KATE FOY: Of course, if we could acknowledge the many people from across our agencies and the department who put in a lot of effort and feel very proud of the work that the department and they do. I just want to acknowledge all those people.

The CHAIR: Of course. On behalf of the Committee, thank you to all of your teams as well.

(The witnesses withdrew.)

The Committee proceeded to deliberate.