

REPORT ON PROCEEDINGS BEFORE

PUBLIC ACCOUNTABILITY COMMITTEE

**NSW GOVERNMENT'S MANAGEMENT OF THE COVID-19
PANDEMIC**

CORRECTED

At Preston-Stanley Room, Parliament House, Sydney on Wednesday 1 July 2020

The Committee met at 12:00

PRESENT

Mr David Shoebridge (Chair)

The Hon. John Graham
The Hon. Courtney Houssos
The Hon. Trevor Khan
The Hon. Adam Searle
The Hon. Natalie Ward

The CHAIR: Welcome to the eighth hearing of the Public Accountability Committee's inquiry into the Government's management of the COVID-19 pandemic. The inquiry is intended to provide ongoing parliamentary oversight to the Government's response to the unfolding pandemic. Before I commence I acknowledge the Gadigal people of the Eora nation, the traditional custodians of the land, and pay my respects of Committee members and witnesses participating today to Elders past, present and emerging, and extend that respect to other Aboriginal peoples present. Today we will hear evidence from witnesses from the Industrial Relations and Arts portfolios.

Like many other sectors, the State's arts and cultural organisations are facing very significant challenges in the present climate. Museums, galleries and cultural institutions have been forced to close their doors or greatly reduce their operations to comply with prohibitions on public gatherings. Even as they reopen, visitations remain very limited. A thriving arts and cultural sector is important for so many reasons and cannot explained by economic considerations alone. Throughout the pandemic many workers have been stood down, forced to take leave or had their hours cut and now face a very uncertain future. The Government's policy interventions and responses in this space are a matter for the public record and are among the issues that will be considered at today's hearing, including the manner in which the State's public servants' wages will be considered for the future.

Today's hearing is being broadcast live via the Parliament's website. The transcript of today's hearing will be placed on the Committee's website when it becomes available. I remind media representatives that they must take full responsibility for what they publish about the Committee's proceedings. It is important to remember that parliamentary privilege does not apply to what witnesses may say outside of their evidence at the hearing. All witnesses have a right to procedural fairness, according to the Procedural Fairness Resolution adopted by the House in 2018. There may be some questions that a witness could only answer if they had more time or with certain documents to hand. In those circumstances, witnesses are advised that they can take the question on notice and provide an answer within 21 days.

I remind everyone that Committee hearings are not intended to provide a forum for people to make adverse reflection about others under the protection of parliamentary privilege. I therefore request that witnesses focus on the issues raised by the terms of reference of the inquiry and avoid naming individuals unnecessarily. All witnesses from departments, statutory bodies or corporations will be sworn prior to giving evidence.

KATE FOY, Deputy Secretary, Community Engagement, Department of Premier and Cabinet, affirmed and examined

TIMOTHY REARDON, Secretary, Department of Premier and Cabinet, sworn and examined

The CHAIR: Thank you both for appearing before the Committee today. Do either of you wish to make an opening statement?

Mr REARDON: I will make a very brief statement. Thanks for the opportunity to come and speak about the matters you wish us to cover. I would simply like to acknowledge the tremendous dedication, hard work and resilience of the entire public service of New South Wales who have helped curb the impact of the virus on our health, our culture and our economy while continuing to deliver services to the people of New South Wales. The work done across Health, Education, Regional NSW, Stronger Communities, Customer Service, Transport, Premier and Cabinet [DPC], Treasury and Planning, Industry and Environment has been one of teamwork, collegiality, collaboration. Coming off the back of a full 2019-20, starting with a drought that led straight into bushfires, having a flood and then having the other issues we have had to deal with day to day and then COVID-19, it has been quite an extraordinary year for us. The resilience of the public service has been on show. How everyone has had to tilt their service delivery to continue serving the eight million people of the State has been quite exceptional. I wanted to acknowledge that hard work, that tremendous dedication to the people of New South Wales.

The CHAIR: Ms Foy, is that speaking on behalf of both of you?

Ms FOY: That is certainly speaking on behalf of me as well.

The Hon. JOHN GRAHAM: Thanks for your appearance today. I will turn to the arts section shortly. Obviously the arts and entertainment cultural sector is both publicly funded and privately funded. I might start by asking about the governance arrangements for the night-time economy focus. We have the former chair of the committee here and I think Committee members will be interested in some changes which have occurred with how the night-time economy agenda has been driven in government. It is slightly opaque from outside the Executive. If either of you were able to describe—

The Hon. TREVOR KHAN: Is this a question with leave?

The Hon. JOHN GRAHAM: Potentially.

Mr REARDON: I apologise for this but I think I will have to take that on notice. I have not come prepared for that. I can make some general comments but I will take it on notice. Do you have a specific question or questions about it?

The Hon. JOHN GRAHAM: I might ask the specific question: What is Create NSW's role in that now? Previously it was the agency driving it; now that has migrated somewhat.

Ms FOY: Create NSW certainly continues to play a role and arts and culture continue to play a role in supporting the night-time economy. I am afraid I will have to take quite a bit of the detail on notice, if that is okay, but I am very happy to come back with that. Create certainly participates in the relevant committees that are there and our executive director, the head of Create takes the lead.

Mr REARDON: I will make a general comment, Mr Graham, around COVID and during COVID. As Mr Shoebridge pointed out, a lot of the cultural institutions have obviously had to close down through the public health orders Australia-wide, certainly in New South Wales as well. What the entire public service has been doing is watching what we have been doing carefully and making sure we collect information as we go on—pretty much everything. I am happy to go through as much detail as we can. What is happening on the transport network and what we have had to do to social distance on that, these are extraordinary outcomes. Peak spreading has been the mantra of anyone who works in a transport agency around the world, spread the peak to avoid congestion. It has happened by default. Within the health system, I am sure you would have heard about the amount of virtual healthcare in previous hearings, the amount of telehealth.

The tilt across the board has been quite exceptional. It is the same with the night-time economy whilst we have been in shutdown, but as we come back out and how we get to a new normal—and I am sure you have heard the term "new normal" endlessly, I think we are at peak new normal in terms of using that term, but how it emerges for the 24-hour economy in New South Wales and, indeed, any thriving metropolis like Sydney, Newcastle, Wollongong and other places, there is a real opportunity to examine how people have changed their

social behaviour. The amount of people who have been forced to work from home means a massively different dynamic in the CBD areas.

I do not just mean about this eastern CBD, I mean the central, river city, the western city and many other areas in the State. Things have changed so markedly that we need to make sure that we measure and collect data as we go to see what the demand will be 24/7 for the night-time economy. I imagine it is a fairly significant opportunity. That might flatten out demand but we are simply in a period where we are responding to a pandemic, but as we recover the other thing we are doing is looking at those areas of reform and I mean reform in how the economy reforms itself.

The Hon. JOHN GRAHAM: Given Ms Foy's answer, perhaps on notice, if you are able to set out the governance arrangements, that would be helpful.

Mr REARDON: The governance specifically, so the roles of Create NSW and other agencies?

The Hon. JOHN GRAHAM: Yes, and other agencies, given they have changed.

Mr REARDON: Absolutely.

The Hon. JOHN GRAHAM: I will turn to the most significant funding commitment by Create in this period, the \$50 million commitment. This was unusual originally because there were no guidelines set out about how this would apply. Where are we up to? How is this going to be implemented? Have guidelines been issued?

Ms FOY: I might set out the economic context and the impact of COVID on the sector as the lead-in to talking about some of detail around the package. The sector normally supports about 118,000 jobs in New South Wales, contributing about \$16.4 billion directly and indirectly to gross State product in New South Wales. As far as the impact of COVID on the sector, the Australian Bureau of Statistics [ABS] survey in March showed that about 50 per cent of the arts and recreation businesses had ceased trading, which is the highest proportion of about 17 industries analysed, with a 27 per cent decline in arts and recreations jobs from the period of mid-March to mid-April. Certainly accommodation and food declined at a greater rate. We looked at and had been working fairly early on with the arts sector.

Firstly with the cultural institutions in New South Wales, so the State cultural institutions of the Australian Museum, which was already closed, and the Sydney Opera House, the Powerhouse, the State Library, New South Wales Art Gallery and Sydney Living Museums all closing in March, and then we have been working on their reopening from 1 June. Clearly reopening the sector is a support for jobs but notwithstanding we have 11 major companies in New South Wales ranging from the Australian Ballet, Sydney Theatre Company, Brandenburg Orchestra et cetera, so we know that many of those major companies as well as small companies in galleries, museums and performing arts and arts—

The Hon. JOHN GRAHAM: I might ask you to return to the guidelines. Are there guidelines for this program?

Ms FOY: Yes, there are guidelines. There are three broad criteria for the arts and culture package. I will turn to my notes to make sure I am accurate. At first there was \$6.34 million in COVID-related support which was—

The Hon. JOHN GRAHAM: Yes, understood. I am asking about the other funding.

Ms FOY: Sorry, it is part of the context. That is in redirected funds to be able to support companies. There was \$50 million for new funds for the arts Rescue and Restart package announced on 24 May. It is certainly the largest package across the country and we acknowledge the Federal Government's support in recent weeks. The package is certainly critical to supporting the economic recovery of those companies in the State. It is divided into two stages, around half funding available now for those New South Wales companies needing to hibernate temporarily, so to keep them alive. The second is around the restart.

The Hon. JOHN GRAHAM: Is that for the 11 major companies or is it more broad than that?

Ms FOY: No, it is broader than that. The criteria for funding is that they are a not-for-profit organisation; they are based here in New South Wales; they are an arts and culture organisation; they are in clear financial distress; and that financial distress is as a result of COVID. The applications are assessed on a case-by-case basis. We have a staged process of assessing those applications and they are quickly coming in. I think we have about 55 under assessment at the moment.

The Hon. JOHN GRAHAM: Have any been issued already?

Ms FOY: We are still in the process of analysing the package and analysing the applications.

The Hon. JOHN GRAHAM: How soon before you think funds will be issued from that?

Ms FOY: We are undertaking the analysis and we will submit that. The analysis has been done, a triage by Create to make sure they comply with those criteria. We have engaged PricewaterhouseCoopers [PwC] to undertake an independent financial analysis and Treasury provides analysis. We then put that analysis to the Premier for ultimately the Premier to make a decision. The timing of any announcements would be made in due course.

The Hon. JOHN GRAHAM: Obviously that depends on the process you are running. How soon before you think funds might flow from this process?

Ms FOY: That would be a matter for the Premier to decide based on our analysis. I do not have a timetable on that.

The CHAIR: How long do you think it will be before you have that in front of the Premier, you have done that analysis?

Ms FOY: The analysis is underway and we will have that up to the Premier as soon as that is completed.

Mr REARDON: The largest part of it, from the date of the announcement until now, has been getting engagement with the sector itself.

The Hon. JOHN GRAHAM: The sector, that is obviously quite diverse.

Mr REARDON: Then coming forward, giving us the appropriate information. The assessment itself is Treasury, Treasury, PricewaterhouseCoopers and Create will move quite fast. I can only add to Ms Foy's comments to say we are moving that as quickly as we can.

The Hon. JOHN GRAHAM: Does that mean weeks or months?

Mr REARDON: Our assessment will be done quite quickly and will be put forward to Government. When Government decides to announce it will be for them, but our work will be done fairly quickly.

The Hon. JOHN GRAHAM: That sounds like weeks, but I do not want to put words in your mouth.

Mr REARDON: I will just say this so we know, fairly quickly and I am confident we have got the crew together to actually move that fairly quickly. Ms Foy and I have been working on that in the last few days and communicating that, so it is top of mind.

The Hon. JOHN GRAHAM: I think you are indicating that about \$25 million is in the hibernate part of this.

Ms FOY: Yes.

The Hon. JOHN GRAHAM: And the rest is for actually restarting and recovering.

Ms FOY: Correct. If I may point out, the level of engagement, communication and collaboration with the sector has been outstanding. I acknowledge the leaders in the sector who have worked so well with us. It is worth putting on record that we have worked quite closely, particularly in the last couple of months. Our first discussion with the sector was on the 17th.

The Hon. JOHN GRAHAM: If it is helpful, I have only got one more question.

Ms FOY: Of course. I will make it very quick then.

The Hon. TREVOR KHAN: Can we go back to the normal concept of question and answer, as opposed to overlapping conversation.

The Hon. JOHN GRAHAM: I might hand over to my colleague.

The CHAIR: Ms Foy, had you finished?

Ms FOY: I just wanted to indicate that we have had a number of formal engagements with the sector. We are very grateful to our colleagues at Health who have been part of the conversation along every step of the way and just for the record, in terms of the consultation formally, with quite large groups and chief executives and parts of the sector. On 17 March we had our initial discussions before the closures happened, on 17 April with our CEOs. On 29 May we had a conversation with Health and the sector around the reopening of galleries and museums. On 12 June we had a major arts roundtable to talk about the arts package, and on 29 June—

The Hon. COURTNEY HOUSSOS: Ms Foy, I will stop you there and if you want to provide anything more on notice—

The CHAIR: We are up to 29 June, so let us finish this first.

Ms FOY: Yes, on 29 June we were talking about live performance so we were very pleased with that. Sorry, Ms Houssos.

The Hon. COURTNEY HOUSSOS: That is fine.

The Hon. TREVOR KHAN: Do not apologise for answering the question.

The Hon. COURTNEY HOUSSOS: Mr Reardon, this might be a question for you. Given the Berejiklian Government has talked about the importance of proceeding with large projects to counteract the economic impact of COVID-19, and given the green ban that was announced today, what is the next step for the Powerhouse project in Parramatta?

The Hon. TREVOR KHAN: Point of order: My point of order relates to whether this style of questioning, which I anticipated might come, can be fitted into a COVID inquiry. The Powerhouse is a project that well and truly existed beforehand and there is a separate inquiry that is looking at it. I ask, Chair, that questions be directed to the terms of reference as opposed to simply because we have an official before the inquiry.

The Hon. ADAM SEARLE: To the point of order: While what Mr Khan says is correct—

The Hon. TREVOR KHAN: It is, yes.

The Hon. ADAM SEARLE: Yes, but the Government has indicated that all options in relation to proposed and existing expenditure are under review in terms of how it responds to the COVID situation, so that puts the Powerhouse, and indeed other existing projects, into the frame for this inquiry.

The Hon. TREVOR KHAN: Well, indeed, that is not correct.

The Hon. NATALIE WARD: Not according to the terms of reference.

The CHAIR: I can deal with the point of order now. This is a COVID-19 oversight inquiry, so I really cannot make a ruling on this first question. I am sure the member will make it relevant to COVID-19, so I will allow the question into COVID oversight.

The Hon. TREVOR KHAN: I have put the stake in the ground so that everyone is alive to the issue. The position with the Powerhouse is contrary to what the Hon. Adam Searle has said. The position has been made—it is going ahead.

The CHAIR: I do not need to hear any more at this stage. I understand the point and I have made a ruling.

The Hon. NATALIE WARD: Chair, I understand that.

The CHAIR: Unless there is a fresh point of order, I will go back to the question.

The Hon. NATALIE WARD: Can I add at this point in the proceedings that there is a separate inquiry into that issue using the parliamentary resources. This is a separate inquiry to that one, which all members are aware of.

The CHAIR: I have made the ruling. The question has been asked.

The Hon. COURTNEY HOUSSOS: The Chair has ruled, Mr Reardon, that my question is in order.

Mr REARDON: Sorry, Mr Shoebidge was speaking, I just did not hear what was said.

The CHAIR: It might be useful to restate the question.

The Hon. COURTNEY HOUSSOS: Given the Berejiklian Government has stated the increased importance of proceeding with large projects to counteract the economic impact of COVID-19, given the green ban announcement today, what is the next step that the Government will be taking in the Powerhouse project?

Mr REARDON: Just a few things. On the first statement you made about the Government's importance of major projects, as in large projects, I think I would correct that and say all projects. The Government has increased the four-year forward estimates infrastructure pipeline to \$100 billion now. In that, is a significant number of very large major projects, many of which you know in terms of metro lines, motorways, major cultural institutions, dams and water infrastructure. Both in metro and certainly significant in regional, hospitals, schools,

amongst many others. A significant number of those are actually quite small as well and those small ones are the shovel-ready ones and sometimes the screwdriver-ready ones, using that terminology, to get going as fast as possible.

The response to COVID, for the relevance of this hearing, is that very large projects are underway and a significant number of very small projects are part of the economic recovery activity to grow significant numbers of jobs. The multiplier effect in the construction industry is, I think, close to 10 jobs for every job that is created. That multiplier effect is top of mind to ensure that we drive growth. For a period, we, like other jurisdictions, looked at the construction sector to determine COVID-safe arrangements to keep working through workplace health and safety. We did that and we did that nice and early. We took lots of advice off Health and I acknowledge the Chief Health Officer for her assistance, Kerry Chant, because other jurisdictions closed down their construction sector.

The Hon. Courtney HOUSSOS: Mr Reardon, can I bring you to the question of the Powerhouse project. What is the next step in that?

Mr REARDON: I was responding to your question. Major projects such as the Powerhouse, like any other, are in a process. The Powerhouse is up to an environmental impact statement and consultation around that. It continues on its course. In terms of the third part about the green ban, you will have to restate that. I apologise, I have been in other meetings all morning. I do not know what the latest comments are on that. I have not followed that. If you would not mind giving me a little more detail.

The CHAIR: There was a green ban announced yesterday by the construction union.

Mr REARDON: And the question this morning was around the green ban.

The Hon. Courtney HOUSSOS: It was reported this morning.

Mr REARDON: It was from what was reported yesterday?

The Hon. Courtney HOUSSOS: Yes.

Mr REARDON: I have read the reports the same as you have. We have literally hundreds and hundreds of projects at the moment. Every single one of those projects have issues arising. That is what project managers and project directors have to deal with. If there is a green ban by an industry organisation on a project we will have to deal with that on its merits as it comes up. I am not across the detail. I am happy to take it on its merits but I am not across the detail.

The Hon. Courtney HOUSSOS: If you could provide more detail on notice that would be helpful. Is the Powerhouse Museum on the list of fast track projects from the Government?

Mr REARDON: The Powerhouse Museum is on the list of many projects. In terms of fast track, if anyone from the Government was here they would say they are all on the fast track because it is what they expect of us, to deliver them as fast as possible. Is it a project that has to be driven in the hundred billion dollar pipeline, absolutely. That is what we have to deliver. Its timelines are set out, to push those projects as fast as possible. We will do anything we can to ensure that we look at faster planning determinations. Planning, Industry and Environment are giving evidence about meeting those processes as efficiently as possible, working with Heritage, working with other areas in government that can help us use the response to COVID to take any red tape out of the system we need to while adhering to every rule and Act and piece of regulation that we need to and working with the Commonwealth faster.

The Hon. Courtney HOUSSOS: Mr Reardon, is there a change to the construction program as a result of COVID?

Mr REARDON: Not at this point in time in terms of the Powerhouse. You asked me is it on a fast track list, they are all on a fast track list. There is no differentiation to say that it will be brought forward right now unless Government tells us to re-prioritise. We are getting on with the construction pipeline that we have.

The Hon. Courtney HOUSSOS: Mr Reardon, I understand you are obviously the secretary of the department, but I am interested to know whether you can provide any information to us as to whether there was a discussion about whether the \$1.5 billion for the Powerhouse Museum could be better spent or redirected to other areas of the arts and cultural sector or to artists struggling through COVID?

Mr REARDON: The infrastructure pipeline and any prioritisation, officials can bring forward the infrastructure pipeline, mainly through Infrastructure NSW and Treasury from time to time. Government can make its own decisions on that pipeline. I am not aware of the question you have asked.

The Hon. Courtney HOUSSOS: I want to turn to the question of workers currently working at the Powerhouse Museum. It has received some media coverage. There are 95 workers that will be sacked at this point. Are there any moves underway to redirect them, re-employ them, to find them alternative work? Obviously, in the midst of an economic crisis we do not want to be sacking anyone, in particular public-sector workers.

Mr REARDON: I will make a broad comment first and then hand over to Ms Foy. We have worked very hard to ensure that we retain as much employment as possible, and I think we have done that. We will work anywhere we can to ensure that we retain jobs for the obvious economic fallout that has been JobSeeker and JobKeeper and the hundreds of thousands of people that have been stood down. What we read in the media every other day is that in the private sector right now is that 85 to 90 per cent of the workforce in this State, there are significant job losses and we are well aware of that. In terms of people at the Powerhouse I would more generally tell you that we would look to re-deploy them where we could if there was a job available. I do not think that you have to impress upon us the importance of job retention. Ms Foy, do you wish to talk about Powerhouse employees?

Ms FOY: I will talk in general terms first. Firstly, the matter is before the Industrial Relations Commission [IRC]. It was brought by the relevant union before the Industrial Relations Commission, so I will not go into the detail of that. No one is being sacked from the Powerhouse. The Powerhouse, like many other organisations, has employed casuals for a range of tasks, whether that is to support a particular exhibition, such as the Linear exhibition or other exhibitions around the place, they are therefore a set period of time. My understanding is that no one is having their contracts prematurely cancelled. Contracts are being honoured. Where there is a requirement that people sign a contract with an understanding of a start date and an end date there is budget available for that. My understanding is that, in general terms, those contracts are being honoured. As I said, it is before the IRC and I am happy if there is more detail required I will take that on notice and answer those questions as required.

The CHAIR: A useful piece of information would be what the current full time equivalent headcount is for the Powerhouse today compared to a year ago?

Ms FOY: I am happy to take that on notice, I do not have that detail with me today.

The Hon. Natalie WARD: In relation to the COVID pandemic, not in a budget estimates way.

The CHAIR: Funny you should ask that. Yes, please take that on notice.

Mr REARDON: Is there a clarification on that?

The CHAIR: No, I just wanted the two figures.

Ms FOY: So, the two figures being before and after?

The CHAIR: What they are now, what the current full time equivalent headcount is for the Powerhouse and what it was 12 months ago?

Mr REARDON: As best we can based on the fact that it is a pandemic and how many stood down come back, but we will do the best we can.

The CHAIR: I understand. Ms Foy, there is significant concern in the community about the fact that large sections of the Powerhouse Museum are walled off and the public will not have access to a number of the heritage galleries. Was that a decision made because of the impacts of COVID-19?

Ms FOY: If I understand your question; you are asking why there are certain sections walled off?

The CHAIR: The majority of the Powerhouse.

Ms FOY: Any of the changes with Powerhouse are unrelated to COVID. I am very happy to answer your question. Museums, galleries and everything was closed on 23 March and reopened from 1 July. That includes State library and the Powerhouse. The Powerhouse has had, for a while now, a planned staged closure to allow for a number of activities, including for the digitisation of around 300,000 to 400,000 items in its collection. During the staged closure between 1 June and 30 June we had guided tours through the heritage core. I went there myself and had a look at it the other day. Those tours continue. People certainly do remain having access to the heritage part, given that there is works going on, given COVID and we want to make sure that there are things that people can touch and we are operating in a COVID safe way. We have heritage tours and curated tours with a fantastic team continuing.

The CHAIR: I was there on Friday and contrary to the position you put, Ms Foy, the public is excluded from access to the bulk of the large exhibition halls whether with a tour or otherwise.

The Hon. Trevor KHAN: That is not contrary to what Ms Foy said.

The CHAIR: Most of those large heritage halls where steam engines blow, along with large aircraft, are walled off and there is no access.

Ms FOY: If I can take that on notice and check because there may be a health reason for having parts of it or they may have been walled off for other purposes. I am happy to take that detail on notice.

The CHAIR: There seems to me, from my attendance there, to be no rational reason to be excluding the public from getting access to these extraordinarily highly valued exhibitions but you cannot identify whether or not that is for a COVID-19 reason or a business-related reason?

Ms FOY: If I could take that on notice I am more than happy to come back with the detail.

Mr REARDON: From a COVID-19 perspective, clearly, as Ms Foy pointed out at the start, they were subject to shut down. We have worked with them really closely, across all of the cultural institutions, to reopen as quickly as possible in a COVID-safe way. We will take that on notice but across the board we are trying to reopen as fast as we can.

The CHAIR: It is difficult to understand how our COVID-19 considerations would support reducing the amount of floor space available to separate the public. That seems to be, and you would agree Ms Foy, directly contrary to any rational response.

The Hon. NATALIE WARD: Point of order: She has twice said she will take the question on notice. I do not know where the question is any different from the previous two questions. The question has been taken on notice, Chair.

The CHAIR: The question has not. It responds to Mr Reardon's observations that it is about COVID-19.

The Hon. NATALIE WARD: It is a speech.

The CHAIR: I am asking whether or not the reduction of floor space is at all a rational response to COVID-19 as it provides less space for social distancing.

Mr REARDON: We will take that on notice about the institution you have just reflected upon; mine was more broad. You would want to get exhibitions open across the board as fast as possible for economic recovery because the arts and culture sector, as Ms Foy pointed out, is a significant contributor to the economy and jobs.

The CHAIR: Indeed. When did the Premier take on the ministerial responsibilities for industrial relations and arts? The date I had was 10 April, would that be about right?

Mr REARDON: It is around that time but I can take that on notice. I will have a response for you very quickly.

The CHAIR: It is around the first half of April, which is when the then Minister Harwin resigned and the Premier took over the responsibilities.

Mr REARDON: I will just get you the exact date, that is all.

The CHAIR: How many individual ministerial portfolios does the Premier now hold in addition to the Department of Premier and Cabinet?

The Hon. NATALIE WARD: Point of order: I do not know that you can rule on your own question but I was of the belief that I was in—I am new to this. Perhaps I might be in the wrong place. I thought I was in the inquiry into the Government's management of the COVID-19 pandemic. I am not sure, on any tangential reading, how that question can possibly be related to this. I would be interested to know how that assists the people of New South Wales to understand the Government's management of the COVID-19 pandemic.

The CHAIR: I will be very clear. Any Minister having an extraordinarily large—

The Hon. NATALIE WARD: It is not an opportunity for a speech, Chair.

The CHAIR: Allow me to rule on it. Any Minister having a large array of portfolios is going to have difficulty finding the time—

The Hon. NATALIE WARD: In your opinion.

The CHAIR: That is why I am exploring it with the witnesses. They will potentially have difficulty finding the time to devote the necessary ministerial attention, particularly when you have an industry like the arts industry facing such a crisis.

The Hon. NATALIE WARD: Have you met our Premier?

The CHAIR: Unless you wish to add anything else—

The Hon. NATALIE WARD: Do you know the amount of energy she has? It is terrifying.

The CHAIR: Unless you want to add anything else to your point of order, I am going to rule on it.

The Hon. NATALIE WARD: Tribes of as yet undiscovered Peruvian Indians know that you will rule against my point of order.

The CHAIR: Yes, and I did. How many portfolio responsibilities does the Premier have?

Mr REARDON: The answer in its absolute exactness will be in the Administration Orders but it brings in Heritage, Public Service, Employee Relations and Arts portfolios. The Admin Orders will make it abundantly clear and I will furnish a copy if I can while we are here.

The CHAIR: I am not trying to insist on a pretend question, I want to be very clear about that. Given the array of responsibilities that the Premier has, is there sufficient ministerial attention there to deal with such important issues as the recovery of the arts sector, which has all of the economic and cultural importance that you—

The Hon. TREVOR KHAN: That is a rhetorical slurry. How can these witnesses genuinely answer otherwise than how you know they are going to answer? Fair dinkum.

The CHAIR: I suppose it is to you. How is the Premier's time allocated across the different portfolios? That is really the point.

The Hon. NATALIE WARD: Have you met her?

Mr REARDON: The answer to when it occurred was 15 April. I stand corrected otherwise. That is the advice I was just given on that. How the Premier's time is allocated is really a question for the Premier and I think you would appreciate that. How we deal with things is that we bring through Community Engagement. We have described to you the structure of the agency and the cluster previously. We have brought in community engagement; Kate Foy leads Community Engagement as deputy secretary. That area has those areas of Arts, Heritage, Public Service and Employee Relations.

Ms FOY: And Aboriginal Affairs.

Mr REARDON: And Aboriginal Affairs, my apologies. I forgot before that Aboriginal Affairs is one of the most significant components. For those portfolio areas, Ms Foy puts forward all of her advice across the board in those areas and we continue to transact business from the department's end. That business transacts as it has been transacting previously. We get through what we need to get through. How the Premier allocates her time to do that, indeed whilst dealing with the COVID-19 crisis response and the economic recovery to that, speaks to her volume workload, but how she allocates her time is a question for her. All I can tell you at the department and getting on with things in the public service, we transact business that we need to transact to fulfil our outcomes, budget areas and our key performance indicators as we have done previously.

The CHAIR: Ms Foy, you were talking about the \$50 million arts fund and I think you articulated what the first \$25 million was for, which is the hibernation fund, if you can call it that.

Mr REARDON: We try not to. We tried to talk about economic recovery and growth and not being asleep. I mean that genuinely.

The CHAIR: I thought Ms Foy used the term "hibernation".

Ms FOY: I should clarify. I am happy to clarify my term.

Mr REARDON: I understand. Just because this is the COVID-19 response hearing, early on there was a lot of using of the convention of "hibernation". We quickly turned that on its head, at the federal level as well, to say that we do not want to hibernate our economy, we want to bring it back to life as quickly as possible. It

may have been used. I am simply saying to you that the essence of the response out of the New South Wales public service is economic recovery. We moved away from that as quickly as we could.

The CHAIR: I will go back to Ms Foy to clarify. My understanding is that you said the first \$25 million was for those organisations which basically need to go into shutdown for a long period of time. I think you used the word "hibernation".

Ms FOY: I did and I apologise. If I could restate that—

The CHAIR: You need to apologise to Mr Reardon, not to myself. So we had the first \$25 million and the second \$25 million.

Ms FOY: Yes. Again, it is part of that economic recovery. The first is to keep businesses operating and the second is then to get that real kickstart in the economy for arts and culture.

The CHAIR: The criteria for the first \$25 million was those companies that you said were not-for-profit, were based in New South Wales, they were in financial distress and they needed basically to hold on during a period when they had no economic activity.

Ms FOY: Yes.

The CHAIR: What is that other \$25 million being directed to?

Ms FOY: Those criteria apply across both. Certainly the level of financial distress is what we are assessing at the moment. The restart part of the equation, getting the economy kicked back, we are just receiving applications at the moment, but those criteria remain.

The CHAIR: Have you done any analysis about what the likely impact on the arts and cultural sector will be if the JobKeeper payments are withdrawn?

Ms FOY: No. We are working with each of the companies on their own circumstances and each of them will have different circumstances. Each of them will have JobSeeker and JobKeeper, that is part of their financial construct as part of their operation and operating model. Then they will put forward the assessment of their own financial position based on their own finances, whether or not JobKeeper and JobSeeker are part of it and we will continue to work with them. That is part of their inputs, it is not a piece of analysis that we are undertaking.

The CHAIR: Do you accept that if JobKeeper is withdrawn from the arts and cultural sector we might then see a whole series of additional agencies?

Mr REARDON: I am not sure we can speculate on that one.

Ms FOY: I am not equipped to give that answer.

Mr REARDON: In terms of where we are, we are on the first day of the 2020-21 financial year. Since I think we saw you last at budget estimates at the start of March it would be fair to say that we have been very focused on response to the crisis. We have been quickly tilting to economic recovery. We do not have every answer to every component. We have put through so many economic supports at a State level and complementary at the Federal level in a whole range of areas. You pointed out some matters of public record about the areas we have gone to. That has been a significant amount of work. I think Ms Foy was saying basically working with the institutions at a much more nimble and close-up level.

It is not just through a lens of JobKeeper speculating on what will happen when the JobKeeper may come to an end in quarter four this year if the Federal Government was to hold that, whether it was extended or anything else, we just have not been able to speculate on. We have rather tried to get very close with each institution and understand their personal circumstances, whether it is JobSeeker, JobKeeper, any other supports that we have, the \$50 million rescue package, all of that in the mix. We have just got some more work to do, Mr Shoebridge, because we have been pretty busy with, as I said, just our response, then economic recovery and the response will need to continue for some considerable period of time until there is a vaccine.

The CHAIR: Which we hope for.

Mr REARDON: We cannot plan on hope, just on that. Hence with the reopening of some of these institutions with their COVID-safe plan, our total aim in their business plan is to keep them open to a level as best they can get to and maintain that without having too much volatility in that. If that puts more people back into jobs who have been stood down from JobKeeper or have been let go through JobSeeker, well and good, that is what we will focus our time on.

The CHAIR: Ms Foy, the Carriageworks came very, very close to permanent closure. Do you have any update on the situation for the Carriageworks?

Ms FOY: The update is the same as it has been in any statements in recent weeks. I should say that the Carriageworks, while COVID had an accelerant effect, it was not the root cause. We are very committed and remain committed to the presence of Carriageworks in its current location. We remain very committed to it being a cultural institution that provides for a range of arts and culture offerings. We have been working for weeks now, if not months, with the board and in more recent times with the administrator, KPMG, to work on what is a sustainable business model and financial plan for Carriageworks so that it can continue to maintain its presence and continue to play a role in its current location.

The CHAIR: Do you have a timeline for that?

Ms FOY: That is a matter for the administrator. Honestly, it is a matter for the administrator, but we continue to work with them.

The CHAIR: Mr Reardon, the Australian Capital Territory Government has established a Jobs for Canberrans Fund, which is in response to COVID-19 and it is designed expressly to provide employment opportunities for people in the casual or the semiskilled workforce who have lost their jobs or been significantly affected due to COVID-19. Are there plans for New South Wales to mirror this program?

The Hon. NATALIE WARD: Again, I renew my objection. This is not budget estimates. This is not relevant to the Arts portfolio or the industrial relations portfolio. It has not even got a pretence of trying to be relevant to either of those.

The Hon. ADAM SEARLE: To the point of order: It is highly relevant. The question was couched as a response to the COVID pandemic. The employment of people does touch on industrial relations and I do not know whether there was an arts component in the Canberra fund, but there may well have been.

The Hon. NATALIE WARD: You have patched it up, but it has not—

The CHAIR: The question is clearly related to industrial relations and COVID.

Mr REARDON: I do not have any advice. I do not know the structure of the program that the Australian Capital Territory Government has put out there. What the New South Wales Government does at a policy level is probably not for me to answer. If it is where we go to, all I can tell you is the supports that have gone out there have gone directly into getting people back into jobs through infrastructure, through arts and culture that we talked about here. Arts and culture, I think, as I said at the start, the significance of the sector and the response we have had with the \$50 million rescue package, it has been even brought more to light through COVID, the absolute importance of it to our culture and our society. But the significant numbers of jobs economically requires our support. The Government has allocated moneys across many, many areas to support business, small business, to support the construction sector by putting the infrastructure pipeline out there, so people can actually flow into jobs.

The CHAIR: My question as written is about the direct employment of the casual and semiskilled workforce who are the ones who have been hardest hit. Is there a program directed at that?

Mr REARDON: I am not aware of the program in the Australian Capital Territory. I am not aware of any program that would be equivalent to that in New South Wales because I am not aware of the Australian Capital Territory program. If there is anything further I can take it on notice, but matters like that will be matters of policy for the Government.

The CHAIR: Mr Reardon, one of the very real concerns in the pandemic is people going to work when they are sick. One of the reasons people might be pressured to go to work when they are sick is because they do not have sick leave, especially casual workers. The Victorian Government has announced a hardship payment for workers to provide sick leave in those circumstances. Are there any moves afoot to provide the same protections in New South Wales?

Mr REARDON: For the New South Wales public service, certainly we have put in place some significant memoranda out to the public service during March and early April. They were around just working from home, they were around flexible work being very, very reasonable to people. We provided clear directions on travel and restrictions on travel, probably even at the same time or if not earlier than the broader National Cabinet was making decisions on restrictions. We provided quite considerable information on what we expected in terms of leave provisions. Probably the key one that we had for the Committee is we provided up to 20 days special leave to try and be somewhat of a catch-all.

From where I sit and most of the feedback I receive, the level of sick leave, for example, that we have had has been lower or at similar levels as it has been in previous years. But that special leave has taken a lot of stress off a lot of people so they can actually get on with caring, get on with working from home, particularly in those few months where they probably had kids at home and many, many people, and it has had a lot of stress and no doubt us doing that early and getting it out to the public service early really helped us by helping the 400,000 people across the board.

The CHAIR: I will come back to this later.

The Hon. ADAM SEARLE: To pick up where Ms Houssos was going in terms of casuals employed in the Powerhouse, across Australia something like 1.1 million casuals apparently have lost either their whole work or a substantial part of it due to the pandemic. Mathematically around 400,000 of those are likely to be in New South Wales. Is it correct to assume that the State Government employer engaged about 70,000 casuals prior to the pandemic?

Mr REARDON: I will have to take that on notice. But I would, as we have discussed a few times, the State of the Sector report out of the Public Service Commission will segment that as much as it needs to, so my taking it on notice would be to furnish that to you.

The Hon. ADAM SEARLE: Sure. My recollection is that it said 70,000 casual and contract staff. If you could send them, those figures could be interrogated further.

Mr REARDON: I will furnish you with a copy of the State of the Sector report. Just asking me to interrogate something further is fairly long.

The Hon. ADAM SEARLE: Presumably as the head of the public service you would be able to provide us on notice more than just a publication, you would be able to tell us prior to the pandemic and now how many casuals are engaged by various State Government sector agencies?

Mr REARDON: I will see what I can do. As head of the public service there are a few things to do and if it is in there in sufficient detail and segmented I will furnish it with the report.

The Hon. ADAM SEARLE: Sure, but you might otherwise be able to find out in relation to casual employees, because they are so vulnerable because they do not have to be sacked, as it were, because their employment comes to the end of their shift, if they are true casuals. They are particularly vulnerable and that has led in the pandemic, a number of councils for example, to make a policy decision to keep engaging and paying their casuals according to their usual rostered work and income to give them some sort of stability and where possible to deploy them. What steps has the State Government taken to implement a like policy to ensure that casuals engaged by State agencies continue to receive their regular pay even when they cannot do the usual work that they would ordinarily be engaged to do?

Mr REARDON: I think our response has been to actually try to keep them employed as much as we possibly can. We have tried to keep people in the public service employed. I have no doubt there are areas of casuals or contract workforce who have had their contracts come to an end because there is no longer a job and it may have absolutely nothing to do with COVID. In the normal course of business we have tried to keep as many people employed as possible. The Government also provides supports to local government as well to assist them. I cannot remember the actual number, I will get it. I have a number in my mind. It was a reasonably large number. I will try and get that.

The Hon. Adam SEARLE: I take on face value what you have said about the Government trying to keep as many people as possible engaged. Has the Government, for example, made a policy decision that casuals engaged by State agencies would continue to be paid the usual regular rostered pay and be deployed?

Mr REARDON: If they are an employee, yes. I think I understand your question. We have tried to employ or redeploy as much as we can. In a crisis it means a lot of people are tilted in terms of what their priorities are. All of the things that you have asked us about in terms of mobility across the public service have come to the fore in the last few months where we have had people in Premier and Cabinet dealing with the returned travellers and working with the Department of Foreign Affairs and Trade. These are people who normally would do events and protocol. People have redeployed across the board in emergency operations centres. We have sought to redeploy as many people as we possibly can.

What I have said about keeping the infrastructure pipeline going, where a lot of the contingent workforce would be, where a lot of the contract workforce would be, now has a lot that have been retained, a significant amount. If the construction sector had have gone down that would have been a major issue. Government has also

provided over \$200 million. That number was just for contract cleaning, for example. The amount of casual workers that we have needed for the schools cleaning program, for a couple of thousand schools, and the public transport network at every major interchange has been a significant jobs generator.

The Hon. Adam SEARLE: Can you give us some numbers around that?

Mr REARDON: I can give you the public number of the amount of funding that went towards, for example, the cleaning contracts. How many have been deployed across the board?

The Hon. Adam SEARLE: That is more what I am interested in. I am interested in how many more bodies on the ground.

Mr REARDON: As best I can, I will take it on notice.

The Hon. Adam SEARLE: This is not a gotcha moment.

Mr REARDON: It is a significant amount. Actually getting that amount of cleaning resources to 2,000 schools to reopen in a staged manner in early May, the amount of hygiene products, the amount of sanitiser and other kit that we needed to reopen those schools, the cleaning staff and the contracts that went into that was a significant undertaking. More power to them for what they did and what they continue to do in schools and across the public transport network.

The Hon. Courtney HOUSSOS: Mr Reardon, do you have plans to continue the cleaning in schools beyond the end of this term?

Mr REARDON: The cleaning in schools in a COVID safe environment, in terms of having plans, the protocols that we would have for any area of the economy we would expect to continue until there is a vaccine, just to keep them open. We need to provide a COVID safe workplace and business. I cannot imagine that would change until we had either eradicated—the Federal Government and the States adopted a position of, first, containment in February and March and then suppression. Some have eradicated whilst they have closed their borders, some States. It is a suppression strategy. While ever there is a suppression strategy there is a chance of having localised outbreaks and, therefore, we need to make sure that all the resources are at hand to continue with the current protocols we have.

The Hon. Adam SEARLE: Mr Reardon, I would like to understand, and I understand you will have to take this on notice and come back with the figures: How many casuals did the State Government and its agencies employ at the beginning of the pandemic when the public health orders were made at the end of March compared to the end of June, just to see if there is a change?

Mr REARDON: I acknowledge the question. The timeframe to achieve that, Chair, may not be possible within 21 days.

The Hon. Adam SEARLE: I believe the Committee would be happy to grant an extension if that means receiving the figures. I am speaking for myself. This is not a gotcha moment.

Mr REARDON: We spoke of this before. We do this once a year. We are in extraordinary circumstances now. The public sector—the People Matter Engagement Survey, for example, we have had to set aside. We normally have it done in May-June. We have all been doing pulse checks and pulse surveys quite considerably across the board for our people and counting the amount of casuals at the moment and the amount of information that would be required to be pulled together I have no idea how long that might take.

The CHAIR: Mr Reardon, could I suggest, if this is adopted by the rest of the Committee members, that you indicate to the Committee within the 21 days what, if any, time frame would be required to provide that information and we will consider that.

Mr REARDON: Shall do, Chair.

The Hon. Adam SEARLE: In terms of fixed term contract staff you said wherever possible those contracts have been extended or continued. Do you have any sense of how many? Whether it is 80 per cent, 90 per cent, 50 per cent, or how many of those on fixed term contracts are still employed?

Mr REARDON: I do not have a real sense. All I can tell you is that whilst a lot of people have worked from home from my experience and what has been in front of me most people have remained engaged in the New South Wales public sector in casual contracts full-time, but I do not have a sense. We are one of the employers who is putting out, as I said, that infrastructure pipeline with casuals for cleaning in other areas where we have had a small amount of jobs growth in places like health. Education would have had it because of the

casuals in cleaning schools, but I do not have a sense of the exact. I would imagine our job retention would be significantly higher than a lot of areas in the private sector.

The Hon. Adam SEARLE: Again, I would like to understand, on notice, for you to get that information for us. You mentioned working from home. In previous discussions during budget estimates you had said that it was a very high proportion of the public sector that undertook flexible work, which does not only mean working from home but from different locations. Do you have a very good sense of the proportion of the public service that are now working from home and when did that happen? At what point in March were people really deployed from the office to work from home?

Mr REARDON: I put out a series of messages to the entire public service throughout March and April, firstly, just to give clear direction to the entire public service what our expectations were. The first couple were about giving advice about COVID-19 and the response from the Government. Then they were about getting yourself ready and deployed to work from home, getting yourself set up at home as best as possible, getting yourself mentally ready for what would be in front of us over the winter period, which has turned out to be the case, which is a difficult winter. Then we put out more and more messaging cluster by cluster on how service delivery had changed, how we would want people to work flexibly. I think we put out a notification—and I have it here somewhere—about the actual date where we said now if you can work flexibly from home, do it.

Some took it very literally and cleared out buildings overnight. Premier and Cabinet as an agency, because of the nature of our work for Cabinet and the nature of our work around the State emergency operations centre—for example, myself and most of my executive were pretty much full-time either in the office or at the State emergency operations centre, or somewhere between the two. Against my best advice to work from home, I have been at the workplace. That is just the way it is. A significant number of people work from home. It did not test our policies and procedures; people did it and did it well. It tested our information and communications technology [ICT] and digital, and it went fairly well. I would probably be a fairly hard marker on that normally, but it went okay. It went a lot better than it could have. I think part of the reason it did is because we have been promoting, "if not, why not" flexible work for five long years now and we have pushed that as hard as possible.

It meant when we said "go", and because we had had bushfires and floods before that and a lot of people had been practising, and because of life circumstances working through their business continuity plans throughout the lead-in to Christmas, over Christmas and the lead-in to COVID, en masse people have worked flexibly. A lot of frontline people at their workplace were trying to flex as much as they could as well. That has been a great learning. Hence, I said to Mr Graham, "Make sure we record everything we can about maintaining what is good", going back to what might be more normal for where it has not worked as well. Across the entire public service and indeed across the entire New South Wales private sector we have been measuring what works, what makes people happy, how engaged they are, how productive they are.

The private sector have been doing the same and we have been swapping a lot of lessons learnt. I have to say that across the board all of us—the private sector and the public sector—are about the same place in terms of our learnings in terms of what they wanted to do as a new normal, how many days at home might be a new normal for some. Testing their productivity, a lot have said their productivity has improved just with the commute out and a few other things. Some did not like the period where they had kids at home whilst trying to work. In their words it was, "An invasion, the blurring of work and their life".

But, in the main, I could not be more proud of how the public service has responded to directions that we have had to give them. I mean small "d" directions, not any forced directions, how they have responded, how they have responded to coming back to work in a staged manner where coming back to work means working from home and at their normal office and/or a third location. Their resilience and their flexibility has been quite exemplary. The reason I told you about the private sector is because the sharing of lessons learned from really big private corporate settings, we are no different in how they are trying to learn as well at this point in time.

The Hon. ADAM SEARLE: Do you have a sense of what proportion of public sector workers were working from home at the peak of the lockdown?

Mr REARDON: I can get you that. I can probably get you that more readily than some of the other questions you have asked.

The Hon. ADAM SEARLE: And also how many are working from home now that restrictions are being lifted?

Mr REARDON: A significant proportion are working from home is the answer to the first one. There continues to be a significant proportion because to the questions asked about what are people doing now and, for

example, will the supports continue in schools, nothing has changed. We have managed the risk profile effectively to this point in time but the risk profile remains the same. We have to be vigilant across the board. Therefore, just because you read a media report about a low positive test case rate in this State does not mean that we all come back to work—a few did actually. In terms of behavioural insights, we had some growth in public sector employees coming back to the office because they thought everything was okay. We had to remind them that the normal will be to work from home until we advise otherwise and people continue to do that. They are just training day in, day out to try to get that as a quality and productive way of working and a lot have done really well.

The CHAIR: Nothing has changed on the policy settings. The primary position is still that if you can, do work from home.

Mr REARDON: Yes, at this point in time.

The CHAIR: That policy position has not changed?

Mr REARDON: Until I put out another note for the public service, the public health orders remain in place and they are the same. We all follow the public health orders as well but for the public service, until we go out and say something definitive again, they have not changed.

The Hon. ADAM SEARLE: Given the physical distancing health advice and given the space in public sector or workplaces have you developed a maximum number of staff on any given day permitted into the various workplaces for those agencies to work with?

Mr REARDON: Yes, we have.

The Hon. ADAM SEARLE: That is good. Is that working okay? You are not hitting a maximum or getting over the maximum?

Mr REARDON: We could have. As I said, people read media reports and then all of a sudden we get a bit of a flood back into the workplace, so on the public transport network and its constraints and further services and further capacities being unleashed just in the last few days. Lifts in buildings and physical distancing, particularly in major boardrooms and meeting rooms, we have had signage up quite early as COVID safe. That is all working well. People are very willingly compliant about wanting to be back in the office every now and then to keep in touch. Ours will be about how people and teams and culture is maintained through this period and beyond what a new normal will be. It is an amazing thing to watch how people have actually responded, the entire State of New South Wales complying with the public health orders. We will need to continue doing it but certainly the New South Wales public service have done a remarkable job.

The Hon. ADAM SEARLE: In terms of productivity and people working, the reports I have been getting, although they are impressionistic and anecdotal across many different agencies, is that with the absence now of commuting many public sector workers are working additional hours, sometimes two or three extra hours per day. That is a significant productivity gain right across the public sector. Is it your impression as the head of the service that you are seeing a significant increase in hours worked, an intensification of work and more productivity?

Mr REARDON: I differentiate working lots of hours with productivity.

The Hon. ADAM SEARLE: I am happy to disaggregate that.

Mr REARDON: But as I said, in those early couple of months, the blurring of work and life particularly with kids at home for a period there was a unique experience.

The Hon. JOHN GRAHAM: Hear, hear!

The Hon. TREVOR KHAN: Not all positive.

Mr REARDON: I think I have heard the entire spectrum of responses to that. We pulse surveyed recently and my concern was that we needed a pulse survey when that was occurring because it was such a significant issue in the community for private sector and public sector. We pulse surveyed more recently after that and people's view on their productivity, their own personal view and the view of productivity for the agencies, has been quite strong. The private sector has been the same; they say it is quite strong. The commute being taken out is a positive. That is now filled with lots more hours of work. The biggest thing was, as I said, the blurring and invasion of space in those first couple of months. We have got a lot more pulse surveying to do because we are not doing a People Matters Engagement Survey until later on in the year.

We will continue to assess that because it will be the most fascinating thing out of this and because we are in a position where we can examine that. We are working really closely with the private sector and partnering and swapping notes. It will land where it will land but all I can say is that all of the good things that the people want to keep, when we did the pulse survey this time which was a bit different to other lists of questions about productivity, engagement scores and all those which are positive, they were positive, but the amount of free-form text—they wanted to tell us about their personal circumstances. It was not just an endless gripe, it was actually quite positive. There are some areas that we need to fix and those are across most clusters; for private sector, the same type of thing that they are sharing with us as well.

The Hon. ADAM SEARLE: Two things before my time comes to an end, one is inside productivity. Do you have a sense of how many additional hours have been worked across the sector either by agency or by cluster? Is there any recording of that or do you have a sense of it and can you give us what that sense is?

Mr REARDON: No, I really cannot. It is really individual circumstances. Remember that flexitime and flexible working are now two different things and how people actually work during the day—

The Hon. ADAM SEARLE: My question was about working longer hours.

Mr REARDON: I do not particularly. Some people would tell me that 10 Microsoft team videos in a day might—

The Hon. ADAM SEARLE: Is there any recording of this by agencies?

Mr REARDON: There is some but it is very early days and it is mainly about how people are dealing with stuff online.

The Hon. ADAM SEARLE: The next question I had was in relation to resourcing working from home. This is not a criticism because I think the State was kind of pitched into it, but I am getting a lot of reports about people working at the dining table rather than at proper ergonomically designed office equipment. What work is the sector doing to make sure that when people are working from their home they are working with proper equipment in a way that is economically safe?

Mr REARDON: I will talk about Premier and Cabinet and then maybe the broader public service. Premier and Cabinet, certainly because of the business continuity arrangements we needed to put in place for the bushfires and floods, people were fairly well practised. I talked to you before about the level of flexible work in Premier and Cabinet being pretty high anyway meant that that transition to asking everyone to do it was not such a big deal. There are individual circumstances that chief people officers have to support in terms of their home work arrangements. I think all of us again would have our own practical examples of how different they have been across the board but that will be something that will be examined about what office space looks like in our home in probably the next couple of years.

It is very early days but we try to make people as comfortable in their workplace as they can be. I do not just mean physically comfortable, giving them the tools to do their job. Some people have given us feedback on that, without a doubt, but our chief people officers certainly in Premier and Cabinet try to respond to those things across the board. The Public Service Commissioner and Kate Foy, who will continue as the person responsible for Employee Relations, will continue to work on that and continue to pulse survey what works for people, what they need us to adjust. I have heard similar anecdotes from various areas about what people want. They are not that different to what they used to request prior to COVID. Probably the biggest difference I have found is on the employer not being so rules based about—you have to go to your house and take lots of photos and do this and that—we have tried to let people get on with it with a bit more flexibility.

The Hon. COURTNEY HOUSSOS: I put on record that I am a huge supporter of all roles flex. Is there a budget for additional support for people, whether it be printers or virtual private network [VPN] access, whatever it might be? Has there been additional support for that kind of thing?

Mr REARDON: I think our normal corporate support budgets are covering what we needed for this point of time. I could not speak for all clusters but in the main we are providing people with what they need. For example, when it comes to printers, we are almost paperless in a lot of the stuff that we do, this is only for the day, we are almost paperless in our offices, and have been for a couple of years, that is certainly true in Premier and Cabinet, because it is more secure as well. Secondly, people can print in the office from home as well, so the need for those things are changing quite quickly as well. Ours is around making sure that we learn lessons as we go. For example, the Government announced a \$1.6 billion digital and ICT fund just recently. Several hundred million dollars of that will go towards cyber and target hardening of ourselves, so those type of areas absolutely.

Each cluster then will have areas of digital and ICT improvements that they will see out of this, whether it is virtual health care, whether it is digital education that has come and the better balance there, the planning system and taking that more on line with e-planning and working with councils, a whole range of areas where reforms have just accelerated and where they might need additional digital and ICT support we will certainly provide it there. When it comes to iPads, laptops, in the main, as I said, I think our business continuity plans were such that we have allowed for that, and your opening comment about all roles flex, we cannot say that and then not back it in with that equipment. It has been like that for several years I think.

The CHAIR: Mr Reardon, are there provisions for the payment for internet or energy or any of those other additional costs that staff will incur working from home as opposed to the office?

Mr REARDON: Not at this point in time. Not at this point in time, but I have not done an audit of it.

The CHAIR: Given that expensive outsource to employees now is there anything afoot to work out a policy to properly compensate those employees?

Mr REARDON: Not that I am aware of. I can take it on notice. In terms of that, the equipment that we provide to date, there is a certain amount of equipment we provide, I can furnish that to you, but anything outside of that, and I acknowledge the issue raised and I will take it on notice.

The CHAIR: Mr Reardon, you indicated that the 20 days special leave—

Mr REARDON: Up to 20 days special leave.

The CHAIR: —for the pandemic has been almost like a safety valve, putting words in your mouth. You said it was an important part of the response.

Mr REARDON: It was a consistent part of the response. People were immediately concerned but not understanding what they were about to launch into and not understanding how the disease might spread through the community, what it might mean for the elderly, for their kids and needing something that said I do not know whether I will be taking family and community service leave or sick leave, I do not know what my circumstances will be, I am potentially the primary carer of my parent. It just provided some consistency.

The CHAIR: And that of course was a distinct form of leave available in the public sector not in the private sector, at least on a comprehensive basis. Do you have any data about how much special leave has been taken?

Mr REARDON: I do not have that on me at the moment.

Ms FOY: That has been followed by all the chief people officers in each of the different clusters. I should say, part of the approach is to give very clear principles from the centre, so things like if you are willing, able to work from home or work flexibly we absolutely support you to do that. There are many reasons why people cannot work from home, so if they are able to work from other locations we want to support that. If there are reasons that people need to take leave due to COVID because of self-isolation, they have to look after an unwell family member, or there are childcare issues, the special leave provisions are there for people to have that as an opportunity and an option very early up, so there is not a rules base trying to figure out what rule fits what circumstance. It is a principles-based approach. It allows for managers to make decisions at local levels to support their staff without having to ring up Department of Premier and Cabinet and say, "What is the rule for this?" That has been what has proven to be quite successful. We have had, as I understand it, very few disputes in terms of these issues. People have taken it up but certainly on a cluster by cluster level those things are being monitored.

The CHAIR: If you could give the Committee the data—

Ms FOY: Of course, happy to.

The CHAIR: —about how much special leave has been taken, if you can break it down on a monthly basis that would be very useful so we can track how it is working.

Ms FOY: Yes. I will see what is available, certainly. I am sure we can get it cluster by cluster and if we can break that down where appropriate, we will.

The CHAIR: And if there is any data on applications that have been refused to back up the position you put about the small levels of disputation.

Ms FOY: Of course.

The CHAIR: Mr Reardon, I was asking questions about whether or not there were any provisions in place for a hardship payment for those workers without sick leave who need to take time off, similar to what has been put forward in Victoria, which is a \$1,500 payment available for workers in the private sector, funded by the public sector. Are there any arrangements at all for helping out those workers in the private sector in New South Wales?

Mr REARDON: The only private sector people who are working for the public sector, casuals and contract staff that we talked about before, of course we try to keep them in jobs. There are not any that I am aware of, support similar to say, our southern jurisdiction of Victoria, similar in New South Wales. Since you asked some questions in estimates in March on that JobKeeper and JobSeeker have obviously come in to play and the standing down provisions that hundreds of thousands of people have now taken up, JobKeeper seems to be the most significant support.

The CHAIR: But of course JobKeeper excludes the vast bulk of casual workers and short-term contract workers, and that was why the Victorian scheme was set up, to fill up the gaps in the Federal support. You are not aware of any plans or proposals for that in New South Wales?

Mr REARDON: No. JobKeeper and JobSeeker are at the Commonwealth level.

The CHAIR: Has there been any study done by the industrial relations team about the number of people in New South Wales who do not have access to sick leave and who therefore are a potential risk, not only to themselves but the rest of the public by attending work when they are sick?

Mr REARDON: Not that I am aware of, Mr Shoebridge. But, again, there has been a lot going on, so I might ask Ms Foy if she is aware of any?

Ms FOY: I am not aware of any detail. With the Public Service Commission we certainly look at a profile of the overall public sector workforce, permanent, casual, contract. There may be some data available. We have obviously put keeping people in jobs, keeping our workplaces safe at the forefront. That is why we have got the circular around employment arrangements and that is why we support our clusters to work on a case-by-case level in the business and support each of those health and job priorities. But I am happy to take that on notice.

The CHAIR: Just so you do not get misdirected, Ms Foy, my question is about the public sector providing payment for private sector workers who do not have access to sick leave, so they do not feel compelled to go to work just simply to keep a roof over their heads or be able to feed their families while sick, which is what the Victorian model was designed for.

Ms FOY: I am happy to take that on notice. I did get an answer on the matter of the hoardings, so I am happy to provide you that at any point.

The CHAIR: Now is good.

Ms FOY: I understand that that is where they are digitising the part of the Powerhouse and it is for the safety of staff and visitors and those hoardings would adjust to whatever process that they are digitising the assets inside the Powerhouse.

The CHAIR: Those large galleries are being closed off to allow for some—

Ms FOY: To allow for those types of work, the curatorial works to digitise the assets.

The CHAIR: I understand you are doing that on instructions, Ms Foy.

Ms FOY: I beg your pardon?

The CHAIR: I understand that is what your advice is.

Ms FOY: That is what I am advised.

The CHAIR: Ms Foy, going back to the \$50 million arts funding, I cannot remember if it was your answer to Mr Graham's question about the 11 companies.

Ms FOY: The 11 majors.

The CHAIR: Was it the position that the \$25 million—I am trying to find a euphemism for hibernation payment—interregnum payment, was that being focused on the 11 majors?

Ms FOY: It is being focused on the arts and culture sector of which the 11 majors are part.

The CHAIR: I was trying to do a sketch of what the 11 majors are and I am missing one. Some of these may be in error: Sydney Theatre Company, Bangara, Sydney Symphony, Australian Theatre for Young People, Australian Opera, Australian Ballet, Bell Shakespeare, Belvoir and the Hayes Theatre. One or two of those may be in error.

Ms FOY: I think a couple of those are in error. I do have that list with me. It is Bangara, Australian Brandenburg Orchestra, Belvoir Theatre, Musica Viva, Opera Australia, Sydney Dance Company, Sydney Theatre Company, Australian Ballet and Bell Shakespeare. They are under the major performing arts agreement. They are under the particular agreement that we have with the Australia Council. It is New South Wales and Federal. There are a bunch of other organisations which would include some of the ones that you have mentioned that are funded by Create and part of the arts group.

The CHAIR: The concerns that have been raised with my office that the \$50 million is overly focused on those major players and the smaller extremely vulnerable companies and agencies are not getting a fair share of the \$50 million, what do you have to say to that?

Ms FOY: The most accurate answer and the answer is the criteria that I set up before, which is those based in New South Wales, in financial distress, COVID-impacted, not-for-profit and an arts and culture company. They are the criteria.

The CHAIR: The concern is that the majors have a rails run on this. They are already at the table and they will get the bulk of the \$50 million because there has already been engagement with them and there will only be crumbs left for the rest.

Ms FOY: I think it would be unfair to say that there has only been engagement with them. As I listed very early on, the level of engagement we have had with the arts sector and I have personally been involved in most of that. I had a webinar two weeks ago with 160 companies. We have received interest from several hundred. My team regularly engage with the sector both on the reopening as well as the package. There are clear criteria from government, as I have described. We are working with the sector to make sure that we have a thriving and vibrant art sector and to support those where they need to look at sustainability, so that we do have sustainable arts companies.

The CHAIR: Is there any planning in place for a round two of cultural funding? Given you have had engagement with 160 agencies \$50 million will not go far.

Ms FOY: I think it would be unfair to say every agency is looking for money. A lot of them are looking for a level of support and expertise that we can provide both in terms of advice around COVID, giving them access to our health experts about how they can close their businesses down as they have been required to under the health orders, to help understand the health orders, to understand what it means to be a COVID safe place. The best thing for the art sector is to get people reopening in a safe and sustainable way, getting people back into work whether they are artists, set builders or cleaners of a major place. Getting these places sustainably open in a COVID safe way is the best thing that we can do. The funding is there as a part, just one part, of the range of support that we provide to the sector. They come to us for all sorts of advice. Little local galleries and museums, maybe from Orange, or Taree, or Wollongong, and we work with them as best we can to support them through what is, as you know and as everyone has expressed, a very difficult time for the arts.

The CHAIR: Will there be a commitment to a transparent decision-making for the \$50 million allocation so that the recommendations that come from the department will be visible as well as their decisions?

Ms FOY: We will provide the analysis to the Government as they have requested us to do and those decisions will be made by the Premier and that will be a matter for the Premier.

The CHAIR: My question is about the transparency of the recommendation process. You would have to be living under a rock not to realise there are concerns about the transparency of the allocation of grants money. Will there be a commitment to transparency for the recommendations and the decision-making around the \$50 million?

The Hon. Trevor KHAN: She has answered that. It will be up to the Premier, unsurprisingly. Do not ask her to put her neck on the line.

The CHAIR: Thank you, Mr Khan, I appreciate your assistance. Ms Foy, the current position is those recommendations will be made to the Minister.

Ms FOY: We provided advice to the Government.

The CHAIR: What, if any, material is published is a matter for the Government?

Ms FOY: We provide our advice to the Government. This is about the financial distress of companies. We also need to think about the financial position of those companies and be sensitive to that.

The CHAIR: Is it your advice that the recommendations should not be made public for commercial in confidence reasons?

Ms FOY: My job is to provide the advice to the Premier and the best possible advice using the resources available to us in Create, at PwC, who are providing independent financial advice and through the New South Wales Treasury.

The CHAIR: What is the sum of the contract with PwC?

Ms FOY: I would have to take that on notice.

The CHAIR: Could you provide the details of what the scope of that contract is?

Ms FOY: I am happy to take that on notice.

The CHAIR: You gave some evidence, which I was grateful for, about the two tranches of \$6.4 million.

Ms FOY: The first was the redirection of funds, around \$6.34 million, for a number of activities. I am more than happy to outline what those are.

The CHAIR: That was my question.

Ms FOY: There is \$1 million in rental relief to the arts organisations that are housed in Create NSW arts properties and \$450,000 to support the digital engagement with communities and audience. We did not just shut the doors of our institutions and arts places, they went online as we did as workers and are working flexibly online.

The CHAIR: Like what we saw with the Opera House?

Ms FOY: I should say, that was not for the Opera House; that was for other companies. As I understand, the Opera House did some fantastic stuff with From Our House To Yours as part of their programing. There was \$700,000 for a new screen slate development fund. When I talk about screen slate this is in advance of being able to go into production either because of financial or because of the COVID related health orders. This allows for companies or people to undertake early planning in screen in advance of being able to go into production.

There was a \$350,000 increase to the small projects grants, for example, to assist in script development. There was \$180,000 for new rounds of the creative leadership program. That is about supporting arts leaders and their development as part of the sector. There was \$2 million for round two of our annual organisation's Koori projects, independent arts and cultural organisations multi-year and local government art and cultural programs and \$1.5 million in screen funding, early and advance development funding, production finance, post digital production rebate, screen industry and other audience development and strategic opportunities relating to screen. That is \$1.5 million for largely screen related activities.

The CHAIR: Has that all been paid and allocated?

Ms FOY: I will have to check. I suspect it has been allocated but I will confirm.

The Hon. JOHN GRAHAM: I want to return to Carriageworks where we left off there after those initial questions. Your response on the question about the timeline was that it is a matter for the administrator. That is not what reports say about the administrator's view. The view from the administrator and potential benefactors is that the key obstacle here is a long-term lease. That is not a matter for them, that is a matter for Government. What is your view about the lease issue?

Ms FOY: Of course. Going back to the primary principals, it is about a sustainable arts and culture precinct at Carriageworks. As part of that they have said to us and we have had discussions about that part of that sustainability is about a lease for a period of time that is appropriate and those discussions are ongoing. We want to make sure that it is successful organisation and that obviously the appropriate measures are in place for both Carriageworks and for government as part of that lease but that is part of the discussions.

The Hon. JOHN GRAHAM: What is the length of their current lease?

Ms FOY: As I understand it they are going on a month by month. I will clarify that but we are currently in discussions about a longer term lease as part of their approach to sustainability.

The Hon. JOHN GRAHAM: You acknowledged that they say that is the key assurance they need?

Ms FOY: This is about a discussion between us, what we want to see for a sustainable arts precinct and what we all need to have as the ingredients of that. We certainly welcome the philanthropy from many people who have put their hand up, what that means as far as obligations with future grant payments, what it means as far as lease agreements et cetera. All of those things come together. This is not a Mexican stand-off.

The Hon. JOHN GRAHAM: Who is the decision-maker here? Is it Create NSW, DPC or Transport for NSW?

The Hon. JOHN GRAHAM: Create NSW is part of DPC and we hold the lease. These are joint negotiations that we are going through with Carriageworks Ltd and the administrator and Create NSW which is part of DPC.

The Hon. JOHN GRAHAM: There is no obstacle to issuing a longer term lease?

The Hon. TREVOR KHAN: Apart from sustainability.

Ms FOY: The sustainability for the organisation and financial sustainability.

The Hon. JOHN GRAHAM: But it is not an issue of Transport for NSW saying, "We do not want to issue the lease." DPC is the decision-maker here?

Ms FOY: Yes.

Mr REARDON: Transport with the asset lease it to Create NSW, then it is a matter of Create NSW dealing with whoever may operate and run—

Ms FOY: But ultimately Transport owns the precinct.

The Hon. JOHN GRAHAM: It does seem extraordinary this institution is on a month-to-month lease. That is how it has been reported. I agree with the position you have put.

Mr REARDON: That is not a matter for Transport, I think was your question, or part of it.

The Hon. JOHN GRAHAM: You have answered that. I accept what you are saying about who the decision-maker is. It seems extraordinary that this institution is on a month-to-month lease. Why is that the case?

Ms FOY: We have an institution that has an administrator. It would be appropriate for us to work through those lease issues on the basis of looking at their financial sustainability.

The Hon. JOHN GRAHAM: How long have they been on that month-to-month lease?

The Hon. TREVOR KHAN: This is starting to stray.

The Hon. JOHN GRAHAM: This is the highest profile arts casualty of the COVID crisis.

The Hon. NATALIE WARD: This is not estimates.

The Hon. TREVOR KHAN: Point of order: There is obviously a component of COVID in this but the questions have to be related to the terms of reference. I suggest that my friend is starting to become somewhat expansive in his approach. I ask that you encourage him to look to the terms of reference of this inquiry.

The CHAIR: I always encourage everybody to keep a close eye on the terms of reference. My understanding of the rationale is that Carriageworks is in financial difficulty, not entirely but in part, because of the COVID-19 response and I think Ms Foy touched on that earlier. Ms Foy, are you able to answer the question?

Ms FOY: May I ask what the question was?

The Hon. JOHN GRAHAM: In order to help I might move on to this question: One of the reports to reflect the Government's position is that Carriageworks had been paid its 2020 grant, that is for this calendar year. What is the amount of that grant?

Ms FOY: I will get the exact figure on notice. The grant is around about \$2.5 million.

The Hon. JOHN GRAHAM: The exact figure on notice will be helpful but that is very helpful. When was that paid?

Ms FOY: I would have to get back to you on that.

The Hon. JOHN GRAHAM: Was it paid this year?

Ms FOY: Again, I would have to get back to you on that.

The Hon. JOHN GRAHAM: The reporting was that the 2021 grant had not been paid. I think we both agree on that?

Ms FOY: It is 2020.

The Hon. JOHN GRAHAM: Yes, 2020 has been paid, 2021 has not.

The CHAIR: Can I be clear for the record that we are talking about calendar year not financial year?

The Hon. JOHN GRAHAM: That is correct.

Ms FOY: We are talking about calendar year. May also restate that these issues regarding the financial position of Carriageworks preceded COVID. There is obviously an impact to them being able to hold certain events, but these preceded COVID.

The Hon. JOHN GRAHAM: Although clearly COVID has impacted on their financial position. My question is: The 2021 grant has been reported as usually being paid 1 July 2020. Would you like to comment on that claim which has been made?

Ms FOY: I will take that detail on notice. I do not have it in front of me and given we are dealing with such an important matter I would rather be accurate.

The CHAIR: As an organisation that is in administration at the moment I would assume you would have additional checks and balances before you made a payment to an organisation and administration?

Ms FOY: Of course.

Mr REARDON: Mr Graham, I want to respond to the comment you made about the impact of COVID or this predating COVID. It predates COVID. We would only be speculating what COVID would or would not have done. They were where they were previously. I wanted to respond to that because you said we did not respond. I want to make it clear: I could not speculate and neither could Ms Foy about how that would have been.

The Hon. JOHN GRAHAM: I accept that. This has been a high-profile casualty of this period, for whatever reason. You have said that work is ongoing. What do you expect is the timeline for those discussions?

Ms FOY: I will get back to you on those ongoing discussions. I should reiterate that payments for 2021 would be, as I understand it, eligible in 2021 not in 2020. I will get back to you on the detail on that. I will get back to you with the detail on the discussions because I would need to get an update from the administrator. I do not have that readily to hand.

The Hon. COURTNEY HOUSSOS: Mr Reardon, are you aware of a proposal that was outlined initially by the McKell Institute to provide low paid frontline workers who continued to work through the pandemic with an economic stimulus payment of \$1,500?

Mr REARDON: No, I am not aware of that. I have not seen anything from the McKell Institute or that figure. Have you?

Ms FOY: No.

Mr REARDON: I am not aware of it.

The Hon. COURTNEY HOUSSOS: My next question was if you supported the proposal or are you working on it? It is a payment that would provide workers, hospital cleaners, retail and supermarket workers—very low paid employees—with an economic stimulus.

Mr REARDON: I think you asked me a question of whether I would support it. It would be a government policy matter to support it. I will go back to what I said before about areas such as cleaners. The number I wanted to get accurate was the additional funding for the additional cleaners was \$250 million, just to be clear. In terms of direct support I would only be speculating on policy, so I will not.

The Hon. COURTNEY HOUSSOS: How much of the \$250 million has been expended so far?

Mr REARDON: I will come back to you on that. I will take that on notice and let you know. I will try to determine, as Mr Searle requested, how many casuals that has employed. I imagine we would have a fair understanding of that because there are multiple large contracts for the schools in particular but transport probably have a fairly good read.

Ms FOY: Customer Service as well, 1,000 there.

Mr REARDON: Customer Service as well. I just do not know how quickly we can we can pull that together, but I will get back to you.

The Hon. COURTNEY HOUSSOS: I appreciate that. I want to turn back to smaller arts organisations, which Mr Shoebridge started to touch on, and specifically talk about the Flight Path Theatre in Marrickville. They are based at Addison Road at the community centre. They have had a lease since last July and they negotiated with the landlord to get a rent freeze but after going backwards and forwards they could not get an agreement. They took on a lot of debt and losses, and I am sure this is a common situation amongst small cultural organisations, so they could not take on any more in setting up. They cannot run any productions at the moment, it is likely they will have to can the organisation because they have not been able to organise the rent agreement. Are you aware, Mr Reardon or Ms Foy, of any discussions with the Flight Path Theatre?

Ms FOY: Flight Path Theatre? I am not personally aware.

Mr REARDON: For the record, neither am I.

Ms FOY: I am happy to go back to the agency and see if there have been any discussions, but I am not aware of them having made an approach to us, certainly not to me directly.

The Hon. COURTNEY HOUSSOS: Obviously they are in a situation, because they could not negotiate the rent with the landlord they are in quite a dire situation. Have you put in place anything to support these kinds of organisations who are unable to get these kinds of agreements?

Ms FOY: I am sorry, could you ask that question again?

The Hon. COURTNEY HOUSSOS: Have you put anything in place to provide arts organisations with this kind of support, who cannot get agreements?

The Hon. JOHN GRAHAM: With unreasonable landlords.

Ms FOY: We provide a broad range of advice to the sector. We have a team that has specifically been established to support the sector during this time. I am very happy to go back and have a look at this particular instance. We have had a range of organisations who have expressed interest or are in the early stages of putting forward various submissions, but I am happy to find that one about Flight Path, as long as I am not offending any of their commercial concerns, I will put that back on notice.

Mr REARDON: But anything—we have discussed how we have asked organisations to come forward through the rescue package, if there is any information that needs to be provided to Ms Foy.

Ms FOY: Yes, if you have additional information, I am more than happy to take it.

The Hon. JOHN GRAHAM: But it has also been one of the high-profile community casualties.

The Hon. COURTNEY HOUSSOS: I want to move on to another example, Walk Now Productions?

Ms FOY: Which was that?

The Hon. COURTNEY HOUSSOS: Walk Now Productions. That is an independent theatre co-op of a film group. They work in bringing diversity to the theatre space. Are you aware of any discussions or support with independent theatre groups, because they are set up as a co-operative, not a charity, so they are not eligible for certain grants?

Ms FOY: I am not aware of that specific one. We do have conversations with a broad range, both not for profit and commercials as well, whether they are big or small. As far as Walk Now, I do not have any advice about specifics, but again I am very happy—are they based in Sydney?

The Hon. COURTNEY HOUSSOS: I do not have that written here.

Mr REARDON: If there is any information—

Ms FOY: Yes, please pass it over.

The Hon. COURTNEY HOUSSOS: Certainly. Can you provide some advice more generally on organisations that are set up as co-operatives? Are they going to be eligible for the arts package that has been announced by the Government?

Ms FOY: Not for profit, New South Wales-based arts company, they are the key things. There is a range of advice, we will certainly provide and support where we possibly can.

The Hon. ADAM SEARLE: Mr Reardon, I think you said that the impression, at least reported from workers themselves, maybe from their managers, was that the productivity gains during the pandemic when people were working from home was quite strong. I was not quite clear in my recollection about whether there was any recording or quantification of that by individual agencies or clusters, and if not whether there is any plan to do so?

Mr REARDON: There is recording of it, absolutely. The first point about improvements in productivity, for some, I am sure it is not better for everyone, but our major concern at the beginning in February and March was going to be job productivity across the entire economy. That has not proven to be the case. People who have wanted to get on with things to do certainly have. As I said, there has been a fairly sizeable huddle who have said, "We like these arrangements and we are actually delivering on what we said we would." As I said, 85 per cent, 90 per cent of the economy is the private sector. We are about 10 per cent of employees in the public sector. It is measurable. The forms of measurement will need to improve.

At the moment, whilst the anecdotes through pulse surveys, public and private sector, the results of private companies will become clear because their end-of-year results will tell you how they have gone through this and they will not just be treating economic downturn prior to this, the employers will be known as well. We will get better tools to measure. It is probably one of the number one things that the Public Service Commission and Employee Relations to actually measure. We measure with behavioural insights and as much science as we can about engagement through specific questions, "Are you engaged with your workforce?" and that should lead to better productivity and therefore better community outcome.

The measurables are hard, quantifiable measurables you can do. You can do online as well, just about people's engagement, about what I am actually doing online. Some agencies and businesses are doing more of that but it is gradually at this point in time. That will probably be the number one focus of attention because the entire Australian economy will rely on us for the next period up to a vaccine, and possibly longer if it works out to be a new normal; these are our work arrangements. I imagine that the examination of that productivity will be the number one issue for nearly the nation, but certainly for the State and certainly for the public service of New South Wales because I want us to be measured exactly the same as the private sector.

The CHAIR: Earlier I think you said that you had some initial small studies.

Mr REARDON: Yes. Mainly pulse surveys.

The CHAIR: What do they indicate, what sort of percentage of improvement?

Mr REARDON: Productivity, they will not go down to 0.3 or 1 per cent productivity. We are not at that level yet. People have just been through a sort of shock and awe, next thing we are putting surveys in front of them. We are just trying to measure that as best we can. The first ones have been more anecdotal like: How do you feel, how is it going, what is the optimal work arrangement, have you actually got yourself up and running? We have business continuity. Then we have moved to: Has this impacted on you delivering on your performance agreement and our deliverables, your business plan, your contribution to agency output—measuring that. But the more hard quantifiable measures, the whole world will be looking to assist with that. It will not just be Premier and Cabinet or the New South Wales public service. It will be a significant item for both the New South Wales and the Australian Productivity Commissions.

The Hon. ADAM SEARLE: I note that the Government is currently in the Industrial Relations Commission at the moment dealing with 43 awards that cover the majority of the State public sector workforce. The contention is between the Government's proposal for a zero per cent pay increase, a pay freeze as I think it is described. The unions have their own case. Given the ruling by the Fair Work Commission to increase minimum rate wages by 1.75 per cent on 19 June, is there any reconsideration within Government about the zero per cent increase in pay that is proposed in the proceedings?

Mr REARDON: Mr Searle, on this, I am Industrial Relations Secretary. I have certain accountabilities under the Government Sector Employment Act, which I could read out to you and I am happy to furnish to you my role in that overarching—

The Hon. ADAM SEARLE: I am just asking if the Government is going to change its position.

Mr REARDON: I understand your question, wages policy. The Industrial Relations Commission has a hearing on foot that you pointed to. I request that I am not asked questions around the issue of the Industrial

Relations Commission, any matter that is related to Fair Work, that could have a bearing on that. You have asked me a question about is the Government reconsidering its position because of that. I can take it on notice but it is before the Commission and you could ask me lots of questions about it but I respectfully ask that—

The Hon. ADAM SEARLE: I will ask you one further question about it.

The Hon. TREVOR KHAN: Let him finish his answer before you jump in.

Mr REARDON: It is a significant matter. We know it is a significant matter. I would rather that the Industrial Relations Commission can do its work. The positions are known from employer and the employee representatives and I would—

The Hon. ADAM SEARLE: Mr Reardon, is the Government intending on leading evidence from any qualified economist in those proceedings?

The Hon. NATALIE WARD: Do not answer that. Do not even go there. Do not be ridiculous. As a practicing member of the bar you know that is out of order.

The Hon. ADAM SEARLE: I am not asking about what the evidence would be, but is the Government intending leading such evidence?

Mr REARDON: I do not mean to frustrate, but I will only repeat my answer. I do not think it appropriate to ask questions about the Industrial Relations Commission. If it was not on at the moment, as I said, I can outline my role—

The Hon. ADAM SEARLE: I am not asking you for the details of what that evidence might be, just the type of evidence.

The Hon. NATALIE WARD: Do not answer it.

Mr REARDON: You have asked me about who might represent—

The Hon. ADAM SEARLE: No, whether any qualified economist will give evidence for the Government.

Mr REARDON: I will only repeat my position.

The Hon. ADAM SEARLE: I will take that as a no, Mr Reardon.

The Hon. NATALIE WARD: No, I do not think you can actually. You cannot take that as anything.

The Hon. ADAM SEARLE: He can either answer it or not. He is entitled to answer it in the way he has, but I am entitled to draw an inference.

The Hon. NATALIE WARD: No, you are not actually.

The CHAIR: I will intervene here. The witness has given an answer. What you may wish to take from it—

The Hon. ADAM SEARLE: In fairness, I am giving him an opportunity.

The CHAIR: What you may wish to take from it is a matter for you, but I do not think we can put words into the mouth of a witness.

The Hon. ADAM SEARLE: So you are declining to give a direct answer to that?

The Hon. NATALIE WARD: Oh, please.

The Hon. TREVOR KHAN: Point of order: The matter has been dealt with.

The Hon. ADAM SEARLE: It was a different matter.

The Hon. TREVOR KHAN: Fair go, Mr Searle. The matter has been dealt with. The witness has now essentially answered the question twice.

The CHAIR: I think it has been addressed earlier. Ms Foy, can I just understand what the application process is for the \$50 million arts and culture grant?

Ms FOY: That is all set out online on the Create website for companies to be able to easily make an application.

The CHAIR: What is the closing date for that?

Ms FOY: I would have to take that on notice. I do not think we would put a specific closing date in there because we know these are the early days for getting the applications in and I do not believe there is a closing date.

Mr REARDON: As a general principle, some of these economic supports across the board have had a date when the actual economic support were running it, but the actual dates of when you could apply are almost continuous up to that point for small business and a whole range of other areas. That has meant that people have come forward in their tens of thousands for support.

The CHAIR: That leads to my next question. Do you know how many organisations have sought support to date?

Ms FOY: As of yesterday, 55 companies had made an application.

The CHAIR: Do you have any data about the number of enquiries that have been made across the board?

Ms FOY: I do not have the data for the number of enquiries that have been made, but that is the number of real applications that we are dealing with at the moment and working our way through in line with the process that I outlined with Create, PwC and Treasury, and the criteria around eligibility.

The Hon. ADAM SEARLE: Mr Reardon, a number of answers you have given relate to the State public sector, which is the concern of the industrial relations system of New South Wales. Mr Shoebridge did ask you questions about whether forms of assistance for private sector workers, who were not otherwise receiving benefits or assistance from the Federal Government, had been contemplated. I think your answer was no.

Mr REARDON: Not that I am aware of.

The Hon. ADAM SEARLE: In relation to, for example, gig workers who in most cases are not termed to be employees and therefore, at least arguably, are not currently regulated by anyone. Has any thought been given at a policy level within the New South Wales Government about whether or not forms of financial assistance could be or should be extended to gig workers?

Mr REARDON: I will take that on notice, as I did with the Chair. The general questions were around public sector employees, private sector, full-time employees, contractors, casuals and gig workers; I think the essence of the question is similar and I will take it on notice.

The Hon. ADAM SEARLE: In relation to extended hours worked, was it your evidence that any increases in hours worked by public sector workers during the pandemic period was not systematically being recorded by agencies?

Mr REARDON: It may be in certain places. That is a very large question in terms of how do we even record it.

The Hon. ADAM SEARLE: Sure, I understand that.

Mr REARDON: I can tell you that as a general principle, because the shutdown meant that we narrowed down to more of essential services and we ran our essential services throughout. A lot of people were having to work quite considerably because of people working flexibly and a lot more people being at home. As I said, it was somewhat of a blurring of their work and life. It is very difficult to measure what that new normal is. I think out of that we will examine what it means in the months and probably years ahead and what that new normal looks like in a whole range of ways.

The Hon. ADAM SEARLE: But do you accept that it is reasonably important, given particularly if people are not working in the same workplace and there is not the same visibility about—

Mr REARDON: You refer to present—sorry, my apologies.

The Hon. ADAM SEARLE: The observational capacity is, I guess, reduced and so it is important to get a sense of how many hours people are working.

Mr REARDON: Mr Searle, we are about outcomes. We are trying to move away as fast as possible from presenteeism and having to eyeball someone to trust and give them permission to do their job. When I say "we", I mean the entire economy. People will deliver on outcomes or they will not, and they will be performance-managed to deliver on outcomes or they will not. Having to actually stare at employees within a tall office tower, in a bus depot or anywhere else is somewhat departing the scene. If you are going to truly trust and

permit people to work flexibly across the board to do their job, care for their kids, pick them up, care for aged care, whether it is a woman or a man, presenteeism is yesterday's proposition in a contemporary workplace.

The CHAIR: You are not going to create a digital panopticon, where you are constantly observing. I guess that is not on the agenda.

Mr REARDON: I am not even sure if I know what that word means.

The CHAIR: It is the whole concept of having people permanently under observation and the use of very industrial—

Mr REARDON: No is the answer. We will look for people to deliver on outcomes.

The Hon. ADAM SEARLE: Mr Reardon, I could not agree more. Maybe you have misunderstood the flavour of my question. The information I have had is that public sector workers, working from home in the pandemic, have actually had significant increases in the workload that they have been discharging. I am interested to understand whether there has been that significant extending of the work week for those workers, and if there is any qualification of that.

Mr REARDON: I think it would fluctuate all over the place, quite frankly. Where people have had their area of work that just could not be undertaken because they might work in a stadium or they could work in the Sydney Opera House and there is actually no work, we try to redeploy them as much as possible. There have been some people, as I said, when particularly we had those couple of months with schoolchildren at home. That was a heavy workload; I mean life workload and work as well. But it will settle down and be less volatile over time. We do need a measure. It was the first thing I said to Mr Graham. We need to measure that almost monthly to work out what that new normal is as it settles down. We do not want to waste the opportunity; we think it is a massive opportunity. We think that we will try to get right the things that people have really disliked for a long period in their workplaces. As an employer, the things that we need to ensure—productivity and delivering on outcomes for the community—are done as well and there is a balance there to be had.

But you are correct in terms of the Public Service Commission and Employee Relations measuring that with the chief people officers from across all of the clusters. They are very energised in what is happening. They want to know that we get this right on the far side of this, so we do not just revert back to what we thought was best practice. That will require ongoing measurement. If there are any views on how that needs to be measured, we are all ears because we will not have a monopoly on good ideas. We are simply surveying our people as much as possible, sharing stories with private sector and other jurisdictions as well to do that to see what they are doing. We will all learn as we go. We just need to make sure that we pick up all the data points as we go along.

The CHAIR: Mr Reardon, do you have a commitment to sit down with major public sector unions—the Public Service Association of NSW and others—to work out how best to come up with an agreed way of measuring these kinds of impacts in terms of the stress of working from home, the productivity and the hours of work?

Mr REARDON: I will repeat what I said before about the Industrial Relations Commission and anything on there at the moment, just so we are super clear about—

The CHAIR: I am not talking about the wage cases.

Mr REARDON: I understand; I just want to be very clear. For Unions NSW, there is always an open offer to discuss such matters. It has been made recently. Mr Chair, I had a couple of things I took on notice. I can tidy up, if you wish to. The first thing was on the administrative arrangements—Administration of Acts No. 3, Order 2020 on 15 April the Premier took on Aboriginal Affairs, the Arts, Public Service and Employee Relations, as I indicated. I just wanted to add for completeness that the Attorney General has been allocated responsibility for Acts associated with the Special Minister of State portfolio. I was asked a question about flexible work and working from home. The relevant public health order requires people to work from home if reasonably practical. That remains in place right now.

Mr Graham asked about the governance for night-time economy. A multiagency steering committee of senior representatives was established to support the New South Wales Government's consideration of the Sydney's night-time economy report. Minister Ayres is the accountable Minister supported by Treasury for implementation and review of the New South Wales Government's response to the committee's recommendations, including the development of the 24-hour economy strategy. The Minister has established an industry advisory group to inform the development of the strategy. Participants include City of Sydney, leading hoteliers, live music

industry representatives, restaurant and catering representatives and harm minimisation organisations. I hope that is helpful.

Ms FOY: My only point of clarification is that I can confirm there is no specific closing date on the arts support package.

The Hon. NATALIE WARD: Chair, with your indulgence: I do not want to take up any more of your time but I do think it is important to thank you not only for come along today, but for your management of this crisis. I ask that you convey on our behalf—or at least on my behalf, I do not want to speak for the Committee—but you referred to the dedication, hard work and resilience of the entire public service. I wanted to ask you to elaborate on that. From our perspective, we echo that and thank them and you for your ongoing work. I am sure when you envisaged the year ahead and thought about challenges this may not have been in the list. It has been an extraordinary challenge I am sure, but the response of the public service has been incredible. Is there anything further you wanted to add to that?

Mr REARDON: Simply to say thank you and that the New South Wales public service is full of proud and passionate people and times like the last 12 months has only shown that; it has drawn it out in people and how they responded to the crisis. They have not blinked. They have not missed a beat. They have continued to deliver the services that is in their mission statement to deliver, whether it is health, transport, Stronger Communities—all of them have stood up and probably truly showed the community what essential services are through a period like this. I am incredibly proud to be part of them and to work with them, not just to be part of the head of the public service but to actually work with them. Thank you for your comment.

Ms FOY: I have had a couple of decades in the public sector and never have I been more proud to be a public servant; never have I been more proud to work with the people I do in DPC, Community Engagement and across the Government. There has been some very heavy lifting on some very difficult issues, whether it is working with Aboriginal communities in regional New South Wales and metropolitan New South Wales, working with the arts sector that has been so heavily hit and so gracious in working with us, or working with our employees and the Public Sector Commissioner. It is a great honour and I welcome the opportunity to talk about the fantastic work our people do.

The Hon. NATALIE WARD: I am sure when you go for a job interview and they say, "Describe an example of when you dealt with a challenge in your past role", you can say, "There was this thing called COVID."

The CHAIR: Where do you want to be in five years? Ms Foy and Mr Reardon, thank you very much for your engagement today. There have been a number of questions taken on notice. The time frame is 21 days but Mr Reardon indicated there were a number of or subsets of questions he may need to seek additional time. Please notify the secretariat and we will arrange for that to be provided in due course. That concludes today's hearing.

(The witnesses withdrew.)

The Committee adjourned at 14:03.