

PORTFOLIO COMMITTEE NO. 1 – PREMIER AND FINANCE

Wednesday 8 November 2023

Examination of proposed expenditure for the portfolio areas

INDUSTRIAL RELATIONS, WORK HEALTH AND SAFETY

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The Committee met at 9:15.

MEMBERS

The Hon. Jeremy Buckingham (Chair)
The Hon. Robert Borsak (Deputy Chair)
Ms Abigail Boyd
Ms Cate Faehrmann
The Hon. Dr Sarah Kaine
The Hon. Stephen Lawrence
The Hon. Bob Nanva
The Hon. Chris Rath
The Hon. Damien Tudehope

PRESENT

The Hon. Sophie Cotsis, *Minister for Industrial Relations, and Minister for Work Health and Safety*

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**

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The CHAIR: Good morning, everyone. Welcome, Minister and all attendees, to the sixth hearing of the Portfolio Committee No. 1 - Premier and Finance inquiry into budget estimates 2023-2024. Firstly, 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 and present, 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 and Torres Strait Islander people joining us today.

My name is Jeremy Buckingham and I am the Chair of the Committee. Again, I welcome Minister Cotsis and accompanying officials to this hearing. Today the Committee will examine the proposed expenditure for the portfolios of Industrial Relations, and Work Health and Safety. I ask everyone in the room to please turn their mobile phones to silent. Parliamentary privilege applies to witnesses in relation to the evidence they give today. However, it does not apply to what witnesses say outside of the hearing. I urge witnesses to be careful about making comments to the media or to others after completing their evidence. In addition, the Legislative Council has adopted rules to provide procedural fairness for inquiry participants. I encourage Committee members and witnesses to be mindful of these procedures.

Again, welcome, and thank you for making the time to give evidence. All witnesses will be sworn prior to giving evidence. Minister Cotsis, I remind you that you do not need to be sworn as you have already sworn an oath to your office as a member of Parliament. I would also like to remind Ms Campbell, Mr Draper and Mr Dobbins that you do not need to be sworn as you have been sworn at an earlier budget estimates hearing before this Committee.

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Ms SONYA CAMPBELL, Deputy Secretary, Commercial, NSW Treasury, on former oath

Mr SIMON DRAPER, Secretary, Premier's Department, on former affirmation

Ms SAMARA DOBBINS, Deputy Secretary, Delivery and Coordination, Premier's Department, on former oath

Mr STUART FARQUHARSON, Chief Financial Officer, icare, affirmed and examined

Mr RICHARD HARDING, Chief Executive Officer and Managing Director, icare, affirmed and examined

Mr TRENT CURTIN, Acting Deputy Secretary, SafeWork NSW, Department of Customer Service, affirmed and examined

Mr CHARLIE HEUSTON, Executive Director, Industrial Relations, Premier's Department, affirmed and examined

The CHAIR: Today's hearing will be conducted from 9.15 a.m. to 5.30 p.m. We are joined by the Minister for the morning session from 9.15 a.m. to 1.00 p.m., with a 15-minute break at 11.00 a.m. In the afternoon we will hear from departmental witnesses from 2.00 p.m. to 5.30 p.m. with a 15-minute break from 3.30 pm. During these sessions there will be questions from the Opposition and crossbench members only, and then 15 minutes allocated for Government questions at 10.45 a.m., 12.45 p.m. and 5.15 p.m. We will begin now with questions from the Opposition.

The Hon. DAMIEN TUDEHOPE: Good morning, Minister.

Ms SOPHIE COTSIS: Good morning, Mr Tudehope.

The Hon. DAMIEN TUDEHOPE: Good morning, officials. Thank you all for being here this morning. It's a good day to be here. It could have been yesterday. Minister, how many DLOs do you have in your office?

Ms SOPHIE COTSIS: Thank you for that question, Mr Tudehope. I have two.

The Hon. DAMIEN TUDEHOPE: Did you request either of those DLOs to be appointed to your office?

Ms SOPHIE COTSIS: Mr Tudehope, the process was followed—

The CHAIR: Sorry, Minister, could you bring the microphone a little bit closer, and all witnesses be mindful that you have to speak right into the microphone otherwise we can't hear you and it's very difficult for Hansard.

Ms SOPHIE COTSIS: As I was saying, Mr Tudehope, yes, they went through a process through the agencies, and they're a liaison between our office and the agencies.

The Hon. DAMIEN TUDEHOPE: But did you specifically request any of the DLOs which were appointed to your office?

Ms SOPHIE COTSIS: No.

The Hon. DAMIEN TUDEHOPE: Did your chief of staff seek to request—

Ms SOPHIE COTSIS: No.

The Hon. DAMIEN TUDEHOPE: To the best of your knowledge, are either of the DLOs in your office members of the Labor Party?

Ms SOPHIE COTSIS: I don't ask affiliation of political parties and, in fact, one of the DLOs actually was in your office as well, providing support and liaison.

The Hon. DAMIEN TUDEHOPE: So I think the answer to my question is, to the best of your knowledge, no.

Ms SOPHIE COTSIS: To the best of my knowledge—I don't ask people their affiliation, Mr Tudehope.

The Hon. DAMIEN TUDEHOPE: Minister, prior to the election, members of your party were, in fact, able to make allocations in respect of the Local Small Commitments grants. Are you aware of that?

Ms SOPHIE COTSIS: This is the Local Small Commitments Allocation, is that right?

The Hon. DAMIEN TUDEHOPE: Yes.

Ms SOPHIE COTSIS: Yes, Mr Tudehope, I'm aware.

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The Hon. DAMIEN TUDEHOPE: You allocated, in respect of your electorate, a variety of grants pursuant to that scheme?

The Hon. BOB NANVA: Point of order: It just goes to the procedural fairness resolution and relevance. This hearing goes to the expenditure or the estimated expenditure of funds from the consolidated fund and related budget papers. I'm not sure that asking these questions goes to the portfolio responsibility of the Minister.

The CHAIR: At this stage I won't uphold the point of order, because I'm not sure either. We are only very early into the inquiry and the questioning. I'm very mindful of what the member has said. The inquiry has to be relevant to the expenditure and this portfolio area, but I will allow the questions to continue at the moment.

Ms SOPHIE COTSIS: Thank you for that, Mr Tudehope. I supported grants to a range of community and faith groups that are dedicated to providing important work in my community. I'm a very active local member and I have a very diverse multicultural community. And you know, Mr Tudehope, in my area—and there were some statistics that came out yesterday about some of the lower socioeconomic communities, and my community was affected during COVID—

The Hon. DAMIEN TUDEHOPE: Thank you, Minister. I'll just cut you short.

Ms SOPHIE COTSIS: That's okay. That's fine. I'm happy to—

The Hon. DAMIEN TUDEHOPE: I have limited time so I'll just move to my next question. Were you given any guidelines in relation to the grants or the projects you were able to choose?

Ms SOPHIE COTSIS: Mr Tudehope, I understand that the relevant Minister will be up tomorrow, and you can ask a whole range of questions.

The Hon. DAMIEN TUDEHOPE: But did you receive any guidelines?

Ms SOPHIE COTSIS: I'll have to take that—

The Hon. DAMIEN TUDEHOPE: Okay. That's fine.

Ms SOPHIE COTSIS: I'll have to take that but, just to point out, my understanding is that these were part of a whole-of-electorates process and there is a process that's being undertaken, and individual commitments are currently going through an independent probity process. I just wanted to let you know, and the Committee, that I have really important non-government organisations that do really important work—the PCYC, our local P&Cs, the local Bangladeshi and Nepalese—

The Hon. DAMIEN TUDEHOPE: Minister, I was asking you whether you had received guidelines. That's fine. Did you personally select the projects or was there someone who assisted you in relation to selecting those projects?

The Hon. STEPHEN LAWRENCE: Point of order: I am very mindful, Chair, of your earlier ruling on the Hon. Bob Nanva's point of order, and I would now suggest that it's become clear that Mr Tudehope has failed to make good the relevance of this line of questioning to the estimates for this portfolio. And I would suggest, if you're not satisfied of that, that Mr Tudehope could even be asked to really explain how this could possibly be relevant, because I would suggest that it's clear now that it's not relevant. It's just an inquiry into a political matter that is of a level of generality and doesn't relate to the estimates for this portfolio.

The CHAIR: Thank you, Mr Lawrence. Yes, I do—

The Hon. CHRIS RATH: To the point of order: I think previously I've mentioned this as well, that the *Legislative Council Practice: Second Edition* does say that wide latitude in questioning of Ministers and other witnesses is allowed during budget estimates. In particular, given this is related to the expenditure of public money that's being directed by the Minister, I think that it is relevant to the proceedings today.

The Hon. Dr SARAH KAINE: To the point of order—

The CHAIR: No, I'll rule on the point of order. I uphold the point of order because to this point the inquiry has been about expenditure outside of the Minister's role as the Minister for Industrial Relations and related to her grant funding as an MLA. I uphold the point of order. Mr Tudehope, could you ensure that your questions are relevant to the terms of reference, which is expenditure in the areas of industrial relations and workplace health and safety?

The Hon. DAMIEN TUDEHOPE: Thank you, Chair. Minister, did you attend any meetings with Minister Burke in relation to the recent industrial relations legislation that has been introduced into the Federal Parliament, which is the third tranche of amendments and is colloquially known as the loopholes legislation?

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Ms SOPHIE COTSIS: Are you asking me whether I attended an industrial relations Ministers meeting?

The Hon. DAMIEN TUDEHOPE: Correct.

Ms SOPHIE COTSIS: I did.

The Hon. DAMIEN TUDEHOPE: When was that?

Ms SOPHIE COTSIS: I'll have to get the date for you but it was a couple of months ago. This was all States and Territories. I'm sure that you attended when you were the employee relations Minister and I'm sure that you attended a number of meetings with Minister Burke.

The Hon. DAMIEN TUDEHOPE: Thank you, Minister. In respect of that meeting, were you provided draft of the proposed legislation?

Ms SOPHIE COTSIS: Mr Tudehope, I understand that the proceedings within those meetings—there is a communique that comes out after those meetings. In terms of the information I was provided, I'll get back to you on that. With respect to the loopholes bill, that's currently being assessed through the processes in the Federal Parliament. If I can help you—I'm not sure what you're seeking.

The Hon. DAMIEN TUDEHOPE: Would you agree with me, Minister, that one of the really important components of your Government's current agenda is housing supply?

Ms SOPHIE COTSIS: Absolutely. I mean, you left us with a big mess that we're trying to fix.

The Hon. CHRIS RATH: That's fine.

Ms SOPHIE COTSIS: Let me remind you, Mr Tudehope, that your Government—and if I can take you back to the former planning Minister, Mr Hazzard, who could not get his legislation through with respect to planning. And don't start me about planning and the lack of coordination by the former Government.

The Hon. CHRIS RATH: You blocked it in the upper House.

Ms SOPHIE COTSIS: But you were in government for 12 years and you had the opportunity to increase supply with coordination around infrastructure. I have seen in my own community the lack of infrastructure.

The Hon. DAMIEN TUDEHOPE: Thank you, Minister.

Ms SOPHIE COTSIS: It took Premier Minns and Minister Park to announce infrastructure in my community when it comes to rebuilding the Canterbury Hospital. It took us 12 years to get there. I'm very proud of our Government and what we are achieving, particularly when it comes to health in my community.

The Hon. DAMIEN TUDEHOPE: Thank you, Minister. If I can just ask you this—I have limited time and if you could just answer my questions that would be helpful.

Ms SOPHIE COTSIS: You asked me about housing supply. The planning Minister was here a few days ago.

The Hon. DAMIEN TUDEHOPE: No, I asked you to confirm that it was a priority of your Government and you answered that question that it is.

Ms SOPHIE COTSIS: It absolutely is a priority.

The Hon. DAMIEN TUDEHOPE: Would you agree with me that in relation to the industrial relations guidelines for building and construction procurement, you have put that on hold?

Ms SOPHIE COTSIS: With respect to?

The Hon. DAMIEN TUDEHOPE: Procurement policy in respect of the construction industry.

Ms SOPHIE COTSIS: I'm not sure what you are getting at. What do you mean?

The Hon. DAMIEN TUDEHOPE: Do you understand there are New South Wales industrial relations guidelines in respect of the building and construction procurement. Do you understand that? You don't?

Ms SOPHIE COTSIS: I do understand about procurement but I'm just trying to understand what you are getting to.

The Hon. DAMIEN TUDEHOPE: There are industrial relations guidelines in respect of the Government's procurement policy.

Ms SOPHIE COTSIS: Right, so how does this have anything to do with the loophole bill?

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The Hon. DAMIEN TUDEHOPE: Do you understand—just answer my questions.

Ms SOPHIE COTSIS: But I'm asking for clarification. What does this have to do with the loophole bill?

The Hon. DAMIEN TUDEHOPE: Do you understand there are construction guidelines in respect of procurement?

Ms SOPHIE COTSIS: Right.

The Hon. DAMIEN TUDEHOPE: Did you put those guidelines on hold?

Ms SOPHIE COTSIS: I'll have to get back to you on that. I'll take that on notice.

The Hon. DAMIEN TUDEHOPE: You don't know whether you made decision to put those guidelines on hold?

The Hon. STEPHEN LAWRENCE: Point of order: There's been a series of questions about some sort of instrument or policy. If Mr Tudehope is going to put those questions I would suggest that he should inform us all of what he's actually talking about. What's the name of it? Is he talking about a legislative instrument? Is he talking about an internal departmental policy? In fairness to the witness, and to the rest of us, he should be a bit more specific and clear about it and not just badger the witness.

The CHAIR: I do think it would assist the inquiry and the Minister in answering the question if a bit more context was given.

The Hon. DAMIEN TUDEHOPE: I have purported the entire context. I've asked her whether she's aware of the industrial relations guidelines in relation to procurement policy.

The CHAIR: I'm mindful of the resolution that we've got to treat our witnesses with courtesy at all times. The Minister is attempting to answer and so we should afford her the time to provide an answer.

Ms SOPHIE COTSIS: Mr Tudehope, yes, the New South Wales Industrial Relations Guidelines: Building and Construction Procurement have been in force since 1 July—since you were in government. The guidelines apply to building and construction companies that bid or tender for New South Wales Government infrastructure and are administered contractually by client agencies. The guidelines support outcomes associated with compliance with the law, productivity, safety and freedom of association. A tenderer must provide a Workplace Relations Management Plan where the government department or public sector body contribution to a project.

The Hon. DAMIEN TUDEHOPE: Minister, you have now had an opportunity of refreshing your memory in relation to those guidelines. Is it true that you, in fact, have put those guidelines on hold?

Ms SOPHIE COTSIS: I will get the exact information for you before the end of the hearing.

The Hon. DAMIEN TUDEHOPE: Thank you very much.

Ms SOPHIE COTSIS: Just so that we're all on the same page, okay?

The Hon. DAMIEN TUDEHOPE: I accept that. Do you have any concerns in relation to the impact of industrial relations guidelines on procurement policy in respect of the CFMEU's efforts to enforce a "no ticket, no start" approach to construction sites.

The Hon. Dr SARAH KAINE: Point of order: I think the Minister has already indicated that on the specifics of procurement construction policy, she will come back with relevant information for Mr Tudehope.

The CHAIR: I won't uphold the point of order. Mr Tudehope has introduced a different element to the line of questioning. I won't uphold the point of order at the moment.

Ms SOPHIE COTSIS: Sorry, can you ask me—

The Hon. DAMIEN TUDEHOPE: Do you have any concerns about the CFMEU's efforts to enforce a "no ticket, no start" approach on construction sites in New South Wales?

Ms SOPHIE COTSIS: I'm not aware—as the Minister for Industrial Relations, to the best of my knowledge, this matter has not been brought to my attention. I'm happy to take—

The Hon. DAMIEN TUDEHOPE: The Master Builders Association has not put that issue in front of you?

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Ms SOPHIE COTSIS: I've had—through my diaries as you can see, I'm sure—many meetings. I've had many meetings with industry, with families, with injured workers and with a whole range of people.

The Hon. DAMIEN TUDEHOPE: Did the Master Builders Association put that issue to you?

Ms SOPHIE COTSIS: They put to me a whole range of issues that I take into consideration.

The Hon. DAMIEN TUDEHOPE: Was that one of them?

The CHAIR: Order! Mr Tudehope, it doesn't facilitate a productive inquiry if you're interrupting the Minister in the course of her answers. I know that you've got short time, but please allow the Minister to provide a reasonable answer.

The Hon. DAMIEN TUDEHOPE: But that should not be unlimited, Chair.

The CHAIR: I understand that. It's not unlimited but the Minister's answer has been going for about 25 seconds. Minister, you have the call.

Ms SOPHIE COTSIS: Thank you, Chair. Mr Tudehope, I meet with many stakeholders from industry, from families—

The Hon. DAMIEN TUDEHOPE: Can I just redirect you, Minister? I asked you a specific question about the Master Builders Association.

Ms SOPHIE COTSIS: Mr Tudehope, there are many issues, as you know. You were a Minister seven months ago, and you know every single day a whole range of issues are brought to your attention. I will take what you're saying on board and I will come back to you, but a whole range of issues are brought to me as a Minister. I want to make sure that I provide the correct and considered advice.

The Hon. DAMIEN TUDEHOPE: So when you attended the industrial relations Ministers' briefing on the tranche of IR reforms known as the loopholes legislation did you make any representations of the concerns of stakeholders in New South Wales about that legislation?

Ms SOPHIE COTSIS: Mr Tudehope, are you asking me to divulge what I've said to the Federal Government with respect to that meeting? Is that what you're asking me?

The Hon. DAMIEN TUDEHOPE: I'm asking you whether you made any representations in respect of the industry stakeholders in New South Wales about concerns with that legislation.

Ms SOPHIE COTSIS: Mr Tudehope, I, along with all the Ministers from the States and Territories, attended this meeting with the Federal Minister with respect to this bill. We spoke about a whole range of issues and, as you know, a communiqué has come out about that. Many of the industry and stakeholders and unions have put forward their concerns and their issues to the Federal Government via their representations with respect to the issues that they have concerns about. My role, as you know—you held this role and you've been in those meetings, Mr Tudehope. I don't have to tell you; you've been around for a very long time.

The Hon. DAMIEN TUDEHOPE: That's the reason I'm asking the questions, Minister.

Ms SOPHIE COTSIS: But you know, Minister Tudehope. You've been in those meetings and you know, very much so, how the process works. You as a Minister, of course, will ask questions and will put forward the views of your State.

The Hon. DAMIEN TUDEHOPE: So do you agree with me there are 2.5 million small businesses in New South Wales?

Ms SOPHIE COTSIS: If that's the figure that you're putting to me—

The Hon. DAMIEN TUDEHOPE: Sorry, 2.5 million small businesses in Australia. I think it's 800,000 small businesses in New South Wales.

Ms SOPHIE COTSIS: Small businesses in New South Wales, I don't—

The Hon. DAMIEN TUDEHOPE: Are you concerned about the impact of that legislation on small business in New South Wales?

Ms SOPHIE COTSIS: I support small business, and what—

The Hon. DAMIEN TUDEHOPE: Are you concerned about the impact of that legislation?

The Hon. BOB NANVA: Point of order—

Ms SOPHIE COTSIS: What I did, Mr Tudehope—

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The CHAIR: A point of order from Mr Nanva.

The Hon. BOB NANVA: Perhaps the Minister could be given the latitude to answer the question, in accordance with the procedural fairness resolution.

The CHAIR: Yes, I uphold the point of order. It's important to allow the Minister to provide an answer with some context. If you could allow the Minister to answer, Mr Tudehope, that would be greatly appreciated by the Committee.

Ms SOPHIE COTSIS: Mr Tudehope, one of the first things that I did after I was sworn into this very important role was—because your Government left us with a big mess with respect to premiums, what I did was support small business by making sure that they didn't cop 22 per cent insurance premiums.

The Hon. DAMIEN TUDEHOPE: So did I, Minister.

Ms SOPHIE COTSIS: No, but what you did—I mean, you guys—anyway—

The Hon. DAMIEN TUDEHOPE: I'll come back to that issue.

Ms SOPHIE COTSIS: Sure. Good luck to you.

The Hon. ROBERT BORSAK: Welcome, Minister. Good to see you here.

Ms SOPHIE COTSIS: Good morning, Mr Borsak, and it's great to see you.

The Hon. ROBERT BORSAK: The heart of one of the key areas of your responsibility as a Minister is icare. I'm sure that we all care about icare, given that it's the workers compensation organisation, vehicle or structure—whatever you like—that supports not only small business but all business in New South Wales. What has been going on in icare, for example, in the area of return to work rates? I have been going through and looking at what has been going on since 2017, and a procession of workers has come through my office complaining about icare. What has your Government done to improve the return to work rates and the treatment of workers in that space?

Ms SOPHIE COTSIS: Mr Borsak, it's a very important question, and I know that yourself and Mr Banasiak and your party very much care about this issue. You have been advocating for a very long time—even when I served with you in the upper House. You're a very strong advocate for working people and for fairness, particularly those people who are injured at work. Mr Borsak, as you know, for years we watched the former Government. They trashed injured workers. They brought in the terrible workers compensation changes in 2012, and it devastated a lot of people. We saw what happened previously in terms of appointing unqualified people and dubious procurement practices. We've heard all of that, and my very good colleague the Treasurer ventilated those issues over a period of years. We saw that the McDougall review exposed a lot of these issues. What we committed to—and I know that since McDougall there's been a change of management and a change, and those recommendations are being implemented and worked through.

One of our key mandates was putting injured workers at the centre of care. Like yourself and like all of you, and the Opposition as well, all of us have spoken to injured workers and seen their heartache at going through a bureaucratic process. One thing that I can acknowledge is that having responsibility both for SafeWork and for icare means that we can bring the organisations together to work in a collaborative way so we get the preventative piece done really well and get out there and work with our industry stakeholders, our businesses and provide them support. When we get to the point where people are injured, we provide wraparound support—urgent support.

One of the things that we have done is ensure that the injured worker is at the centre of care. We're all very keen to ensure that injured workers don't go through the rigmarole of having to speak to different case managers and different claims agents. These are the stories that we've all heard, regardless of party. I get a lot of representations, and I'm sure former Government Ministers, as well, got the same inquiries about the process. One of our election commitments was reforming that process and making it better and simpler, and putting injured workers at the centre of care. One of those things is improving the standards around claims managers. I think that's really important when you get injured. We know the stats. Within the first four weeks, we need to make sure that we look after people so we get them the services they require. We've got that key person that's helping and that's supporting them. That process changes people's lives. It means that having that care will help support them going forward.

While I acknowledge there has been some improvement, of course we have much more to do. We were left with a lot of challenges, and we're working very closely, collaboratively and in a very positive way. I had a message from a family whose son died at work last year. The family are from the UK, and I received an email. I don't want to disclose the details of the family, but they were heartened with the process they went through under the former Government and the process with our Government. They were very pleased to hear—and

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I acknowledge that we have very good people in SafeWork NSW who are the family liaison people, who are supporting grieving families, which is really important, particularly where they've lost their family members, the breadwinner, or they've lost their sons or daughters in a workplace accident. The people are already grieving, and they're in a process of mourning and bereavement, and to have the sort of bureaucracy, "Go to this section" and "Go to that section"—I've had many conversations with our agencies about that. We've got to get that right, and we've got to have a coordinated approach.

The Hon. ROBERT BORSAK: Just in relation to that last point you make about individuals, your Government's been advocating for better stakeholder representation on icare board. Would you also support coalface union members actually being on the board, as opposed to just union executives?

Ms SOPHIE COTSIS: Mr Borsak, I acknowledge your question. As you know, a bill passed a few months ago, after a lot of advocacy from injured workers and industry, in fact, and small business industry stakeholders, where we will now have representatives of the unions and employers on the icare board.

The Hon. ROBERT BORSAK: But I'm specifically talking about individual members of unions, especially those that have been through the process.

Ms SOPHIE COTSIS: That's a very good question, and we are currently undertaking that work in establishing a consultative taskforce. That group made up of injured workers and their families will speak directly to our icare executives, and I just wanted to get to the point that I made earlier, that we have some very good people in SafeWork NSW, who are the family liaison, who keep families up to date—the families who've lost loved ones—but what was really heartening for me to hear was that, just last week—it might've been longer. Mr Harding will correct me. We had injured workers and families of the bereaved who spoke to icare executives. That's a really important dialogue.

The Hon. ROBERT BORSAK: Thank you, Minister. Mr Harding, maybe you can elucidate a little bit more in relation to how the board is going to be informed about the condition and treatment of injured workers, around what the Minister was talking about. How is it going to be better? How is the board going to be better informed?

RICHARD HARDING: Mr Borsak, just to be clear, your question is about how the board's informed in respect to return to work?

The Hon. ROBERT BORSAK: Yes. My last question to the Minister was whether she is looking at putting ordinary members of unions onto the board. She's talking in terms of committees, recommendations coming from the lived experience, I suppose, of various people who've been workers injured in the past and their families. How is that going to feed into the board so that the board can start making informed decisions?

RICHARD HARDING: Thank you for the question, Mr Borsak. Absolutely, we have regular reporting that goes to the board, in respect to a large array of different measures in respect to impacts on injured workers and the way that we deliver services to them. At a macro level, we do over 75,000 customer satisfaction surveys with injured workers throughout their claims process, and that is, if you like, the baseline and the underpinning base case for us understanding what that experience is and how we can improve it, and that gives us very good insights. We moved from an old model, when I arrived, which was an NPS model, which—if you know about NPS—is about advocacy rather than about satisfaction, which is about the key drivers of what actually improves outcomes. How did we communicate with people? Did we get things on time? Timeliness of change and so forth, as well as, then, actual outcomes. Satisfaction is a key measure.

We then have, as the Minister's pointed out, a number of other listening posts, if you like, where we're talking to injured workers of different types. The former head of the workers compensation scheme and I attended the Injured Workers Campaign Network about 12 months ago, and the new head of the workers compensation scheme and his team, as the Minister just mentioned, recently did some work with them, in construction with the fatalities group that the SafeWork team run. We are out there, listening. We get a lot of representation, obviously, as the Minister has said. All of that information does flow to the board to enable them to understand what we're doing. To perhaps direct the question back to your earlier question about return to work, we have a number of initiatives driving return to work. Again they come from a macro-level discussion around the change to the claims model that we've been making for the last two years, which is really about removing the dependence on a single provider and moving to multi-providers, creating a competitive environment where those claims agents are driven to actually deliver outcomes.

The Hon. ROBERT BORSAK: That's interesting. How many providers have you got now?

RICHARD HARDING: We now have six providers in total, covering across the scheme, and the dependence on the single provider that has been there prior to 2021 is now significantly reducing. A big part of

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that program, Mr Borsak, is also the point that the Minister made about professional standards for case managers. I think the Dore report that was part of the McDougall review or stimulated the McDougall review, if you like, which was undertaken by SIRA in 2020, highlighted the fundamental issue of the nature of capability of case managers. The individual who an injured worker is working with is so critical in their ability to return to work, and our professional standards are all about how we seek to drive a level of professionalism in that industry and move it away from being just something that people do.

In 2017—you mentioned the other era. That era, people were recruited out of retail into case management, which is a significantly different role. We're now talking about professionalising that so that there is a clear pathway for people to have a qualification process that they can work with, to where we're working with the Personal Injury Education Foundation to build that as a qualification and really driving our agents to invest in their people so that the interaction that injured workers have is much better. That's combined with funding to reduce caseloads so that those case managers are not being overworked but they actually have time to spend with injured workers, and one of the things that we're in conversation with is about how do we change their job. There's a lot of prescription and a lot of complexity from a legislative and regulatory framework in the way that the scheme works, and we need to free these frontline people up to be able to actually work with injured workers, rather than feel that their job is ticking a whole lot of compliance boxes. So there's a lot of activity. I could go on if you like, but there is a lot of activity.

Ms SOPHIE COTSIS: One of my favourite things—and I think everybody knows this. I love my mobile offices and my local engagement offices. It's one of the things I've been encouraging icare—to work with our local chamber of commerce and to get out there, on the ground, in the shopping centres, with our officials, talking to small businesses on the ground, in the shopping centres, and advising them about their issues around premiums, incentives and also making sure that we have our officials out there, on sites. It's really critical that we bring government to the people, and that is why we were elected.

The CHAIR: Thank you, Minister Cotsis and Mr Harding, for that comprehensive answer. Minister, in 2018 the New South Wales presumptive cancer legislation was passed, to provide eligible firefighters with access to workers compensation for 12 specified primary and work-related cancers. In 2022 the International Agency for Research on Cancer, IARC, published a report which classified firefighting as a cancer-causing profession and noted firefighting cancer exposure beyond the 12 specified primary cancers currently covered in New South Wales. In other States, they are expanding the numbers of cancers that are covered by the legislation. When will the Minns Government begin to provide New South Wales firefighters with the additional coverage that they're requesting, in line with moves in other States?

Ms SOPHIE COTSIS: Thank you, Chair. I know that you and all of us—again I think we're on a unity ticket here, and you're absolutely right that this has been out there since 2018. I have had representations with respect to presumptive cancers for firefighters. We want to make sure that we get this right, and our commitment at the last election was to examine improving benefits for our very hardworking firefighters. I know that all of us here acknowledge their hard work, particularly over the last few months. But in the coming months ahead, I know that all of us wish them well and courage, and we thank them for their work in saving people's lives and saving property. We will do everything that we can. We are examining improving those benefits for firefighters in relation to PTSD claims and examining impairment payments for firefighters. We are looking at those things. The work has begun, and we will be able to comment more fully in coming months.

The CHAIR: How are you looking at expanding those? Is there a formal process for that? Who has carriage of that?

Ms SOPHIE COTSIS: I've sought advice from icare. We've sought options. I'll be working together with my colleagues who have responsibility in this area as well—Minister Dib, Minister Chanthivong and the Treasurer—in a coordinated and collaborative approach to make sure that we get this right and, of course, speaking to the stakeholders. Once we have some of that formal information, I'm happy to come and brief all of you.

The CHAIR: Thank you, Minister. Will the Minns Government support a total ban on engineered stone?

Ms SOPHIE COTSIS: Thank you, Mr Buckingham, for that very important question. I know that you have been a very strong advocate for a very long time. As a former stonemason, you and your colleagues mean a lot to me and to our Government. Silicosis is a deadly disease; it's a horrible disease. Since 2017 we have seen one in four people in this industry die. It's a tragedy. What the Minns Government has said is that, after the Safe Work Australia report—I'm sure everybody has seen that report. One of the recommendations was a prohibition on engineered stone, and the Government has made it clear, and the Premier has made it clear, that we support that option from that report.

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I think it is a long time coming, but we need to make sure that we have a nationally consistent approach. I think that this stuff is just devastating, what it has done to people. I know that yourself and other colleagues on the Committee—I know Mr Rath, Ms Boyd, my Labor colleagues and Mr Tudehope as well—all of us have sat in the law and justice committee and have listened to evidence that has been brought forward by stonemasons and people who have worked in this industry. Working closely with SafeWork NSW as well, in taking action from that point, we want to see this happen. And I know—

The CHAIR: When you say "this", you mean a total ban?

Ms SOPHIE COTSIS: The New South Wales Government is committed with respect to that option. I know that there is going to be another meeting before the end of the year with respect to all the other States and Territories with the Federal Government. A number of States have put forward their views. We need to get this right. We have to get this right, and we have to do it ASAP. I'm urging that we have a meeting with the States and Territories as soon as possible. We're very strong advocates. It's devastating, what this has done to families and what it's doing. I have a number of people that work in this industry in my own electorate. Whether it's the installation places, many people who work in this industry are from a non-English-speaking background. We know that many of them are contracting this at a very high rate.

The CHAIR: Do you acknowledge, Minister, that some people may be—while I acknowledge that the work is being done, before a ban is in place, people are still being exposed in workplaces in this State and around the country.

Ms SOPHIE COTSIS: We need to do something ASAP. There is work that is happening, and I'm happy to refer to Mr Curtin about the work that we're doing in terms of SafeWork. I know that icare has also been doing some work in terms of screening as well. The Premier is committed to expanding screening. It's not just your ban; we've got a whole lot of issues here. We've got transition. We've got legacy issues here. We've got to look after the people now. I'm happy to refer to—

The CHAIR: I've got the afternoon.

Ms SOPHIE COTSIS: Certainly.

The CHAIR: Your response is a nice segue. I appreciate the answer, because I get my CT scan results back tomorrow, so I'll find out tomorrow if I've got silicosis. In terms of those legacy issues, how are we going to make sure that some of those people who aren't stonemasons—are working in labouring, construction or building in the coming decades—are not going to be exposed to these materials when they're removing them? Should we not move to a national register of where the products are and education and making sure that the removal of this material is properly licensed, as we do with—

Ms SOPHIE COTSIS: Asbestos.

The CHAIR: —asbestos?

Ms SOPHIE COTSIS: You make a very important point. This is why the next meeting with the Federal Minister, Mr Burke, and the other Ministers is going to be absolutely critical. I hope all of you, including the Opposition, crossbench and all—that we go as a united State. I'm hoping to find out what the Opposition's position is on this matter. I've had very good conversations with Mr James, the Opposition spokesperson. It'll be good to find out the position because we want to go to the next meeting as soon as possible, put our position formally, get a transition plan and get that plan going across the States. We need to have a nationally consistent approach so we don't have this stuff, like asbestos, going across the border and going around the backdoor. We don't want to have a lawyers' picnic like we saw with the late Bernie Banton, who was going up and down to the courts, being dragged through the courts—not only him but many people that died of mesothelioma. None of us want to see this.

We will work very hard and diligently. When you speak to our agency heads, they'll be able to provide you with the advice about what we're doing now in having a coordinated process. I absolutely agree with you that we have got a lot of people in our communities in south-west Sydney and Western Sydney that need to be screened. We need to screen them. We need to look after these people, because there are too many families—particularly the breadwinners. The families are losing these breadwinners. Families are losing, particularly, their fathers. We need to do something about this. You have my word, Mr Buckingham, and everyone on this Committee, that we are absolutely committed. I'd like to know the position of the Opposition as well. We go in there on a unity ticket. This should not be partisan. This is one New South Wales, and we go in strong.

The CHAIR: Thank you, Minister. My next question is to Mr Tudehope then.

The Hon. DAMIEN TUDEHOPE: You want to ask me a question?

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The CHAIR: I was going to.

The Hon. DAMIEN TUDEHOPE: You want the bipartisan position, do you?

The CHAIR: Yes, that's it, so, Mr Tudehope, you've got 20 minutes.

The Hon. DAMIEN TUDEHOPE: Just following up from the questions I was asking you previously, Minister, if it becomes more expensive to build, it's counterintuitive to be trying to increase housing supply if you're also increasing the cost. Do you agree with that?

Ms SOPHIE COTSIS: Mr Tudehope, I don't want—I want to be absolutely correct. You're asking me about the IR procurement guidelines. Is that what—

The Hon. DAMIEN TUDEHOPE: No, if you just focus on my question.

Ms SOPHIE COTSIS: Okay.

The Hon. DAMIEN TUDEHOPE: Do you agree with the premise that, if it is more expensive to build, it becomes counterproductive to a policy which says you want to increase housing supply?

Ms SOPHIE COTSIS: But can I take you back—

The Hon. DAMIEN TUDEHOPE: No, no.

Ms SOPHIE COTSIS: No, can I take you back when you were in government where you left—and, mind you, there's a couple of big buildings in my electorate that your Government oversaw where people are having to go to court and NCAT, and go back and forth, under your watch. So if you want to tell me about structural issues with respect to buildings, okay, after this meeting we can go down and I will show you the disaster in my electorate with respect to structures and buildings, and if you want to talk to me about—

The Hon. DAMIEN TUDEHOPE: Minister, I've just asked you a specific question about whether—

Ms SOPHIE COTSIS: No, but you're taking me down the merry-go-round so you can make some political point, and I'm saying to you if you want to talk about structural defects—

The Hon. DAMIEN TUDEHOPE: Minister, I'll redirect you to a new question.

Ms SOPHIE COTSIS: —I'll take you to structural defects.

The Hon. DAMIEN TUDEHOPE: Minister, just answer my questions. If, in fact, industrial relations reforms increase the cost of delivering housing supply, will you be making those representations to the Federal Government on behalf of the building industry in this State?

Ms SOPHIE COTSIS: Have you made those representations? What are you—

The Hon. DAMIEN TUDEHOPE: I'm asking you, Minister.

Ms SOPHIE COTSIS: No, but what's your point?

The Hon. DAMIEN TUDEHOPE: You attended on the industrial relations Ministers—

Ms SOPHIE COTSIS: A Ministers meeting, an industrial relations—

The Hon. DAMIEN TUDEHOPE: —in respect of industrial relations.

Ms SOPHIE COTSIS: An industrial relations meeting.

The Hon. DAMIEN TUDEHOPE: Do you accept that the impact of those industrial relations reforms may in fact increase the cost of delivering housing?

Ms SOPHIE COTSIS: May. May, in fact. Do you quantifiable analysis?

The Hon. DAMIEN TUDEHOPE: Have you made that representation?

Ms SOPHIE COTSIS: May, in fact.

The Hon. DAMIEN TUDEHOPE: Have you asked Treasury to do the modelling?

Ms SOPHIE COTSIS: I may go here, I may go there, I mean what's "may"?

The Hon. DAMIEN TUDEHOPE: I will ask Ms Campbell. Ms Campbell, has any modelling been done in relation to the industrial relations reforms, on the New South Wales economy?

SONYA CAMPBELL: I'm not in a position to answer that question, Mr Tudehope.

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The Hon. DAMIEN TUDEHOPE: But you were in budget estimates with the Treasurer. Do you recall me asking the same question of the Treasury officials: Has any modelling been done?

SONYA CAMPBELL: And I believe we took that question on notice, Mr Tudehope.

The Hon. DAMIEN TUDEHOPE: No, no.

SONYA CAMPBELL: So I would need to do the same.

The Hon. DAMIEN TUDEHOPE: In fact I think the answer was, to the best of the knowledge of the Treasury officials, no modelling had been done. Minister, do you accept that industrial relations reform may have in fact impacts on housing supply in New South Wales?

Ms SOPHIE COTSIS: The Federal Government was elected on an industrial relations mandate. They were elected on a mandate. Is that what you're—they were elected on an industrial relations platform, and they're currently—

The Hon. DAMIEN TUDEHOPE: Minister, you've agreed with me—

Ms SOPHIE COTSIS: I haven't agreed with—

The Hon. DAMIEN TUDEHOPE: —that housing supply is one of the big issues.

The CHAIR: Order!

Ms SOPHIE COTSIS: Housing supply—

The CHAIR: Mr Tudehope, please allow the Minister to answer in full. The Minister was providing a relevant answer to your relevant questions, so please allow her to answer before you interject. She was only a matter of seconds into her answer, so please afford the witness the courtesy that the resolution of the House demands.

The Hon. DAMIEN TUDEHOPE: Minister, I'll move on. When is the Industrial Relations Taskforce due to report?

Ms SOPHIE COTSIS: It's just so interesting that you care about this issue that you did nothing about for 12 years.

The Hon. DAMIEN TUDEHOPE: It's a simple question, Minister. When is the Industrial Relations Taskforce due to report?

Ms SOPHIE COTSIS: The taskforce was established a few months ago and, as you know, former president Roger Boland and Anna Booth were commissioned to provide a report to the Cabinet. They were commissioned to provide a report to the Cabinet, and they have, as I'm sure you have the media release and I'm sure that you have the scope and key considerations, and there were lengthy considerations because, after 12 years of your Government where all you did was suppress wages—and this is why—

The Hon. DAMIEN TUDEHOPE: Minister, these are questions about your Government.

Ms SOPHIE COTSIS: No, this is—

The Hon. DAMIEN TUDEHOPE: Your Government.

Ms SOPHIE COTSIS: No, we're fixing your mess. You left us with a very big mess and 12 years of wage suppression has meant—

The Hon. DAMIEN TUDEHOPE: You and I can disagree on that.

Ms SOPHIE COTSIS: —that we have a recruitment and retention crisis.

The Hon. DAMIEN TUDEHOPE: Minister, the terms of reference suggest that the new industrial relations framework should be considerate of State finances while supporting efficient and effective service delivery.

Ms SOPHIE COTSIS: That's correct.

The Hon. DAMIEN TUDEHOPE: Will an invitation to the Industrial Relations Commission to be considerate of State finances place any effective limit on public sector wages?

Ms SOPHIE COTSIS: All of those things will be considered. This is advice to the Cabinet and all of these things will be considered. We were elected on a mandate to remove the wages cap and to replace that with a new bargaining system.

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The Hon. DAMIEN TUDEHOPE: And I'll come to that.

Ms SOPHIE COTSIS: I'm sure you will come to that, but we committed to this because there was no bargaining that was happening under your watch. There was no bargaining—

The Hon. DAMIEN TUDEHOPE: Yes, there was.

Ms SOPHIE COTSIS: No, there wasn't.

The CHAIR: Order!

The Hon. DAMIEN TUDEHOPE: You're wrong.

Ms SOPHIE COTSIS: No, there wasn't.

The CHAIR: Order!

The Hon. DAMIEN TUDEHOPE: You are wrong, but anyway—

The CHAIR: Order! Mr Tudehope—

Ms SOPHIE COTSIS: At 146C, regulation-making power to suppress wages.

The Hon. DAMIEN TUDEHOPE: Opportunities for productivity enhancement.

Ms SOPHIE COTSIS: There was no—

The Hon. DAMIEN TUDEHOPE: I agree with that, Minister.

Ms SOPHIE COTSIS: Mr Tudehope, you tell me the productivity. You tell me the productivity.

The Hon. DAMIEN TUDEHOPE: I'll ask you about the productivity.

Ms SOPHIE COTSIS: I'll ask you about productivity, because you know something that is really—and I think that you'll agree because, as the former member for Epping, and I know that you were a good representative of Epping. Actually you should have stayed as the representative for Epping.

The Hon. DAMIEN TUDEHOPE: Yes, okay.

Ms SOPHIE COTSIS: Actually, maybe I've got a good idea: If the former Premier does depart, maybe you can go back and run for that seat.

The Hon. DAMIEN TUDEHOPE: Perhaps this is irrelevant, Chair.

Ms SOPHIE COTSIS: Sorry, I think the head office won't like me saying that.

The CHAIR: Order!

The Hon. DAMIEN TUDEHOPE: Minister, the budget papers already provide for employee costs as a share of total recurrent expenditure to rise from 41 per cent in 2023-24 to 46.3 per cent in 2026-27. Does this figure already reflect the Government's expectations for the impact of a new industrial relations system, or will we see that not reflected in the budget until next year?

Ms SOPHIE COTSIS: Mr Tudehope, the Treasurer took a lot of these questions and answered a lot of these questions with respect to these matters. I'm happy to let you know that the total employee-related expenses in the current financial year and in the final year of 2023-24 are costed at \$49.3 billion, inclusive of superannuation. That's in there.

The Hon. DAMIEN TUDEHOPE: I understand that.

Ms SOPHIE COTSIS: But also when you're talking about—

The Hon. DAMIEN TUDEHOPE: I'm just trying to understand what the parameters are here, Minister.

Ms SOPHIE COTSIS: What you're raising—and this was asked of me in question time by the Leader of the Opposition. You've got to remember that you didn't pay for the 1,100 nurses. You didn't pay for those, so we're having to pay for those. And let me tell you about vacancies. There are vacancies—

The Hon. DAMIEN TUDEHOPE: Minister, I'm just asking you to confine yourself for the moment to understanding where the budget is going in relation to employee wage rises. We've heard ad nauseam in relation to the failures of the previous Government and you have a narrative in relation to that. Just let us understand your understanding about what the impact of the Industrial Relations Taskforce will be. Has that been accounted for in the current budget figures, which estimate 4 per cent increases over the period of the forward estimates?

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Ms SOPHIE COTSIS: Mr Tudehope, you had Mr Mookhey here a week ago, and he's the Treasurer, and I'm working with him, like with all of my colleagues. We had to account for the nurses that you didn't pay for and we are accounting for those employee-related expenses, including the salaries, wages, superannuation expenses and employment on-costs, and those are in the budget.

The Hon. DAMIEN TUDEHOPE: Yes, I understand that.

Ms SOPHIE COTSIS: And we have accounted for that.

The Hon. DAMIEN TUDEHOPE: What are the threats to the budget, going forward, though? Is one of the threats to the budget—if you look at table B.6 on page B-5 of *Budget Paper No. 01*, it provides that a 1 per cent rise in employee expenses beyond the budgeted amount in each year would cut costs \$453 million in 2023-24 and \$495.5 million in 2026-27. If you have under-budgeted by 1 per cent for each of those four years, this would result in an accumulated additional cost of over \$4.5 billion. Given that this exceeds the total amount of \$3.6 billion in your Essential Services Fund, how will you cover those wage rises? Or is it covered in your bargaining parameters that they must limit themselves to the \$3.6 billion which you've set aside?

Ms SOPHIE COTSIS: Mr Tudehope, I refer you to the Treasurer's responses with respect to the budget. He is the Treasurer. My job is to set the framework and to ensure—I'll let you know that we were elected—

The Hon. DAMIEN TUDEHOPE: But the framework includes wage rises, Minister.

Ms SOPHIE COTSIS: We are working in a diligent, in a considered and in a prudent—and we have stated this, in the terms of reference, with respect to the accounting of the state of the finances. I understand what you are getting at here, but it is about ensuring that the agencies are bargaining with the unions—something that hasn't happened. I will let you know about productivity. Something that I am so proud of is—and I know that the teachers and support staff in your former electorate in Epping would be very happy about this—the policy of the Premier and the Deputy Premier about making 16,000 teachers and support staff permanent. That has changed their lives.

The Hon. DAMIEN TUDEHOPE: Minister, this is not responsive.

Ms SOPHIE COTSIS: That is real life. That is what's happening at kitchen tables today, where those people have permanent jobs. You know what you did? You created an insecure—

The Hon. DAMIEN TUDEHOPE: Minister, I've just got to bring you back to this. Do you understand that the big threat to the—

Ms SOPHIE COTSIS: No, I understand. You don't understand.

The CHAIR: Order!

Ms SOPHIE COTSIS: You were a threat to the public—

The CHAIR: Order!

Ms SOPHIE COTSIS: Sorry, Chair.

The CHAIR: Minister and Mr Tudehope, it is very difficult for me to keep up with the interjections and the back and forth, and it must be incredibly difficult for Hansard.

Ms SOPHIE COTSIS: I apologise to Hansard.

The CHAIR: If we could restrain ourselves to questions and answers and desist from interjecting, that would greatly help.

The Hon. DAMIEN TUDEHOPE: Minister, I just ask you to confine yourself to being responsive. I understand that you want to run a political narrative. That is fine, but, for the purposes of this hearing, do you understand that one of the threats to the budget is wage rises above that amount which you have set aside for the Essential Services Fund?

Ms SOPHIE COTSIS: That is what we've set aside. The Treasurer has said that.

The Hon. DAMIEN TUDEHOPE: So the threat to the budget is if the wage rises exceed that fund.

Ms SOPHIE COTSIS: There is no threat. There is a provision in the budget. The provision is there.

The Hon. DAMIEN TUDEHOPE: If it exceeds that fund?

Ms SOPHIE COTSIS: That is the provision.

The Hon. DAMIEN TUDEHOPE: So, in fact, that is the cap, is it? Is that the cap?

UNCORRECTED

Ms SOPHIE COTSIS: That is the provision that the agencies and the unions will sit and negotiate and bargain, which is unlike your Government. You imposed a cap, and you created a recruitment and retention crisis.

The Hon. DAMIEN TUDEHOPE: Will you agree with me that you have created a new cap, Minister?

Ms SOPHIE COTSIS: We have massive vacancies—

The Hon. DAMIEN TUDEHOPE: Minister? You have created a new cap.

The CHAIR: Order! Mr Tudehope, please, could you stop interjecting. The Minister is providing a relevant answer to your previous question, so please allow the Minister to answer without interruption. Thank you. The Minister is answering.

Ms SOPHIE COTSIS: Mr Tudehope, can I tell you, I was the shadow Minister back in 2011. When you went to the election, you didn't even tell the people of New South Wales that you were going to impose a wages cap, and you brought it in as soon as you got in. You didn't even measure the curtains.

The Hon. DAMIEN TUDEHOPE: Point of order: This is not responsive to my question.

Ms SOPHIE COTSIS: You got in here and you introduced this wages cap. I said, at the time—

The CHAIR: Order! Minister, a point of order has been taken.

The Hon. DAMIEN TUDEHOPE: This is not responsive to my question.

Ms SOPHIE COTSIS: I want to take you back to the history of this.

The CHAIR: Minister, I am hearing a point of order.

The Hon. DAMIEN TUDEHOPE: This is not responsive to the question that I was asking in relation to the threat to the budget being wage rises above \$3.6 billion.

The Hon. Dr SARAH KAINE: She's answered. You've asked it about 15 times.

The CHAIR: Mr Lawrence, were you going to make a contribution?

The Hon. STEPHEN LAWRENCE: To the point of order: I would suggest that it is responsive to the point of order, if that is, indeed, a point of order, but I would have thought the question is more whether it is relevant to the question. I would suggest it is relevant, and the Minister, of course, as we often hear from those opposite, is to be given wide latitude.

The CHAIR: I don't uphold the point of order. The Minister was being relevant to the question. Wide latitude is given and the Minister was providing some very interesting context to the situation.

Ms SOPHIE COTSIS: Mr Tudehope, I refer you to the Treasurer's response. You had him here last week. He said that he would come back to you specifically on the numbers in the coming year with increased public sector pay to 4.5 per cent, which is the highest wage rise that they have received in over 10 years.

The Hon. DAMIEN TUDEHOPE: Not when you compare to the CPI though, is it? The best wage rises were under our Government, were they not?

The CHAIR: Order!

Ms SOPHIE COTSIS: Mr Tudehope, you were in government for 12 years. You had your policy. We were elected on a mandate to remove the wages cap, to sit down, to negotiate and bargain, to be prudent, to be productive and efficient and to make sure that we provide those essential services to the people of New South Wales, because—

The Hon. DAMIEN TUDEHOPE: I will take you back.

Ms SOPHIE COTSIS: No, I will take you back, because, back then, in 2011, we made the statement—

The Hon. DAMIEN TUDEHOPE: Chair, if you are going allow the Minister to flirt and play this sort of game—

Ms SOPHIE COTSIS: What?

The CHAIR: Order!

Ms SOPHIE COTSIS: What is that? What a ridiculous thing to say.

The Hon. Dr SARAH KAINE: Surely, after this week, you didn't mean to say that.

UNCORRECTED

The Hon. DAMIEN TUDEHOPE: To flirt around the question in this manner—

Ms SOPHIE COTSIS: To what? That is a very interesting turn of phrase.

The CHAIR: Order! I don't know what flirting around the question means.

The Hon. Dr SARAH KAINÉ: Neither do I.

The Hon. DAMIEN TUDEHOPE: Well, it is an expression, I would have thought.

The Hon. ROBERT BORSAK: Caught dodging it.

The CHAIR: Order! The Minister was providing an answer. You may not like the answer. You are at liberty to continue to ask other questions—

The Hon. DAMIEN TUDEHOPE: Thank you. I will.

The CHAIR: —when the Minister has concluded, but interjecting during the answer and interjecting generally is disorderly and doesn't help the conduct of the inquiry. Minister, have you concluded your answer?

Ms SOPHIE COTSIS: I just wanted to provide Mr Tudehope with some facts, and those facts are, what the wage cap did to—

The Hon. DAMIEN TUDEHOPE: Point of order: This is not responsive to my question.

Ms SOPHIE COTSIS: But I referred you to the—

The CHAIR: A point of order has been taken. Mr Tudehope?

The Hon. DAMIEN TUDEHOPE: This is not responsive to my question. The question was in respect of increases above \$3.6 billion.

The CHAIR: That is not a point of order. Being responsive to the question is not a point of order.

The Hon. DAMIEN TUDEHOPE: The Minister should be responsive to the question.

The CHAIR: Being responsive to a question is a not a point of order.

The Hon. DAMIEN TUDEHOPE: She can answer it any way she likes?

The Hon. Dr SARAH KAINÉ: Yes.

The Hon. STEPHEN LAWRENCE: It's got to be relevant.

The CHAIR: Relevant is the term.

The Hon. DAMIEN TUDEHOPE: Well, it's not relevant to my question.

The CHAIR: I don't uphold the point of order. I do believe that it is being generally relevant to the question.

Ms SOPHIE COTSIS: I refer to the Treasurer's response, and I just wanted to say, Mr Tudehope, that we advised the Government at the time, back in 2011, that by imposing this wages cap you can't actually negotiate and that there would be labour shortages. And that is what's happened: We have a recruitment and retention crisis. So we have taken a policy to remove the wages cap and to bring forward a bargaining framework to ensure that we're investing in the labour shortages that are diminishing our capacity to provide the services that the people of New South Wales expect.

The Hon. DAMIEN TUDEHOPE: Thank you, Minister. I understand. You have made that point on a number of occasions. Can I put this to you, Minister? You have agreed with us today that your bargaining parameters, including staying within the \$3.6 billion Essential Services Fund—

Ms SOPHIE COTSIS: It is a provision in the budget.

The Hon. Dr SARAH KAINÉ: She didn't say that.

The Hon. DAMIEN TUDEHOPE: That is what you have told us today.

The Hon. Dr SARAH KAINÉ: No, she didn't.

Ms SOPHIE COTSIS: It is a provision.

The Hon. DAMIEN TUDEHOPE: So, if, in fact, there are wage increases—

The Hon. Dr SARAH KAINÉ: She didn't say that at all.

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Ms SOPHIE COTSIS: I didn't say that.

The CHAIR: Order!

The Hon. DAMIEN TUDEHOPE: With respect, she did.

The Hon. Dr SARAH KAINE: With respect, she didn't.

The CHAIR: Order!

Ms SOPHIE COTSIS: I didn't say that. I said that we're bargaining—

The CHAIR: Dr Kaine, please.

The Hon. Dr SARAH KAINE: Apologies, Chair.

The Hon. DAMIEN TUDEHOPE: Would you agree with me that it becomes a threat to the budget in circumstances where the bargaining parameters would include increases above that amount which has been provided for in the Essential Services Fund?

Ms SOPHIE COTSIS: Firstly, I don't agree with the premise of your question.

The Hon. DAMIEN TUDEHOPE: It's a threat to the budget, identified in the budget papers.

Ms SOPHIE COTSIS: Secondly, you've had the Treasurer here, and the Treasurer's done a brilliant job. The economics team have done a great job going through and providing an excellent budget and we will all work within our means.

The CHAIR: Thank you, Minister. Mr Borsak?

The Hon. ROBERT BORSAK: Thank you, Mr Buckingham. Minister, I will just take you back and I have got a bit of a fixation with icare, I must say, because it is such an important part of supporting business, whether it's small business or all businesses in New South Wales. I know—again, based on representations I've had in my office over a dozen years at least—from various people complaining about the delays in their treatment programs, the implementation of those programs. I also know by my reading that there is a program of improvement going on at icare, but can you elucidate a little bit how that is actually happening? Are we getting a better result statistically in terms of the treatment rates of injured workers?

Ms SOPHIE COTSIS: I agree with the premise and we have to continue to do better. We were elected on a mandate to improve icare, particularly with respect to the issues that you've raised about the treatment of injured workers, the response to injured workers and return to work, which is absolutely critical. This is one of the issues that we've been raising with icare. As Mr Harding mentioned to you, one of the things that they're doing is ensuring that they have the specialised claims managers, early intervention and working with SafeWork professional standards framework. That's really critical and that work is currently happening. You're absolutely right and this is one thing that means a lot to me: the way that injured workers are treated by any bureaucratic agency. They have to be treated with respect. They have to be provided with information that they need and not be put through the mill.

I've made my expectation very clear: that we need to make sure that we get that right; that we're treating people as soon as that phone call comes through, as soon as that engagement is made; that we are responsive and we speak nicely, and we're kind and compassionate and professional. I know that through this program, improving the professional standards reform, I think that there has been some incremental change and I have heard from injured workers who have said to me that there has been improvement. Of course, we have a long way to go but we are on that path of improvement. That is absolutely critical, and this is one thing that we've got to get right as well. As soon as somebody's injured, let's get straight in there and let's get them treated.

Let's get them the help that they need. Let's get them the support that they need because, as we all know, once people get past that four weeks and they start languishing, their mental health is affected, their family's affected, money's not coming in, they have to wait and these are the things that are absolutely critical. I think if we can get that piece right—and this is the work that we're doing and we're working very closely with icare on this—

The Hon. ROBERT BORSAK: Minister, Mr Harding talked earlier about having now six service providers.

Ms SOPHIE COTSIS: Yes.

The Hon. ROBERT BORSAK: How does that improve the scope of treatment?

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Ms SOPHIE COTSIS: I'm not going to comment on whether that's better. Having a number of claims agents is probably the better way to go, but having that support to injured workers is very important. I know that Mr Harding and Mr Farquharson as well, when speaking to the agents, have made it very clear that that is our number one priority, which is looking after injured workers and making sure that their needs are at the centre of care. We took this to the election. We ran on this mandate about putting injured workers at the centre of care.

Speaking to injured workers who are on workers compensation for a very long time, the reality is—we all know this—they don't want to be on workers compensation for a long time. Talking to me, they want to feel purposeful. They want to be useful to society. They want to contribute back. I've heard many stories—like you—about some claims agents and the processes and the secondary injuries that people have had because of them not getting the treatment on time and the disputes between the treating doctors. We have to get this set. We've got to do better and we've got to get this right. I'm happy to refer to Mr Harding to provide further details.

The Hon. ROBERT BORSAK: Mr Harding, maybe you could tell us, drill down, about how many people do you actually have under management at the moment?

Ms SOPHIE COTSIS: Yes. We'll get you the stats.

RICHARD HARDING: In total across the Nominal Insurer, or—

The Hon. ROBERT BORSAK: Yes.

RICHARD HARDING: The total number of injured workers in the scheme—bear with me, Mr Borsak—is 62,350 in the Nominal Insurer.

The Hon. ROBERT BORSAK: Okay, 62,300.

RICHARD HARDING: But maybe perhaps to just enhance the Minister's response a bit, we are very focused on improving the approach to care for injured workers. The issue of delays—you asked the question about how does the claims model support that. In the past, claims service providers were neither measured nor incentivised in respect to what we call key quality measures in respect to the services being provided. The timeliness of the care, that support, is now a new measure that they're measured on and incentivised on. Obviously, the scheme itself from a legislative perspective requires a treatment to qualify through the reasonably necessary characteristics that are provided in the legislation. That's a process that a case manager needs to be able to define if a particular treatment is reasonably necessary.

In other schemes there is a basis of reasonable and necessary and there's quite a lot of legal precedent that flows around reasonable and necessary, but reasonably necessary is a little bit different. It goes back to the conversation about professional standards and uplift in the capability of case managers. I won't repeat that for the benefit of time. We have instituted a medical support panel, which is a panel of doctors that case managers can refer to and ask questions of in terms of understanding whether treatment is suitable or not. I can give you responses. CSP time frames for decisions—and I've only got the recent time frame, Mr Borsak, from January of this year—but the time frame for decision is around about 4.7 days from a decision point of view and, in referrals, about 2,800 referrals have gone to that medical support panel this year since 1 January. The recommendations for that figure have a turnaround time of 2.8 days. We are conscious of the impacts of delays on injured workers, but there is an element here which is the underlying legislative framework that says we have to be comfortable that the treatments are reasonably necessary. That's something to work on, I'm sure.

The Hon. ROBERT BORSAK: Obviously, you've got an issue of managing risk.

RICHARD HARDING: Absolutely. The Minister's mentioned that we're very consciously trying to bring injured workers into the centre of the care process, and that is something that we are doing not just through these professional standards but also through the way we work with CSPs. We've rolled out a program called Fair Decision-making, which is about exactly what the Minister's just talked about: How do we bring the injured worker into the centre of that decision-making process. I suppose the challenge we've got, as you can see with the number of claims that are there and the complexity of the system that exists today from a legislative and regulatory framework point of view, that change, by its nature, will take time. We're changing people and behaviours and we're changing practices that have existed for a long time. We are trying to make progress. We are trying to improve outcomes and get people well faster. That's our whole goal.

Ms ABIGAIL BOYD: Good morning, Minister, and to all of you. I want to come back to the issue of silicosis. I understand that at a press conference on 26 October, the day before the joint meeting of work health and safety Ministers in Canberra, the Premier was quoted as saying that New South Wales would be prepared to go it alone with a ban if the national meeting on that Friday was unable to reach consensus on a national ban. You also made comments around that time that New South Wales would go it alone if we couldn't get that agreement

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at that meeting. Why is it that we are now still waiting for some national agreement before we move ahead with a ban in New South Wales?

Ms SOPHIE COTSIS: To your question, Ms Boyd—and I know that you've been, you are, a very strong advocate in this area and I acknowledge that. And also, both the Treasurer and, of course, Senator Shoebridge in their capacity on the Law and Justice Committee, and yourself, have been very strong advocates for a very long time, so I acknowledge the work. But also, with respect to the statement that was made by the Premier and myself, that's right. However, we need to get this right; we've got to get this right at a national level. As I said earlier, we don't want to see this drag out like what happened with asbestos, where you have James Hardie in the twenty-first century doing what they did 10, 15 years ago. I am urging all the other States—and I know that there are States, through the media, who have also put forward their position—that we do need to have a nationally consistent approach. We need to work through Safe Work Australia. Of course, as the largest State, we have our responsibility to our people.

Ms ABIGAIL BOYD: But what happened on the 27th then, at that meeting? Were there other States and Territories saying that they didn't support a complete ban?

Ms SOPHIE COTSIS: Ms Boyd, I can't disclose the deliberations in that meeting. There was a communique that came out and the decision was made to release that report to the public, and there were a number of items that we also talked about with respect to industrial manslaughter and also the family advocacy of jurisdictions.

Ms ABIGAIL BOYD: Sure.

Ms SOPHIE COTSIS: So we talked about a number of issues. This was, of course, critical. This was critical—

Ms ABIGAIL BOYD: Was it proposed for a ban, at that meeting?

Ms SOPHIE COTSIS: The recommendation was to release the report. That was the basis of that meeting.

Ms ABIGAIL BOYD: Why did they sit on it for two months? Why wasn't it released in August?

Ms SOPHIE COTSIS: I'm not here to blame this State or that State, but it's been ventilated in the media. The report was provided to all the State and Territory Ministers and, of course, we wanted it to be released. There was a hold-out State. I guess that's the process of the Feds, where they respect the States' views. I understand that. I think that we need to get this right—and other States. We want to get this right and so we need to make sure that when we go to the next meeting that, yes, we will be putting forward a position and also—without, again, divulging the deliberations within the meeting—of course, we need a transition plan and, of course—

Ms ABIGAIL BOYD: Okay. Can we just come back, sorry, because I don't have much time. With respect, when we look at the Safe Work Australia report, it is damning.

Ms SOPHIE COTSIS: It is.

Ms ABIGAIL BOYD: And it is unequivocal in its recommendation that we ban.

Ms SOPHIE COTSIS: Yes.

Ms ABIGAIL BOYD: So why was it not possible at that meeting to agree, in principle, a national ban with details to be worked out later?

Ms SOPHIE COTSIS: Ms Boyd, I think that—again, I can only speak for New South Wales—through that work, health and safety Ministers' process, as a New South Wales representative, without divulging the deliberations, we are a very strong State with respect to our views.

Ms ABIGAIL BOYD: We are a strong State and we're an independent State that is able to go it alone, should we wish. We are choosing to wait for a national ban.

Ms SOPHIE COTSIS: No. Look—

Ms ABIGAIL BOYD: Do you think that is appropriate?

Ms SOPHIE COTSIS: People are dying.

Ms ABIGAIL BOYD: Exactly.

Ms SOPHIE COTSIS: I know this. I know this. People are dying and I know this—

Ms ABIGAIL BOYD: Every day that we delay, more people will die.

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Ms SOPHIE COTSIS: Yes, I agree, and this has been—

Ms ABIGAIL BOYD: Why can't we ban in New South Wales today?

Ms SOPHIE COTSIS: It is important that we get it right at a national level. We can't have a situation—

Ms ABIGAIL BOYD: We can get it right at a national level later. We can ban it in New South Wales and protect New South Wales workers in the next sitting of Parliament. You have the numbers in Parliament to do that, Minister.

Ms SOPHIE COTSIS: Yes, but we are very—we've put forward our position. That report, absolutely, is damning and it's compelling and there is no toxicological report or evidence or scientific evidence to say any percentage is good. Engineered stone is bad. It's terrible. We've known this and—

Ms ABIGAIL BOYD: And we've known this in New South Wales for years.

Ms SOPHIE COTSIS: And we've had report after report and nothing was done in New South Wales. We are taking—

Ms ABIGAIL BOYD: I know, but now we have a Labor Government.

Ms SOPHIE COTSIS: We are taking action, and we led the way—and the Premier has led the way. Our Premier has led the way—

Ms ABIGAIL BOYD: Why won't you ban the use of engineered stone in New South Wales in the November sitting?

Ms SOPHIE COTSIS: Because, Ms Boyd, I'm urging the Federal Government—this is a Federal approach. We have to take a Federal and a nationally consistent approach and—

Ms ABIGAIL BOYD: You can do both, though. You can have a ban and you can also be working towards a national approach.

Ms SOPHIE COTSIS: But you've got to go through—at the moment, what we've done is we've established a silica register. We've got an increase in compliance measures—

Ms ABIGAIL BOYD: I'm aware of that, but that's not a ban.

Ms SOPHIE COTSIS: I'm telling you what we're doing. We're increasing and expanding the screening processes—

Ms ABIGAIL BOYD: The Safe Work Australia report says, very clearly, that no amount of safety checks or compliance improvements or anything is going to make a difference. What we need is an urgent and immediate ban to stop people dying today.

Ms SOPHIE COTSIS: I hear what you're saying.

Ms ABIGAIL BOYD: If we ban it today and even a small amount of the product goes across borders, we're still stopping this product exposing hundreds and hundreds of workers in New South Wales to this deadly disease. You have that power to do that this year. You have the numbers in Parliament. Why won't you ban it this year?

Ms SOPHIE COTSIS: Ms Boyd, I hear what you're saying, but we need to have a nationally consistent approach. We are working—

Ms ABIGAIL BOYD: They're not inconsistent. You can have a ban in New South Wales and set the standard and also have a national approach.

Ms SOPHIE COTSIS: I hear what you're saying. We need to have a consistent approach with the other States—

Ms ABIGAIL BOYD: The risk of us not acting is higher than the unintended consequences that might flow through going before a national approach.

Ms SOPHIE COTSIS: Look, I've seen the devastation of what asbestos has done, where workers working in dust-filled factories, particularly all the new migrants—and a couple of my uncles—died from those diseases because of a whole lot of things that they weren't provided. I understand this. I get it. I understand this. But we have to do it through a nationally consistent approach, and I am urging the Federal Government to have—

Ms ABIGAIL BOYD: Why, though? On the 26th we were happy to go it alone. On the 27th—

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Ms SOPHIE COTSIS: If the States didn't come on board—we are meeting again, very soon, with the States. We are meeting again with the States.

Ms ABIGAIL BOYD: How long will you give them?

Ms SOPHIE COTSIS: I have urged the Federal Government and there is—and, again, I don't want to put the blame on any particular State or what have you. I think we have a very collegiate approach with all the States and Territories. I think we're all on one page. I'm not speaking out of school, but we will have a meeting very soon to make a decision—well, we're putting forward our position. And, as we've said, if the other States don't come on—and I can certainly advise that there is a very strong mood for change. We need to have a nationally consistent—

Ms ABIGAIL BOYD: Just in the interests of time, have you met with Caesarstone or their lobbyist in the last three months?

Ms SOPHIE COTSIS: Can I get back to you? I'll take that on notice, but my understanding is that my office, not myself, but let me get back to you on that. I'll get back to you on that before we finish.

The CHAIR: Can I just ask, Minister, before we conclude, will the New South Wales Government consider a ban on engineered stone if there's not a nationally agreed consensus after the next meeting?

Ms SOPHIE COTSIS: Yes.

The CHAIR: Great, thank you. In the absence of Government questions, that concludes our questions for this morning's session.

(Short adjournment)

The CHAIR: Welcome back, everyone. We will recommence with 20 minutes of questions from the Opposition.

The Hon. DAMIEN TUDEHOPE: Minister, were you involved in any of the negotiations relating to pay rises negotiated with the Teachers Federation?

Ms SOPHIE COTSIS: Mr Tudehope, thank you for that question. All my disclosures are in the public domain. I'm sure that the education Minister—the Deputy Premier—has answered all those questions. I did attend a number of—I think it was two meetings.

The Hon. DAMIEN TUDEHOPE: So the answer is yes, you attended two of the meetings?

Ms SOPHIE COTSIS: Yes.

The Hon. DAMIEN TUDEHOPE: The first range of offers included a wage rise of 10 per cent for the first year and then 2.5 per cent in every subsequent year. Are you aware of that offer having been made on behalf of the Government?

Ms SOPHIE COTSIS: Mr Tudehope, with all due respect, the announcements regarding the teachers have been made. The Deputy Premier has answered all those questions. It's the first time in a long time that teachers will have this very important pay rise but also—

The Hon. DAMIEN TUDEHOPE: Minister, I've got limited time. I asked you a specific question. Were you aware of that offer?

Ms SOPHIE COTSIS: Mr Tudehope, my assistance with this—you know this, you've been in this role. You've been in this role and you—

The Hon. DAMIEN TUDEHOPE: I do know this.

Ms SOPHIE COTSIS: As the former employee relations Minister, you know that—

The Hon. DAMIEN TUDEHOPE: I am inviting you to be responsive to the question. Were you involved in those negotiations?

Ms SOPHIE COTSIS: I attended, as you know from my diaries, two meetings. There are now thousands of teachers who have been provided with a pay rise. And negotiations have—

The Hon. DAMIEN TUDEHOPE: There was a subsequent offer in respect to teachers where the wage rise, in fact, was 10 per cent with no subsequent years of increases of 2.5 per cent. Were you aware that that was the final deal that was reached with the teachers?

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Ms SOPHIE COTSIS: Mr Tudehope, my support and assistance—as yours, with the work that you undertook and in the work that you did as employee relations Minister—sorry, let me go back. As you know, the portfolio Ministers—their agencies, in fact—have responsibility in terms of the negotiations. What we have is a new classification structure which will see teachers jump from being among the worst paid to among the best paid in the country and will restore competitiveness—

The Hon. DAMIEN TUDEHOPE: Minister, I have limited time.

Ms SOPHIE COTSIS: I understand but—

The Hon. DAMIEN TUDEHOPE: There was a position that was first negotiated and Mr Gavrielatos, you may recall, rejected that offer. Then there was a subsequent offer, and you would be aware that that did not include any 2.5 per cent for the forward years, did it? Yes or no?

Ms SOPHIE COTSIS: There's ongoing discussions with the education department and Teachers Federation and I refer you—

The Hon. DAMIEN TUDEHOPE: But there would have been bargaining parameters, would there not? Were there bargaining parameters in relation to those negotiations?

Ms SOPHIE COTSIS: I refer you to the education Minister's responses with respect to their negotiations. There are currently negotiations that are at hand. It's very important that there is that process. I refer you to the education Minister's response.

The Hon. DAMIEN TUDEHOPE: But you're the Minister for Industrial Relations and you're responsible for setting the bargaining parameters, are you not?

Ms SOPHIE COTSIS: As you know, my responsibility is to set the framework with respect to modernising the industrial relations system and having a new bargaining system.

The Hon. DAMIEN TUDEHOPE: So not to set bargaining parameters?

Ms SOPHIE COTSIS: Mr Tudehope, I refer you to the education Minister's response.

The Hon. DAMIEN TUDEHOPE: So you don't know. Minister, the Paramedics and Control Centre Officers (State) Award 2022 expired on 30 June 2023. When do you expect that award to be updated?

Ms SOPHIE COTSIS: Mr Tudehope, as you know, the Minister for Health was asked a number of these questions at his estimates. I understand that a lot of work has been undertaken between Health and the HSU.

The Hon. DAMIEN TUDEHOPE: So you don't have a time frame at the moment. Is that what you're telling me?

Ms SOPHIE COTSIS: I refer you to the Minister for Health.

The Hon. DAMIEN TUDEHOPE: That's fine. Do you expect the offers that are being made to the paramedics to be above 4.5 per cent?

Ms SOPHIE COTSIS: Mr Tudehope, I refer you to—

The Hon. BOB NANVA: Point of order: This is budget estimates for Industrial Relations, not Health, Education, Transport or whatever other areas of portfolio responsibility Mr Tudehope might want to inquire into. I think the Minister has adequately answered the question without being badgered.

The Hon. CHRIS RATH: To the point of order: She is the Minister for Industrial Relations, and Industrial Relations is whole of government regarding the countless staff that the State Government employs. I think it's highly relevant to talk about public sector wages across departments to the Minister for Industrial Relations.

The CHAIR: I won't uphold the point of order. It is a new question, and it is relevant to the administration of the Minister's responsibilities.

Ms SOPHIE COTSIS: We all have a lot of respect for the paramedics. They're dedicated, hardworking and critical. They provide essential services and they're working very hard. Mr Tudehope and Mr Rath, you know that there is continuing work with the HSU—

The Hon. DAMIEN TUDEHOPE: Do you expect the offer that will be made to the paramedics to be above 4.5 per cent?

Ms SOPHIE COTSIS: Mr Tudehope, there are currently negotiations that are at hand with the relevant agency and the HSU. The Minister for Health has answered those questions. You know this as well—that—

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The Hon. DAMIEN TUDEHOPE: Minister, I'll move on to my next question. How many times have you been to the Industrial Relations Commission in respect of applications the Government is making in relation to paramedics?

Ms SOPHIE COTSIS: As in me, individually?

The Hon. DAMIEN TUDEHOPE: The Government. If you don't know, I can take it up with the—

Ms SOPHIE COTSIS: No, I can refer that to Ms Dobbins.

The Hon. DAMIEN TUDEHOPE: I'll take it up with Mr Heuston this afternoon.

The Hon. BOB NANVA: Point of order: It is entirely in order for a Minister to seek that an officer elucidate on an answer or provide an answer to a particular question.

The CHAIR: Yes, I uphold the point of order. The question has been asked and the Minister can refer it to one of the other witnesses for an answer.

The Hon. DAMIEN TUDEHOPE: I don't require you to answer the question, Minister. I'll move on to my next question. Have you played any role in relation to being advised about applications by the Government to the Industrial Relations Commission?

Ms SOPHIE COTSIS: With respect to disputes?

The Hon. DAMIEN TUDEHOPE: Yes. Have you reviewed, for example, the application?

Ms SOPHIE COTSIS: I'm advised through our weekly meetings with respect to matters.

The Hon. DAMIEN TUDEHOPE: You don't review the applications that are being made?

Ms SOPHIE COTSIS: Review the applications from the Government?

The Hon. DAMIEN TUDEHOPE: Yes.

Ms SOPHIE COTSIS: In what respect, though?

The Hon. DAMIEN TUDEHOPE: Are you briefed on the application that has been made? Do you approve it? Is that everything that you receive?

Ms SOPHIE COTSIS: At our meetings I'm advised what's on foot and what the matters are, and matters are raised with me on a daily basis with respect to ongoing matters or ongoing disputes. I'm happy to refer further information to Ms Dobbins.

The Hon. DAMIEN TUDEHOPE: Recent changes to the Crown Employees (Fire and Rescue NSW Firefighting Staff Death and Disability) Award have replaced health checks by a qualified independent occupational physician with health checks by a medical practitioner chosen by the firefighter. Did you have any involvement in that change?

Ms SOPHIE COTSIS: With respect to the firefighters?

The Hon. DAMIEN TUDEHOPE: Yes.

Ms SOPHIE COTSIS: I understand that our agency, as you know, has been providing advice and assistance, and I'm happy to take that on notice.

The Hon. DAMIEN TUDEHOPE: Thank you. If such a change was made, would you have any concern about occupational health risks not being identified in a timely manner to prevent occupational accidents?

Ms SOPHIE COTSIS: With respect to occupational hazards—is that what you're alluding to?

The Hon. DAMIEN TUDEHOPE: Yes.

Ms SOPHIE COTSIS: What's the nub of the question? What are you concerned about?

The Hon. DAMIEN TUDEHOPE: You don't—

Ms SOPHIE COTSIS: No, I am aware, but what are you concerned about? The award has been made.

The Hon. DAMIEN TUDEHOPE: We've moved from a specialist occupational health and safety check by a qualified occupational physician to a GP chosen by the worker involved. You're not concerned by that move?

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Ms SOPHIE COTSIS: But if there are issues, my understanding is that the employee's GP will make a referral to a specialist. Can I take you back? This award expired under your watch, and what did you do? Nothing. So we're cleaning up—

The Hon. DAMIEN TUDEHOPE: I'm asking what you're doing, Minister.

Ms SOPHIE COTSIS: No, but I'm taking you back to the history, and that's the history.

The Hon. DAMIEN TUDEHOPE: No, the history is irrelevant to my question.

Ms SOPHIE COTSIS: No, it's not, because—

The Hon. DAMIEN TUDEHOPE: In relation to the Waterfall disaster inquiry, those checks were introduced with a 36-month trial of the new health checks for firefighters. Will it take a tragic accident and an inquiry for you to revert to safer procedures where you actually require train drivers and Fire and Rescue firefighters and staff to be screened by qualified independent occupational physicians?

Ms SOPHIE COTSIS: Mr Tudehope, this matter was addressed by Minister Dib at his hearing, and I refer you to his response.

The Hon. DAMIEN TUDEHOPE: I want your response, Minister.

Ms SOPHIE COTSIS: I'm referring you to his—

The Hon. DAMIEN TUDEHOPE: You're responsible for that award.

Ms SOPHIE COTSIS: I'm referring you—

The Hon. Dr SARAH KAINE: Point of order: The Minister has answered the question and has referred Mr Tudehope to Minister Dib's response, so I think that's handled.

The CHAIR: I don't uphold the point of order. The member has asked another question and moved on from that.

The Hon. DAMIEN TUDEHOPE: So you've got nothing further to add about what your response is to that award?

Ms SOPHIE COTSIS: Minister Dib answered that specific question.

The Hon. DAMIEN TUDEHOPE: You have responsibility for the award, Minister.

Ms SOPHIE COTSIS: Minister Dib answered that question, so I refer you and I take you to his statement.

The Hon. DAMIEN TUDEHOPE: Minister, a recent *A Current Affair* program identified a worker who was interviewed about her experience with icare. Are you aware of that story?

Ms SOPHIE COTSIS: Yes, I am.

The Hon. DAMIEN TUDEHOPE: I think you made a statement in relation to the story, did you not?

Ms SOPHIE COTSIS: I did, Mr Tudehope.

The Hon. DAMIEN TUDEHOPE: When did your office first become aware of the complaint by the lady identified in that program?

Ms SOPHIE COTSIS: If I can take you back, that was a very distressing situation for Ms Tran.

The Hon. DAMIEN TUDEHOPE: Correct.

Ms SOPHIE COTSIS: I'm very sympathetic, and these are the things that we don't want to continue happening, absolutely not. I know that we're on the same page here about this. My recollection was that our office received representations from Mr Coure, and I responded to Mr Coure. I can get you the date of that. I don't want to give you the wrong month. But I am very aware of the correspondence that was made on behalf of Ms Tran by Mr Coure. I responded, and Ms Tran—if I can paraphrase the response that I provided to Mr Coure was the advice from icare—that Ms Tran would be provided with provisional liability. I know that there's further advice that's been provided to Ms Tran about that.

The Hon. DAMIEN TUDEHOPE: Minister, in your statement you said this: "After I received correspondence about this case, I immediately made inquiries." Is that correct?

Ms SOPHIE COTSIS: When we received correspondence?

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The Hon. DAMIEN TUDEHOPE: Yes.

Ms SOPHIE COTSIS: Correspondence.

The Hon. DAMIEN TUDEHOPE: You immediately made inquiries.

Ms SOPHIE COTSIS: When we received the correspondence.

The Hon. DAMIEN TUDEHOPE: What's "immediately" mean in your mind, Minister?

Ms SOPHIE COTSIS: When we receive correspondence—

The Hon. DAMIEN TUDEHOPE: Is two months immediately?

Ms SOPHIE COTSIS: —we tend to it—

The Hon. DAMIEN TUDEHOPE: Is two months immediately?

The Hon. STEPHEN LAWRENCE: Point of order: The Minister was asked, "What is 'immediately' in your mind?" She'd uttered, as I recall it, two words before she was twice interrupted. Quite discourteous.

The CHAIR: Yes. I uphold the point of order. Mr Tudehope, please allow the Minister to answer the question you have put.

The Hon. DAMIEN TUDEHOPE: I think I was just moving on with my question.

The CHAIR: Before you move on, you can at least afford the Minister the opportunity to answer and to say something.

Ms SOPHIE COTSIS: Thank you, Chair. Mr Tudehope, I'm happy to refer you to Mr Harding, who's been dealing with this matter and who has a history with respect to the officers who've been working on this matter.

The Hon. DAMIEN TUDEHOPE: Minister, I'm just wanting to know what the process was, relating to your office.

Ms SOPHIE COTSIS: And I've answered that question.

The Hon. DAMIEN TUDEHOPE: You said, in response to this program, that you immediately made inquiries following receipt of correspondence. What I put to you, Minister, is you received correspondence two months before this program aired.

Ms SOPHIE COTSIS: I wrote back—we received the correspondence. As you know as a former Minister, you receive a lot of correspondence, particularly when it comes to workers compensation matters. You know that.

The Hon. DAMIEN TUDEHOPE: But two months prior you received this correspondence and in your response to the media you said, "I immediately made inquiries with icare." Two months before this program aired, you had that correspondence, Minister.

Ms SOPHIE COTSIS: Mr Tudehope, there is a process of correspondence that goes through an office, as you know, and it goes through the process, and that information was provided to icare for us to get that information.

The Hon. DAMIEN TUDEHOPE: Two months later.

Ms SOPHIE COTSIS: My understanding is during that period there was correspondence and there were officials speaking to Ms Tran. When this was brought to my attention the other day, of course I immediately sought to seek further information to find out because—I do recall this situation. As I said, it is very distressing that somebody who is a parent of two small children, who's been in this situation—I understand. I'm very sympathetic about this.

The Hon. DAMIEN TUDEHOPE: Thank you, Minister, and I accept that. Minister, I just want to move on to, before I finish, another issue. In June of this year you were quoted as making comments in relation to savings from reform to return to work policy. Do you have any policy changes in mind for return to work policy with icare? Will you rule out the Victorian model of return to work policy changes relating to mental health conditions?

Ms SOPHIE COTSIS: Mr Tudehope, I know that you care about this issue, and I know that you made a statement, at the International Day of Mourning, about psychosocial claims and the rise in mental wellbeing in the workplace. So I know that you're not trying to score political points. I know that all of us here care about this

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issue. We do have challenges. When you were the Minister, me as the Minister now, we do have challenges, in both the public sector and in the private sector, and these are issues that are brought to me—

The Hon. DAMIEN TUDEHOPE: What are the policy changes?

Ms SOPHIE COTSIS: I'll let you know. I've been talking about this in the Parliament, that I've sought advice from icare to provide us with some options about a whole-of-government return to work—this is for our public servants—and to work with the Public Service Commissioner, to work with industrial relations. Once we have considered those options, happy to come and talk to you about this, because it is a whole-of-government approach. With respect to Victoria, I'm focused on New South Wales, and we have got to get this absolutely right—and you know this. We have a lot of people who are currently on workers compensation in the public service, who are in education or in health or in other services, who do have capacity to work. It's our responsibility. How can we help them, manage and support them, and provide a pathway? It might be retraining. It might be other support. Everybody's individual, so we have to look at people individually. I know that Mr Harding will have a lot more to say about this.

With respect to the private sector, I was speaking on a panel at a Business Sydney event a few weeks ago, and you know this. This is a big issue that's confronting industry, especially small business as well. If you're a small operator, family operator, how do we help support the small business operators where you've got people on workers compensation because of psychological impacts? We have to do better. I know that this is a real challenge for us. I think one of the things that I can say to you—and I'm not going to, again, score a political point, but I think that secure work in the public service is really, really important. I think that you'll see a difference, particularly for those people who are support workers. Ninety-seven per cent are women. We made the policy announcement. The Deputy Premier made the policy announcement to open up positions to make them permanent. I know in your electorates and in ours, where you've got women who are working—it's mainly women who are working in these jobs—for them, having that secure position helps them as well in terms of their wellbeing and mental health. But I'm happy to ask Mr Harding to provide further details about our whole-of—

The Hon. DAMIEN TUDEHOPE: I don't want to take my friend's time. I can take that up with Mr Harding later.

Ms SOPHIE COTSIS: Sorry. I know that you care a lot about this issue.

The Hon. ROBERT BORSAK: I don't mind if Mr Tudehope wants to ask some more questions. He's not getting very far on some of these things.

The Hon. DAMIEN TUDEHOPE: Not for want of trying.

The Hon. ROBERT BORSAK: Can we turn your mind, Minister, to SafeWork NSW.

Ms SOPHIE COTSIS: Certainly, Mr Borsak.

The Hon. ROBERT BORSAK: Obviously, we know and understand the role of SafeWork NSW is to, basically, give advice in relation to increasing the safety of workers in the workplace and their health, obviously, that comes from that. But I think in the past it's primarily operated in a bit of a vacuum, not so much so close to icare as probably it should do. Is anything happening in that space?

Ms SOPHIE COTSIS: Yes it is, Mr Borsak. I can assure you that the agencies that I oversee as the portfolio Minister know my expectation and the Government's expectation that we want them to work in collaboration, particularly where I am the first Minister in a very long time to hold the position of work health and safety Minister. The Premier appointed me to this role. This is a very important role, and all of us in this room take safety very, very seriously. In particular, we want to make sure that people go to work safely, they work in a safe environment and come home safely to their families. That's really important to all of us.

I've asked both SafeWork and icare to work in collaboration. They are working in collaboration, and they are building very strong working relationships. I'll give you an example. One of the first meetings that I had with both the agencies was—we've got a situation here where our wonderful SafeWork inspectors are out there and they're issuing notices. They may be issuing a number of notices—prohibition or improvement notices—to maybe the same company or the same industry players, but icare may not know about those prohibition notices. What I have asked for is to share that information so some of the cowboys who are doing the wrong thing are spoken to and looked at by icare through a number of measures.

I understand the privacy issues here, and this is a piece that both SafeWork and icare are working on, but that is a really important collaboration. You've got PCBU's who are doing the right thing, but those who are doing the wrong thing are continuing to have the same conditions. We want to make sure that that information sharing is happening. You can ask both the agency heads in the afternoon. The other collaboration piece is around the

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psychosocial aspect. SafeWork has got a really good team that they've established around supporting PCBUs. A few months ago I was in the Hunter and attended a community service organisation about work design. There were some issues around bullying and harassment. SafeWork was onto it, and they worked with the PCBU, with that community service provider, to make changes. I know that icare and SafeWork, again, are working together in this area. So that's a collaboration piece, but to you—

The Hon. ROBERT BORSAK: Maybe you can drill down into how does the collaboration reflect itself in better service from icare and, perhaps, even lower premiums.

Ms SOPHIE COTSIS: This is something that we're definitely working on. As you know, one of the first things that I did when I became the Minister was to ensure that small businesses were taken into consideration with respect to premiums. One of the pieces that we're doing about premiums is also that outreach program. I was out in Blacktown last week with a number of my colleagues, where there are about 150 small businesses there. We had a number of stalls. Icare officials were speaking to the small businesses about how they can support their workers in a range of ways, but also providing information about their premiums—incentives and different measures. So this is that contact, that one-on-one contact, that's really important. I hope I'm answering your question with respect to drilling down and talking directly to small business operators.

The Hon. ROBERT BORSAK: I'm thinking in terms of interacting with SafeWork. Maybe someone else can add a little bit to it.

Ms SOPHIE COTSIS: Sure. Mr Curtin?

TRENT CURTIN: Thanks, Mr Borsak. I've been in this role for five weeks, and I can assure you that in that time the Minister has been really clear on her expectations that SafeWork will continue to work with icare and SIRA really closely to make sure we're doing everything possible to reduce the premiums and to improve health and safety in workplaces all across New South Wales. Our team has a long history working with icare and SIRA at a number of functional levels on specific programs but also working at the executive level to make sure that we're pushing forward with any of those areas where we can improve sharing of data, sharing of research outcomes or sharing a holistic approach to the work health and safety process, right from the prevention through to the response process and injury management following workplace injuries.

We work with icare in a range of areas. Particularly, Mr Harding and I have had discussions in the previous weeks already in my time in the role to make sure that we're doing everything possible to move forward with those collaborations but also to do everything possible to help injured workers and families of those that have deceased at work to make sure that their experiences are being fed into the process in a holistic way, rather than each agency looking at those individually, so that we can provide the best possible response for those organisations. The same approach is happening with SIRA all the time.

Our construction teams have also been out targeting businesses and looking at the workers compensation requirements to make sure that they are not underinsured or lacking insurance for their workers, which is helping putting money back into the scheme so that there's a fairer approach for all workers and all businesses in New South Wales. I am very comfortable in this early stage, in the time that I've spent with SafeWork, that we're setting the foundations for me and for SafeWork, as we move to a standalone agency, to be highly collaborative with both icare and SIRA.

The Hon. ROBERT BORSAK: I would have thought SafeWork and a close collaboration should ultimately, if it's working properly, result in lower injury rates and, therefore, hopefully lower premiums at the other end. Minister, I know this is probably in the budget papers, but you might have some idea of it: Is icare actually financially viable now?

Ms SOPHIE COTSIS: With respect to icare as a management of the schemes—

The Hon. ROBERT BORSAK: In other words, do insurance premiums actually cover the cost of doing business? Maybe Mr Harding can talk about that.

Ms SOPHIE COTSIS: I can refer to Mr Harding.

The Hon. ROBERT BORSAK: I personally have seen a pretty steep increase in my workers compensation bill in the last 12 months.

RICHARD HARDING: Thank you for the question, Mr Borsak. I assume by "icare"—the colloquial reference is normally to the Nominal Insurer.

The Hon. ROBERT BORSAK: Yes.

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RICHARD HARDING: Obviously, there are eight different schemes that we operate, and icare is just the holding entity, if you like. In terms of the Nominal Insurer, yes, the Nominal Insurer is absolutely financially viable. You'll be aware, and we've given evidence in this forum over the last few years since I started, about the programs of work we have to try and rebuild financial sustainability and the significant hit to the funding ratios as a result of deteriorating return to work post-2017. Now we're in a state of recovery from that. That doesn't mean that the scheme isn't financially sustainable.

Your question, though, is directly referable to premiums. To rebuild that financial sustainability is largely a premium outcome. There are four key levers that we need to focus on to ensure the financial sustainability. Obviously premiums are one of them. The work we talked about earlier about claims and getting people back to work sooner is another. Our operating expenses is the third, and then the investment income that we derive from the portfolios. All four of them are the key drivers.

In respect to premiums, premiums between 2014 and 2020 were held, I suppose, artificially low. There were zero rate increases to premiums during that time. Just basic CPI inflation over that time accumulates to about 21 per cent. So the increases that we requested of the Minister earlier in the year really relate to the fact that that period of time where there had been zero increases is a need for recovery for the scheme. The scheme's costs—about 30 per cent are generally driven by wages; the other 30 per cent, by medical costs. Medical costs generally have a higher inflation rate than the CPI. You can see that the cost pressures in the scheme, at a time when you keep premium rates at zero increases, just accumulates. So there is a period, and the Minister has provided direction that we keep that at 8 per cent per annum for the next three years, so there will be further premium increases required to ensure long-term viability.

The Hon. ROBERT BORSAK: Is that an average of 8 per cent based on categories, or all?

RICHARD HARDING: That's correct—an average of 8 per cent. Absolutely correct. Perhaps, if you allow me to continue, I can elaborate on Mr Curtin's comments as well. The Minister mentioned that data coming from SafeWork about notices and other information. That's about making premiums fairer. That will result in lower premiums for good employers—employers who have safe work environments and employers who are proactively out there improving their work standards to ensure that those environments are safe for their workers. But it does mean higher premiums if you've got a track record of issues that SafeWork is identifying or there are concerns that we'd need to take into account from an underwriting perspective. There's a lot going on, I suppose, in that answer, but there's a lot of collaboration going on. The scheme is viable. Premiums need to go up.

The CHAIR: Before I go to The Greens, I just want to ask one or two questions on this issue. Minister, if I go to my workplace and one of my colleagues at work hits me in the head deliberately, do you think that that would be described as a safe workplace?

Ms SOPHIE COTSIS: No.

The CHAIR: What if they grab me and throw me to the ground and cause me to be concussed? Does that sound like a safe workplace?

Ms SOPHIE COTSIS: That's assault. That should go to the criminal jurisdiction.

The CHAIR: What if I'm playing AFL? What if my workplace is that of a professional athlete?

Ms SOPHIE COTSIS: Right.

The CHAIR: Does that sound like a safe workplace?

Ms SOPHIE COTSIS: I'm happy to refer that to Mr Curtin, but if you're talking about sport and the sporting codes, I know that Minister Kamper was here a couple of weeks ago. I'm not sure if those matters were raised with him, but I'll refer you to Mr Curtin.

The CHAIR: I'll raise them with Mr Curtin later, but the situation is that athletes, professional athletes, have a workplace, do they not?

Ms SOPHIE COTSIS: My understanding is that they have contractual obligations and they play a part of the code—

The CHAIR: But they're employed as contractors, they're employees or they're contractors, but they have a workplace and that workplace should be safe, should it not?

Ms SOPHIE COTSIS: All workplaces should be safe.

The CHAIR: Are you sure that, especially now with modern football codes, hockey and combat sports, those workplaces are safe when it comes to chronic brain injuries and CTE?

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Ms SOPHIE COTSIS: My preference is that I take this on notice and I provide further information and seek further advice. I'm not a medical expert. I know that there's a lot of work that's going on in this area and I will take that on notice, and I'm happy to refer to Mr Curtin.

The CHAIR: Are you aware that there has been a Senate inquiry into the epidemic, as it's been described, of CTE and chronic brain injuries across Australia that is leading to incredibly adverse health outcomes for athletes, including a spate of high-profile suicides? Are you aware of that?

Ms SOPHIE COTSIS: Mr Buckingham, I'm not, but I—no, I'm not.

The CHAIR: Do you think you should be—that, considering the profile of the CTE issue, the terrible outcomes for those people in their workplaces, it should be an issue that the New South Wales Government pays some attention to?

Ms SOPHIE COTSIS: Of course, and if you have a delegation of representatives that want to come and see me about this matter, I'm happy to talk to them and happy to have the experts—yes, I'm happy to take that.

The CHAIR: Okay. Thank you, Minister. Ms Boyd?

Ms ABIGAIL BOYD: Minister, I'm sure you have been following the ETU's Nowhere to Go campaign over the last few years. They released an update recently saying that, basically, the shocking lack of women's toilets on building sites continues. We are facing a national sparkie shortage. We have just 2 per cent of Australia's electricians being women. I know there have been some moves to try to encourage more women into training, but if they can't go to the toilet once they're on site, they're not going to stick around.

Ms SOPHIE COTSIS: That's right, yes.

Ms ABIGAIL BOYD: Will you commit to establishing mandatory minimum health and safety standards for workplace amenities in New South Wales?

Ms SOPHIE COTSIS: I'm happy to. I think that it's appalling that this still exists in the twenty-first century. I know that the ETU has been running a very important campaign with respect to amenities for females. I'm not an expert in this, but there are health issues—there are long-term health issues—for women, in particular, with respect to going to amenities, so I absolutely will look at this. I'm happy to speak to yourself and a delegation. This was brought to my attention when I was in opposition. I was actually shocked that this is still an issue.

The building sites that I have attended with SafeWork—in fact, we were at a building site a few weeks ago with the shadow Minister as well, just down here at Martin Place, and there were amenities for everyone. There are some very good workplaces that do the right thing and, as you know, when you have clean amenities, clean lunch rooms, you know that those PCBUs are doing the right thing to help their employees. But with what you're saying, I'm not going to make a commitment in terms of mandatory; what I want to do is get all the information. I'm happy for us to do something about this matter, working with my colleagues—with a number of my colleagues—and also with SafeWork. But, yes, we need to do something.

Ms ABIGAIL BOYD: Yes, because the previous Government had the view of let's wait for the industry to sort things out, and it wasn't working.

Ms SOPHIE COTSIS: No, no.

Ms ABIGAIL BOYD: So that would be great.

Ms SOPHIE COTSIS: Let's do something.

Ms ABIGAIL BOYD: I'm going to hop around a bit, and I will have more questions for SafeWork this afternoon, but I'm getting a lot of people coming to my office concerned that the education and advisory function of SafeWork inspectors is interfering potentially with their integrity when it comes to regulation functions. I know that this is something that South Australia looked at very carefully. In 2018 they had an ICAC report and they decided that that function really needed to be separated.

I'll give you an example. We have situations where, very helpfully, worksites are contacting inspectors for their advice in advance on how to deal with an issue, but when that hasn't actually had the effect that they wanted it to have and there is a potential breach, when they then contact SafeWork, the particular inspector feels a bit perhaps compromised because they were the one that gave them advice in the first place. This seems to be quite common. Is that something that you'll be looking at doing in terms of dividing that inspectorate between the education advice function and the inspector regulatory function?

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Ms SOPHIE COTSIS: I want to thank you for your question, Ms Boyd. You know that for 18 months, when Mr McDougall conducted the icare review, one of the recommendations was that the Minister responsible conduct a review into SafeWork. It took us 18 months to get the former Government—and we pushed very hard, through the media, SMH, through a whole of range of campaigns, and I know that you were a very strong advocate that we needed to get this review. Mr McDougall was appointed by the former Minister in October of last year. He's currently conducting his work and the report will be provided to us very soon on the terms of reference, going through all of those issues, and I think that we'll take the lead on his findings and the recommendations that he makes.

I hear what you're saying. It was brought to my attention when I was in opposition. We're a new government now. My expectation is that, as an independent regulator, there is the Work Health and Safety Act and inspectors have very important rules that they are obliged to follow. But also, in terms of issuing notices, they make their decisions based on what the rules are in the Act. I want to acknowledge our inspectors, who do really important work. I have been out with them. I have done toolbox talks with them down at Batemans Bay. They do really important work.

Ms ABIGAIL BOYD: It's about that structural issue?

Ms SOPHIE COTSIS: I hear what you're saying. Yes. Mr Curtin will take that on board and, in the afternoon, respond to you about some of those changes.

Ms ABIGAIL BOYD: On a completely different issue, I know that the New South Wales Government intervened on the side of the union in the *Conroy's Smallgoods v AMEU* case, but the Federal Court decided in favour of the company and found that the casual employees' entitlement to long service leave, under the current legislative framework, was zero. In the context of that decision, and given that the New South Wales Government had taken the side of the union, will you be taking action to secure the right to long service leave for casual workers in New South Wales?

Ms SOPHIE COTSIS: I'm aware of this matter. I can refer it to Ms Dobbins or Mr Heuston. But, yes, our Government now and our Government previously has had a very longstanding commitment to long service leave for casuals as well. In terms of the details, we'll get that. Can I refer that to you, Mr Heuston?

CHARLIE HEUSTON: I can answer that now. Casual employees in New South Wales who are covered by the Long Service Leave Act are entitled to long service leave after a particular period. The issue in the *Conroy's Smallgoods* case was that the employees were also covered by a Federal instrument, so the question was whether or not a preserved entitlement that amounted to zero under a Federal instrument applied, rather than what is provided for in the State Act. That was the decision of the court, and that affects interpretation of industrial laws relating to long service leave in other jurisdictions as well. It is not a case that there is no entitlement to casuals in New South Wales; it was just in that particular case, because of the preserved industrial arrangements.

Ms ABIGAIL BOYD: But is there a way for us to tighten that loophole in New South Wales?

CHARLIE HEUSTON: It is the application of Federal laws, so it's a matter that would have to be attended to by the Commonwealth.

The Hon. DAMIEN TUDEHOPE: Minister, recently you announced—this was reported on 6 November—that the Minns Government has launched a sweeping review into icare to identify where the embattled workers compensation insurer can make cuts to excessive spending, waste and salary costs. You will be aware, of course, that there was a very extensive review called the McDougall review, which made significant recommendations in relation to the reform of icare and that those recommendations or the carrying out of those recommendations is reviewed on a regular basis by Promontory. What additional wages and cuts do you identify which need to be cut in relation to icare, over and above those things which have been identified by the McDougall review?

Ms SOPHIE COTSIS: Mr Tudehope, it's a bit rich. As you know, your predecessor, Mr Perrottet, who set this up—and we have gone through all the issues and they have been ventilated by the Treasurer, who has done an extraordinary job in exposing what your Government did with respect to icare previously.

The Hon. DAMIEN TUDEHOPE: That led to the McDougall review.

Ms SOPHIE COTSIS: But you do admit that you guys let this go for about six years. Not only did you bring in a terrible—you made changes—

The Hon. DAMIEN TUDEHOPE: Minister, I direct you to the fact that the McDougall review has taken place. My question, specifically, was what additional things do you now identify, over and above those

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things which are contained in the McDougall review which require the new inquiry or review which you have instituted?

Ms SOPHIE COTSIS: Mr Tudehope, as you know, under your Government, there were a lot of issues. You know that, and then the Treasurer forced the former Government to commission Justice McDougall to do the review. Mr McDougall made a series of recommendations. Those recommendations are being implemented and continue to be implemented.

The Hon. DAMIEN TUDEHOPE: And monitored.

Ms SOPHIE COTSIS: And there is a monitoring process, and we are getting updates. What the new Government has committed to—because we took to the election that we will ensure that injured workers are at the centre of care, but also that we will conduct a review and that we will ensure that there is an employer and employee representative on the icare board, which we have done.

The Hon. DAMIEN TUDEHOPE: We've agreed with all of that, Minister. This is an announcement made by you this week—

Ms SOPHIE COTSIS: That's right.

The Hon. DAMIEN TUDEHOPE: —which says that you have identified wages, salary and excessive spending. Can you please just identify what that is?

Ms SOPHIE COTSIS: So now, after we'd passed the second bill a few weeks ago, which is a commitment that was made by the Treasurer and myself that Treasury will have oversight of icare—which is great. However, announcing this operational review as part of an ongoing reform process is absolutely critical to the work that we stated, before we got elected, as part of our election campaign. Coming into government, making sure that expenditure is spent prudently, and we have now passed legislation that Treasury will have oversight over icare—you should be commending us for doing this.

The Hon. DAMIEN TUDEHOPE: Mr Harding, can I ask you this? Has icare ever refused to provide material to Treasury if requested?

RICHARD HARDING: Not to my knowledge.

The Hon. CHRIS RATH: I would like to turn back to silicosis. Obviously, you've committed to eventually banning manufactured stone. What transitional arrangements have you undertaken to support the industry in that ban?

Ms SOPHIE COTSIS: Thank you, Mr Rath. I know that you're on the law and justice committee and you were also the chair of the law and justice committee previously, and you have heard a lot of evidence. I hear your question with respect to transitional processes for small businesses, consumers and the legacy part. I believe that, through the national coordinated approach, we will have appropriate transitional measures to support the businesses, the suppliers, the consumers and, of course, the people who are working in this industry. All of those matters will be ventilated at the next meeting, but this is something that I've raised, and we need to have concrete transitional processes.

The Hon. CHRIS RATH: What transitional measures have you been pushing with your interstate colleagues?

Ms SOPHIE COTSIS: Again, without breaching confidence within that meeting, we will have more to say at the next meeting with respect to those transitional processes. If you have representations from small businesses and other industry organisations, I'm happy to meet with them, but I want to make sure that we have a nationally coordinated process when it comes to transition. More importantly, I would be very interested to know what your position would be with respect to the prohibition of engineered stone. I just want to know what the Opposition's position is, if you've got one.

The Hon. CHRIS RATH: We are here to ask you the questions, Minister. Has anything been done in terms of education, inspections and awareness for the industry to move towards banning manufactured stone? Obviously, it's a big change, and to get the industry fit for purpose with this change will require a lot of work, so any specific measures that you can inform us of would be much appreciated.

Ms SOPHIE COTSIS: I'm happy to refer you to Mr Curtin in terms of specifics.

The Hon. CHRIS RATH: We'll ask in the afternoon session more about that. I'll turn now to the licensing scheme. With introducing the licensing scheme and the register for at-risk sites, what's the time line and what industries will be captured?

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Ms SOPHIE COTSIS: As you know, through legislation we've established a silica register, but with respect to the—what did you raise? Licensing?

The Hon. CHRIS RATH: Yes, the licensing scheme.

Ms SOPHIE COTSIS: I'm happy to come back to you with respect to that because, as I said, we need to speak to our State colleagues and the Feds through a nationally consistent approach. With respect to licensing and other matters, I'm happy to take that on notice.

The Hon. CHRIS RATH: And a register for at-risk sites as well, if you could, Minister.

Ms SOPHIE COTSIS: Yes. We do have a list of sites where our inspectors visit and we do have a proactive approach. My understanding is we have a proactive approach with respect to—

The Hon. CHRIS RATH: Are enough inspections taking place at the moment? I've heard stories about the number of inspections have decreased over recent years.

Ms SOPHIE COTSIS: In recent years? You were in government seven months ago.

The Hon. CHRIS RATH: Over the last 12 months.

Ms SOPHIE COTSIS: In recent years there was a lack of inspections under your Government.

The Hon. CHRIS RATH: What measures are you undertaking? Have those inspections increased? You've been in government for seven months.

Ms SOPHIE COTSIS: Mr Rath—

The Hon. CHRIS RATH: Has the number of inspections increased in the last seven months.

The Hon. Dr SARAH KAINE: Now he's worried about it.

Ms SOPHIE COTSIS: I'm absolutely committed. This is a deadly disease and this is killing people and I'm very strong on advising you and the Committee members that we're doing everything we humanly can. This is asbestos mark two and we need to make sure that we are educating workers. We're getting out there into the workplaces to ensure that they are complying and they are wearing their PPE. But we know that there is no level that is safe enough. Yes, the New South Wales Government will support a prohibition of engineered stone.

But you're absolutely right: You're still going to have people working in this industry. Most of them are of non-English-speaking background. Most of them are part of my part of Sydney and we need to get that education direct to them. I know that our SafeWork inspectors are out there. SafeWork, from the first meeting that I held, they know my view on this issue with respect to inspections, education and, more importantly, we have to get multilingual information as well because we know that there are people—

The Hon. CHRIS RATH: It was one of the law and justice recommendations as well, yes.

Ms SOPHIE COTSIS: Yes. You're 100 per cent right and I know that you, as the Chair, oversaw those recommendations. So I've asked SafeWork to work with Multicultural NSW. But, again—you know this as well—we need to get the community organisations that are on the ground and we need to get our non-government organisations that have those relationships with workers, whether it be through their faith groups, whether it be through their community volunteers, because they have the trust. What concerns me is that we've got a lot of workers who also have a fear of authority and may not feel comfortable.

The Hon. CHRIS RATH: Yes.

Ms SOPHIE COTSIS: So where we have familiar, trusted community leaders that can take that message forward and we can support them as well going forward in terms of changing work. That's absolutely what I'll be doing—

The Hon. CHRIS RATH: Yes.

Ms SOPHIE COTSIS: —and working with our agencies to do that.

The Hon. CHRIS RATH: Thank you, Minister. I'll probably have some more questions this afternoon for the officials as well.

Ms SOPHIE COTSIS: Yes.

The Hon. CHRIS RATH: Turning now to what I have read, which is that trade unionists are planning to block an Israeli shipping line from entering Australian ports, including here in Sydney. Do you support that action by the trade unionists?

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Ms SOPHIE COTSIS: The Premier made his statement very well know yesterday on the radio—and, no; I support what the Premier said.

The Hon. CHRIS RATH: You stand by the Premier's comments.

Ms SOPHIE COTSIS: I stand by the Premier.

The Hon. CHRIS RATH: Will you talk to any of these trade union officials to call off the industrial action?

The Hon. STEPHEN LAWRENCE: Point of order—

The CHAIR: A point of order has been taken.

The Hon. STEPHEN LAWRENCE: I'm struggling to understand how the position of the trade union movement on some issue of international relations and import-export could possibly bear on the task at hand, which is consideration of the budget estimates for the Industrial Relations portfolio.

The Hon. CHRIS RATH: To the point of order: The Minister is the Minister for Industrial Relations.

The Hon. Dr SARAH KAINE: Not international relations.

The Hon. CHRIS RATH: This is an industrial relations issue with major economic implications to Australia. There's also, which I can lead to, a work health and safety aspect to this, which I'll come to in a moment. I think it's highly relevant in the Minister's portfolio responsibilities.

The CHAIR: I will not uphold the point of order. I think it is relevant to the Minister's responsibilities and the question asked what the Minister was doing in relation to the issue. I will not uphold the point of order.

The Hon. CHRIS RATH: Minister, will you speak to the trade union officials to encourage them to call off this industrial action in light of potential work health and safety implications, not only economic implications, of such industrial action?

Ms SOPHIE COTSIS: Mr Rath, as you know, the people having a right to assemble in a respectful way. We have seen this over the last many weeks. The Premier has made his view known. I support what the Premier has said. I do not understand whether the police have been advised, but I refer you to the Premier's statement.

The Hon. CHRIS RATH: The Premier said—and I understand people have the right to assemble—but in his words:

... living in a free country doesn't mean that you can walk down to the port and stop lawful trade between Australia and its trading partners around the world.

Whilst people have the right to assemble, wouldn't you agree that this is definitely a bridge too far?

Ms SOPHIE COTSIS: I support what the Premier has said and have to take into consideration our trading obligations that we have, and I refer you to the Premier's statement.

The Hon. CHRIS RATH: Are you concerned about the risk to workers' safety at the port?

Ms SOPHIE COTSIS: Am I concerned? That hasn't been raised with me. If you've got people who are concerned, I'm happy to take that—

The Hon. CHRIS RATH: Well, it's a fairly risky environment, I would assume, at these wharves. When you've got industrial action by trade unionists, I would assume that there would be potential work health and safety risks that could be involved. Are you concerned about that or have you looked into that?

Ms SOPHIE COTSIS: I'm sure that the law enforcement and all the processes with respect to assembly will be followed. But I again take you back to the Premier's statement, and I stand by that.

The Hon. CHRIS RATH: If I could turn now to the safety of gig workers, before the election Labor promised at the election to:

Establish discrete and enforceable codes of conduct for WHS work performed by on-demand platforms in the rideshare, food delivery, parcel delivery and disability and home care sectors of the gig economy;

What is the time line of delivering on this commitment?

Ms SOPHIE COTSIS: Mr Rath, are you talking about the portable long service leave? Is that what you're talking about?

The Hon. CHRIS RATH: I'm quoting from your election—

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Ms SOPHIE COTSIS: But are you referring to the portable long service leave or the workers compensation, because you've referred to the community service workers as well?

The Hon. CHRIS RATH: No, more about the enforceable work health and safety code for gig workers than the transferable entitlements.

Ms SOPHIE COTSIS: Which is a very good policy that we're also introducing—

The Hon. CHRIS RATH: I'm sure it is, Minister.

Ms SOPHIE COTSIS: —a portable long service leave scheme for community service workers—

The Hon. CHRIS RATH: I'm sure it is, Minister. I'm sure we can ask you about that—

Ms SOPHIE COTSIS: —which means that they'll stay and provide service. This is very important. The gig economy is a priority area for the Government. We continue to conduct compliance activities to monitor the adoption of new work health and safety regulation requirements. With respect to our commitment that we made, as you know, again the Treasurer has been a very strong advocate, particularly with respect to gig workers. He was out there from the outset many years ago when we had gig workers, riders, who were killed and there was nothing there for their families, nothing there for their loved ones. One of the election commitments that we made at the end of last year was to bring forward a workers compensation scheme and also to provide key entitlements, and we're currently working through that process, Mr Rath. I know that there is some—

The Hon. CHRIS RATH: What is the time line for that workers compensation rollout for gig workers?

Ms SOPHIE COTSIS: I'm hoping, and without—I'd love this to have happened five years ago, under your Government, and we were advocating very strongly because since then we've seen more riders who've, unfortunately, been killed. I am hoping in the first half of next year that we'll have a system. I want it as soon as possible, but we need to get this right. We need to ensure that we're talking to the industry, the union, the community, and we're consulting and we're doing wide consultation. But we are in the process of providing—there are a number of options that we have asked icare and SIRA. Did you want to say a few things about that, Mr Harding?

The Hon. CHRIS RATH: We can ask this afternoon.

Ms SOPHIE COTSIS: Okay. Alright.

The Hon. CHRIS RATH: I also just want to turn to the regulations that commenced on 1 January regarding compliance operations for food delivery, in particular, hi-vis PPE and induction training—the suite of measures that have been rolled out. How many infringements have been detected? I know you might need to take that on notice.

Ms SOPHIE COTSIS: Yes, I'll take that on notice. You might be able to get that—Mr Curtin can answer it, very quickly.

The Hon. CHRIS RATH: Sure.

TRENT CURTIN: In 2023, in relation to food delivery riders, we've issued 47 penalty notices.

The Hon. CHRIS RATH: Forty-seven this entire year?

TRENT CURTIN: Forty-seven.

The Hon. CHRIS RATH: These regulations that commenced, are they actually having an impact on the ground or is it just window dressing?

Ms SOPHIE COTSIS: We want to see them working and we're working on an education and awareness piece. Mr Curtin can definitely advise you about that.

TRENT CURTIN: Yes, we seeing an increase in compliance. The team has been out doing a number of blitzes through 2023. In January we blitzed Newtown; in July we've been out in Bondi, Haymarket, Darling Square, Stanmore; we were back in Bondi and Bondi Junction in August; and again in September in Haymarket and Darling Square. You'll see hi-vis use by food delivery riders has increased significantly. I have seen that myself out in the community. We have been issuing notices. At times we issue notices to the food delivery riders where they're not wearing their appropriate PPE but, really particularly, we've been focusing on the training requirements and the verification of training, and working with businesses to make sure that they are providing training to their food delivery riders. We have a number of matters that are currently under investigation to potentially move through to prosecution in that sense.

The CHAIR: Thank you, Mr Curtin. Mr Borsak?

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The Hon. ROBERT BORSAK: Minister, we've talked quite a lot this morning about icare and support of injured workers, generally, and the improvements in the processes around that. Maybe you or Mr Harding can elucidate a little bit for us in terms of what's actually happening in the bush? As you know, our party has an abiding interest in what happens in workplaces—farms especially, for example—in the bush. What are you doing to support injured workers in the bush when they, unfortunately, are injured in their workplace?

Ms SOPHIE COTSIS: Mr Borsak, that's a really important question. I know that you represent many constituents in the bush, and I know that farm safety and safety in general is very critical. I'll hand you over to Mr Curtin or Mr Harding, but I just wanted to let you know I went down to the Far South Coast where one of the roads, Batemans Bay road, is being upgraded. It was really interesting for me, and an eye-opener as well, where we have a number of construction workers—civil construction—on these projects who are from regional New South Wales but they're travelling across. So, because we have a shortage of labour, you have workers who are coming from whether it's western New South Wales or far up the North Coast to do these jobs, and safety is absolutely critical. I attended a toolbox talk in Batemans Bay, in the Hunter and in the Illawarra and, absolutely, we're doing some really important work with farmers as well. I'm happy to hand it over to you, Mr Curtin, and you can provide some more of the detail.

TRENT CURTIN: Thanks, Mr Borsak. We obviously have teams spread out right across New South Wales, so we have just as strong a regional focus as we do a metropolitan focus. The team out regionally has been focusing on a number of particular agricultural sector workers over the past six months or so. We've been focusing on the far Mid North Coast, the Central Coast and the Riverina-Murray. I know the team has been out in Ballina and Coffs Harbour working with berry and banana farms to work with them on work health and safety matters. We've been out in Port Macquarie working with wineries and avocado—

The Hon. ROBERT BORSAK: Just to drill down on that. You're saying you're working on work health and safety matters in these regional areas. What does that actually mean?

TRENT CURTIN: Well, that's both in the educative space and, if needed, in the compliance space. So undertaking our regular activities to make sure that workers and PCBUs are—

The Hon. ROBERT BORSAK: Could you maybe talk a bit more into the microphone?

TRENT CURTIN: Yes—making sure that the PCBUs and workers are aware of their rights and responsibilities in relation to work health and safety. We often take an educative approach in the first instance but, where needed, officers may form an opinion to issue notices or undertake compliance activities, depending on the information they receive during those compliance inspections.

The Hon. ROBERT BORSAK: Do you actually get into the detail of the processes of the work, in terms of helping employers deal with how they might manage their workplace more safely?

TRENT CURTIN: Yes, we spend a lot of time working with PCBUs that seek advice. They can call through to our call centre and we can provide advice in the first instance about how they can improve work health and safety. We also offer the Speak Up app where workers who might have concerns, that might want to raise concerns anonymously, can bring that concern to SafeWork and we'll address that with the PCBU so that they also have an avenue to raise concerns.

The Hon. ROBERT BORSAK: You raised it and I was going there next. How is the treatment of whistleblowers now different to what it used to be in the past? Whistleblowers were certainly not treated well in the past in relation to these matters. What's different now?

TRENT CURTIN: I can't speak for the past so much. I know that the Speak Up app that's been implemented by SafeWork has been very successful and given an opportunity and avenue for workers anywhere to raise concerns directly with SafeWork, and that can be done anonymously and then SafeWork inspectors can use that information to provide advice to a PCBU or to attend and undertake a compliance activity. So that's a very successful part of our information-gathering process.

The Hon. ROBERT BORSAK: Thank you. Mr Harding, what's icare doing to support injured workers in the bush, say, for example, up the North Coast or down the South Coast or out in Bourke—pick that one, for example?

RICHARD HARDING: Thank you, Mr Borsak. Like SafeWork, we have operations spread across New South Wales. Our Newcastle team looks after the Hunter Valley and further west; our team in Wollongong, similarly, to the south. We have our mobile engagement team that, similarly, goes out and does work in the regional areas and spends quite a bit of time in the bush in respect to—we try to take, specifically, small businesses and, in collaboration with SafeWork, we're looking at how do we help educate employers about how they can

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create a safe work, but also, if there is a claim, what do they need to do, how do they help their injured worker back to work, what are their obligations—

The Hon. ROBERT BORSAK: For example, can a remote worker injured expect the same level of support from icare as a metropolitan one would?

RICHARD HARDING: Absolutely. Absolutely.

The Hon. ROBERT BORSAK: But do they actually get it?

RICHARD HARDING: I mean, obviously the health system varies in regional areas and a lot of their support will come from the health system. But in respect to our support, yes, there shouldn't be a great difference from the work they do with the case manager if you're here in Sydney versus up in the Hunter Valley or further out—as you said, Bourke. Access to health—

The Hon. ROBERT BORSAK: Do you have caseworkers actually living and breathing in Bourke?

RICHARD HARDING: Not in Bourke, no. No, Mr Borsak.

The Hon. ROBERT BORSAK: No, not in Bourke?

RICHARD HARDING: No.

The Hon. ROBERT BORSAK: So where would Bourke be serviced from?

RICHARD HARDING: I think Bourke is actually serviced from Newcastle.

The Hon. ROBERT BORSAK: From Newcastle?

The CHAIR: That's down the road, mate.

RICHARD HARDING: But I can come back to you on that and give you confirmation.

The Hon. ROBERT BORSAK: That's a bit down the road?

RICHARD HARDING: It is a bit down the road, yes.

The Hon. ROBERT BORSAK: Can you do better than that?

RICHARD HARDING: As we talked about earlier, we need case managers who can work together as a team. When they work together as a team they can get better cross-collaboration about how to help injured workers. But they are a specialised group of people; we don't like to have them working remotely on their own, if that makes sense. So it is a trade-off. We try and make sure we have enough people represented regionally to get coverage as we can.

The Hon. ROBERT BORSAK: What's your turnover of case managers? I know under the old program, where you had basically one case manager running the whole thing, which was always a fraught situation as far as I was concerned—certainly in past budget estimates I didn't like the sound of it. What's the turnover like now? I know you're talking about training more so now than ever before. Are you seeing an improvement in retention rates of case managers?

RICHARD HARDING: Absolutely. That's been a key focus of our work with EML, in particular, the primary claim service provider in New South Wales. When I first started 2½ years ago the turnover rates were in excess of 30 or 40 per cent for case managers. We did a lot of work investing with EML and they have invested themselves in uplifting their retention activities and invested in their staff to help build them. I'm happy to say that retention has come down significantly, well more than halved from that point. It is still higher than we would like it to be. Some of that at the moment is temporary where, as we're bringing on these six new case claim service providers, we are, in a sense, generating a little bit of churn as people move around the industry, but we expect that to settle very quickly.

So it is higher than we'd like it to be but, again, it comes back to that focus on professional standards and creating career pathways for people and creating a proper—all of the things we talked about before, Mr Borsak—reducing caseloads. All of those things go to creating a job that people find attractive.

The Hon. ROBERT BORSAK: How many actual case managers would you have employed amongst the claims management companies that you have?

RICHARD HARDING: I will have to come back to you on that, on notice. If it's all right with you, I'll give you a round number of around 1,700.

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The Hon. ROBERT BORSAK: Okay, 1,700 managing how many cases, do you think? Again, just a round number.

RICHARD HARDING: I'm talking about the Nominal Insurer now. I mentioned before that there's 62—

The Hon. ROBERT BORSAK: That's the 62,000 you were talking about?

RICHARD HARDING: Yes.

The Hon. ROBERT BORSAK: All right.

Ms SOPHIE COTSIS: Mr Borsak, can I just interrupt your conversation with Mr Harding? With respect to having support or officials going out into—

The Hon. ROBERT BORSAK: I can't quite hear you. I am an old shooter, you have to remember that.

Ms SOPHIE COTSIS: Mr Borsak, with respect to the matter that you raised earlier about our icare officials going out to Bourke and to greater western New South Wales, I'm happy to—and working with Mr Harding—undertake to work in with yourself in terms of getting a team to come out to specific areas that you nominate that we can come and help support, whether it's farmers or small business operators. I'm making that invitation to yourself. Just to let you know, and also to Committee members of all parties, that the last week of Parliament sitting we will have a drop-in session for all members of Parliament.

We will reach out to the Opposition and the crossbench, but I am letting you know, as you are on this Committee, that we will have an outreach drop-in centre where we will have icare officials that specialise in a range of subject matters. We will give you that information so then the MPs can go back to their officers—or in your case, your constituencies—and any matters that have been brought to your attention, whether it be about the Nominal Insurer, dust diseases, sporting injuries, CTP or any issues that your small business operators have, please come forward. It will be 1.30 p.m. to 4.30 p.m. I think it's on 20—somebody will remind me.

RICHARD HARDING: It's on 22, Minister.

Ms SOPHIE COTSIS: On 22. We'll provide you with a room. I think it is level 8. This is for everyone—Opposition, it's everyone. I've had a number of conversations with Opposition MPs who've raised issues with me. Just bring all of your information and hopefully we will be able to assist. I'll come to your office and we'll have some officials there.

The Hon. ROBERT BORSAK: All right. Thank you for that.

The CHAIR: Minister, do you believe that workers who are taking prescription medicines to treat a condition and who are safe to attend work unimpaired should be punished for taking the very medication that, in many cases, makes it possible for them to work and provide for their family?

Ms SOPHIE COTSIS: Thank you, Mr Buckingham, for your question. I know that you're a very strong advocate and I know that you represent thousands of constituents who are in this situation. As somebody who has been through the torture of chemotherapy for a very long time about five years ago, I understand—just going through that whole medical treatment—the effects. I understand. With respect to the issue that you're raising, the advice that I have—and I have Mr Draper with me here, the head of our public service, who can elaborate further—is that at the moment there is no sector-wide policy on drug and alcohol testing in the workplace.

Departments and agencies may have drug and alcohol policies and procedures specific to the nature of work performed by the workforce of the individual agency. Medicinal cannabis prescribed by a medical practitioner will generally be treated in the same manner as other prescribed medications under agency drug and alcohol policies. Medical advice may be sought where a prescribed medication could impair the employee's ability to perform the inherent requirement of their role and would be managed on a case-by-case basis. I hear what you're saying. Mr Draper, if you've got anything to add?

SIMON DRAPER: Not a lot, Minister, but I agree with that comment. I think the main focus is really on impairment, like any other medication that someone might be taking. I know you had a very constructive discussion with the Premier on the topic in this Committee a week or two ago, so not much to add to that. I think it's a focus on impairment. I don't think there's any differentiation between different types. I think the discussion you had with the Premier was how impairment is measured—the methodology—and there's a bit of work to go on that.

The CHAIR: Minister, just before I hand over to The Greens, would you consider supporting or referring this issue of workplace drug testing and potential discrimination against those people taking medicinal

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cannabis? Would you support an inquiry through a select committee or a relevant committee? Do you think it's an issue that would be well exercised through that forum?

Ms SOPHIE COTSIS: Mr Buckingham, my preference is, rather than making a decision on the run—I hear what you're saying and we have thousands of people in the New South Wales public service that we look after that are currently going through harrowing cancer treatment and who have other matters. I am listening and taking what you're saying on board. However, I have to seek expert advice and speak to our agency head, Mr Draper, and also my colleagues—the health Minister and other colleagues. I am happy to speak to you further about this matter—and I know that this is an issue that you've ventilated very strongly. My preference is not to make policy on the run but to take advice in a very considered way.

The CHAIR: Thank you, Minister.

Ms ABIGAIL BOYD: Thank you very much, Chair. In relation to the McDougall review for SafeWork, I understand we had an interim report delivered in May. What's the completion date looking like having that released in the final form?

Ms SOPHIE COTSIS: Thank you for that, Ms Boyd. Mr Justice McDougall will be reporting, hopefully, by mid-December. So we will have that report very shortly.

Ms ABIGAIL BOYD: Thank you. In the interim report there was discussion about excising SafeWork NSW from the Department of Customer Service but there was a note that more needed to be done by way of inquiry before a recommendation could be made. Has the Government received any recommendation or done any other work in relation to excising SafeWork NSW from DCS?

Ms SOPHIE COTSIS: Work has been undertaken, and you know our position on this coming into the election. When I was appointed the shadow Minister for Work Health and Safety, it was an issue for us that you had this Better Regulation unit that takes in Fair Trading, building compliance and SafeWork. I kind of understand what the former Government was trying to do, to sort of have this one-stop regulatory shop, but in my view it hasn't worked. The evidence shows that it hasn't really worked for some parts of it, in terms of the coordination piece between Fair Trading inspectors and our SafeWork inspectors and building inspectors.

But where the Department of Customer Service has undertaken work, because of our commitments with respect to building and Fair Trading, is that there has been an interim separation. We're waiting for Mr McDougall's report. Mr Curtin can provide you with those details in terms of the separation. Without pre-empting what Mr McDougall is going to say, everyone has pretty much been saying we need a separate, independent regulator, and we'll take Mr McDougall's advice with respect to the recommendations that he makes.

Ms ABIGAIL BOYD: On LinkedIn last month Mr Curtin indicated:

I will be working with the SafeWork team during a period of major reform including transitioning SafeWork NSW to again being a standalone work health and safety regulator for NSW.

That sounds like the decision has been made. Has the decision been made?

Ms SOPHIE COTSIS: The decision by the Government—let me go back. I think everyone understands that we need to have a standalone, independent safety regulator. We all know that. Mr McDougall has noted and made some assessment in that interim report of 31 May. The Department of Customer Service, in the process of changes within government agencies and their units, has been transitioning to excise Fair Trading, building and SafeWork. That work is currently happening. It's an interim process at the moment until we receive Mr McDougall's report.

Ms ABIGAIL BOYD: I'll come back to that in the afternoon. I know that Labor made a commitment in the election to reverse the onus of proof for icare PTSD claims for firefighters. What's the status of that reform? Is that going to happen this year?

Ms SOPHIE COTSIS: Can I take that on notice, and if we have something for you in the afternoon—

Ms ABIGAIL BOYD: That would be great. I note that WA has included that reverse onus for PTSD claims for paramedics as well, and I'm wondering whether there are any plans to do that for paramedics, nurses and other frontline health workers.

Ms SOPHIE COTSIS: I've had representations and we did make a statement. But there is a lot of work that's being undertaken at the moment and, for the purposes of being correct, I want to make sure that we get that information to you.

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Ms ABIGAIL BOYD: In relation to the devastating Multiplex crane collapse at the new fish market site, given that Multiplex was claiming on its website to be using innovative construction methodologies for the installation of those three cranes, what was the involvement of SafeWork prior to that accident occurring?

Ms SOPHIE COTSIS: Ms Boyd, in terms of that final comment, I'll ask Mr Curtin and you can take that for the afternoon. But, as we all know, on 28 September a tower crane collapsed at the construction site. One worker sustained non-life-threatening injuries. The injured worker was not involved in works related to the crane. This is the advice that I have. SafeWork NSW has commenced an investigation, which remains ongoing. With respect to that question about Multiplex working in with SafeWork, let's get that information for you.

The Hon. Dr SARAH KAINE: Earlier, Mr Tudehope raised a question about the correspondence received in the Ms Tran case, and I think there was toing and froing. I'm not sure that we got everything from you on that. Did you have anything to add?

Ms SOPHIE COTSIS: Yes, thank you, Dr Kaine. Thank you very much for your interest in injured workers. I just wanted to provide additional advice to the Committee that I received correspondence that was mentioned and the same day made inquiries with icare. Provisional liability was accepted and icare examined the final liability. I received no further correspondence about these issues. I was next made aware of the ongoing issues by *A Current Affair*, and I immediately contacted icare again. Final liability was accepted, and I've offered to meet Ms Tran and her legal representatives to discuss her experience. I think it's very important for us to understand, step by step, what's happened in this case and what we need to do—not to do better but so that we don't do this again.

The CHAIR: Minister, that concludes your part in this inquiry. Thank you very much for attending. We will now adjourn, and we will reconvene at 2.00 p.m.

Ms SOPHIE COTSIS: Thank you, Mr Chair. Thank you to all the Committee members and, of course, the staff and our wonderful officials.

(The Minister withdrew.)

(Luncheon adjournment)

The CHAIR: Thank you, everyone, for returning, especially to the witnesses. We will recommence the questions, and we'll begin with 20 minutes of questions from the Opposition.

The Hon. DAMIEN TUDEHOPE: I will start with the employee relations or industrial relations team, as you now are, perhaps to you, Mr Heuston. How many applications are there currently before the industrial commission, involving the New South Wales Government?

CHARLIE HEUSTON: I don't have that number at hand. But I understand that there are normally about 300-odd disputes before the Industrial Relations Commission over a period of a year, the bulk of which I would expect to be public sector related.

The Hon. DAMIEN TUDEHOPE: I would expect that, too, I must say. In relation to those, how many of them involve applications in respect of proposed industrial action?

CHARLIE HEUSTON: I'll have to take that on notice, Mr Tudehope.

The Hon. DAMIEN TUDEHOPE: In respect of actions previously taken, you'd be aware, of course, that there were circumstances where there have been fines which have been imposed upon industrial organisations or unions in connection with action which they have taken?

CHARLIE HEUSTON: Yes. The commission has capacity to make orders to stop industrial action. If those orders are breached, there are avenues available to impose penalties for breaches of those orders.

The Hon. DAMIEN TUDEHOPE: And there are circumstances where penalties have been imposed, are there not?

CHARLIE HEUSTON: Yes. That's correct.

The Hon. DAMIEN TUDEHOPE: Last year, of course, there were fines imposed against the Teachers Federation? Is that right?

CHARLIE HEUSTON: I would have to take that on notice. But there have been several in recent years.

The Hon. DAMIEN TUDEHOPE: And the Nurses and Midwives?

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CHARLIE HEUSTON: I would have to take that on notice.

The Hon. DAMIEN TUDEHOPE: In respect of any fines which have been imposed, what is the current position in relation to collection of those fines?

CHARLIE HEUSTON: The collection of those fines is not a matter that falls to the responsibility of Industrial Relations. My understanding is that the recovery of fines is a matter that's managed through, I think, Revenue NSW. But I'll have to confirm that.

The Hon. DAMIEN TUDEHOPE: Would you be able to provide me with figures in relation to fines which are outstanding and the status of those fines?

CHARLIE HEUSTON: We don't have that information. But I can take that on notice and refer it to the appropriate government agency who does have that responsibility.

The Hon. DAMIEN TUDEHOPE: I thank you for that. You'd be aware, of course, that there was action taken in the Federal Court against the RTBU in respect of its unprotected industrial action relating to the turning off of Opal machines. Do you recall that?

CHARLIE HEUSTON: I think, if I recall correctly, it was an application to stop the action or the threat of action, and that was before the Fair Work Commission.

The Hon. DAMIEN TUDEHOPE: A component of that may have involved damages against the union?

CHARLIE HEUSTON: I do recall that being a policy issue we were dealing with, yes.

The Hon. DAMIEN TUDEHOPE: What's the status of those proceedings?

CHARLIE HEUSTON: I'm not aware of any proceedings being on foot.

The Hon. DAMIEN TUDEHOPE: A settlement has been reached?

The Hon. Dr SARAH KAINE: Point of order: Mr Tudehope's asking questions about things that fall outside the jurisdiction of New South Wales industrial relations in regards to actions in the Fair Work Commission. So I ask that he stop that line of questioning.

The CHAIR: I don't think you could say that. I won't uphold the point of order. I think that you can say that the industrial matters before the Industrial Relations—

The Hon. Dr SARAH KAINE: A Federal—

The Hon. DAMIEN TUDEHOPE: Federal Court, taken by the New South Wales Government.

The CHAIR: I won't uphold the point of order at the moment.

The Hon. DAMIEN TUDEHOPE: Have terms of settlement been reached?

CHARLIE HEUSTON: I'm not aware of any settlement or proceedings.

The Hon. DAMIEN TUDEHOPE: In relation to those proceedings, to the best of your knowledge, are they still on foot?

CHARLIE HEUSTON: That would be a matter which would be managed through either one of the rail entities or through Transport. They would have carriage of that matter. So I'd need to seek advice from them about the specifics of what you're referring to. It's not a matter which Industrial Relations has carriage of.

The Hon. DAMIEN TUDEHOPE: Thank you. In respect of the proceedings which are currently on foot, relating to current industrial matters, do any of those matters involve applications for damages?

CHARLIE HEUSTON: I'm not aware of any applications for damages which have been instituted through Industrial Relations at least. But I should say there are inevitably proceedings which are brought by other government agencies, which we will not be involved in necessarily. But I can't think of anything.

The Hon. DAMIEN TUDEHOPE: Ms Dobbins, I turn to you in relation to the bargaining parameters, which we briefly discussed on the last occasion, and we had a discussion about the manner in which bargaining parameters are potentially arrived at. Does the Senior Officials Wages Advisory group or committee still exist?

SAMARA DOBBINS: Yes, it does.

The Hon. DAMIEN TUDEHOPE: In respect of that, what are the guidelines which apply to them?

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SAMARA DOBBINS: The governance process that was in place under the former Government is exactly the same under this Government. The SOWAC, as we call it, committee still exists and meets to consider bargaining parameters or positions that may be put by agencies. That committee of senior officials can agree that those parameters are in line with a government decision or a Cabinet decision. If they are not, we recommend that the relevant agency go to the ERC to get a sign-off.

The Hon. DAMIEN TUDEHOPE: In respect of the bargaining parameters for the Teachers Federation, did SOWAC meet in relation to setting those bargaining parameters?

SAMARA DOBBINS: Meetings were held between Industrial Relations and Treasury, but ultimately it was a Cabinet matter.

The Hon. DAMIEN TUDEHOPE: A Cabinet matter, or an ERC matter?

SAMARA DOBBINS: Sorry, an ERC matter.

The Hon. DAMIEN TUDEHOPE: That issue was referred to ERC, was it?

SAMARA DOBBINS: It was considered by the ERC, yes.

The Hon. DAMIEN TUDEHOPE: The decision in respect of the 10 per cent wages increase for the Teachers Federation—was it the case that SOWAC, in fact, approved those bargaining parameters?

SAMARA DOBBINS: I'm not sure it's appropriate for me to get into the advice that SOWAC provides to agencies or government. But, certainly, the process that was in place and is still in place under that Premier's memo still exists, and the role of SOWAC still exists.

The Hon. DAMIEN TUDEHOPE: Just enlighten us in respect of the wages policies. My understanding is that SOWAC's chief task is to ensure that agencies are complying with the Government's wages policy. In relation to the bargaining parameters which are approved by SOWAC, they take into account, I assume, the Government's current wages budgeting bill or wages budgeting position.

SAMARA DOBBINS: The current Government's wages policy is a little different to the former Government's. The wages policy at the moment is the 4 per cent plus superannuation, and SOWAC certainly takes that into consideration. Over the forward estimates and the future, the Industrial Relations Taskforce is going to provide a report to government about what the bargaining system and approach will be in the future. There's not a wages policy in the same sense that there was in the past. SOWAC's consideration is in relation to that existing announced policy of 4 per cent plus superannuation.

The Hon. DAMIEN TUDEHOPE: Does it take into account issues like productivity outcomes?

SAMARA DOBBINS: For the first 12 months, that preliminary offer that was made by government, it is as described in the Government's media release. What it will be in the future, I don't know yet.

The Hon. DAMIEN TUDEHOPE: Is there a guideline document as to what the Government considers to be a productivity enhancement?

SAMARA DOBBINS: There is advice that we have worked with Treasury to develop and provided to agencies. I don't think I've got a copy with me but, yes, there is some guidance to agencies in relation to—

The Hon. DAMIEN TUDEHOPE: Are you able to provide us with a copy of that on notice?

SAMARA DOBBINS: Yes. I'll take that on notice.

The Hon. DAMIEN TUDEHOPE: So the current position of the Government in respect of its wages parameters is 4 per cent plus superannuation—

SAMARA DOBBINS: That's correct.

The Hon. DAMIEN TUDEHOPE: —plus any productivity enhancements or outcomes which may be argued by the particular agency which is seeking, or public sector union which is seeking, wage outcomes?

SAMARA DOBBINS: Agreed and discussed by the parties, yes.

The Hon. DAMIEN TUDEHOPE: The previous Government's position, of course, was a wage cap of 3 per cent plus superannuation plus productivity outcomes. It's a similar policy, just 1 per cent improved. Is that right?

SAMARA DOBBINS: No. I wouldn't quite say that, because it's not limited to half a per cent.

The Hon. DAMIEN TUDEHOPE: So an increase above 4 per cent is unlimited?

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SAMARA DOBBINS: There's not a cap, as you know, in the sense that there was before.

The Hon. DAMIEN TUDEHOPE: A regulation, yes.

SAMARA DOBBINS: That's right. The Cabinet can determine what improvements of productivity or interests have been offered by the parties for them to consider whether to give the agency the authority to go ahead and make those offers.

The Hon. DAMIEN TUDEHOPE: From SOWAC's point of view, though, your position is 4 per cent plus super plus productivity. Then it's a matter for Cabinet whether they approve other bargaining parameters. Is that right?

SAMARA DOBBINS: That's right.

The Hon. DAMIEN TUDEHOPE: As you correctly outlined, that is something which, in fact, could be unlimited?

SAMARA DOBBINS: I guess, in the sense that there is no cap, it's unlimited. Whether the parties can come to an agreement on various service improvements or enhancements that could be made or productivity improvements that lead to employee-related savings, yes, there could be a whole myriad of things that they could agree to.

The Hon. DAMIEN TUDEHOPE: How many awards are there which affect the public sector?

SAMARA DOBBINS: Mr Heuston, do you have that number in front of you?

CHARLIE HEUSTON: I do. I think it's—

The Hon. DAMIEN TUDEHOPE: The last time I looked, it was about 111. Would that be about right?

CHARLIE HEUSTON: One hundred and fourteen.

The Hon. DAMIEN TUDEHOPE: One hundred and fourteen different awards. In relation to the negotiation or the updating of those awards, how many are there that are expired which still remain to be concluded?

CHARLIE HEUSTON: We have 19 that are currently expired. When I use the number of 114, they're the instruments which provide pay increases, so there will be other instruments which might apply to an employee that don't provide a pay increase. You might have a condition-specific type of award. The actual number that applies across the sector is a larger number, but the ones that we track is the 114.

The Hon. DAMIEN TUDEHOPE: And each of those contains agreements relating to potential pay increases?

CHARLIE HEUSTON: Yes. There are some cohorts that are included in that group that might be management-type roles or people covered by SOORT. They're still employee groups within the sector but not—

The Hon. DAMIEN TUDEHOPE: On notice, can you provide me with a list of the 19 which still remain to be negotiated?

CHARLIE HEUSTON: Yes.

The Hon. DAMIEN TUDEHOPE: Ms Dobbins, are you able to provide on notice a list of where those negotiations are up to?

SAMARA DOBBINS: Yes, Mr Tudehope.

The Hon. DAMIEN TUDEHOPE: Did SOWAC sign off on the 10 per cent award for the Teachers Federation?

SAMARA DOBBINS: I can't recall. I'll have to take that on notice.

The Hon. DAMIEN TUDEHOPE: In relation to each of the awards which have been reached, has SOWAC signed off on each of them?

SAMARA DOBBINS: I'll need to take that on notice also.

The Hon. DAMIEN TUDEHOPE: Have they set bargaining parameters in relation to each of them before they were concluded?

SAMARA DOBBINS: As you know, the SOWAC doesn't set the bargaining parameters. That's a matter for the public sector employer.

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The Hon. DAMIEN TUDEHOPE: Mr Heuston, a component of the work that you do involves long service leave awards—

CHARLIE HEUSTON: That's correct.

The Hon. DAMIEN TUDEHOPE: —or the, I suppose, supervision of the Long Service Leave Act.

CHARLIE HEUSTON: That's correct.

The Hon. DAMIEN TUDEHOPE: Have there been any prosecutions which have been instituted in respect of failure to comply with the obligations under the Long Service Leave Act?

CHARLIE HEUSTON: Yes.

The Hon. DAMIEN TUDEHOPE: How many of those are there?

CHARLIE HEUSTON: There have been a number that have been concluded this year. The most significant of those was against Mosaic Brands and its subsidiary companies. That involved—give me a moment; I did have details of that. I might have to come back to that. That involved an underpayment of \$88,000 to various employees coming out of those brands.

The Hon. DAMIEN TUDEHOPE: There was an audit, I recall, which was being conducted in respect of the four major banks in relation to long service leave. Has that concluded?

CHARLIE HEUSTON: I think there are some elements which are still ongoing. In at least one of those, it was impacted by the interpretation from that Conroy decision which we spoke of earlier.

The Hon. DAMIEN TUDEHOPE: The team which you supervise which looks after long service leave, how many are part of that team?

CHARLIE HEUSTON: It's about 24.

The Hon. DAMIEN TUDEHOPE: Conducting the audits?

CHARLIE HEUSTON: No. There are a couple of areas. The 24 include those that provide support to complaints about noncompliance, but also educational activities. The inspectorate function is about 24.

The Hon. DAMIEN TUDEHOPE: And the case which you mentioned in relation to Mosaic, is that the only case where you are currently conducting any litigation in respect of—

CHARLIE HEUSTON: The litigation has concluded for that matter. There may be still some other ones on foot, but I can provide details on notice, if that would assist.

The Hon. DAMIEN TUDEHOPE: Thank you. In relation to the Annual Holidays Act, Ms Dobbins, have we approved any—it's really an ongoing process, is it not, in relation to the approval of local annual holidays?

CHARLIE HEUSTON: The Public Holidays Act is an area which falls within our responsibility. There are, I'm sad to say, no new holidays that I'm aware of going forward.

The Hon. DAMIEN TUDEHOPE: We haven't instituted a coronation holiday or a—

CHARLIE HEUSTON: No.

The Hon. Dr SARAH KAINED: Not under this watch.

The Hon. STEPHEN LAWRENCE: Not yet.

The Hon. CHRIS RATH: Probably May Day for you.

The Hon. DAMIEN TUDEHOPE: Is May Day a public holiday?

The Hon. Dr SARAH KAINED: I love your thinking, Chris.

The Hon. DAMIEN TUDEHOPE: But there are local holidays—

The CHAIR: Bastille Day.

The Hon. DAMIEN TUDEHOPE: There are local annual holidays which are approved of in respect of various local government entities, are there not?

CHARLIE HEUSTON: That's right. There's capacity to declare local public holidays and also local event days as well.

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The Hon. DAMIEN TUDEHOPE: How many new local public holidays have been approved in the last 12 months?

CHARLIE HEUSTON: I'll have to take that on notice.

The Hon. DAMIEN TUDEHOPE: And the particular local government authority which has sought the approval of those local holidays?

CHARLIE HEUSTON: Yes.

The Hon. DAMIEN TUDEHOPE: Ms Dobbins, you'd be aware—or you may not be—that the Premier's memorandum M2022-05, the NSW Public Sector Wages Policy, is still showing on the website of the Cabinet Office as being active. Is that not the case?

SAMARA DOBBINS: Yes, Mr Tudehope. As you raised with me at the Premier's hearing, I looked into that, and you are quite correct. That memorandum is still live.

The Hon. DAMIEN TUDEHOPE: Given that the wage cap no longer exists because of the lapsing of the regulation, I take it it's the case that the other provisions of the memorandum are in force, are they not?

SAMARA DOBBINS: That's correct. We took a decision not to retire that memorandum because, as you know, it contains the governance arrangements for how the Government considers policy aspects and, until the taskforce finishes its work and the Government responds to that report, we can't issue new governance and we felt that it was necessary to have information for agencies about how to go through the process of getting government approvals for bargaining approaches.

The CHAIR: Mr Tudehope, in the absence of any crossbench members—and I don't have questions—you are free to continue on.

The Hon. DAMIEN TUDEHOPE: We might get an early mark, Chair.

The CHAIR: We might. Just be mindful of that. We're in your hands.

The Hon. DAMIEN TUDEHOPE: That memorandum provides at clause 2.5 that no offers may be made in relation to an increase in employee-related costs until bargaining parameters have been approved in accordance with the policy, which is as you have just outlined. So there is a process for approving those offers. Is Treasury still responsible for an analysis of the financial impacts of proposals? Do they provide advice on financial and economic matters as required to assist your determinations?

SAMARA DOBBINS: Yes, they do.

The Hon. DAMIEN TUDEHOPE: Who, in Treasury, is responsible for that?

SAMARA DOBBINS: I'm afraid you've got me. I can't remember the name of the branch.

The Hon. DAMIEN TUDEHOPE: On notice, can you provide me with that?

SAMARA DOBBINS: Yes, I can.

The Hon. DAMIEN TUDEHOPE: Is there a Treasury framework for the purposes of assessing employee-related costs or increases in employee-related costs?

SAMARA DOBBINS: Quite possibly, but you'd have to ask Treasury that question, I'm afraid.

The Hon. DAMIEN TUDEHOPE: If I put it to you that a part of that framework would involve pay increases not being outside the \$3.6 billion Essential Services Fund, would that be what they would consider you should be taking into account for the purposes of considering employee-related increases?

SAMARA DOBBINS: I can't talk to the Treasury approach because, as I say, I'm not across the fact that they have guidelines or, if they do, what they say.

The Hon. CHRIS RATH: I might turn back to silicosis. I asked the Minister this, but it would be good maybe to elucidate on the transition arrangements for the industry, getting them ready for the eventuality almost, or foregone conclusion, that there will be a ban on manufactured stone, so any update you can provide on support for the industry to transition to the removal of manufactured stone.

TRENT CURTIN: The decision that was taken in late October by work health and safety Ministers was to release the decision regulatory impact statement, which is now available to everybody. They will be meeting by the end of the year to consider the decision regulatory impact statement and determine whether a decision will be taken for the banning of engineered stone. It's then at that meeting that discussions will take place, or are expected to take place, in terms of those transitional and implementation processes.

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The Hon. CHRIS RATH: Has any consideration been given to raising awareness or education with the industry, with tradies and providers, because we don't want it to come as a huge shock to them when you're bringing in a change like this?

TRENT CURTIN: Yes, the industry has been making representations to the Minister's office. We've seen some correspondence from a range of industry businesses. They're aware broadly, it is my understanding, that the changes are potentially coming through.

The Hon. CHRIS RATH: Has any consideration been given to financial support? Obviously, some businesses would be radically disrupted by that process to transition away from manufactured stone.

TRENT CURTIN: That will be a discussion and decision for the Minister and the Government once those discussions take place with all Ministers from States and Territories and the Federal Minister later this year.

The Hon. CHRIS RATH: In terms of the licensing scheme and the register for at-risk sites, which industries will be captured by those?

TRENT CURTIN: The licensing scheme is, as well, linked to the implementation decision, so the details are not yet determined, but it's expected that that would cover all of the remaining industries that are related to silica.

The Hon. CHRIS RATH: And is the register for at-risk sites going to be separate from the register of workers—there'll be two separate registers?

TRENT CURTIN: The licensing scheme and registry is up for discussion at the end of the year, but it is separate to the silica workers registry at this stage.

The Hon. CHRIS RATH: The \$6 million over three years to the Asbestos and Dust Diseases Research Institute—are you aware of that funding commitment?

TRENT CURTIN: No, I'm not across the details of that. I know the Lung Foundation has also been doing some work on behalf of the Federal Government.

The Hon. CHRIS RATH: Would you be able to take on notice an update for us on where that is at?

TRENT CURTIN: Yes, we can take that on notice.

The Hon. CHRIS RATH: Thank you. What does tracking workers involve with health screening?

TRENT CURTIN: At this stage we're using the NSW Dust Disease Register to have workers nominate into that scheme or to be registered with that scheme where a diagnosis occurs, and the health monitoring arrangements are probably more with Mr Harding and his team in terms of making contact with workers and helping with the health screening process.

The Hon. CHRIS RATH: Is it compulsory to be on that register, or can someone opt out from being on that?

TRENT CURTIN: My understanding is that workers will opt in to that and we'd be seeking for them to opt in to that. There are some mechanisms for workers to be registered if they're picked up by GPs, on my understanding, I can take that on notice.

RICHARD HARDING: Perhaps I can help, Mr Rath? It is compulsory for doctors or screening facilities, if they identify silica, to notify or put someone on the register. That triggers for us awareness that that person has been identified, and we can then track them and encourage them for continued scanning so that we can determine their eligibility for the scheme, for support.

The Hon. CHRIS RATH: Obviously, the uncontrolled dry cutting is currently banned, but have SafeWork checks indicated compliance with this ban?

TRENT CURTIN: Since 2018 through to September this year, we've undertaken some 2,443 inspections in relation to silica. Some 1,218 of those related to engineered stone businesses; 1,023 were construction sites; and 202 were other industries. What we've found is that there has been an increase in compliance with a range of measures that are required to improve safety around exposure to silica. In our final round, which we undertook over the last few months during 2023, we did target those businesses that had had repeat notices in rounds one and two. We did target those that had previously been issued both penalty and prohibition notices, and those businesses that had the highest exposure monitoring results, and also those with the highest diagnoses of silicosis. We have seen increased compliance across the industry, but we are still seeing some noncompliance, particularly with smaller businesses, that is of concern.

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The Hon. CHRIS RATH: So compliance is up. Are inspections also up? Or are the number of inspections down over the last 12 months?

TRENT CURTIN: I don't have, in front of me, the number of inspections over the years. I can get those for you and take those on notice. But the third round of inspections we did was more targeted to those businesses that had noncompliances and those factors that I just read out in relation to round one and two. So they were very specific and very targeted to those areas of industry that we were more concerned about.

The Hon. CHRIS RATH: Yes. Maybe 2019-20 figures and then 2022-23 figures—just some evidence that I have heard about the inspection rate going down but the compliance rate going up. That might be because it is more targeted to specific sites of concern rather than a broad, sweeping approach, but those two financial years would be good to compare, if possible. That is probably it on silicosis. I want to move to the gig worker safety issue. Has there been progress made on a discrete and enforceable code of conduct or WHS buy-on-demand platforms?

TRENT CURTIN: Yes, there has been progress made. That's progressing at a national level. The code of practice is still underway. In the meantime, SafeWork NSW has been developing two guidance documents to support both the food delivery riders and also those working in disability and aged care. So we are seeking to take a national approach with the code of practice, and that's progressing.

The Hon. CHRIS RATH: Great. Thank you for that. The Minister pretty much answered my question regarding workers compensation benefits to gig platform workers, saying, hopefully, the first half of next year, but can you give any more detail on the delivery of that commitment and what progress is being made on that?

TRENT CURTIN: I'll pass that over to Mr Harding.

RICHARD HARDING: We've been asked for some advice by SIRA, in that respect. I am not sure that we know the timetable. We provided some advice in a relatively short timetable, but I am not sure how that will be progressing forward to a decision process. We're really not the agency that gets involved. It's a SIRA-driven outcome.

The Hon. CHRIS RATH: All right. Moving on to mental health, last year regulations were made requiring that employers must manage and control psychological hazards and risks. How is SafeWork educating PCBUs on their obligations?

TRENT CURTIN: We've had a strategy in place over a number of years—that's the 2018-2022 Mentally Healthy Workplaces Strategy—that has mapped out all of our advice and education and compliance functions in relation to psychological safety in the workplace. We are currently going through a process, at the moment, of redoing that strategy and also working at a Federal level to make sure that all of those appropriate strategies are in place. We also have the code of practice for managing psychosocial hazards at work.

You might have seen also, in the last few weeks, that we have released our Respect at Work Strategy, which is making sure that sexual harassment in the workplace is seen as a work health and safety issue and for SafeWork to play a really important role in providing advice and guidance and providing tools for PCBUs but also providing avenues for workers to report their concerns in relation to sexual harassment in the workplace. This is one of the first times that's happened in the country, in terms of having a bespoke team in place and having a strategy that looks directly at sexual harassment in the workplace.

The Hon. CHRIS RATH: I did see that. Has there been any compliance action taken with the new requirements for managing and controlling psychological hazards and risks?

TRENT CURTIN: There are compliance activities undertaken. I am aware of a couple of matters that are currently with our investigation team and that, potentially, could lead to prosecution. But, for specific information, I would have to take that on notice.

The Hon. CHRIS RATH: That would be great. What are inspectors seeing on the ground, in terms of compliance? Is the general trend improving, in terms of compliance, or are there concerns on the horizon that need to be addressed?

TRENT CURTIN: I think, broadly, we all know that claims for psychosocial impacts in the workplace are increasing, and that's a concern across all businesses. So our teams are responding, as best as possible, to provide advice and, where needed, to undertake compliance activities within PCBUs. We do encourage people to report any concerns that they might have in relation to work health and safety in psychosocial and other matters. As I was saying before, through our Speak Up Save Lives app, people can do that anonymously and take action within their workplace.

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The Hon. CHRIS RATH: Does SafeWork have the tools and resources to conduct sufficient proactive compliance operations?

TRENT CURTIN: Yes. SafeWork conducts quite a large amount of proactive activities as well as our reactive compliance activities. There's quite a significant resource allocation towards proactive education and advice programs for PCBUs.

The Hon. CHRIS RATH: What about timely complaints investigations? Are there any delays that might be of concern due to lack of resources?

TRENT CURTIN: We use a triaging process. That process is currently under review by Justice McDougall, and that will give us some insight into whether we need to do some more work in relation to that triaging process. But, at this stage, all matters come in to SafeWork and go through that triaging process.

The Hon. CHRIS RATH: Sorry, I forgot to ask this about silica. Has any consideration been given for looking at increased regulations or banning of concrete, granite, marble or cement that also contain high levels of silica, or is it, essentially, just the manufactured stone benchtops?

TRENT CURTIN: At this stage, the decision regulatory impact statement just focused on engineered stone in relation to a ban. If you like, I can give you those numbers that you requested before in terms of silica engineered stone proactive visits undertaken by SafeWork, year by year. In the year 2018-19 we undertook 510 visits. In 2019-20 we undertook 118 visits. In 2020-21 we undertook 210 visits. In 2021-22 we undertook 105 visits. In the financial year 2022-23 we undertook 152 visits.

The Hon. CHRIS RATH: Sorry, what was 2018?

TRENT CURTIN: In 2018-19 it was 510 visits.

The Hon. CHRIS RATH: Why were there so many? Why was there such a significant number in 2018? From 2019 to date it has been all a similar type of number—nothing really that interesting—but 2018-19 was significantly higher than the other years. Maybe there was a bit of a drop-off during the two COVID years that made it a little bit difficult, but any rationale behind the numbers there?

TRENT CURTIN: My understanding is that we sought to identify every engineered stone fabrication firm in New South Wales, and we undertook visits with them in round one in 2018. Then we undertook to focus on those same businesses in 2019. There has been a drop-off in the number of businesses in the industry over that time, is my understanding. In the later years, of course, we focused on those organisations that have had multiple notices and taken a really strong risk-based approach to dealing with businesses that need some support in gaining compliance.

The Hon. DAMIEN TUDEHOPE: Mr Heuston, returning to the issues relating to long service leave, there was a case, I think, that you were conducting, which arose out of a case called Wipro relating to long service leave and the continuity of long service leave and the National Australia Bank—correct me if I am wrong on any of this. Has there now been a settled decision in relation to the continuity of long service leave, in as far as it is, in fact, a portable commodity from region to region or employer to employer?

CHARLIE HEUSTON: There was a decision. I think it was the Wipro decision, but I'll confirm that— if that wasn't the name of the case—which considered whether or not service of an employee in another jurisdiction would count for the accrual of long service leave purposes. That was a matter that was commenced by the employer in the Supreme Court, seeking a declaration. It wasn't something that was initiated from our side of things, but the conclusion of that was that in that case the service of the employee in another jurisdiction did not count for long service leave purposes.

The Hon. DAMIEN TUDEHOPE: Did the Government appeal that case?

CHARLIE HEUSTON: No.

The Hon. DAMIEN TUDEHOPE: So the current position is that an employee who worked for—and I think these were the facts of that case—a company in India and who transferred to the same company in Australia, that service in India was not counted towards long service leave in Australia. Is that correct?

CHARLIE HEUSTON: That's correct. But as you'd appreciate, each individual case may vary. The commencement of that person's employment was in India, so it might be a different scenario if someone was to commence their employment in New South Wales or—

The Hon. DAMIEN TUDEHOPE: In Queensland as opposed to—so it would be different, would it be, if it was within an Australian jurisdiction?

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CHARLIE HEUSTON: It comes down to a question about there being sufficient connection with New South Wales for the service to count. In that particular circumstance, the service in India didn't count and that will have implications for how we consider service in other jurisdictions for other compliance activities.

The CHAIR: I've just got one question before we hand over to Ms Boyd. How many workers have opted in to the dust diseases icare scheme in terms of the engineered stone?

RICHARD HARDING: I might just try and clarify your question, Chair. When you say, "opted in"—I think we were talking earlier about the screening program, which is about tracking people, versus people who are now eligible for the scheme and actually have been receiving benefits, which are two different things.

The CHAIR: Yes. Okay, the first one, or we'll deal with both.

RICHARD HARDING: Both? Righto. We have been increasing the amount of screening, as you'd know, and we've done now 3,433 throughout the 2022-23 year, of which—that led to 55 new scheme entrants, so 55 people with diagnosed silicosis that enabled them to join the scheme. I'd highlight, though, that of the people who are screened—

The CHAIR: Sorry, Mr Harding. That was this last financial year?

RICHARD HARDING: That was 2022-23, yes. And if you'd like a current figure up to 30 September, we've done 1,008 this year, of which 33 new participants have entered the scheme. What I was going to highlight—

The CHAIR: Sorry to interrupt again, Mr Harding. How many in total have been screened over the entirety of the scheme and are in the scheme now?

RICHARD HARDING: I don't have that number, believe it or not, on hand. I can bring that back for you.

The CHAIR: Thank you. If you could take that on notice, that would be good.

RICHARD HARDING: Yes. One of the things that I think is perhaps relevant to the question you're asking—the majority of people who are screened have no symptoms and very low impairment levels, what we would classify as less than 1 per cent impairment, which means they don't qualify to be part of the scheme. We do track those people and we encourage them to come back for annual screens or to use their medical professional to help them with further screening on a regular annual basis so we can make sure that, as the disease might develop or if they continue to get exposure through their work or other avenues, we can track them and ensure that they're getting support if and when they do start to qualify for the scheme.

So it's not just the individuals who come in but we're tracking now these people with what we call less than 1 per cent exposure so we can keep track of those. But I'll come back to you on notice with the total number you're asking for. The scheme's been going since, like, 1947, so I assume you don't want the whole history. You just want the last five years or the last three years?

The CHAIR: Do you differentiate between quarry workers, tunnellers—

RICHARD HARDING: We can.

The CHAIR: You can? You do?

RICHARD HARDING: We can, if that's what you're after.

The CHAIR: Yes, if you could provide those figures. Do you have an estimate of how many people there are working in the engineered stone work space in New South Wales?

RICHARD HARDING: No, and we've worked closely with a SafeWork team to try and make sure we identify and gather as much information—so we try and triangulate to that. We've talked to the unions to try and get them to help us identify employers and sites. We're continually trying to find that, but there is not a known holistic list, if you like. We reached out last year—

The CHAIR: Just in terms of establishing a register, if that does happen we'll basically have to start that process after—

RICHARD HARDING: It would certainly assist our efforts to make sure we had a complete screening. I think one of the things obviously—

The CHAIR: Sorry to interrupt again, but it's not like you've basically got a list that you have to formalise. You're going to have to go out and find those—

RICHARD HARDING: We'll be able to tell the ones we've already been involved with—

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The CHAIR: Yes.

RICHARD HARDING: —which I would hope would be the majority. We recently—in April last year—ran a program with Caesarstone and obviously they have the majority of the market share in respect to that manufactured stone. We went out over four different occasions and screened over 370 of their workers. We worked very collaboratively with them to make sure that they helped us identify—because a lot of the times, these employees are contractors or subcontractors for the cutting, especially the onsite cutting—the people who were associated with them for the fitting of stone and that we could get as much coverage as we could.

Of those 370, there were 55 who were new diagnoses. There were 12 that were existing that we already knew about and then 303 who had no exposure. With programs like that, we keep going out and trying to make sure we get full coverage. I can give you some numbers now my team's just sent me. Between FY19 through to September 2023, there's been 13,014 people screened and there are 265 in total in the scheme who have qualified from a silicosis basis.

Ms ABIGAIL BOYD: Perhaps I could start with you, Mr Harding. You'll be familiar, I'm sure, with the case of a Ms Melocco and another woman that she's been representing in relation to their complaints, in relation to the way that their claim was handled within icare. There was a letter that you wrote in September to Ms Melocco generously apologising for the mishandling of that claim and, I think you'd agree, it's led to some really good changes and good reforms within icare's complaints handling.

RICHARD HARDING: More to come, yes.

Ms ABIGAIL BOYD: More to come, yes—excellent. I'm sure you're aware of the aspect where it's claimed that a SIRA employee basically took her information and distributed it to places where it should not go, compounding her distress. Do you think that the way that SIRA has handled that aspect of things and their investigation subsequently into the breach of her privacy has been appropriate?

RICHARD HARDING: I'm not entirely sure that it's the right place for me to comment. I'm not aware of the nature of the investigation. I referred Ms Melocco's complaint to me to Mr Dent and I suggested to him that it might be a PID, and he's then undertaken his own investigation process with that. I haven't seen or been provided any feedback on the report, so I don't know enough to be able to give you a view as to whether it was an appropriate approach or not.

Ms ABIGAIL BOYD: An investigation was conducted by PwC in relation to the complaint Ms Melocco raised. Unfortunately SIRA is not going to release that report or let her know what the results of it are.

RICHARD HARDING: As I said, they haven't provided it to us either.

Ms ABIGAIL BOYD: No.

RICHARD HARDING: Really, we're not an interested party, other than that they regulate us.

Ms ABIGAIL BOYD: I understand. I was just talking to Mr Dent in the other estimates and I was asking, "For someone who has gone through everything that she's gone through—to make a complaint and have it go through that investigation, give all your information to PwC, go through all of that—but then to never find out what the result of that investigation was, do you think that that is at all appropriate?"

RICHARD HARDING: It's very hard for me to say because I don't know the content of the investigation. It could have been privacy matters in relation to the issues that meant that it was not appropriate. I don't know. My view would be that people like Ms Melocco have been treated by the scheme and the history—and I am aware of a number of them that have come through my complaints, if you like, the people who write to me. At a period in time, the scheme has really let people down and so we're trying to rebuild that and to make change to ensure that that doesn't happen again. I can't guarantee it won't, but I can try to ensure that things that we put in place remove that possibility.

The issues that you are raising are very difficult for me to comment on because I don't know the details. There are circumstances that Mr Dent would be aware of or that Ms Hogan would be aware of—because my understanding is it was run through the Department of Customer Service—that I'm not aware of. So it's very difficult for me to provide you with an opinion, which is what you're asking for.

Ms ABIGAIL BOYD: I understand. Again, I have just read this onto the evidence in the other room. Mr Dent sent Ms Melocco an email in March of this year saying, "We won't be responding to your communications anymore." Then the investigation has happened and now there is nothing. I guess I'm looking for somebody to step up and say, "Well, actually, that's not appropriate and we should be doing better by people who have been chewed up by our system and spat out the other end."

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RICHARD HARDING: Maybe what I could say is this. There are people who have come through the system with significant psychological trauma. Being open and hearing them, and being willing to listen, is fundamental to helping them recover.

Ms ABIGAIL BOYD: Yes. Thank you. I'm going to move on. Perhaps I can turn to SafeWork, Mr Curtin. How many SafeWork inspectors are currently employed?

TRENT CURTIN: We currently have 370 inspector roles and 359 of those are currently filled.

Ms ABIGAIL BOYD: Is that full-time equivalent?

TRENT CURTIN: Yes.

Ms ABIGAIL BOYD: Let's start with how many inspections there have been of construction sites where there may be silica exposure. Do you have that sort of data?

TRENT CURTIN: I don't have that with me. I'd have to take that on notice.

Ms ABIGAIL BOYD: When we're looking at the silicosis issue, banning the manufactured stone used for kitchen benches and things is the obvious one, and the low-hanging fruit, which is why I'm continually annoyed that it has not just been banned, but it's much harder when we're then talking about all of the construction in tunnels et cetera. What I'm hearing from workers is that SafeWork are simply not inspecting those sites. Do you have evidence to the contrary?

TRENT CURTIN: Yes, I've got some numbers. We ran through some numbers just before but, in terms of silica inspections from 2018 to 30 September this year, we have conducted 2,443 inspections.

Ms ABIGAIL BOYD: Does that involve air monitoring?

TRENT CURTIN: Air monitoring is one of the components that's inspected as part of that, if it's relevant to the organisation. I can give you some numbers on specific tunnel inspections that have been taken this year and in previous years. So in—

Ms ABIGAIL BOYD: Sorry, that was total inspections, was it?

TRENT CURTIN: It was 2,443 total inspections across engineered stone—

Ms ABIGAIL BOYD: Across engineered stone?

TRENT CURTIN: —construction workplaces and other, yes. And specifically in tunnelling we have done 32 visits this year so far.

Ms ABIGAIL BOYD: How many unannounced?

TRENT CURTIN: I don't have that with me. I'd have to find that for you.

Ms ABIGAIL BOYD: And would each of those visits have involved air monitoring?

TRENT CURTIN: I'd have to confirm that for you—maybe take that one on notice.

Ms ABIGAIL BOYD: Thank you. I understand that one of the areas of concern from workers is in relation to a lack of mask fit testing. Unfortunately that's not constrained just to this industry. Obviously it's something we hear from nurses, for example, as well—that SafeWork is not enforcing the fit-testing process. Do you have any evidence of that being enforced by SafeWork inspectors? Is this something that they are checking?

TRENT CURTIN: Yes. I've met with the nurses union myself and we've had this discussion around fit testing. My understanding is that it is captured in the Australian standard and it's a requirement.

Ms ABIGAIL BOYD: It is. But is SafeWork enforcing it?

TRENT CURTIN: We've made a commitment to the nurses union to do some work to improve information on our website and to work with our inspectors.

Ms ABIGAIL BOYD: Which is great—so that's nurses, which is very critical. And then when we come to workers who are working in tunnels where they're exposed to silica dust, what are we doing to ensure that their masks are being fit tested?

TRENT CURTIN: Part of the inspection process is looking at fit testing of masks, looking at wet cutting, looking at ventilation and looking at air-monitoring results as well.

Ms ABIGAIL BOYD: How many infringements have been issued or any sort of action taken in relation to those tunnelling inspections?

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TRENT CURTIN: I've got infringements issued but not specifically to tunnels. In our final round of inspections in 2023—this is across the whole industry—we have issued 111 notices.

Ms ABIGAIL BOYD: So 111 notices across the engineered stone construction industry?

TRENT CURTIN: Correct. In relation to tunnelling, we have issued two notices for air quality.

Ms ABIGAIL BOYD: Two notices for air quality?

TRENT CURTIN: In 2023.

Ms ABIGAIL BOYD: One of the things that my office is being told is that inspectors are reluctant to go into the tunnels because they're worried for their own safety. Is that something that has come across your desk? Is that something that you've heard as well?

TRENT CURTIN: No, not that they're worried about their own safety, but entering large infrastructure projects, subterranean, is a challenging work environment. But inspectors get into those areas any time they chose to.

Ms ABIGAIL BOYD: What about ensuring that workers in those tunnelling situations are given adequate information and access to screening afterwards for silicosis? Is that the same program as is applying for engineered stone workers or is there something different? Do you know?

TRENT CURTIN: They are captured in the same way, it is my understanding, in the NSW Dust Disease Register. But I can take it on notice to come back to you on that.

Ms ABIGAIL BOYD: Yes, if you could, that would be really useful, because I think that's probably the next area of focus once we've dealt with the manufactured stone and the kitchen benches. Thank you for that. We were going to come back to this standalone work health and safety regulator for New South Wales and the time line for that excision of SafeWork NSW from DCS. Do you have any more detail on that?

TRENT CURTIN: Yes. As you know, the McDougall review is underway. That's been underway since October 2022. That's expected to finish mid-December this year. We've undertaken a phase one approach in preparation for that to support the separation of the Building Commission out of the Better Regulation division, which will see SafeWork staff reporting through one line to my role as at 1 December of this year. That is an interim phase one approach just to separate those resources out so that the Building Commission, Fair Trading and SafeWork can operate under separate streams within the Department of Customer Service. Then any decisions or any review of the report that comes through from Justice McDougall will take place early next year.

Ms ABIGAIL BOYD: In relation to that WHS world congress, I understand that \$15 million was forecast in the budget for that. Is there an updated forecast for that?

TRENT CURTIN: The expected net cost is \$5 million, which is being funded from SIRA.

Ms ABIGAIL BOYD: Do you know if there is a projected surplus or deficit for the congress? Are we going to get some income back out of that or is it all expenditure?

TRENT CURTIN: It's been tracking about that rate so the revenue is forecast at \$6 million and the cost is forecast at \$11 million. That's on budget as expected.

Ms ABIGAIL BOYD: The website for the congress indicates that there are currently only three major sponsors, one of which is icare. Do you know how much the congress has raised through sponsorships?

TRENT CURTIN: I don't have that with me. There are a number of sponsors.. I can take on notice to come back to you on the sponsorships that have been offered so far.

Ms ABIGAIL BOYD: Mr Harding, do you know if icare has been paid money for that sponsorship of the WHS world congress.

RICHARD HARDING: We agreed to support a mental health program that's being run during the session. I'm talking off the top of my head, so maybe I can get it for you on notice, but I think it's around about \$40,000.

Ms ABIGAIL BOYD: Finally, on the issue of that crane at the new Sydney Fish Market site, I was interested in knowing what sort of precautionary work was done by SafeWork inspectors in relation to that innovative new crane prior to the incident?

TRENT CURTIN: We've got a really dedicated team of inspectors that work really closely with infrastructure projects. They're part of our construction group. That team has been working with the Sydney Fish Market redevelopment since its inception and working really closely with HSRs, the contractors onsite and the

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safety committee to make sure that all the safety arrangements that need to be in place for some of the really specific development elements of that site are taken into consideration, including the cofferdam and some of the other specialist construction that needs to occur there.

There has been a pretty good relationship there. That played out when the crane did collapse and our inspectors knew all of the people that were onsite—all of the stakeholders—and undertook a really collaborative process to make sure that the right prohibitions were put in place and the right plans were put in place to get workers back onsite safely as quickly as possible after that incident occurred.

The Hon. DAMIEN TUDEHOPE: Mr Heuston or Ms Dobbins, in relation to the Federal Government's Fair Work Amendment legislation—the loophole legislation—when was the meeting of industrial relations Ministers for the purposes of considering that legislation?

SAMARA DOBBINS: I don't think we've got that exact date in front of us, Mr Tudehope, but happy to take it on notice.

The Hon. DAMIEN TUDEHOPE: You do recall that there was a specific meeting of the industrial relations Ministers to be consulted in relation to that legislation?

SAMARA DOBBINS: My recollection is that the legislation—the bill—was not put to that meeting of the Ministers, no.

The Hon. DAMIEN TUDEHOPE: In relation to the obligations which arise pursuant to the memorandum of understanding in respect of the referral of powers under the Fair Work Act, is there not an obligation under that memorandum of understanding to consult in relation to any changes to the Fair Work Act?

SAMARA DOBBINS: That's correct. The consultation occurred but my recollection is that the draft bill was not put to the Ministers at that meeting.

The Hon. DAMIEN TUDEHOPE: So a consultation occurred without a draft bill?

SAMARA DOBBINS: Consultation with the Ministers at that meeting did not contain a draft bill, no. All the jurisdictions have been consulted in relation to the bill subsequently, though.

The Hon. DAMIEN TUDEHOPE: Did New South Wales have a position in respect to that legislation?

SAMARA DOBBINS: Yes, it was a position agreed by the Cabinet.

The Hon. DAMIEN TUDEHOPE: Was there any stakeholder consultation, to your knowledge, before that position was adopted?

SAMARA DOBBINS: Consultation was undertaken by us. I couldn't speak in relation to consultation undertaken by Ministers.

The Hon. DAMIEN TUDEHOPE: In relation to the consultation undertaken by you, was there a summary document prepared in relation to the position of stakeholders in relation to the proposed amendments?

SAMARA DOBBINS: You might have to ask my colleague Mr Heuston.

CHARLIE HEUSTON: Not that I recall.

The Hon. DAMIEN TUDEHOPE: Is it true to say that New South Wales adopted a position in respect of the legislation without a comprehensive consultation with stakeholders?

CHARLIE HEUSTON: There has been a draft bill that's been presented to Federal Parliament, which has been referred to the inquiry which, I think, is reporting back in February. There have been numerous media reports in recent months about variations to that legislation so we will inevitably be providing advice about what is a more final form of legislation, given it's in a bit of a state of flux.

The Hon. DAMIEN TUDEHOPE: Did the New South Wales Government make a submission in relation to the Senate inquiry?

CHARLIE HEUSTON: No.

The Hon. DAMIEN TUDEHOPE: Mr Draper, is there a New South Wales Government position in relation to a policy for working from home?

SIMON DRAPER: There's quite strong support across the sector for flexible working. That's very different to working from home. Working from home can be an element of flexible working and, as you know, during the COVID pandemic that became a requirement, where possible, for people to be able to work from home but that's not part of our standard working policies, no.

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The Hon. DAMIEN TUDEHOPE: In respect of the flexible working policy, has any analysis been done in respect of the manner in which that policy position is implemented? I will give you the example. For example, are you able to ascertain the number of people who adopt flexible working hours on Mondays and Fridays?

SIMON DRAPER: The one piece of information that is quite helpful in understanding people's working practices and the use of flexible working is the People Matter Employee Survey, which is actually coming out this week for 2023. Data is collected in that on how many people utilise flexible working, the types of working patterns that they use for flexible working and people's satisfaction, so that's quite a good source of information. I don't know that we routinely collect the days that people work in the office and work from home. People are out of the office for all sorts of reasons. I'd say probably the majority of our people in the public service aren't in offices at all; they're out doing other things in hospitals, schools and in the Police Force et cetera.

Those who have more of an office-orientated work, their working patterns are dependent on the circumstances of the services that they're providing to the people of New South Wales and the requirements of their employer. Generally speaking, the approach in the organisations that I have been involved in is that we do seek people to be predominantly in the office and there's a whole range of reasons for that, not the least being that the public service is an institution. It's very hard to build an institution and maintain an institution like that if people aren't working together and you aren't developing young people.

The Hon. DAMIEN TUDEHOPE: So is it correct to say there is a positive encouragement for people to be in the office, so to speak, wherever that office that might be?

SIMON DRAPER: Yes, I think that's right, certainly for me as the secretary of the Premier's Department.

The Hon. DAMIEN TUDEHOPE: On an agency basis are you able to say which agencies have adopted that as a policy—well, not necessarily as a policy, but as an encouragement for staff?

SIMON DRAPER: Yes, I think we are able to determine it. Not all agencies have a very clearly stated policy. They have a way that they encourage people to work. So it's not uniform across the public sector, but that general approach that people should be spending a reasonable amount of time face to face rather than working from a remote location is a fairly common aspiration of most organisations.

The Hon. DAMIEN TUDEHOPE: Have you been able to identify workspace that had previously been occupied but is not occupied, as a result of the adoption of workplace arrangements where more flexibility is given over the location of people's working position?

SIMON DRAPER: I haven't identified that, but I haven't tried to identify it either. The part of government that would have the best appreciation for that would probably be Property and Development NSW. They are managing all of our accommodation needs. But there's certainly no question that—we don't set ourselves up, in terms of office accommodation, on the assumption that we'll have 100 per cent of people there at any given time. There's sort of an assumption that there'll be people out of the office at meetings or out doing other work and some people working from other locations.

The Hon. DAMIEN TUDEHOPE: Is there a figure to which Property and Development would work for the purposes of their requirements for office space.

SIMON DRAPER: I'll check what figure they use; I won't guess at it. But I believe they do have working assumptions around that, yes.

The Hon. DAMIEN TUDEHOPE: Because there potentially are savings to be made in disposing of unused workspace, are there not?

SIMON DRAPER: Yes, we absolutely have a desire to be efficient in the use of the accommodations that we have available. Having said that, I don't want to get to a situation where we've been so economical on having physical workspaces that people can't come and work together. That's not great for building a strong public service. People need to be able to come and meet and work in the same workplace.

The Hon. DAMIEN TUDEHOPE: Mr Harding, it's lovely to see you.

RICHARD HARDING: How are you, Mr Tudehope?

The Hon. DAMIEN TUDEHOPE: Always well. Mr Harding, there was a drawdown from the general government sector of \$699 million for a contribution to icare. Last year's figure was \$1.9 billion. Why was there a reduction in that figure?

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RICHARD HARDING: As you would know, Mr Tudehope, the TMF operates on a policy called the net asset holding level policy, which sets a baseline for the solvency level of the TMF scheme. In the prior year, as you mentioned, in 2021-22, the scheme received an injection of \$1.9 billion from the State Government. That was heavily driven by the environmental impacts of the storm that year. The catastrophic weather events and floods across the year totalled about \$310 million. Rising historical abuse claims were about \$290 million. Increasing medical malpractice claims were about \$170 million. There were impacts to the investment market in that year of \$600 million and so forth. Increasing psychological claims in the public sector were about \$370 million.

In the 2022 year, less impact of storms, so the flood impact in July and October of 2022 was only \$150 million. Child abuse claims became the major contributor to the shortfall—over \$500 million in the TMF and \$190 million, so a total of almost \$700 million across the TMF and the pre-managed fund, so the legacy part of the scheme. The other contributor is the police medical discharges scheme, at \$250 million. So a different make-up of events, but it's what the TMF is supposed to do and what the NAHLP is supposed to do, which is absorb the risks of government. The NAHLP is the mechanism by which the Government tops up the scheme when those liabilities grow beyond the expectations of it.

The Hon. DAMIEN TUDEHOPE: Have you made projections for next year? Not that you are a weather forecaster or an earthquake forecaster, but on the base of those quantifiable risks that you've identified as part of that—whether it's sexual abuse claims or mental health claims—have you made projections as to what that figure might potentially be next year?

RICHARD HARDING: The answer is yes. We do, in our budget, forecast our expectations. But, as you say, we don't budget particularly for weather impacts, so it's not a particularly robust outcome. That number, I think, has been included and released by the Treasurer in one of his statements over the forward estimates. I don't have it in my head so, if you'd like it, I can get it for you on notice.

The Hon. DAMIEN TUDEHOPE: Mr Harding, have you done any modelling about wage increases in respect of potential impact on either the Nominal Insurer or the TMF in terms of claims?

RICHARD HARDING: Yes, in the liability evaluation work that happens every six months, the actuarial providers that we use will regularly forecast average weekly earnings growth—or, actually, wage price inflation is probably more relevant—and, similarly, in general inflation and in interest rates. Those are forecast out over 10 years. It generally uses a market rate in the sense of the 3 per cent or 4 per cent numbers that are more commonly known.

The Hon. DAMIEN TUDEHOPE: What is the figure you are using currently for wage increases?

RICHARD HARDING: We might have to get you that on notice, Mr Tudehope, I'm sorry. It'll be a different rate each year, so I'll provide you with the pattern that we forecast out of this.

The Hon. DAMIEN TUDEHOPE: I entirely appreciate that. If you go to page B-7 of the budget papers, one of the risks to the budget is this:

Insurance risks are managed through the State's self-insurance schemes (and commercial reinsurance), the largest being the TMF. There are increasing pressures on the State's insurance liabilities, driven by rising costs and claims relating to psychological injury, medical discharge, medical malpractice, historic sexual abuse, cyber, flood damage and other emerging risks. There is a significant risk that these pressures will result in higher than currently estimated costs.

That doesn't include increased wage pressures, does it? Would you include increased wages as an insurance risk?

RICHARD HARDING: The forecast that the actuaries use over that future 10 years will be already embedded in our current liabilities. To the degree that there is a variance from that forecast, it's not included in that, and it would be part of that risk that you're talking it.

The Hon. DAMIEN TUDEHOPE: Do you update your forecasts?

RICHARD HARDING: Every six months.

The Hon. DAMIEN TUDEHOPE: So potentially, given wage fluctuations and inflation fluctuations, the forecasting that you would do could change?

RICHARD HARDING: Absolutely, and it's part of the volatility of all insurance businesses, especially those with wage-related support.

The Hon. DAMIEN TUDEHOPE: Mr Harding, the Treasury is conducting an operational review into icare. Have you seen the terms of reference for that review?

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RICHARD HARDING: We received a letter from the Minister outlining her intent. We haven't done any work with our Treasury colleagues to lock in the terms of reference, no.

The Hon. DAMIEN TUDEHOPE: Ms Campbell, have terms of reference for that review been prepared?

SONYA CAMPBELL: No, we haven't provided anything beyond the letter that the Minister has sent to icare.

The Hon. DAMIEN TUDEHOPE: Can you provide on notice a copy of the letter that has been sent to icare?

RICHARD HARDING: Certainly, yes.

The Hon. DAMIEN TUDEHOPE: As I understand it, it specifically involves a review of wages and other expenses?

RICHARD HARDING: I believe the focus is our operational expenses.

The Hon. DAMIEN TUDEHOPE: Operational expenses.

RICHARD HARDING: If you think about the total scheme, around about 76 per cent of the scheme's costs relate to claims costs and are in actual benefits paid to injured workers—in terms of the Nominal Insurer, we're focusing on. About another 12 per cent of the costs are then claims-handling costs, costs in actually administering those claims. Six per cent of the costs are our operating costs, the costs of running icare: management, overhead, boards, governance, risk management, all the things that you would expect in a normal large multibillion dollar organisation. Then a further 6 per cent is related to the SIRA funding that we provide, in the case of the Nominal Insurer, from employers' contribution. That's the funding that then goes to SafeWork, the IRO—the Independent Review Office—and the Personal Injury Commission. All of those are funded out of the 6 per cent that SIRA allocates.

So my understanding of the scope is the 6 per cent that relates to our operating expenses and how we can better optimise those—we welcome the opportunities to review. It fits well with the other transformation programs we have going on in terms of the post-McDougall remediation, and we look forward to working with the Treasury team to further enhance that and make sure we've got our i's crossed and t's dotted.

The Hon. DAMIEN TUDEHOPE: You've got have a chief financial officer setting here. Wouldn't the chief financial officer be always in fact conducting exactly that operational review in relation to the manner in which the organisation runs?

RICHARD HARDING: Absolutely, and we do that as a matter of course. As you would know, I come from the private sector, and focusing on those costs and the efficiency of the operations is a very key part of what we do. We have run our own program of optimising the costs. Between 2020 and 2022 we removed over \$131 million of costs from operating costs, and that's a starting point for us to have already managed that. We're reinvesting some of that now in terms of improvements to the scheme. But I do think continued focus on it is very normal. From my point of view, as a private sector commercial insurance company operator, you want to have that focus.

The Hon. DAMIEN TUDEHOPE: But you would've thought that, in fact, your board would have been requiring that level of focus, as well. Would it not?

RICHARD HARDING: They do. They review our budgets and undertake a thorough assessment of what we're expecting to spend each year, and then each initiative that we bring forward must contain an appropriate business case with a solid return. The board does provide a level of oversight and governance already.

The Hon. DAMIEN TUDEHOPE: To conflate that review with the drawdown which the Government contributes to icare is probably a mistaken approach to actual savings, is it not? The \$699 million—would that be improved by this review?

RICHARD HARDING: Highly unlikely.

The Hon. DAMIEN TUDEHOPE: To in fact suggest that, because we've had a \$699 million drawdown—that's influenced by one set of factors. It's not addressed by having this operational review.

RICHARD HARDING: I think we need to see how the operational review goes. I understand the point you're making. It is very common in my experience for people to get icare confused as to what part's what, and colloquially, to some degree, over the last three or four years, the injection into icare or bailout of icare has been used as a way of describing the NAHLP, which is a different mechanism. The operations of icare support all the

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schemes, and making sure that they do that in the most efficient, effective way, I think, is the intent behind the review. We welcome that part.

The Hon. DAMIEN TUDEHOPE: Have you conducted any review of your return to work policy?

RICHARD HARDING: Could you be a little bit more specific?

The Hon. DAMIEN TUDEHOPE: One of the matters which you have been quizzed on, year after year, is deterioration in return to work policies, although last year there was some, as you correctly described them, green shoots in respect of the 13-week return to work position. Has that continued?

RICHARD HARDING: Yes. We continue to see some positive movement. It's probably slower than people would prefer. The 26-week return to work rate in the Nominal Insurer has gone from about 84 per cent in June 2021 to 86 per cent in June 2023. The 26 rate is probably the good benchmark to use. The four-week rate tends to move around quite a lot. In the Treasury Managed Fund it's gone from 86 per cent to 87 per cent. They're very early and not what people would expect in terms of large changes, but they are significant impacts.

Actuarially, when we do those liability valuations, they are a very good insight for us in terms of the health of the scheme and what's actually happening. In the last 18 months, we've been pleased to see almost \$700 million—about \$680 million worth of releases being generated from the work we've done on early intervention, on work capacity, in terms of making sure that's well understood, and on the improvements we're making to the claims model. That tells us that we're heading in the right direction. There's a lot more to do to improve return to work outcomes. But there are, as you say, some green shoots and the start of a movement in the right direction.

The Hon. DAMIEN TUDEHOPE: I did ask the Minister about that, and it does give rise to some concern in respect of, potentially, the policy framework in relation to return to work for mental health claims. I know you would be very concerned about this. Is there any proposal that you're aware of or have had any input into in respect of how you would improve return to work rates both in the TMF and the Nominal Insurer in respect of claims for mental health injuries?

RICHARD HARDING: There's no legislative proposal, if that's what you're asking. We operationally are doing quite a lot within the claims model that I talked about earlier and the six new providers that have come onboard. Four of those providers are qualified as specialist claims providers who have a team specifically focused on psychological injury and on how do we create a different way of managing it, instead of trying to bring psychologically injured workers through the one sausage factory, if you crudely think of it in that context, and how do we change the way we interact with people so that we can help get better return to work impacts.

We have an office in Wollongong where we run a test and learn centre, which is primarily focused on making very small but quite meaningful changes to the way we operate and the way we manage claims, to help us get a handle on what's actually going to have the biggest impact on changing return to work outcomes for psychologically injured people. Nine out of 10 people with a physical injury at the 26 weeks will be back at work. It's five out of 10 for people with psychological injury at 26 weeks—a significant difference in return to work between the two. That test and learn centre has helped us already identify cases where just simply, especially with small business—the Nominal Insurer is predominantly small businesses. About 80 per cent to 90 per cent of the employers that we insure in the Nominal Insurer are small businesses. In those cases, simply changing the question of "Where do you want to return to work to?" can make a huge difference in the speed with which you get somebody to work.

Forcing a psychologically injured person to think they're going to go back to work at the same employer versus actually giving them the opportunity—they still want to return to work, but they just don't want to return to that same employer. We've seen return to work rates of eight to 12 weeks, when normally you would expect that to be 26 or 52 weeks in the normal cases. Small things are making a big difference is what we're seeing in that test and learn centre. There's a lot of activity going on, I guess, Mr Tudehope. But it is fundamental because, as you know from previously, it is the fastest growing element of the injuries within the scheme.

The Hon. DAMIEN TUDEHOPE: I know I'm restricted as to time, but I'll just finish. In terms of the claims managers, how are claims distributed between the, I think, six claims managers that are now onboard—a great policy innovation, that—in terms of making sure that there is a fair distribution: hard cases, easier cases and the like? How is that process adopted?

RICHARD HARDING: So we made a deliberate decision. In 2017 the model was about moving all claims back to one provider. That created a whole lot of pain for injured workers who were disrupted from their strong relationships with case managers and the usual ways of working. We made a deliberate decision not to move open claims but to actually allocate policies—so employers, effectively—and that the new CSPs would then get the claims that relate to those policies. We have done that. We're still actually in the process; it will take

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through to June next year, at which point we'll be able to increase the level of choice for employers. We're actually allocating policies, if that makes sense, rather than claims. New claims then go with those policies, and the open claims stay with EML. That slows down, I suppose, the process of reducing our dependence on EML, but it's about ensuring those injured workers have stability—

The Hon. DAMIEN TUDEHOPE: Have continuity of—

RICHARD HARDING: —and continuity. Yes.

The Hon. DAMIEN TUDEHOPE: I'll finish there. I just want to say to you, Mr Harding, we're lucky to have you.

RICHARD HARDING: Thank you.

The CHAIR: Thank you, Mr Tudehope. That concludes the questioning for today's hearing. I'd like to start by thanking you all for coming, providing your evidence and responding in such a substantive way to the questions that were put today. It's very much appreciated, and your work as public servants is deeply appreciated by me and, I'm sure, all members and the community. Thank you very much for your evidence today. The secretariat will be in contact with you regarding any questions taken on notice in due course. You are free to go. Thank you very much, members, for your participation in this year's hearings. To Hansard, the secretariat and the people doing AV and back of house, thank you very much.

(The witnesses withdrew.)

The Committee proceeded to deliberate.