

Responses to Questions taken on Notice

Minister Chanthivong

Budget Estimates

Hearing Date – 7 March 2025

Question from pages 5-6

The Hon. MARK LATHAM: Thanks for that invitation, Minister. I can bring to your attention a case study of the Deputy Chair of Racing NSW, Saranne Cooke, owning as an individual a property at 270 Gilmour Street, Kelso, or Bathurst, adjoining the 1,400-metre chute of the racecourse. In owning that property in the middle of 2021, she used Racing NSW, effectively—she's a board member, but as a private citizen she held the property—as the managing agent for the property. I'd like, after the people opposite inspect it, to table the residential tenancy agreement that was reached between Racing NSW, supposedly, as a landlord—they never disclosed that Saranne Cooke actually owned the property—with Kirsty Delaney.

You guys over there normally want to inspect these things and have a look at them before they are tabled. I am seeking to table this agreement. I will speak to it. The problem was, Minister, that in using these public resources, Kirsty Delaney, who had rented for quite some time, said these were the worst people ever to deal with. Ultimately she was evicted for no reason and left homeless for six months. There was an argument about the bond return, even though she had left the property in very good condition.

The Hon. BOB NANVA: Point of order: I am not quibbling with what Mr Latham is putting forward, but I would suggest that the procedural fairness resolution states that adverse reflections should not be made on third parties where procedural fairness can't be afforded to them. I suggest that the question as it's currently framed is not in accordance with paragraph 13 of the resolution.

The CHAIR: I would remind the member to be mindful about adverse mention. This has come up in other committee hearings as well. Just be mindful of accusations and using names of people who aren't able to be here today to have a right of reply.

The Hon. MARK LATHAM: Chair, the name I'm using is Racing NSW, which is a public agency established by this Parliament, and they're acting as the landlord.

The CHAIR: That's fine. It is the individuals' names that were part of the point of order.

The Hon. MARK LATHAM: I'm outlining what they did as the managing agent for the property: the eviction, the homelessness, the argument about the bond return, and using unqualified people from the Bathurst race club to do the property inspections. Don't we need to guard against this sort of practice, Minister? It seems completely unethical. It's a corruption of public resources for a private individual on a board to be using the agency for these managing agent purposes—placing the ad, vetting prospective tenants, reaching the final agreement and all the other things I've mentioned.

Mr ANOULACK CHANTHIVONG: Obviously officials who are in the gaming and racing department fall outside my ministerial responsibilities. But certainly the issues around the rental regulations that you're referring to, I understand that Minister Harris was asked this question as well and he is currently looking into the matter.

The Hon. MARK LATHAM: He wasn't asked about the tenancy agreement, which I found out about subsequent to the hearing on Tuesday. Do we need a prohibition on this sort of arrangement, where a private individual holds a property in their own name—they paid nearly \$1 million for it—and uses the public agency on which she's a board member? And they used public resources—their property section and three different property managers—to provide this benefit, which looks like a corruption of public resources given all the things they did? It's also got to be said that they did it very poorly.

Mr ANOULACK CHANTHIVONG: Certainly. I can't comment on individual cases which I obviously don't have the background information on, but I'm happy to consider the details that you've just mentioned and how the rental regulations could be tightened in the future. The ongoing journey of

rental reform continues. Whilst the Government has made significant reform and will continue to consider all reform—in this specific case, I'm happy to receive the details you've got and then ask the department to examine carefully about where it may fit within my portfolio responsibilities. I suspect, as Minister Harris has also stated, he's also looking into the matter from another angle as well.

The Hon. MARK LATHAM: Thanks for that undertaking, Minister. I'll hand up this residential tenancy agreement for you to look at on notice. Perhaps also establish some standards inside the government to ensure that an organisation that's set up—in this case, for managing and running thoroughbred racing in New South Wales—doesn't have a head of power in its own legislation to act as a managing agent on behalf of private individuals, albeit a board member in these extraordinary circumstances. The Government could do something about that because it just appears to be a waste of public resources and plainly wrong.

Mr ANOULACK CHANTHIVONG: Certainly the Government will always consider these issues as they arise. The ongoing journey is always of legislative reform. To make things more transparent and make people accountable is always part of the Government's agenda.

The Hon. MARK LATHAM: So you'll undertake to have a look at this rather unique arrangement and see what we can do inside the Government?

Mr ANOULACK CHANTHIVONG: That's correct. Once we get all the information from yourself regarding this particular incident and how it connects to the rental regulation framework, certainly we can consider it. But Minister Harris is also—

The Hon. MARK LATHAM: Do you know of any other circumstances in the New South Wales public sector where a body with a head of power—in this case, thoroughbred racing—but no private rental managing agent authority in their statute has actually done this? It seems to be stepping outside the law, doesn't it?

Mr ANOULACK CHANTHIVONG: I'm not aware of any, at least in my portfolio. I can take that on notice.

Answer

I am advised:

The *Residential Tenancies Act 2010* governs residential tenancy agreements in NSW. It provides rights and obligations for landlords and renters about a range of matters, including ending a tenancy and rental bonds.

There is nothing in the Act to prevent a landlord managing a property themselves and not employing an agent.

Questions about the ownership of the property and the relationship between Racing NSW and the Deputy Chair of Racing NSW should be referred to the Minister for Gaming and Racing.

Question from page 6

The Hon. MARK LATHAM: Moving on to a separate topic I did raise with you on the Notice Paper, and I would appreciate an answer, when did NSW Fair Trading last review the safety and regulation of pet food products in New South Wales? What were the results of the review?

Mr ANOULACK CHANTHIVONG: I'm advised that the safety of pet products is a matter for the

Minister for Agriculture, if I'm not wrong. I might hand over to the Fair Trading Commissioner.

The Hon. MARK LATHAM: Fair Trading hasn't reviewed the standards and safety at all, at any time?

Mr ANOULACK CHANTHIVONG: Only for the pet foods.

NATASHA MANN: No, I'm not sure it sits squarely within our portfolio. In the time that I've been in the role, we haven't reviewed it, but I can certainly look into that.

The Hon. MARK LATHAM: What's that period you've been in the role?

NATASHA MANN: I've been there for three years.

The Hon. MARK LATHAM: Could you check if it was done earlier than that, on notice?

NATASHA MANN: I can.

Answer

I am advised:

This question was answered at page 23 of the hearing transcript.

Question from page 21

Ms CATE FAEHRMANN: I understand the same concerns have been raised by the ACT Fire and Rescue, and Fire Rescue Victoria, as well as in the industry forums. I think there's no doubt about the risks that they could keep, for example, occupants or the firefighters locked inside a room if they lock at the wrong time.

Does the Government know in which buildings these fire doors have been installed? Has a paper trail been established so that, if there does need to be urgent remediation, something can be done?

JAMES SHERRARD: Yes.

Ms CATE FAEHRMANN: I have heard a number of people talk about this as potentially the next kind of flammable cladding saga, they're that concerned about it. Minister, have you been briefed on this matter?

Mr ANOULACK CHANTHIVONG: On this particular matter?

Ms CATE FAEHRMANN: Yes.

Mr ANOULACK CHANTHIVONG: I think in the fire doors one, fire safety is a part of the national construction and the building Minister's remit as a general topic.

Ms CATE FAEHRMANN: Possibly.

Mr ANOULACK CHANTHIVONG: In terms of the fire doors, that hasn't been raised, but certainly we can take that on notice to make sure we continue to examine the issue.

Ms CATE FAEHRMANN: Minister, I'd also suggest that you request an urgent briefing as opposed to just taking the issue on notice, given the serious concerns.

Mr ANOULACK CHANTHIVONG: Of course.

Answer

I have discussed this matter with the Building Commissioner and have been advised that Building Commission NSW is actively considering these concerns.

Question from page 24

The Hon. MARK LATHAM: On a separate matter, what's the interaction between Fair Trading and the New South Wales police in a circumstance where, at a charity, someone misappropriates the funds that are raised?

Mr ANOULACK CHANTHIVONG: Certainly, as fair trading Minister, I do oversight charities and their performance and disclosures. If there are criminal behaviours, we would work with the NSW Police Force to ensure that those who are doing the wrong thing—

The Hon. MARK LATHAM: Who actually does the prosecution if it gets that far?

Mr ANOULACK CHANTHIVONG: Fair Trading Commissioner, what's the legal avenue there?

NATASHA MANN: It will depend on the circumstances of the case. We work hand in glove with police on these matters. If the fraud is substantial, it is likely that New South Wales police will assume prosecution. However, we also do prosecutions of fraud, both for charities but also for trust account fraud for real estate agents.

The Hon. MARK LATHAM: On notice, and not the details but just the numbers, for each of the last three years, how many prosecutions have been undertaken by Fair Trading in those areas?

NATASHA MANN: For real estate agent trust account fraud?

The Hon. MARK LATHAM: For both the matters you mentioned: charities and real estate. You say "substantial matters". What's the cut-off there? How much money needs to be misappropriated before it becomes a police matter?

NATASHA MANN: There is no set threshold. It will depend on the circumstances in each case. Often, if there is an organised crime element, the police will take that on. If it's a straight real estate trust account fraud, we will retain—

The Hon. MARK LATHAM: What about a fundraiser where they raise a lot of money and \$50,000 was siphoned off to a different purpose?

NATASHA MANN: I wouldn't like to comment on the specifics.

The Hon. MARK LATHAM: How does that normally qualify?

NATASHA MANN: If there's a specific matter that you have, I'd very much welcome you providing me with the details of that.

The Hon. MARK LATHAM: Thank you, I'll do that. Minister

Answer

I am advised:

In the last three years there have been 12 completed real estate agent prosecutions for trust account fraud. While there have been charitable fundraising investigations, there have not been any prosecutions.

Question from page 29-30

The Hon. JACQUI MUNRO: What is the status of the Central Precinct: Strategic Framework, and what parts of that are not currently in play?

Mr ANOULACK CHANTHIVONG: As I said, there is a difference between the agreement. We'll continue to consider those agreements.

The Hon. JACQUI MUNRO: No, not the agreement. This is the strategic framework, Minister. I've moved on from the agreement.

Mr ANOULACK CHANTHIVONG: As I said, as part of the policy development process—it shouldn't come as a surprise to you, or anybody, that we'll consider the status quo of what's happening and, therefore, we

are engaging with the sector to determine where changes need to be made.

The Hon. JACQUI MUNRO: Are you committed to the 25,000 new jobs in the area, for example, affordable workspace for startups, and 250,000 square metres of net lettable floor space?

Mr ANOULACK CHANTHIVONG: All of those things will be considered as part of the policy development process.

The Hon. JACQUI MUNRO: So we can't rely on your Government to deliver the 25,000 new jobs in that area?

Mr ANOULACK CHANTHIVONG: The Government will make all these considerations as it finalises the policy.

The Hon. JACQUI MUNRO: It's very difficult, Minister. What measurable progress has been made in implementing the priorities outlined in the NSW 20-year R&D Roadmap?

Mr ANOULACK CHANTHIVONG: Obviously R&D is important, and we'll continue to work towards that particular goal. As I say, the industry policy is a part of setting that strategic framework to ensure that we

continue to provide R&D and support to the R&D sector.

The Hon. JACQUI MUNRO: But the R&D road map is in that big triangle; it's under your industry policy.

Mr ANOULACK CHANTHIVONG: Yes.

The Hon. JACQUI MUNRO: What measurable progress has been made in actually implementing those?

Mr ANOULACK CHANTHIVONG: I think one great example is the RNA manufacturing facility we're building near North Ryde. I might ask the chief scientist to provide further and specific details on the R&D work that the Government, whether through his organisation or others, is contributing to this goal.

The Hon. JACQUI MUNRO: I'll ask about that this afternoon. What is the annual funding allocation

for the implementation of the road map?

Mr ANOULACK CHANTHIVONG: I'll have to take that on notice, but I know OCSE, or the Office of the Chief Scientist and Engineer—that's an organisation—has a budget of around \$104 million, which includes both the opex and the capex.

The Hon. JACQUI MUNRO: What level of funding has been allocated to the Western Sydney Startup Hub? How did it compare to the Sydney Startup Hub?

Mr ANOULACK CHANTHIVONG: I'll have to take those specific details on notice. I think that's funding that's allocated but, as part of our innovation policy development, we'll continue to make sure that all areas in the innovation sector is properly supported.

Answer

I am advised:

Please refer to the answers to the supplementary questions on these matters.

Question from page 30-31

Mr ANOULACK CHANTHIVONG: No, it's not an error. I think that is an incorrect characterisation. The MVP program has been funded in the latest budget allocations.

The Hon. JACQUI MUNRO: So it goes into forward estimates? How is that not an error? It says 2024-25 specifically. It doesn't go on to list any other years. People in the sector are rightly worried—after your Government has already slashed funding to it in the first place—that it's actually going to be cut entirely.

Mr ANOULACK CHANTHIVONG: That, I think, is a misunderstanding. The Government is funding MVP. As records will also show, Ms Munro, prior to the Government coming into office, your Government had actually slashed \$188 million from the budget in the innovation sector.

The Hon. JACQUI MUNRO: Okay, Minister. I am glad to hear the MVP grant is going to be committed to. Can I just understand, in relation to the NSW Decarbonisation Innovation Hub, why have there been no recent public updates on the progress of projects or outcomes of the hub?

Mr ANOULACK CHANTHIVONG: I'll have to take that one on notice in terms of the hub. We support the work of the clean energy sector. That might be more appropriate for Minister Sharpe.

Answer

I am advised:

Please refer to the answers to the supplementary questions on this matter.

Question from page 36

The Hon. AILEEN MacDONALD: If I could turn to Corrections, Minister, and ask how many Corrective Services staff were suspended on full pay over the past year?

Mr ANOULACK CHANTHIVONG: I'm advised that the latest figure that I have about Corrections officers who have been suspended for a range of misconduct is about 82.

The Hon. AILEEN MacDONALD: That is the same as when I asked last year, so they're still suspended. I'll move on to my next question. Why do so many remain suspended on full pay, Minister?

Mr ANOULACK CHANTHIVONG: I said all staff misconduct goes through the procedural fairness process. Certainly where misconduct occurs, it will be reviewed appropriately and the appropriate actions will be taken, but it does need to go through a procedural fairness process.

The Hon. AILEEN MacDONALD: What steps have you taken with regard to this procedural fairness?

Mr ANOULACK CHANTHIVONG: Employee and employer relationships regarding officers and where there are allegations of misconduct is a matter for the department. I'm happy to ask—

The Hon. AILEEN MacDONALD: I'll ask this afternoon on that one. Minister, do you know what the cost of having so many suspended on full pay is to the budget of Corrective Services?

Mr ANOULACK CHANTHIVONG: I'll have to take that specific question on notice. I could also add as part of the reforms that the Government is implementing, the role of the professional standards investigations has now been moved out of Corrections and into the department to not only speed up the assessment of misconduct but also give it a greater sense of independence.

Answer

I am advised:

Refer to the response to Supplementary Question 257.

Question from page 38

The Hon. AILEEN MacDONALD: I'll ask this afternoon when we have more time, Minister. When Junee is under Government control, can you guarantee the continued operation of Junee without any reduction in current staffing levels?

Mr ANOULACK CHANTHIVONG: All staff who are offered a position to work with Corrective Services and the decision whether an employee wishes to work with Corrective Services are matters for those officers. But the department has encouraged all officers to be part of the wider Corrective Services network and family.

The Hon. AILEEN MacDONALD: Do you know how many currently are employed at Junee Correctional Centre?

Mr ANOULACK CHANTHIVONG: I can take that on notice.

LEON TAYLOR: It's 332 at transition. And to part of your earlier question, we've instructed DCJ talent acquisition to continue to recruit from the transition so we can continue to grow the inmate population down at Junee as the statewide population grows.

The Hon. AILEEN MacDONALD: Minister, do you know the dollar amount of economic contributions Junee Correctional Centre provides to the local economy of Junee?

Mr ANOULACK CHANTHIVONG: Firstly, I would say that Corrections—it's by no accident that a

number of our facilities are based in regional New South Wales to ensure that, as a major employer, we contribute to the local economy. But if you are asking me for a specific economic number, then I will have to take that on notice.

The Hon. AILEEN MacDONALD: I believe it's about \$7.5 million annually to the local economy. I might move on now to the Cessnock Correctional Centre. Are you having trouble hearing me?

Mr ANOULACK CHANTHIVONG: No.

Answer

I am advised:

The answer to the question regarding staff numbers was answered in the transcript above.

In relation to the economic contributions of Junee Correctional centre, Ms MacDonald provided an answer to her own question in the transcript above.

Question from page 42

The Hon. AILEEN MacDONALD: Has there been any extra funding given to the Rental Bond Board to implement it?

Mr ANOULACK CHANTHIVONG: Yes, an allocation of funds has been given to the portable bond scheme. Just bear with me; I think there is a figure that I have.

The Hon. AILEEN MacDONALD: You could take it on notice.

Mr ANOULACK CHANTHIVONG: Here we go: \$6.6 million.

Answer

I am advised:

The answer to the question is provided in the transcript above.

Question from page 43-44

The CHAIR: I think we have Mr McCahon here today as well. You were recently appointed to the role of Commissioner for Corrective Services NSW. The media release from the Minister regarding the appointment says the new commissioner:

... has a mandate to implement significant reforms that will deliver a more accountable and transparent corrections system that keeps the people of NSW safe.

Mr McCahon, I was hoping that you could talk a little bit about what reforms, as commissioner, that you'll be focused on and priority areas or issues that you've specifically been asked to address?

GARY McCANHON: There is a program of works that's planned for the reform for Corrective Services NSW, which I am still working my way through. Essentially, the approach centres around the management of our staff, the safety of our staff, the support services and programs for the

inmates within our care, and oversight of all the implementation of the Astill recommendations.

The CHAIR: Where are we up to with those recommendations?

MICHAEL TIDBALL: Consistent with the Hon. Peter McClellan's recommendations—he saw that the secretary would have an oversight, particularly with an eye to there being a degree of separation from the commissioner, who is clearly charged with the administration of the Crimes (Administration of Sentences) Act. I can give you as granular as you would like, in terms of the 31 recommendations. There is a three-tier governance process, with the taskforce being chaired by myself, then two other subsidiary committees that work within that framework. We have 15 recommendations closed of the 31. We've got six which are closed or near closure. Can

I on notice, perhaps, give you a schedule of where we're at with the 31 recommendations? A lot has been achieved.

The CHAIR: Yes, I understand that.

MICHAEL TIDBALL: Within those there has been some funding, which was announced, that also supports a women's strategy that's very focused on Dillwynia, but also looking at the take-outs from Commissioner McClellan's report, looking at the treatment and services that we provide to women inmates in the system system-wide.

The CHAIR: Ms Higginson was asking some questions this morning about general access to tablets and iPads for inmates. I just want to get an update on how many inmates currently have access to tablets in New South Wales corrective centres, and the percentage of the total population that have access to a tablet.

LEON TAYLOR: I can probably assist with that.

MICHAEL TIDBALL: Can I also correct something I just said? In terms of actually closed of those 31 recommendations, six are actually closed. But I'll provide that on notice. The expert on the tablets is in fact Mr Taylor.

LEON TAYLOR: There are two types of tablets. We have 12,223 tablets, to be precise, across Corrective Services NSW correctional centres. On top of that, we also have IPTVs—there's 800 of those—at the Macquarie and the Hunter rapid-build prisons. Clarence also have their own solution, so that's about another 1,200. I won't do the maths on that in my head. The centres that don't have tablets—Parklea doesn't have tablets. As the State moves in to operate that, that will be a priority for us to prioritise capital. The Government has approved for us in the forwards to bring the tablet capability into Parklea—if that answers to your question, Chair.

The CHAIR: Yes, thank you. That is the end of my time. Ms Cate Faehrmann.

Answer

I am advised:

Information regarding the status of recommendations from the Special Commission of Inquiry into the offending of former Corrections Officer Wayne Astill was provided by the Secretary in the transcript hearing above.

Question from page 44 (BUILDING COMMISSION)

Ms CATE FAEHRMANN: Back to fire safety, but a different area of fire safety, I have been contacted by a number of people in the community who live in apartment buildings who have been concerned

about the requirements around retrofitting in terms of sprinkler systems for fire safety. I understand that on the Fire and Rescue NSW website there is a question asking, "Will older buildings require to be retrofitted with sprinkler systems?" It says, "No, older buildings will not be required to be retrofitted with sprinkler systems." I have been contacted by a number of people who are very keen to know what the definition of an older building is. Does anybody have that level of information here today?

NATASHA MANN: I don't.

Ms CATE FAEHRMANN: Take it on notice, maybe.

GRAEME HEAD: On notice, yes.

Ms CATE FAEHRMANN: Who would that be directed to, anyway? Is it Fair Trading?

NATASHA MANN: The Building Commission.

Ms CATE FAEHRMANN: The Building Commission, is it?

GRAEME HEAD: Yes.

Answer

I am advised:

Legislation administered by Building Commission NSW does not define 'older buildings' in association with fire safety systems. Questions relating to content on the Fire and Rescue NSW website should be referred to the Minister for Emergency Services.

Question from (46)

The Hon. JACQUI MUNRO: Ms McPhee, you may want to get comfortable. Firstly, just on the industry policy paper, how much was spent on consultants? Was it just the James Martin institute?

REBECCA McPHEE: It was just the James Martin institute of \$22,000.

The Hon. JACQUI MUNRO: How many staff were working on that in Investment NSW?

REBECCA McPHEE: I'll have to take that question on notice. A small team were dedicated but working across. I'll look into that for you.

The Hon. JACQUI MUNRO: How long were they working on that, or when did they start?

REBECCA McPHEE: It predates my joining Investment NSW, but I believe through 2023. But, again, I'll come back to you and take that one on notice.

The Hon. JACQUI MUNRO: And they had other tasks as well?

REBECCA McPHEE: There were other tasks as well.

Answer

I am advised:

The Industry Policy was developed by various staff in Investment NSW, in consultation with a variety of agencies.

Question from (46-47)

The Hon. JACQUI MUNRO: Yes, that sounds good. This is a really small thing, but is there a better pixilation option for the image as well? It's a bit rough and it's a bit hard to make out. On the Tech Central precinct, is your department aware or engaged with the Tech Precinct Cooperation Agreement?

REBECCA McPHEE: Yes, we are.

The Hon. JACQUI MUNRO: Could you please explain to me what that is?

REBECCA McPHEE: Yes, absolutely. It's called the Tech Precinct Cooperation Agreement and it was signed by the Government in 2020. It's an agreement between the Government and Atlassian. It is a commercial agreement, so I can't speak too much about the details, but it describes how we will work together to help the Tech Central precinct achieve its full potential.

The Hon. JACQUI MUNRO: Is there an end date to that agreement or—

REBECCA McPHEE: I'll take that question on notice.

The Hon. JACQUI MUNRO: Okay. In terms of the agreement, are there elements of it that are public that don't relate specifically to commercial aspects?

REBECCA McPHEE: No, I don't believe that agreement is public.

The Hon. JACQUI MUNRO: With the Atlassian Central Project Development Agreement, which partly is public, do you know what mechanism that was made public through?

REBECCA McPHEE: I'm assuming that is a—no, I'm not going to assume; I'm going to take that question on notice.

The Hon. JACQUI MUNRO: Okay, thank you. Obviously there are large parts of that that are redacted, but I want to understand how that came through because that actually does have an end date, which I think is 2029 or 2031? It is 2029.

REBECCA McPHEE: That agreement relates specifically to the delivery of the Atlassian headquarters building. **The Hon. JACQUI MUNRO:** There's been no extension or amendment to that agreement, to your knowledge?

REBECCA McPHEE: No.

Answer

I am advised: The Tech Precinct Cooperation Agreement is commercial-in-confidence and details of the agreement cannot be disclosed.

The Atlassian Central Project Development Agreement is a Transport for NSW contract.

Question from page 48

The Hon. JACQUI MUNRO: At the last budget estimates hearing, you noted that there's extremely limited direct investment in defence from the New South Wales Government. Is that still the case?

REBECCA McPHEE: Yes, that is the case. We support the defence and aerospace industry predominantly by engaging with businesses looking to either invest in defence and aerospace in New South Wales or by local companies—typically small- and medium-sized enterprises—looking to either export their goods or showcase their goods at trade shows. We provide that type of

support, not direct financial investment.

The Hon. JACQUI MUNRO: Are you looking at how other States are engaging with these industries, and taking any policy examples from them?

REBECCA McPHEE: We do engage with other States around their trade and investment strategies. There are both formal mechanisms—the ministerial round tables and associated senior officers' groups—and also informal discussions between my teams and the other States' teams.

The Hon. JACQUI MUNRO: Are there any particular policies or programs that other States are engaging with that relate to AUKUS that we are looking at implementing here?

REBECCA McPHEE: Not that I'm aware of, but I'm happy to take that question on notice.

Answer

I am advised:

Please refer to answers to supplementary questions about this matter.

Question from (49)

The Hon. JACQUI MUNRO: I'll write to you privately. With Techstars, my understanding is that a minimum of six of 12 Techstars companies that are chosen have to be from New South Wales, but the other half don't have to be from New South Wales. I'm wondering how that decision was made.

REBECCA McPHEE: If it's okay, I might invite my Executive Director, Fostering Innovation to join and help me answer that question.

SIMON ROWELL: Just to understand, the question was how was the decision made to set a target of six out of 12 of the Techstars applicants having to come from New South Wales? I wasn't around at the time that this was created, but I'm happy to take that on notice for anything we can find.

The Hon. JACQUI MUNRO: That would be good. Basically, the concern is that New South Wales taxpayer money is going to interstate or potentially overseas companies. I'm wondering if there's any mechanism to shift this. Is this a decision that would be with the Minister or is this a decision that Investment NSW can shift?

SIMON ROWELL: For that question, we'd have to have a look at the program guidelines. What I can share that goes to your question is that I understand that those targets were exceeded for the amount that have come from New South Wales. From what I understand, within cohort one we have at least around two-thirds that are New South Wales based. Within cohort two I think that's higher: over 80 per cent. So, in some respect, those targets are being exceeded already.

The Hon. JACQUI MUNRO: I did have a look at the lists. I'm obviously glad that there are as many from New South Wales as possible. But it does seem a little odd to me that there are some in Victoria, New Zealand even and Queensland. There's one in Israel. It's just perplexing and a little concerning, as a program that's run out of the New South Wales Government. We'd love to know if there's a possibility for that to change. The annual report for the department—obviously, it's the old department—says, regarding the MVP Ventures, that in 2023-24, 60 businesses received funding support of up to \$50,000 to assist in their endeavours to commercialise their products. I'm curious about how much money was actually distributed in total.

SIMON ROWELL: I might take that, Ms Munro. A number of these programs are underway still, because these programs were awarded in that time, but some of the programs do take longer to actually complete the activities. We will have to get back to you on the amounts that actually would have been expended or shared at the moment.

Answer

I am advised:

The Techstars Accelerator Program is funded in the Investment NSW budget. The contract was signed under the previous government.

Question from (49)

The Hon. JACQUI MUNRO: Are you anticipating that you'll fully expend the budgeted annual amount?

SIMON ROWELL: That depends on a range of factors, some of which are up to the organisation that is undertaking the work. Obviously they have to meet certain milestones and payments to be able to qualify for that. I think in the MVP, that might actually be a series of stages as well. That would be a limiting factor for whether all the money would be spent, and there might be other reasons as well.

The Hon. JACQUI MUNRO: It would be good to get a breakdown of how much was expended and also if there were any organisations that didn't receive their full allocation because of some discrepancy in their own reporting or some reason that they didn't fulfil the terms of the contract. Is that possible? It doesn't have to list the company but just a report on the number.

SIMON ROWELL: Sure. We're happy to take a look to see what kind of aggregate data might be available for how many applications are fully completed and fully funded.

The Hon. JACQUI MUNRO: Also, in that, not just not fully funded but that were terminated for some reason, essentially. Also, if there could there be information about what percentage of that was distributed to regional companies, that would be helpful.

SIMON ROWELL: Sure. I'm just taking a look if I've got that to hand, but I think we'll have to come back on that.

Answer

I am advised:

Total payments at 20 March 2025 from the 2023-24 MVP program is \$1,441,130.50

Milestone payments still to be made is \$1,353,300.86. This is from 46 projects that are still in progress and have not completed their final milestone or claimed their final milestone payment.

Payments that have not been claimed is \$120,136.28. This is from 2 recipients that withdrew from the program after receiving the first milestone payment as the project did not proceed and 9 projects that did not claim the full amount of grant as their project was delivered under budget (MVP grant provides up to 50% of the project costs).

During 2023-24 MVP program, \$330,743 was allocated to founders who identified their location as being outside of Sydney, Newcastle and Wollongong. This information is available on the NSW Grant Finder Website.

Question from page 51

The CHAIR: What about secure messaging services to contact friends and families? I know that the ACT

prisons have made that available since 2008. Is that something that has been considered?

LUKE GRANT: Absolutely. The solution has been developed, and we're just negotiating with staff as to how that would occur. Notwithstanding it being secure messaging, it still requires a level of vetting and supervision and so on. We have a solution; we've worked out the solution. We've made it bespoke to our requirements. All of our security requirements have been put into play. We're just about ready to go out for a trial, but we need to negotiate with our staff and work out what the consequences will be, because we'll require some level of monitoring and supervision to make it work.

The CHAIR: I imagine that currently they have to spend time checking, photographing and doing other things with letters that are sent. I'm assuming it would be a switch—

LUKE GRANT: There is so much sense to it—exactly. You can imagine how much easier it is to interrogate a digital message than it is to actually look at something that could be written in various forms of script. We're absolutely looking forward to it and it's something we're committed to doing. We've built it into the specs of the solution from the outset. We made a conscious decision to incrementally introduce functionality because so much could potentially go wrong. We've been waiting for so long to have this solution. We don't want to jeopardise it by having a problem because we don't test something out properly before we put it into play, or to have some industrial problems arise from different people that have concerns about it.

We're progressively introducing content, and we've only seen the beginning of what the tablets will be able to do. We've just brought online now a learning management system that we've built from the ground up that will enable people to do more interactive, educational stuff on the tablets. We've always had the capacity to run videos or to have instructional material in static forms, but now we have a proper learning management system that's similar to what public servants have for doing online training. That captures what people have been doing and gives you access to a whole range of solutions. That's something we're rolling out in a couple of jails with a view to a widespread rollout a little bit later in the year.

The CHAIR: Do you have a rough timeline on the trial for the secure messaging services?

LUKE GRANT: I'll have to take that on notice. I'm sorry, I don't have that in my mind.

Answer

I am advised:

CSNSW anticipates being in a position to trial or pilot secure messaging by mid-2025.

Question from pages 51 and 52

The CHAIR: That's all right. Do the current tablet devices allow for the creation of things like art and music and writing?

LUKE GRANT: No. Well, not directly—not using the tablets—but they can include things. For

instance, one of the programs that one of the community organisations—the Community Restorative Centre—runs is a music writing workshop. The videos that are around those sorts of lessons have been incorporated into the tablets as a video that you can watch to encourage you to write music. More recently, we're really interested in Aboriginal art in custody. A lot of Aboriginal people love to paint, and they paint a lot in their cells. They often rely upon each other to capture the images, so we've started to develop some material. We've made the first one of those videos, which isn't on the tablet, to explain the nature and origins of various styles of Aboriginal art using a very eminent Aboriginal art curator. They allow themselves to do that. In terms of having an iPad where you can do the artwork, they don't permit that. The CHAIR: It has still got some limitations. Can you provide an update as to when inmates will have access to the AustLII resource—the Australasian Legal Information Institute—on the tablets?

LUKE GRANT: There's definitely some legal information on there. I'll have to take that on notice to see where we're up to. I don't have that detail.

The CHAIR: I understand it was something that Corrective Services was looking at making available to inmates. If you could take that on notice, that would be fantastic. When will access to the Australian Electoral Commission website be reinstated for inmates so that they can enrol to vote in the upcoming Federal election?

LUKE GRANT: I know that's definitely the plan. I can't tell you the date. I'll have to give you the date for that as well. Just to explain something, it's not a simple matter, pointing these devices at websites. One of the problems with most websites is that they've got capacity for people to use the keyboard for other purposes. If it's an external internet site then people from the community can log into the same site, share the password and communicate. That's why you might've heard about us having to take off things that you might assume to be as benign as the BBC or the triple j website. People found workarounds and were using it to communicate with each other to engage in criminal activities, which potentially undermined the whole utility of the system, and people are too worried about it. We do a lot of work to get a website to work and we test it. Even when we test it, we find that there are problems with it. The Electoral Commission one, we're definitely having that; I just have to find out where we're up to with making it come live.

Answer

I am advised

There are no current plans to make AustLII available on the offender tablets due to incompatibility between the AustLII website design and tablet functionality. Legal information is available to inmates via alternative channels, including the Offender Access Computers, Corrective Services Library, and www.legalaid.nsw.gov.au on the offender tablets.

Regarding access to the Australian Electoral Commission website, refer to the response to Supplementary Question 330.

Question from page 52

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Answer

I am advised:

Please refer to the answers to supplementary question 330 on these matters.

Question from page 53-54

The CHAIR: Mr Taylor, at previous budget estimates you advised that there was—I think it was March 2024. We spoke about the number of inmates in custody for animal cruelty offences. Are you able to give an update on how many inmates are in custody now charged with animal cruelty offences?

LEON TAYLOR: I can—so 102, currently, inmates charged with animal cruelty, and 27 of those are convicted and sentenced and 75 on remand.

The CHAIR: I'm happy for you to take this on notice if you need to, but it'd be great to get a breakdown of what specific offences those offenders had committed—acts of bestiality, serious animal cruelty—

LEON TAYLOR: I have that. So 58 of those 102 inmates have a bestiality conviction or charge: five inmates for both bestiality and possess bestiality material, six of those inmates convicted or charged with bestiality only, and 47 inmates convicted or charged with the possession of bestiality material only. If I pre-empt your next question—

The CHAIR: Yes, I'm sure you will.

LEON TAYLOR: So 60 of those 102 also have a charge or a conviction for a sex offence, and 57 of those 60 sex offences relate to children.

Answer

I am advised:

The answers to these question are provided in the transcript.

Question from pages 57 to 58

The CHAIR: I've got a couple of questions quickly for Mr Taylor. In respect to the 27 individuals that you identified as having been convicted of bestiality-related offences, are you able to provide a breakdown of how many of those individuals have also been convicted of child abuse or child sex offences?

LEON TAYLOR: Yes, on notice.

The CHAIR: Yes, sure. And, on notice, are you able to also provide what type of child offences those people have been convicted of?

LEON TAYLOR: Yes.

The CHAIR: It feels like quite a big jump in the number of inmates in custody, particularly for bestiality offences. Is this unusual compared to historical data? I'm only looking at the number—nine from March in 2024 to this data that you've given us today. Does it sort of—

LEON TAYLOR: We might look at that on notice, if that's okay. I noticed that as well as I was preparing for my evidence today. If you will allow us to do that, that has been—I won't speculate, though. We'll get BOCSAR to probably assist us with an answer or notice.

The CHAIR: Thank you—just to get a bit of an idea as to the data and if we've suddenly got a big jump or if it's been moving up and down quite significantly for some period of time.

LEON TAYLOR: The fact that there are 75 on remand might indicate additional policing and other things, but we'll give you a thorough response on those.

Answer

I am advised:

Refer to the response to additional Supplementary Question 1.

Question from page 59-60

The Hon. JACQUI MUNRO: Do you have any interaction with the Macquarie Park Innovation District?

HUGH DURRANT-WHYTE: Yes, we do. A lot.

The Hon. JACQUI MUNRO: What is that?

HUGH DURRANT-WHYTE: It's mainly because there are a lot of companies there that have a lot of interest in this area, which is not the only investment that we, as a government, have made in that area. We also fund the Genome Foundry in that area. We also funded a program in biomanufacturing and—to follow on from an earlier question—Vow was a part recipient of that funding. There's quite a mixture of different things that are going on, and I've given presentations for

the group that runs Macquarie Park.

The Hon. JACQUI MUNRO: That, again, you would say, fits under the local manufacturing park?

HUGH DURRANT-WHYTE: Yes, absolutely. Again, I'll emphasise, in addition to the capex, there is effectively \$119 million in an investment fund allied to RNA industries, which is designed very explicitly as a venture capital fund rather than a granting funding program and is also designed to bring in companies who want to manufacture phase one, two and three clinical trial RNA in the facility.

The Hon. JACQUI MUNRO: With those projects, have you been asked to provide information that relates to the targets that have been set by this policy?

HUGH DURRANT-WHYTE: I'm not sure I understand that question.

The Hon. JACQUI MUNRO: There are a series of targets under each of these pillars that the Minister has released that relate to local content and value-add, essentially.

HUGH DURRANT-WHYTE: No, we've not specifically, from the RNA project, been asked to contribute to those, to the best of my knowledge at least.

The Hon. JACQUI MUNRO: Any of your projects?

HUGH DURRANT-WHYTE: Yes, we work very closely with Investment on the industry strategy in general.

The Hon. JACQUI MUNRO: With all of the projects that you're responsible for through your office, are you being asked to provide information?

HUGH DURRANT-WHYTE: Can I take that on notice?

The Hon. JACQUI MUNRO: Yes, of course.

Answer

I am advised:

Please refer to the NSW Industry Policy for information relating to the implementation, policy alignment and monitoring and evaluation.

Question from (61)

The Hon. JACQUI MUNRO: I will come back to Ms McPhee and her colleague. Are there any plans to the Investment NSW home page because, at the moment, on the home page, when you click "find out more", it goes to a 404 page not found?

REBECCA McPHEE: The Investment NSW website was updated earlier this week when we launched the industry policy, so I'll need to check whether there's been a technical glitch. It worked for me the other day with the new information which links to the industry policy. So, yes, it has been updated.

The Hon. JACQUI MUNRO: There was information about the Going Global Export Program listed in the annual report. There was a report of the 15 New South Wales fintech companies going on a three-month Going Global Export Program into Singapore, but it's not actually listed on the website, except for a 2021 program. I'm aware that there was an Austrade program that occurred, but I want to understand why it's not listed on the New South Wales website.

REBECCA McPHEE: Just to be clear, that's in relation to that specific Going Global program. It was in the annual report because we obviously run a lot—we've got 14 ongoing at the moment. It was

that one.

The Hon. JACQUI MUNRO: This one was specifically referencing 15 New South Wales fintech companies going into Singapore, but it wasn't listed on the website as any of the projects.

REBECCA McPHEE: Let me take that one on notice.

Answer

I am advised:

The program referenced in the DEIT Annual Report was the Singapore Fintech Going Global Export Program. The program went ahead in the format described.

Question from (62)

The Hon. JACQUI MUNRO: There was an MOU with Living Lab in Jakarta signed for up to a four-month residency for startups. What is the status of that arrangement, and were any of those four incoming businesses related to that MOU?

SIMON ROWELL: My understanding is that is still current. I'm not sure whether any of those specific approved organisations are part of that.

The Hon. JACQUI MUNRO: Is that something you're generally tracking?

SIMON ROWELL: Yes.

The Hon. JACQUI MUNRO: We were also advised last estimates that there was an intention to sign MOUs with Sci-Hub in Ho Chi Minh City and also Common Ground in Kuala Lumpur for a reciprocal agreement. Could you give an update on the status of those MOUs, please?

SIMON ROWELL: I'll have to get back to you on those ones.

The Hon. JACQUI MUNRO: Are you setting any goals or KPIs

The Hon. JACQUI MUNRO: Are you setting any goals or KPIs around how much foreign investment these arrangements with businesses at the landing pads are expecting or ideally targeting?

SIMON ROWELL: I'm not aware of their specific KPIs for investment required. I think it's key just to get them in the location and work from there.

The Hon. JACQUI MUNRO: When the announcement was made in September last year, it was noted that up to nine New South Wales companies will be given the opportunity to base themselves in South-East Asia. Have any companies been selected to do that?

SIMON ROWELL: Can I confirm which program you're referring to there?

The Hon. JACQUI MUNRO: My understanding was that that was related to the MOUs.

SIMON ROWELL: I'm not aware at the moment, so I'm happy to take that on notice and get back to you with that.

Answer

I am advised:

Work on the Living Labs remain ongoing.

Question from page 63

The Hon. AILEEN MacDONALD: I'll move to Corrections now. I asked the Minister previously about staff that had been suspended from community corrections, and the number was 82, I think he said.

LEON TAYLOR: Across all of Corrective Services, and I have a more up-to-date number of 79.

The Hon. AILEEN MacDONALD: And they're all suspended with full pay?

LEON TAYLOR: I'll correct the record if I'm wrong—I think three, from memory, are without pay; the others are with pay.

The Hon. AILEEN MacDONALD: I asked the Minister and he said he'd provide this on notice. I don't know if you would know, but do you know what impact this is having on the budget for Corrective Services? Like, a figure?

LEON TAYLOR: No, I will answer that on notice. But clearly there is a cost that we can aggregate for those 70-odd people that are without pay and provide on notice.

Answer

I am advised:

Please refer to answers to supplementary questions on this matter.

Question from page 66

The Hon. AILEEN MacDONALD: You mentioned Justice Health prior. Has there been any change in the number of forensic scientists working in prison hospitals?

LEON TAYLOR: The numbers are an issue for Justice Health. But I can report that the provision of psychiatric services in Corrections has not noticeably declined through the current industrial actions and resignations of psychiatrists within custody. And I don't think we've seen evidence of our section 19 under the health Act, where we have to take people to hospital, where there's been significant delays. I'm sure there have been delays. But, insofar as the issue that we're talking about, front end, we don't think that that is a major feature in the blockages that we're working to resolve.

The Hon. AILEEN MacDONALD: Just on that, has there been any change in employment status of the forensic psychiatrists, from staff specialist to VMO? And if so—

LEON TAYLOR: All the psychiatrists work for Justice Health. We have psychologists that aren't, obviously, caught up in the resignations. So that's a question for the health Minister and Justice Health.

The Hon. AILEEN MacDONALD: You said that sometimes they'll have to wait. Do you know what the average time would be for an inmate to wait to see to a psychiatrist?

LEON TAYLOR: I'm not sure. Anyway, we'll see what we can provide on notice. Our answer might be to refer you to Justice Health.

The Hon. AILEEN MacDONALD: Do you know what percentage of the prison population requires mental health treatment?

LEON TAYLOR: We know that there are 40 per cent of inmates in custody with known mental health

condition. Unless my colleague has anything, the treatment provided by Justice Health would be a question for them in terms of treatment that they provide. But certainly a high proportion of people in custody have a mental illness.

Answer

I am advised:

Questions relating to Justice Health should be referred to the Minister for Health.

Question from page 70

The Hon. JACQUI MUNRO: The department's annual report listed around \$200,000 that was spent on reviewing the department and its funding arrangements. This was prior to the machinery of government change. Were those reports related to the machinery of government change? What were they for? Is that \$200,000 down the drain because the Government then changed all the responsibilities anyway?

REBECCA McPHEE: They were Department of Enterprise, Investment and Trade engagements. I wasn't in the department at that stage, so I don't have any knowledge of what that work was relating to. I don't believe it was specifically related to Investment NSW.

The Hon. JACQUI MUNRO: I guess we have to put them through for a couple of different agencies to look at it. Somebody will hopefully have an answer to that, which is one of the problems with machinery of government changes. Does Investment NSW have any dealings with the NSW Skills Board?

REBECCA McPHEE: Yes, we do.

The Hon. JACQUI MUNRO: What work are you doing with them?

REBECCA McPHEE: There are a number of elements. One is in relation to where we provide support to companies establishing in New South Wales. We work with our Skills colleagues in relation to potential skills plans for those businesses. There's one in place, for instance, for Kongsberg, who recently located in New South Wales and is creating 500 new jobs. We also manage the State skilled migration scheme on behalf of Minister Whan, and we engage with the Skills Board on that as well.

The Hon. JACQUI MUNRO: Do you have input into that actual list of what skills are required?

REBECCA McPHEE: It works two ways. It definitely flows from the skills list to the migration list. But, yes, we're engaged in that process of developing the skills lists.

The Hon. JACQUI MUNRO: Do you determine that skills list or provide advice about the skills list knowing that there will be particular companies coming into New South Wales? Is that the idea?

REBECCA McPHEE: It's more of a macro view of the existing skills gaps and where there are particular hotspots of trades and skills needed and less workforce available.

The Hon. JACQUI MUNRO: Were they consulted in preparing the industry policy document?

REBECCA McPHEE: I'll have to take that question on notice. Sorry, I actually can answer. Yes, we did engage with our skills department as part of the steering committee that oversaw the

development of that.

The Hon. JACQUI MUNRO: And that included the Skills Board?

REBECCA McPHEE: I'll have to check that.

The Hon. JACQUI MUNRO: What is the current number of participants enrolled in the Driving Digital Skills program?

REBECCA McPHEE: That isn't an Investment NSW program, so I would have to check who that is run by.

The Hon. JACQUI MUNRO: That comes under Minister Whan's portfolio?

REBECCA McPHEE: Again, I would need to take that on notice to find out.

Answer

I am advised:

Please refer to the transcript of the hearing and answers to supplementary questions on these matters.