

PORTFOLIO COMMITTEE NO. 1 – PREMIER AND FINANCE

Thursday, 4 March 2021

Examination of proposed expenditure for the portfolio area

PREMIER

CORRECTED

The Committee met at 09:30

MEMBERS

The Hon. Tara Moriarty (Chair)

The Hon. Robert Borsak

Ms Abigail Boyd

Ms Cate Faehrmann

The Hon. John Graham

The Hon. Trevor Khan

The Hon. Mark Latham (via videoconference)

The Hon. Taylor Martin

The Hon. Daniel Mookhey

The Hon. Adam Searle

Mr David Shoebridge

The Hon. Natalie Ward

PRESENT

The Hon. Gladys Berejiklian, [Premier]

CORRECTIONS TO TRANSCRIPT OF COMMITTEE PROCEEDINGS

Corrections should be marked on a photocopy of the proof and forwarded to:

**Budget Estimates secretariat
Room 812
Parliament House
Macquarie Street
SYDNEY NSW 2000**

The CHAIR: Welcome to the public hearing for the inquiry into budget estimates 2020-2021 initial hearings. Before I commence, I acknowledge the Gadigal people, who are the traditional custodians of this land. I also pay respects to Elders past, present and emerging of the Eora nation, and extend that respect to other Aboriginal people present. I welcome Premier Berejiklian and accompanying officials to this hearing. Today the Committee will examine the proposed expenditure for the portfolio of Premier. Today's hearing is open to the public and is being broadcast live via the Parliament's website. In accordance with the broadcasting guidelines, while members of the media may film or record Committee members and witnesses, people in the public gallery should not be the primary focus of any filming or photography. I also remind media representatives that they must take responsibility for what they publish about the Committee's proceedings. The guidelines for the broadcast of proceedings are available from the secretariat.

All witnesses in budget estimates have a right to procedural fairness, according to the procedural fairness resolution adopted by the House in 2018. There may be some questions that a witness could answer only if they had more time or with certain documents to hand. In those circumstances, witnesses are advised that they can take a question on notice and provide an answer within 21 days. Premier, I remind you and the officers accompanying you that you are free to pass notes and refer directly to your advisers seated at the table behind you but any messages from advisers or members of staff seated in the public gallery should be delivered through the Committee secretariat. We expect the transcript of this hearing will be available on the web from tomorrow morning. I remind everyone to turn off their mobile phones or set them to silent for the duration of the hearing.

All witnesses will be sworn in prior to giving evidence. Premier, I remind you that you do not need to be sworn as you have already sworn an oath to your office as a member of Parliament. I also remind Mr Reardon that he does not need to be sworn as he has already been sworn at an earlier budget estimates hearing before this Committee.

TIM REARDON, Secretary, Department of Premier and Cabinet, on former oath

SIMON DRAPER, Chief Executive Officer, Infrastructure NSW, affirmed and examined

ELIZABETH MILDWATER, Chief Executive Officer, Greater Sydney Commission, affirmed and examined

AMY BROWN, Deputy Secretary, Strategy and Delivery, Department of Premier and Cabinet, sworn and examined

SARAH CRUICKSHANK, Deputy Secretary, Department of Premier and Cabinet, affirmed and examined

SHANE FITZSIMMONS, Commissioner, Resilience NSW, sworn and examined

JOHN SCHMIDT, NSW Electoral Commissioner, NSW Electoral Office, affirmed and examined

MARGARET CRAWFORD, Auditor-General of NSW, Office of the Auditor-General, affirmed and examined

IAN GOODWIN, Deputy Auditor-General of NSW, Office of the Auditor-General, sworn and examined

The CHAIR: Today's hearing will be conducted from 9.30 a.m. to 12.30 p.m. with the Premier, and then from 2.30 p.m. till 5.00 p.m. with departmental witnesses, with questions from the Opposition and crossbench members only. If required, an additional 15 minutes is allocated at the end of each session for Government questions. There is no provision for any witnesses to make an opening statement before the Committee commences, so we will begin with questions from the Opposition.

The Hon. ADAM SEARLE: Thank you, Madam Chair. Premier, Minister Sidoti resigned finally yesterday after 534 days of being under investigation. Why did you let this matter drag on so long, given this is clearly where it was always heading?

Ms GLADYS BEREJIKLIAN: As you would appreciate, Mr Searle, there is always due process involved. I was awaiting advice as to whether there was a formal investigation into Mr Sidoti. Once that was apparent, he resigned from the ministry.

The Hon. ADAM SEARLE: Premier, it was a notorious fact around this town that this was very likely to be the case. Did you raise this with Mr Sidoti earlier to try to resolve this matter in a more timely way?

Ms GLADYS BEREJIKLIAN: Mr Searle, being a barrister, you would appreciate the importance of due process. Mr Sidoti, once it was advised to me that there was a preliminary matter being investigated by the ICAC, stood aside from the ministry. Once the ICAC confirmed that he was the subject of the investigation, he has since resigned and moved to the crossbench.

The Hon. ADAM SEARLE: At yesterday's press conference you said he offered his resignation and in your subsequent media statement you say you asked for his resignation. Did you sack him or did he resign?

Ms GLADYS BEREJIKLIAN: At the end of the day, the outcome is what is important. He has resigned from the ministry and subsequently moved to the crossbench.

The Hon. ADAM SEARLE: Well, these are about the standards of integrity and probity that you allow as Premier. Again, this matter has dragged on for over 530 days. That is because of your Government's underfunding of the ICAC, isn't it?

Ms GLADYS BEREJIKLIAN: With all due respect, the funding to the ICAC has increased and every time the ICAC has requested supplementary funding from the Government it has been granted. In fact, it was the Government that initiated the Auditor-General to look into these matters regarding integrity agencies to see if there was a better way to fund independent bodies, which do work independently of government.

The Hon. ADAM SEARLE: That is just not true, Premier. You referred the matter to the Auditor-General after the New South Wales upper House had already delivered a report saying there should be independent funding for ICAC and other oversight bodies.

Ms GLADYS BEREJIKLIAN: No, that is not the case. In fact, the Public Accountability Committee, as I understand it, reported recently and the Government has until 5 August to respond.

Mr DAVID SHOEBRIDGE: That's the second report.

The Hon. ADAM SEARLE: The first report was March of last year, Premier.

Ms GLADYS BEREJIKLIAN: In any event, I am happy to reiterate the figures to you in terms of funding to the integrity agencies, but there was a substantial increase in the recurrent budget to the ICAC and every time that they have requested additional funds that has been met. Certainly, the New South Wales Government takes these issues very seriously. We want all of our integrity agencies, including the Electoral Commission, to be supported in the important work they do and that is why the Government will carefully consider both the Auditor-General's findings and recommendations, but also the Public Accountability Committee's recommendations, which I understand the Government is due to respond to by 5 August.

The Hon. ADAM SEARLE: Premier, none of that is true. Applications—

Ms GLADYS BEREJIKLIAN: Excuse me, which part of it is not true?

The Hon. ADAM SEARLE: Applications were—

Ms GLADYS BEREJIKLIAN: Can you please be specific?

The Hon. ADAM SEARLE: Well, if you would let me put this to you—

Ms GLADYS BEREJIKLIAN: Sure.

The Hon. ADAM SEARLE: It was the evidence of Chief Commissioner Hall that ICAC needed another \$7.2 million just to keep pace with inflation by 2019-2020—

Ms GLADYS BEREJIKLIAN: What date was that, I am sorry?

The Hon. ADAM SEARLE: I do not remember the date but it was his evidence to the Public Accountability Committee.

Ms GLADYS BEREJIKLIAN: Which was this year, I understand, or last year?

The Hon. ADAM SEARLE: It was last year.

Ms GLADYS BEREJIKLIAN: Right, yes.

The Hon. ADAM SEARLE: He said it needed another \$7.2 million just to keep pace with inflation. The upper House attached that additional funding to the appropriation bills. Your Government voted that down, so you are rejecting what Commissioner Hall says he needs by way of funding?

Ms GLADYS BEREJIKLIAN: Mr Searle, I ask that you get your facts right. We actually commissioned the Auditor-General in November 2019 to undertake that important work, which prior to—

The Hon. ADAM SEARLE: When the upper House committee was already underway.

Ms GLADYS BEREJIKLIAN: —which was prior to—

The Hon. TREVOR KHAN: Don't interrupt.

Ms GLADYS BEREJIKLIAN: But you have just suggested—I ask you to be factual and truthful in your questioning.

The Hon. ADAM SEARLE: And I ask you to be responsive and truthful in your answers, Premier.

Ms GLADYS BEREJIKLIAN: We are barely two minutes into this inquiry and you have already made a major blunder in your facts. The Government asked the Auditor-General to look at these matters back in November 2019, given there was ongoing public debate for a long time in relation to supplementary funding. The funding arrangements until this point in time have not been vastly different to what your Government did. In fact, we have enhanced the funding significantly in the last couple of budgets in relation to recurrent funding. We took the matter so seriously because the same request was made of us of the Electoral Commission and other integrity agencies and the Government thought it best to ask the Auditor-General to do the important work.

We referred that back in November 2019. The Auditor-General has since released her report. We are intending to respond to that report early this year but, given the Public Accountability Committee has also conducted—I learned—a second inquiry or an inquiry, we are due to respond to that inquiry by 5 August. Given there are two responses afoot, it makes sense for the Government to respond to both those things simultaneously. For you to try to make up some notion that our recommendation to the Auditor-General to conduct this inquiry did not predate what you are telling me is just factually incorrect. I just ask that for the duration of this estimates hearing you just get your facts right.

The Hon. ADAM SEARLE: Premier, the Public Accountability Committee inquiry actually commenced on 14 October 2019.

Mr DAVID SHOEBRIDGE: And it first reported in March 2020, months before you referred the matter to the Auditor-General. It commenced months—

Ms GLADYS BEREJIKLIAN: No, we referred the matter in November 2019.

The Hon. ADAM SEARLE: After the Public Accountability Committee had started—

Mr DAVID SHOEBRIDGE: After we commenced the inquiry.

Ms GLADYS BEREJIKLIAN: No, no, no.

The Hon. TREVOR KHAN: Point of order—

Mr DAVID SHOEBRIDGE: After we commenced the inquiry.

The Hon. TREVOR KHAN: I will take point of order.

The CHAIR: I will hear the point of order.

Ms GLADYS BEREJIKLIAN: You are actually getting your facts wrong. We referred it in November—

Mr DAVID SHOEBRIDGE: After we commenced the inquiry.

The Hon. TREVOR KHAN: I will take a point of order.

Mr DAVID SHOEBRIDGE: As a defensive measure.

Ms GLADYS BEREJIKLIAN: But you had not finished the inquiry.

Mr DAVID SHOEBRIDGE: That was your plan.

The CHAIR: Mr Khan, what is your point of order?

Ms GLADYS BEREJIKLIAN: Oh my goodness. You get the facts wrong and then make up a story. That's fine.

The CHAIR: I will hear the point of order. Excuse me, everybody. Mr Khan?

The Hon. TREVOR KHAN: I do not wish to take points of order all the time here, but what—

Mr DAVID SHOEBRIDGE: No, it is a fair point. I accept it.

The Hon. TREVOR KHAN: The issue is interjections. It is the Hon. Adam Searle's time—I concede absolutely that point—but it is not a pile-on exercise involving Mr David Shoebridge as well. I ask—

Ms GLADYS BEREJIKLIAN: I don't mind. I am used to it.

Mr DAVID SHOEBRIDGE: I accept it.

The Hon. TREVOR KHAN: Well, I do, Premier. If we start correctly we will end well.

The CHAIR: I remind everybody that it is a question at a time and an answer at a time, and then we will be able to get through today nice and smoothly.

The Hon. ADAM SEARLE: Premier, the Public Accountability Committee inquiry started 14 October, a month before you referred the matter to the Auditor-General. You were just playing catch-up from the get-go.

Ms GLADYS BEREJIKLIAN: Excuse me, I refute that statement.

The Hon. ADAM SEARLE: The ICAC applied for \$1.7 million in extra funding in 2013-14; it was rejected. They applied for \$1.9 million in 2015-16, which was rejected. They applied for \$1.89 million in 2016-17, which was rejected. Since you were Premier they applied for \$4 million of additional funding in 2019-20, which was rejected. All of this shows the need for an independent funding model for the ICAC, does it not? Will you concede that point and agree to an independent funding model for the ICAC?

Ms GLADYS BEREJIKLIAN: Can I make the following statement. Firstly, we proactively asked the Auditor-General to look at these matters in November 2019. I also want to state on the public record that the Government has provided supplementary funding to the ICAC on every occasion that the ICAC has requested it

for at least the last several years. In 2019-20 supplementary funding of \$3.5 million was provided to the ICAC. In 2018-19 supplementary funding of \$1.72 million, to be precise, was provided to the ICAC. In 2017-18 supplementary funding of \$1.68 million was provided to the ICAC. In the 2020-21 budget there has been, I understand, an additional increase of funding to the ICAC in its recurrent budget, in addition to the additional supplementary funding. I note the Government is providing funding in excess of \$114 million for the ICAC over four years.

However, given the issues raised by a number of integrity agencies—not just the ICAC but the NSW Electoral Commission, the Ombudsman and the other agencies that have raised these matters of funding—the Government thought the best process would be to ask the Auditor-General to look at these matters. She has done that. I want to publicly thank her for the important work that she has done. We anticipated responding to her report early this year, but given the Public Accountability Committee has since concluded its inquiry and recommendations we are due to respond to that by 5 August. As you appreciate, the Government thought it best to wait to simultaneously respond to both rather than repeat responses to each.

These are matters that require careful consideration. As you would appreciate, this will fundamentally potentially change the way in which funding decisions are actually taken out of government hands, which will be unprecedented, yet they are important considerations for us to make. I am not sure where you got your information from but the information I have just put on the record confirms the occasions, at least in the last three years, when the ICAC has requested supplementary funding and that funding has been made. I am not sure where you have received your information from—

The Hon. ADAM SEARLE: From Chief Commissioner Hall's evidence.

Ms GLADYS BEREJIKLIAN: I have received this information based on the advice I have received regarding the funding arrangements.

The Hon. ADAM SEARLE: Thank you, Premier. In evidence to the ICAC both you and Mr Maguire said you were in a close personal relationship from at least 2015 up until about August 2020. Mr Maguire says that relationship could have started as early as 2013. That is correct, is it not?

Ms GLADYS BEREJIKLIAN: Mr Searle, again I would ask you to consider due process. Those matters have been canvassed—

The Hon. ADAM SEARLE: In public they have been canvassed, yes.

Ms GLADYS BEREJIKLIAN: Both publicly and also, potentially, privately, which are matters for the ICAC. I assume from the line of questioning that you have faith in and support and trust the ICAC process. I would ask you to respect that process.

The Hon. ADAM SEARLE: Premier, this is a different process; this is a parliamentary process. You are accountable to the people through Parliament. Please answer the question.

Ms GLADYS BEREJIKLIAN: I am accountable to the people through the Parliament but also, as I have stated publicly, including to the Parliament, I have not ever been accused of any wrongdoing. I have not had any allegations put against me. I was a witness to hearings and I think all of us should allow the ICAC to continue the important work it does. If you have questions about trusting the process then that is a matter for you—

The Hon. ADAM SEARLE: No, Premier, I am asking you questions. I am just asking you to please be responsive and direct.

Ms GLADYS BEREJIKLIAN: I am suggesting to you that those matters have been canvassed. I have responded to them—

The Hon. ADAM SEARLE: Which is it? Is it 2013, as Mr Maguire says?

Ms GLADYS BEREJIKLIAN: As I said, I have already responded to those issues.

The Hon. ADAM SEARLE: Well, you haven't. Please answer the question.

The Hon. NATALIE WARD: Once again—

Ms GLADYS BEREJIKLIAN: No, if you respect, on the one hand—Mr Searle, you cannot have it both ways. On the one hand you purport to defend the interests of the integrity agency, as we all should—as all of us should. You questioned funding arrangements, and I have outlined the supplementary funding and the additional funding that the Government has provided that agency. But you cannot on the other hand then say you

do not trust the work they are doing. If you trust the work they are doing and you have confidence in their processes you will allow them to do their job as they should. As a—

The Hon. ADAM SEARLE: Premier—

Ms GLADYS BEREJIKLIAN: You should know, as someone who has practised at the bar, what the importance of due process is. I suspect that as someone who has actually appeared before an integrity agency yourself as a witness, you would appreciate how important it is to maintain the integrity of the investigations that are ongoing. I put to you—

The Hon. ADAM SEARLE: Premier, none of my questions interfere with the ICAC's inquiries. This is a parliamentary process.

Ms GLADYS BEREJIKLIAN: How do you know they don't? You are assuming—

The Hon. ADAM SEARLE: Well, you tell us. Are you telling us that this will interfere? What do you know, Premier?

Ms GLADYS BEREJIKLIAN: What I know is—

The Hon. ADAM SEARLE: Be straight with us: What do you know that suggests that this line of questioning would interfere with an ICAC inquiry?

Ms GLADYS BEREJIKLIAN: Because the ICAC—

The Hon. ADAM SEARLE: I am only asking you things that are on the public record.

Ms GLADYS BEREJIKLIAN: Exactly. To your absolute point, you are asking me things that are on the public record which the ICAC has considered—

The Hon. ADAM SEARLE: But which have not been answered by you.

Ms GLADYS BEREJIKLIAN: That is—

The Hon. NATALIE WARD: Point of order—

The Hon. TAYLOR MARTIN: The Premier has answered—

Ms GLADYS BEREJIKLIAN: No, it is okay, guys. It is okay.

The Hon. NATALIE WARD: I just ask that the Chair's ruling, which she has already made once, be upheld. Members must pose a question and allow the Premier to answer the question, as she is trying to do. She is trying to assist this Committee.

Ms GLADYS BEREJIKLIAN: As you said, I have answered questions in this regard in all appropriate forums. I ask you to refer to those comments. But the absolute critical thing is that if you purport to respect and support the contribution that our integrity agencies make to good and clean and transparent government then allow them to do their job. These are matters for them. Allow them to do their job.

The Hon. ADAM SEARLE: Premier, in a media interview you said that you were in love with Mr Maguire and you thought that marriage was something that was in contemplation. That makes it the kind of relationship that required you to disclose it, did it not, under the ministerial code?

Ms GLADYS BEREJIKLIAN: Mr Searle, again, I say to you with all due respect that whilst you are pursuing the line of questioning it is not a line of questioning that is—

The Hon. ADAM SEARLE: This is about your responsibility under the ministerial code, Premier.

Ms GLADYS BEREJIKLIAN: Again, I stress that I have not been accused of any wrongdoing. I have not had any allegation put to me. I was a witness in an inquiry, as you have been—

The Hon. ADAM SEARLE: Premier, you are not answering the question.

Ms GLADYS BEREJIKLIAN: I am answering the question by saying to you that it is inappropriate to potentially interfere in issues which are being canvassed elsewhere. Again I stress that you, as a witness to an integrity body, would know how important it is not to interfere and to allow the integrity body to do its important work.

The Hon. ADAM SEARLE: Premier, in both your evidence and Mr Maguire's evidence you said that you intended to make your relationship public when he left Parliament. Why did you not do so?

Ms GLADYS BEREJIKLIAN: Again, I say to you that those are matters that have been canvassed elsewhere and they are matters which we should let integrity agencies take care of.

The Hon. ADAM SEARLE: Premier, that is not an answer. The fact is that you said you had an intention to make your relationship public when he left Parliament; it is a matter of record that neither of you did so. You did not do that because you knew that if you did you would have had to disclose it under the ministerial code. That is correct, is it not?

Ms GLADYS BEREJIKLIAN: I outright reject the assertion you are making, Mr Searle—outright reject it. These are matters that have been canvassed and I want to stress I was asked to provide evidence as a witness, which I have done—as you have done to an integrity agency yourself, and you would—

The Hon. ADAM SEARLE: Well—

Ms GLADYS BEREJIKLIAN: Can you please let me finish the sentence. And it is not the body of the estimates committee to try and pre-empt or concurrently do work which the integrity agency is doing.

The Hon. ADAM SEARLE: Premier, if you are saying it is up to the ICAC to investigate all these matters, why did you sit down with the *Telegraph* and do that splash?

Ms GLADYS BEREJIKLIAN: They are matters that—

The Hon. ADAM SEARLE: That! You did that in the middle of the inquiry.

Ms GLADYS BEREJIKLIAN: Right.

The Hon. ADAM SEARLE: You are canvassing these matters in public so why will you not give us a straight answer here?

Ms GLADYS BEREJIKLIAN: Ah—

The Hon. ADAM SEARLE: Why did you keep it a secret when you said your intention was to make it public? It is because you are hiding it. It is because you knew, if it was public, you would have to make certain disclosures about what you knew about his business interests.

Ms GLADYS BEREJIKLIAN: Mr Searle, I outright—

The Hon. ADAM SEARLE: That is the case, is it not?

Ms GLADYS BEREJIKLIAN: Mr Searle, I outright reject what you are asserting. It is wrong. It is incorrect and I again remind you—I remind you strenuously—that I was asked in my capacity as a witness. I have no accusation of wrongdoing levelled at me; no allegation made against me. I was there to support the integrity agency's important work, as all members are obliged to do, and I ask you to allow them to do their work.

The Hon. ADAM SEARLE: Now Premier, on 5 September 2017 in a phone call recorded by the ICAC, Mr Maguire told you: "They like my idea of an Airbnb for the Ivanhoe houses, so I'll have to work that one out next, anyway. It all just takes time, doesn't it." You knew about Mr Maguire's purchase of at least one property in Ivanhoe.

Ms GLADYS BEREJIKLIAN: That is an assertion you make and these are—

The Hon. ADAM SEARLE: No. It is a question.

Ms GLADYS BEREJIKLIAN: Well, that is an assertion you make.

The Hon. ADAM SEARLE: Well, you did not query him. You did not say, "What properties?", did you? So you knew.

Ms GLADYS BEREJIKLIAN: Can I suggest this, Mr Searle: I suggest you are going to lead these series of questions to an article which appeared in the newspaper today regarding the Cobb Highway. Can I make this point: Back in 2011 the upper House Standing Committee on State Development—the economic and social development in central western New South Wales—handed down a report on 31 May 2012. There were members of the Liberal Party, the Labor Party, the National Party and I think members of the crossbench on that committee.

The Hon. TREVOR KHAN: Not me. They don't let me do that.

Ms GLADYS BEREJIKLIAN: I am sorry, and this is back in—

The Hon. ADAM SEARLE: Premier—

Ms GLADYS BEREJIKLIAN: Can I stress—

The Hon. ADAM SEARLE: —rather than pre-empting my questions—

Ms GLADYS BEREJIKLIAN: Can I finish the answer?

The Hon. ADAM SEARLE: —why do you not let me ask the questions.

Ms GLADYS BEREJIKLIAN: Madam Chair, can I finish my statement?

The Hon. NATALIE WARD: Point of order: Can the Premier be allowed to finish?

The Hon. ADAM SEARLE: Madam Chair, to the point order—

The CHAIR: To be fair, it was not actually the question.

Ms GLADYS BEREJIKLIAN: Oh okay. Right. Yes.

The Hon. ADAM SEARLE: So why do you not let me ask the questions and you can answer.

Ms GLADYS BEREJIKLIAN: Okay, thank you.

The Hon. ADAM SEARLE: So when did you first learn that Mr Maguire owned properties in Ivanhoe?

Ms GLADYS BEREJIKLIAN: I cannot confirm that I knew that.

The Hon. ADAM SEARLE: Well, in the recording played on 5 September 2017 Mr Maguire told you about his proposal for an Airbnb for the Ivanhoe houses, plural. So you knew at least then, did you not?

Ms GLADYS BEREJIKLIAN: Mr Searle, if you are reading from a transcript, which is in the possession of the integrity agency, I would ask you to be extremely careful because the integrity—

The Hon. ADAM SEARLE: Well, it is on the public record, Premier.

Ms GLADYS BEREJIKLIAN: Exactly.

The Hon. ADAM SEARLE: So I am asking you the question: So you knew—

Ms GLADYS BEREJIKLIAN: That is my point.

The Hon. ADAM SEARLE: So you knew at least at that point, did you not?

Ms GLADYS BEREJIKLIAN: No, that is my point. No.

The Hon. ADAM SEARLE: So you did not know?

Ms GLADYS BEREJIKLIAN: Mr Searle, my point is—my point is—

The Hon. ADAM SEARLE: Premier, you are simply flannelling. You are not answering the question. You are trying to avoid answering the question here.

The Hon. TREVOR KHAN: Point of order—

The Hon. ADAM SEARLE: Premier, just answer the question directly.

The Hon. TREVOR KHAN: This is ridiculous.

The CHAIR: Let us hear the answer. Thank you, Premier. We will hear the answer.

Ms GLADYS BEREJIKLIAN: Thank you very much. I would like to answer the question.

The Hon. ADAM SEARLE: If only you would.

Ms GLADYS BEREJIKLIAN: I—

The Hon. ADAM SEARLE: If only you would.

Ms GLADYS BEREJIKLIAN: Mr Searle, you yourself have just admitted that you are reading something which is in the possession of the integrity agency.

The Hon. ADAM SEARLE: So I am asking you: When did you first know about these matters.

Ms GLADYS BEREJIKLIAN: So, with all due respect, you are not the integrity agency.

The Hon. ADAM SEARLE: No, but this is Parliament. We are entitled to ask these questions, Premier.

Ms GLADYS BEREJIKLIAN: No, no—

The Hon. TREVOR KHAN: Point of order—

Ms GLADYS BEREJIKLIAN: You are not entitled—

The CHAIR: There is point of order from Mr Khan. We will hear from Mr Khan.

The Hon. TREVOR KHAN: Chair, I will take the point of order.

The CHAIR: Yes.

The Hon. TREVOR KHAN: With respect, you are losing control of this.

The CHAIR: I am not, actually.

The Hon. TREVOR KHAN: This member is entitled to ask questions. The witness is also entitled to answer without interjection. Now, he has to bring himself back under control and, with respect, you have to enforce the normal rules that apply in committees.

The CHAIR: Absolutely. I have given the call to the Premier and I would like to hear the answer, as we all would.

The Hon. TREVOR KHAN: Yes.

Ms GLADYS BEREJIKLIAN: Thank you. Thank you. And my answer to the question is: Mr Searle, you yourself have admitted that what you have read out was in a transcript held by the integrity agency; therefore, you should allow the integrity agency to do their work.

The Hon. ADAM SEARLE: Well—

Ms GLADYS BEREJIKLIAN: As I said, the integrity agency has not put any accusation of wrongdoing to me or any allegation of wrongdoing to me.

The Hon. ADAM SEARLE: Premier, are you saying this matter, the Cobb Highway matter, is now under investigation, are you?

Ms GLADYS BEREJIKLIAN: No.

The Hon. ADAM SEARLE: Well then, why will you not answer the question?

Ms GLADYS BEREJIKLIAN: You have not asked me a question about the Cobb Highway. When I tried to answer a question on the Cobb Highway you stopped me. So either ask me the question or don't. You tried to stop me.

The Hon. ADAM SEARLE: No. I was asking about the properties at Ivanhoe—

Ms GLADYS BEREJIKLIAN: I tried to answer the question on the Cobb Highway and you stopped me.

The Hon. ADAM SEARLE: —which you well know relate to the Cobb Highway.

Ms GLADYS BEREJIKLIAN: Exactly.

The Hon. ADAM SEARLE: We will return to that later.

Ms GLADYS BEREJIKLIAN: Because it was in *The Sydney Morning Herald* today. It is not like it is a secret. You actually had it—you put it in the paper and you will not allow me to answer the question, which will completely shred—completely shred—the laughable and wrong assertion.

Mr DAVID SHOEBRIDGE: Yeah. Well, we will get to the shredding.

The Hon. JOHN GRAHAM: I would not be using that term, Premier. I would not be talking about shredding.

Mr DAVID SHOEBRIDGE: We will get to the shredding very soon, Premier.

Ms GLADYS BEREJIKLIAN: Wonderful, wonderful.

The Hon. ADAM SEARLE: We will talk about shredding later.

Ms GLADYS BEREJIKLIAN: Wonderful.

The CHAIR: It now the crossbench's time.

Mr DAVID SHOEBRIDGE: We will get to the shredding very soon, I assure you.

Ms GLADYS BEREJIKLIAN: Oh okay. Lovely. Thank you.

Mr DAVID SHOEBRIDGE: I will give you the chance to talk about shredding.

Ms GLADYS BEREJIKLIAN: Lovely, thank you.

Mr DAVID SHOEBRIDGE: I promise. Premier, the Public Accountability Committee [PAC] reported in March 2020 and made a series of recommendations pointing out how urgent it is that ICAC and other independent agencies have independent funding. In October of 2020 the Auditor-General reported and backed in the Public Accountability Committee's recommendations and said your department and you can no longer independently determine the budget for ICAC, that it needs to be at arms-length. When will you implement the recommendations of the March 2020 PAC report and the October 2020 Auditor-General report?

Ms GLADYS BEREJIKLIAN: I thank you, Mr Shoebridge, and as I already foreshadowed, the Government asked the Auditor-General to do this important work. The Auditor-General, as you have said, has provided her recommendations. Concurrent to that process, or shortly after that process, the Public Accountability Committee has also put forward their recommendations to the Government regarding funding to the integrity—or funding to independent bodies, not just integrity agencies but other bodies. And, as I said, the New South Wales Government was intending to respond to the Auditor-General's recommendations earlier. However, given the Public Accountability Committee has also made a report and Government is due to respond to that report by 5 August, the Government will be simultaneously responding to issues raised both by the Auditor-General and also by the Public Accountability Committee by August. And can I please make this point as the Premier of this State, that is, all of us want to ensure that integrity agencies and independent bodies, which citizens rely on, including the Electoral Commission, including other bodies, do need resources in order to be able to execute their jobs and their funding model is critical going forward.

Mr DAVID SHOEBRIDGE: Yes, Premier, we will get to that.

Ms GLADYS BEREJIKLIAN: Can I please finish answering the question?

Mr DAVID SHOEBRIDGE: Provided it answers when you are going to respond to the inquiries, which was my question.

The Hon. TAYLOR MARTIN: No, David, you don't get to decide.

Mr DAVID SHOEBRIDGE: My question was about when the response will be, not a general diatribe on the Premier's views about independent bodies.

The Hon. TAYLOR MARTIN: What about your diatribe, David?

Ms GLADYS BEREJIKLIAN: And Mr Shoebridge—

Mr DAVID SHOEBRIDGE: Anyhow, it will be quicker if you just finish.

Ms GLADYS BEREJIKLIAN: Mr Shoebridge—

The Hon. TREVOR KHAN: Oh, David!

Ms GLADYS BEREJIKLIAN: It is okay. Mr Shoebridge, as I said on a number of occasions the Public Accountability response—the response by the Government to the Public Accountability Committee, as I understand it, is due by 5 August or thereabouts. The Government has committed to responding to both the Auditor-General's recommendations and the recommendations made by the Public Accountability Committee by that date, and I do want to stress: These are not easy answers or easy issues to resolve and I will tell you why. Because it means that if you were to adopt those recommendations you would have to consider who or what would be appropriate to make decisions on behalf of a Government that has been elected by—it is a principle about governments are elected, rightly or wrongly, to make decisions on behalf of citizens in relation to allocation of resources. And if you are to make a move which goes outside of that, it is a serious consideration and that is why the Government agrees that we need to consider how integrity agencies and independent bodies are funded moving forward and how that model—what that model looks like or what the future is are very big questions for the Government to answer.

Mr DAVID SHOEBRIDGE: Premier, ICAC is overworked at the moment because scandal after scandal has come from your Government to ICAC and you, unilaterally, are going to be determining ICAC's

budget for the coming financial year. Is that not right? There is no independent scrutiny of it. It is done by your department and the Expenditure Review Committee [ERC].

Ms GLADYS BEREJIKLIAN: It is a decision by Government and it has always been thus, Mr Shoebridge.

Mr DAVID SHOEBRIDGE: Indeed.

Ms GLADYS BEREJIKLIAN: Mr Shoebridge, please do not create the notion that this is somehow unique to this Government. This funding model has—

Mr DAVID SHOEBRIDGE: The level of scandal is coming close to unique.

The Hon. NATALIE WARD: Let her finish.

Ms GLADYS BEREJIKLIAN: These funding arrangements have been around since each of those integrity agencies and independent bodies were established. That is why, with all due respect—and I appreciate the questions raised by yourself and by the Auditor-General in relation to future funding models—but that is why government has to consider these very carefully, because what is being recommended is a fundamentally new approach. It is fundamentally different to how government normally works, and that is why we need to consider them carefully.

Mr DAVID SHOEBRIDGE: Premier, let us talk about how broken it is now. The Chief Commissioner of ICAC has told the Public Accountability Committee that the ICAC applied for increases in recurrent funding in seven of the 12 annual budget processes between 2008-09 and 2019-20 but was fully successful on only two of those occasions. On four of the seven occasions, its applications for increased funding were totally rejected by your Government. You have been starving ICAC and refusing to give them the funding they are asking for. When will you put in independent funding for ICAC?

Ms GLADYS BEREJIKLIAN: I have answered the question to say we will be responding to those recommendations by 5 August, but I also want to stress—

Mr DAVID SHOEBRIDGE: Meanwhile, Premier, another whole budget runs past where they are dealing with the scandals you keep putting to them with the limited resources you keep putting into them, and another 12 months passes without ICAC having the funding it needs. Do you think that is acceptable?

Ms GLADYS BEREJIKLIAN: Mr Shoebridge, I can only go on the facts and the facts I have are that in 2019-20 supplementary funding of \$3.5 million was provided to the ICAC. In 2018—

Mr DAVID SHOEBRIDGE: I was putting to you about recurrent funding.

Ms GLADYS BEREJIKLIAN: This is recurrent funding.

Mr DAVID SHOEBRIDGE: No, you are talking about supplementary funding, Premier.

Ms GLADYS BEREJIKLIAN: Exactly, but the recurrent funding—

Mr DAVID SHOEBRIDGE: They are different.

Ms GLADYS BEREJIKLIAN: I understand that, but the recurrent funding baseline also increased in last year's budget. My point is, Mr Shoebridge, this: You have raised issues and the Public Accountability Committee has raised issues. We asked the Auditor-General prior to that to look into these matters, and the Government is carefully considering future funding models. It does not just relate to one integrity agency; it relates to all of them. It also relates to the Electoral Commission, who are constantly coming to us for more supplementary funding and for more baseline funding. If I am not mistaken, the total expenditure over four years to the integrity agencies—and I will stand to be corrected if people can get me this information—but over the four years is in excess of \$1 billion. It is not insignificant funding, but it is important funding. We understand that.

Mr DAVID SHOEBRIDGE: Yes.

Ms GLADYS BEREJIKLIAN: In allowing me to respond, that is why the Government is carefully considering these. If we were afraid to consider all options, we would not have asked the Auditor-General to imminently look at these matters.

Mr DAVID SHOEBRIDGE: And then wait more than 12 months before you recommend it and allow another budget cycle to go past and starve ICAC while it is investigating your former lover.

Ms GLADYS BEREJIKLIAN: Mr Shoebridge—

The Hon. NATALIE WARD: Is there a question?

Mr DAVID SHOEBRIDGE: While it is investigating your former Ministers, you are starving ICAC right at this critical time and you refuse to respond and implement independent funding.

Ms GLADYS BEREJIKLIAN: Mr Shoebridge, I could—

The Hon. NATALIE WARD: Is there a question?

Mr DAVID SHOEBRIDGE: It is just disgraceful, Premier.

Ms GLADYS BEREJIKLIAN: Mr Shoebridge, I could equally ask you that if the Public Accountability Committee had not done, again, another report, we could have responded to the Auditor-General's report sooner. That was our intention.

Mr DAVID SHOEBRIDGE: Feel free to respond to our March report of 2020 promptly.

Ms GLADYS BEREJIKLIAN: I am saying we had—

Mr DAVID SHOEBRIDGE: It is a year ago now; a year ago.

Ms GLADYS BEREJIKLIAN: No, we—

Mr DAVID SHOEBRIDGE: A year ago, and nothing from you.

The Hon. NATALIE WARD: Point of order: I have listened carefully. This is a very important matter and I have listened very carefully to the honourable member's enthusiastic questioning but, once again, you have made a ruling—twice—on this interaction and I ask that you ask Mr Shoebridge to allow the witness to answer the very important questions that he is asking and that it not be a running commentary where the Premier begins her sentence and then he talks over her. It is just simply not acceptable for the conduct of this Committee and it will be a long one—

Mr DAVID SHOEBRIDGE: I will move on—after the Premier spoke over me but that is okay.

The Hon. NATALIE WARD: Now he is also talking over me.

The CHAIR: I need to rule on this. What I have just witnessed is both of them interrupting each other. Mr Shoebridge can clarify his question if he does not feel that it is being answered directly.

The Hon. NATALIE WARD: I think she could not answer otherwise.

The CHAIR: Mr Shoebridge.

Mr DAVID SHOEBRIDGE: I think we will move on. Premier, do you stand by your comments on pork-barrelling that it is an accusation that the Government will wear?

Ms GLADYS BEREJIKLIAN: Can I make these comments? In the context of those comments I made, I accept that it is not in the public interest to have any suggestion that governments do not put dollars where they are required. But to suggest that political parties do not make commitments to the electorate is not being honest with the community, and that was the comment I was making. It is not something that I think the public stomachs or should be the modus operandi, but from time to time do political parties make election commitments? Do political parties make commitments to various communities? Unfortunately, that is part and parcel of—

Mr DAVID SHOEBRIDGE: But Premier—

Ms GLADYS BEREJIKLIAN: Is it something that should be normal practice? No.

Mr DAVID SHOEBRIDGE: Well—

Ms GLADYS BEREJIKLIAN: Is it something which is normal practice?

Mr DAVID SHOEBRIDGE: Yes.

Ms GLADYS BEREJIKLIAN: No. If you look at the more than \$75 billion the New South Wales Government expends in recurrent expenditure and over the next four years, where it is spending in excess of \$107 billion building infrastructure across this State, we always put—

Mr DAVID SHOEBRIDGE: Premier, this is not an open opportunity for you to talk about anything in the budget.

Ms GLADYS BEREJIKLIAN: You have asked me an open question.

Mr DAVID SHOEBRIDGE: You do not recant from your pork-barrelling comments?

Ms GLADYS BEREJIKLIAN: You have asked me an open question. I am giving you the best answer I can, and that is that, of course, governments should be always responding to where the need is. Hand on heart—

Mr DAVID SHOEBRIDGE: Especially in the nine months leading up to an election where you shovelled out \$141 million—

Ms GLADYS BEREJIKLIAN: That is my point.

Mr DAVID SHOEBRIDGE: —unrelated to any kind of budget commitment and unrelated to any kind of election commitment. You shovelled out \$141 million in the lead-up to the State election.

The Hon. NATALIE WARD: Is there a question? Any chance of a question?

Mr DAVID SHOEBRIDGE: Are you saying that was part of your commitment to the public?

Ms GLADYS BEREJIKLIAN: No, they are your words. They are your words, not mine.

Mr DAVID SHOEBRIDGE: Your actions though, Premier.

Ms GLADYS BEREJIKLIAN: They are your words.

Mr DAVID SHOEBRIDGE: They are your actions.

Ms GLADYS BEREJIKLIAN: What I always endeavour to do with the public, whom I serve proudly every day, is to be up-front and transparent whenever I am asked a question which relates to resources and which relates to how the system works or could work better. And I stand by that—

Mr DAVID SHOEBRIDGE: Premier, talking about transparency, when your office shreds documents, deletes documents and you refuse to turn up to the Public Accountability Committee; comments about transparency are just transparent.

The CHAIR: We will have to come back to this. It is Mr Latham's time. He is on Webex, for everyone's information. Just so it is clear. Mr Latham.

The Hon. MARK LATHAM: Good morning to you, Premier. Can I just start by asking: Do you accept that it is a legitimate role for this estimates Committee to examine matters that were not subject to investigation by the Operation Keppel at ICAC?

Ms GLADYS BEREJIKLIAN: I do not want to pre-empt what you might ask me, Mr Latham. Who knows what you will ask me? I will answer questions as you ask me, but I am not going to pre-empt what you may or may not ask me. I do not have a crystal ball, regrettably.

The Hon. MARK LATHAM: I certainly know what I am going to ask you.

Ms GLADYS BEREJIKLIAN: Well, I do not.

The Hon. MARK LATHAM: I just want to stick with the rules.

Ms GLADYS BEREJIKLIAN: Why don't you just get on with it?

The Hon. TAYLOR MARTIN: Why don't you just ask?

Ms GLADYS BEREJIKLIAN: Why don't you just get on with it and ask me what you are going to ask me? Then I can make a determination as to how I respond.

The Hon. MARK LATHAM: I just asked you a question that you did not answer. Do you accept that it is a legitimate role for this budget estimates Committee to examine matters that were not examined by the Operation Keppel?

Ms GLADYS BEREJIKLIAN: I do not know what you are—I cannot answer questions—

The Hon. MARK LATHAM: You can answer yes or no to that, surely.

Ms GLADYS BEREJIKLIAN: No, I can't because it is hypothetical. If you have a question to ask me, please ask. That is what this Committee hearing is for—to ask me questions. Please ask me what you intend to ask me and I will then make a judgement call as to how I respond.

The Hon. MARK LATHAM: Premier, during your time in that office on what occasions have you been advised by your department of your obligations under section 11 (2) of the ICAC Act to report any reasonable suspicion of corrupt conduct?

Ms GLADYS BEREJIKLIAN: I cannot tell you how many times I have. I will have to take that on notice.

The Hon. MARK LATHAM: Do you have any recollection of any occasion on which departmental officers advised you of your obligations under 11 (2)?

Ms GLADYS BEREJIKLIAN: If you are asking me whether I am aware of my obligations, the answer is—

The Hon. MARK LATHAM: No, I have not asked you that.

Ms GLADYS BEREJIKLIAN: I might ask my Secretary if he has any information regarding that, given what you are asking me is about advice he or his department may have provided me.

Mr REARDON: Thanks, Premier. We provide advice to all members of Parliament and Ministers around the Members of Parliament (Staff) Act. We provide advice under the NSW Ministerial Code of Conduct, the *Ministers' Office Handbook* and the *Ministerial Handbook*. Within those—if I went through the *Ministerial Handbook*, for example, it has, from memory, five sections and those five sections are sort of a good place to start. They are about the establishment of the Executive, the establishment of the ministry, the establishment of Cabinet. I think the last section is around conduct, integrity and those matters, and code of conduct. The Ministerial Code of Conduct, we then provide briefings and training for members and staff, Ministers and staff. We provide information and training on the *Ministers' Office Handbook*. As I said, that includes the code of conduct. That is what we undertake for Ministers.

The Hon. MARK LATHAM: Sure. But will you take on notice specific examples of briefing notes furnished to the Premier advising of her obligations under 11?

Mr REARDON: No, not necessarily.

The Hon. MARK LATHAM: The Premier has just said she does not have—

Mr REARDON: No, not necessarily. I do not know what I am taking on notice. I have outlined what we brief on. If it includes the requirements, say for example, under the Members of Parliament Staff Act, it involves a whole range of—

The Hon. MARK LATHAM: I did not ask for that.

Mr REARDON: It involves a whole range of obligations including references to records management, code of conduct and various other matters, so we brief on those matters. If it includes, either implied or explicit, the matter you are raising, then it does. I could read out the legislation if you wish me to.

The Hon. MARK LATHAM: That is another time-wasting technique. If I can come to the Premier. Do you recall in July 2018 your chief of staff convening a meeting of other ministerial chiefs of staff to ask them to furnish to her and your office possible reports of corruption concerning Daryl Maguire?

Ms GLADYS BEREJIKLIAN: They are matters for the chief of staff to raise as they see appropriate. I would never be aware of what is being raised at those meetings and those meetings are a matter for them.

The Hon. MARK LATHAM: Do you recall, Premier, what matters came forward to you out of that meeting of the chiefs of staff?

Ms GLADYS BEREJIKLIAN: I do not think I have ever been briefed on what happens at a chief of staff—that is not something I ever recall.

The Hon. MARK LATHAM: Do you recall matters from Charlie Cull and Daniel Hill coming forward concerning suspicion of corrupt conduct by Daryl Maguire and being collected by your office and ultimately forwarded to the ICAC?

Ms GLADYS BEREJIKLIAN: I am sorry, I do not know who those people are.

The Hon. MARK LATHAM: You have got no recollection of anything to do with Charlie Cull or Daniel Hill. Charlie Cull, who worked in the office of Niall Blair; Daniel Hill, who worked in the office of Rob Stokes.

Ms GLADYS BEREJIKLIAN: I am sorry, I do not know who those people—I apologise to those people if I have met them, but I do not know ordinarily who they are.

The Hon. MARK LATHAM: You do not recall any of the ICAC evidence about Charlie Cull?

Ms GLADYS BEREJIKLIAN: I am sorry, I do not; I am sorry.

The Hon. MARK LATHAM: And you have never seen their names furnished to you in briefing notes?

Ms GLADYS BEREJIKLIAN: I may have, but I do not—if you are asking me whether I specifically recall, I do not specifically recall, no.

The Hon. MARK LATHAM: Looking back, would you have regarded it as a conflict of interest to be collecting information about your boyfriend, Daryl Maguire, inside the Government concerning matters of impropriety?

Ms GLADYS BEREJIKLIAN: Again, Mr Latham, these matters have been canvassed both publicly and have been subject to public hearings, and I have nothing further to add. Again, Mr Latham, I put to you the same proposition that I put to Mr Searle, that all of us collectively should trust and have faith in the processes that are here, should have trust and faith in the processes regarding integrity agencies and let them do the work that they are to do. I just ask for all of us to respect those processes.

The Hon. MARK LATHAM: Your Attorney General told estimates on Tuesday that it would be a conflict of interest for a police officer or an officer of the DPP to be collecting information concerning impropriety for one of their partners in life, a boyfriend, a de facto or a spouse. Do you think that standard concerning conflict of interest also applies to you and your Ministers?

Ms GLADYS BEREJIKLIAN: You are asking a hypothetical question and you are also making specific assertions in your question that I do not agree with. I do not exactly understand what you are asking me.

The Hon. MARK LATHAM: I am asking, in your Government, does the same standard apply that the Attorney General set out for police officers and officers of the DPP? He said on Tuesday that they should not be involved in collecting material of impropriety concerning their partners in life because of the clear conflict of interest—that they would have an emotional attachment to tip off their partner and perhaps spoil the investigations that might follow.

Ms GLADYS BEREJIKLIAN: Firstly, again, I reject the terms and the assertion you are making, and, again, I state these matters have been dealt with publicly. Also, I wish to assert that all members of Parliament are made aware of their obligations and at every time I have obviously abided and respected those obligations, and that is a matter for the public record.

The Hon. MARK LATHAM: I was not making any assertion, Premier. You are answering questions that were not actually asked. But, moving on. What are your responsibilities for the approval of overseas travel by members of the Executive Government under the *Ministers' Office Handbook*?

Ms GLADYS BEREJIKLIAN: I do not have the handbook in front of me but my secretary may and I might ask him to take that on board.

Mr REARDON: Thanks, Premier.

The Hon. MARK LATHAM: Thank you. Did you know that one of your Parliamentary Secretaries, Daryl Maguire, was over—

Ms GLADYS BEREJIKLIAN: No, excuse me. My secretary wanted to answer the question you asked.

The Hon. MARK LATHAM: I know what is in the handbook; I have read it, so I do not need that.

Ms GLADYS BEREJIKLIAN: Well, why are you asking me the question?

The Hon. MARK LATHAM: I am asking what you know about it and you are indicating that you would need to be told by your secretary.

Ms GLADYS BEREJIKLIAN: No, I am indicating I do not have the handbook in front of me and you are referring to specific parts of it. So I would—

The Hon. MARK LATHAM: Well, you must know that you give approval to members of the Executive Government for their overseas travel and you have done that on many occasions; you must know that.

Ms GLADYS BEREJIKLIAN: Given I do not have the handbook in front me, it might be to the benefit of the Committee to—

The Hon. MARK LATHAM: That is just another time-wasting technique, Premier. Can we grow up and move on? Did you know that Daryl Maguire was overseas without your approval in April 2017, visiting Fiji, Samoa, Tonga and Vanuatu?

Ms GLADYS BEREJIKLIAN: I will make a generic statement, Mr Latham. There are various obligations that members of Parliament, Parliamentary Secretaries and Ministers need to make in relation to the capacity in which they are overseas. There are also occasions, I appreciate and understand, that members may undertake private travel. It is the responsibility of each member to ensure that whether they are a member of Parliament, a backbencher, an Opposition member, a Government member, a Parliamentary Secretary or a Minister, to make those appropriate disclosures or seek permission as required.

The Hon. MARK LATHAM: That is not the question I asked. I asked did you know that one of your members was overseas—

The CHAIR: Sorry, Mr Latham, we will come back to this. I understand that you cannot hear the bell but it is the Opposition's time.

The Hon. MARK LATHAM: —without your approval in April 2017.

The CHAIR: I am not sure if he can hear me.

The Hon. TREVOR KHAN: He apparently cannot hear you either.

The CHAIR: It is the Opposition's time, Mr Latham, so we will come back to this.

The Hon. JOHN GRAHAM: Premier, I would like to ask about the Wagga Regional Conservatorium of Music. Are you familiar with this project?

Ms GLADYS BEREJIKLIAN: I am familiar with the concept; I am not familiar with the detail.

The Hon. JOHN GRAHAM: Understood. When did you first become aware of the proposed project?

Ms GLADYS BEREJIKLIAN: I cannot give you an exact date but it is something that had been publicly on the record and, as you appreciate, Mr Graham, the New South Wales Government had a policy of investing broadly across the State in regional conservatoriums. In fact, I only received a letter a few days ago from a community, I think it was Orange, thanking us for their funding, so it would not have been anything irregular to have had requests made for conservatoriums of music in regional communities.

The Hon. JOHN GRAHAM: Exactly, and I think you might have been on a tour of this proposed project on 10 February 2017. Do you recall that tour?

Ms GLADYS BEREJIKLIAN: I cannot recall the date but I would recall a number of occasions in regional New South Wales when I have visited regional conservatoriums or proposed regional conservatoriums.

The Hon. JOHN GRAHAM: Yes, and do you recall that tour of this proposed project?

Ms GLADYS BEREJIKLIAN: I do not recall it very specifically but I do recall being advised of the community's wish to have that funded.

The Hon. JOHN GRAHAM: And you did that on site.

Ms GLADYS BEREJIKLIAN: I cannot recall, but if you have facts that I might not have—I cannot recall where it was but I recall community members approaching me, as they have done in many other regional communities for various projects.

The Hon. JOHN GRAHAM: Who first raised this proposal with you?

Ms GLADYS BEREJIKLIAN: I could not remember.

The Hon. JOHN GRAHAM: The Government has funded a range of regional conservatoria. This is a controversial proposal though because Wagga received \$30 million either in grants or reservations; that is more than all of the other conservatoria put together. The departmental evidence, when asked about this and asked who made that reservation—this is what they said. Mr Hanger for the department said:

The Premier made that commitment.

He was then asked:

So the Premier approved stage two—
of this funding—

being reserved?

To which Mr Hanger says yes. Premier, do you agree that you approved the funding reservation for the second stage of this project?

Ms GLADYS BEREJIKLIAN: What I agree with is I think we put out a press release during the by-election that the Government was committed to this project. However, all the funding arrangements and the due diligence would have been required to be undertaken by the relevant Minister and the relevant agency. I do recollect that during the by-election there was some announcement made about this, but it was no secret. I think a number of candidates and parties had committed to supporting this project. I would not agree with you that I specifically determined the amount or the funding allocation or the due diligence, but I do recall it was an issue during the by-election and it was on the public record—it was nothing untoward.

The Hon. JOHN GRAHAM: So, when the department says the Premier approved this stage 2 funding being reserved, you do not agree with that evidence.

Ms GLADYS BEREJIKLIAN: I agree that we would have put out a press release, as we do on all election commitments during a by-election—

The Hon. JOHN GRAHAM: I am asking about the approval.

Ms GLADYS BEREJIKLIAN: I would not have specifically approved that, no.

The Hon. JOHN GRAHAM: The letter of approval for this project, signed by the Treasurer, says, "The Premier and I approve this reservation."

Ms GLADYS BEREJIKLIAN: Right.

The Hon. JOHN GRAHAM: Are you saying the Treasurer is wrong?

Ms GLADYS BEREJIKLIAN: No. What I am saying is that, as you would appreciate, Mr Graham, having worked with Ministers and being in Parliament yourself, announcements in a by-election are often made by the Premier or the candidate or the Leader of the Opposition or whomever, and then subsequently the relevant agency does all the due diligence and makes all the allocations and does all those things. So it is not uncommon, during a by-election in particular, for the candidate or the Premier or anybody else to make a public announcement on an issue that is relevant to that community. But then how Government resolves to make the allocation and the dollars and all those things have to go through the proper process.

The Hon. JOHN GRAHAM: But my question is about who approves the reservation. This matter came to ERC. It was the subject of ERC consideration. You at least accept you would have been part of that Expenditure Review Committee consideration of this project.

Ms GLADYS BEREJIKLIAN: It was no secret that the community wanted this project, and it was actually—

The Hon. JOHN GRAHAM: I am asking who approved it.

Ms GLADYS BEREJIKLIAN: It is not me who makes the funding allocation, it is not me who makes the funding allocations and I would not have known how much to approve; that would have been advice provided to the Government.

The Hon. JOHN GRAHAM: We might give you a copy of that letter. This is the letter of approval, the Treasurer writing, saying, "The Premier and I approve this funding." You will see that letter there. This is the letter of approval. It has a signature from the Treasurer. It has a space for you to sign, but a blank space where your signature should be for the approval for this controversial project. Why did you not sign that letter?

Ms GLADYS BEREJIKLIAN: I would regard the notion that conservatoria of music, in regional New South Wales, irrespective of where they are, are not controversial projects. In fact, if you look at the commentary at the time, it was deemed to be a project the community wanted, which is why, I suspect, I was advised for the Government to make that contribution. All normal processes would have followed after that.

The Hon. JOHN GRAHAM: But you agree, in that letter you can see, "The Premier and I have agreed to the reservation of the—"

Ms GLADYS BEREJIKLIAN: I am not going to—

The Hon. JOHN GRAHAM: You agree that is what the letter says.

Ms GLADYS BEREJIKLIAN: I am not going to support what you are saying or what you are implying. Apart from the fact that this was an issue or a project the community supported, it was, I recall, a public announcement by the Government. Then it would have been up to the relevant government processes to do due diligence on the project.

The Hon. JOHN GRAHAM: So you disagree with the department's evidence. You disagree with the Treasurer's writing. You accept you are on the Expenditure Review Committee for this reservation. On 16 February 2018, before this approval, Daryl Maguire announced that the Wagga Wagga regional conservatorium of music would receive this second-stage funding. This is what he said. He was announcing the first stage of funding. He said, "The conservatorium of music will receive funding to the value of \$10 million from the State Government to move into and refurbish this building in Wagga Wagga." Then he went on to say, "and also in the near future receive further funding to build a world-class performance venue". That was the second stage of funding. Why is Daryl Maguire publicly announcing, six months before the decision was made, that the second stage of this funding will be successful?

Ms GLADYS BEREJIKLIAN: I do not know.

The Hon. JOHN GRAHAM: Can you tell us at all how Daryl Maguire knew on 16 February why the Wagga Wagga regional conservatorium of music's funding would be successful when it was approved six months later?

Ms GLADYS BEREJIKLIAN: I suspect many members of Parliament would go to their communities to say, "I am going to make sure we get this funding for my project, for this important community project. I am going to go and get"—that is not an irregular occurrence. In fact, on many occasions, members of Parliament do that all the time in relation to fight for projects in the local community—

The Hon. JOHN GRAHAM: That is not what he is saying, Premier. I will put the quote to you, "and also in the near future receive further funding to build a world-class performance venue". He is publicly announcing the funding six months before you approve it, the department says you approve it.

Ms GLADYS BEREJIKLIAN: I might just ask my Secretary to go over these arrangements and how they are made.

Mr REARDON: Thanks, Premier. Mr Graham, I just want to get clarification on a few things. You have asked about, I think, evidence from another inquiry. Could you just specify what that was?

The Hon. JOHN GRAHAM: Yes. This is the public accountability inquiry into the grants.

Mr REARDON: And the witness you are referring to. Could you just—

The Hon. JOHN GRAHAM: Is Chris Hanger.

Mr REARDON: And 2018 is the year we are talking about?

The Hon. JOHN GRAHAM: Is the approval.

Mr REARDON: There are just a few things. One is, you have referenced the Expenditure Review Committee of Cabinet. I imagine that deliberations there are Cabinet in confidence. I think we should just put that on the record. The second is around the witness. Mr Chris Hanger was an executive in the Department of Premier and Cabinet at that time in 2018. He worked in a division called Regional New South Wales. He would have appropriately given evidence on a whole range of grant programs that that group administered. That group has transitioned in the first quarter of 2020 to become their own cluster as Regional New South Wales now. I just wanted to be clear that that is who we were talking about?

The Hon. JOHN GRAHAM: Mr Reardon, I am familiar with the arrangements you are talking about.

Mr REARDON: I understand.

The Hon. JOHN GRAHAM: I might return to the Premier if that is all right.

Mr REARDON: I just wanted to be clear. That is what you are talking about.

The Hon. JOHN GRAHAM: Yes. I am familiar with the administrative arrangements.

Mr REARDON: And you are talking about one or more of those grant programs that have conditions on their approval?

The Hon. JOHN GRAHAM: Yes. Correct.

Mr REARDON: And you can have an allocation or an approval. I just want to be clear.

The Hon. JOHN GRAHAM: Thank you, Mr Reardon. Premier, I might just return to you. At any point did Daryl Maguire discuss this project with you, the second stage of the Wagga Wagga regional conservatorium of music?

Ms GLADYS BEREJIKLIAN: He may have, as do many members of Parliament on projects that are important in their electorates. I cannot confirm. I have no vivid recollection. But it would not be unusual for members of Parliament to raise with me or raise with relevant Ministers projects that were important in their electorates.

The Hon. JOHN GRAHAM: Exactly right. But does it not just go to why you should have declared a conflict of interest in relation to your close personal relationship?

Ms GLADYS BEREJIKLIAN: It goes to the matter of proper process and—

The Hon. JOHN GRAHAM: Would this not be all a whole lot easier if you had?

Ms GLADYS BEREJIKLIAN: No. There is a proper process for all these funding arrangements. I doubt that you or any other of this Committee would dispute the importance of funding for regional conservatoria.

The Hon. JOHN GRAHAM: Exactly. This is welcome funding.

Ms GLADYS BEREJIKLIAN: In fact, the Government had a whole program, at one stage, of investing money in the arts in regional communities. We are very proud of that fact. It is a job creator and enhances—

The Hon. JOHN GRAHAM: But, Premier, the department says you approved this project, and you cannot rule out Daryl Maguire raising it with you.

Ms GLADYS BEREJIKLIAN: I announced it—

The Hon. JOHN GRAHAM: He is announcing it will be received six months ahead of time, ahead of the process, ahead of the approval. This sits on your desk.

Ms GLADYS BEREJIKLIAN: The line of questioning is inaccurate in terms of how these things work, and you would know that.

The Hon. JOHN GRAHAM: Why did you not sign that letter, Premier?

Ms GLADYS BEREJIKLIAN: It was no secret, during the by-election, that this was an issue. I have a vague recollection of a press statement on this matter. Then, obviously, all funding arrangements for all grants or any other funding allocation is made by the appropriate agency or the appropriate Minister through due process. I really do not have any further line of sight on this matter.

The Hon. JOHN GRAHAM: Can I ask you to take on notice, given the department says you approved it, given the Treasurer says you approved it, whether you approved the second-stage reservation for this grant.

Ms GLADYS BEREJIKLIAN: I announced—

The Hon. JOHN GRAHAM: Will you take that on notice?

Ms GLADYS BEREJIKLIAN: No, presumably, I announced—

The Hon. JOHN GRAHAM: You will not take that on notice?

Ms GLADYS BEREJIKLIAN: You should ask the question to the relevant Minister in terms of the allocation. What I would have done—

The Hon. JOHN GRAHAM: You are the relevant Minister. The department says that.

Ms GLADYS BEREJIKLIAN: There is no need to yell.

The Hon. JOHN GRAHAM: Will you take that on notice?

Ms GLADYS BEREJIKLIAN: No. As the Premier who was campaigning in the by-election where the announcement was made is different from being the approver or the allocator. But I am more than happy to take that on notice.

The Hon. JOHN GRAHAM: Thank you.

The Hon. ADAM SEARLE: Premier, in November 2016, just after he had acquired his first property in Ivanhoe, you met with your then lover, Mr Maguire, to discuss the Cobb Highway, an issue that was a hundred kilometres from his electorate of Wagga Wagga, a matter that had nothing to do with his role as an MP or parliamentary secretary, but was very close to one property he had acquired and had a financial interest in. Of course, records show that he bought a second property in the vicinity the following year. Premier, how did that meeting come to take place? Who organised it?

Ms GLADYS BEREJIKLIAN: Mr Searle, as I was trying to answer this question in the previous round, can I make this point: In the Standing Committee on State Development inquiry into the economic and social development in central western New South Wales, this was a specific issue they looked at. In May 2012 recommendation 12 of that committee—

The Hon. ADAM SEARLE: Point of order—

Ms GLADYS BEREJIKLIAN: It is directly relevant to the question.

The CHAIR: No, I need to hear the point of order. Sorry, Premier. Yes, Mr Searle.

The Hon. ADAM SEARLE: Point of order: I had asked the Premier how the meeting came to occur in November 2016 and who organised it. These matters that she is using to fill in time—

Ms GLADYS BEREJIKLIAN: No.

The Hon. ADAM SEARLE: —as a delaying tactic is not responsive to the question.

Ms GLADYS BEREJIKLIAN: No, Mr Searle—

The CHAIR: Premier, sorry, I have to hear the point of order and I have to rule on it. You do need to be directly relevant to the question.

Ms GLADYS BEREJIKLIAN: Certainly.

The Hon. TREVOR KHAN: Point of order: That is not correct.

Ms GLADYS BEREJIKLIAN: That is okay.

The Hon. TREVOR KHAN: She is entitled to answer the question as she sees fit.

The CHAIR: Absolutely. She is absolutely entitled to answer the question but you need to answer the question that was asked, which is the ruling. So that is probably a better way of putting it.

Ms GLADYS BEREJIKLIAN: Alright. Mr Searle, you are about to engage in a fanciful and wrongful and laughable suggestion, which is why I want to demonstrate—

The Hon. ADAM SEARLE: Well, I thought you did not have a crystal ball, Premier. Why don't you just let me ask the questions and why don't you try to answer them directly?

Ms GLADYS BEREJIKLIAN: But I have read the article—

The Hon. NATALIE WARD: Why don't you let her answer the question?

The Hon. ADAM SEARLE: What are you hiding, Premier? Why won't you answer the question?

The Hon. NATALIE WARD: Why don't you let her answer instead of trying to get your telly grab.

Ms GLADYS BEREJIKLIAN: Because, Mr Searle, you gave the news—

The Hon. ADAM SEARLE: Because you are hiding something, aren't you?

Ms GLADYS BEREJIKLIAN: No.

The Hon. TAYLOR MARTIN: Let the Premier answer.

The Hon. ADAM SEARLE: Well, then answer.

Ms GLADYS BEREJIKLIAN: Mr Searle, I am about to answer it.

The Hon. ADAM SEARLE: Well, if only you would.

Ms GLADYS BEREJIKLIAN: I read with clarity in *The Sydney Morning Herald* what you are asking me because you gave them the story, therefore I am advised of what you are about to ask me because it was in black and white.

The Hon. ADAM SEARLE: Well, tell me: Who organised the meeting and why was the meeting organised?

The Hon. NATALIE WARD: And again, and again—interrupted.

Ms GLADYS BEREJIKLIAN: It was in black and white. And the reason why your question and the fanciful proposition is laughable is for the following reasons: In 2011 the Standing—

The Hon. ADAM SEARLE: Point of order—

Ms GLADYS BEREJIKLIAN: I am about to answer the question, Madam Chair. Can I answer the question?

The CHAIR: I have to take the point of order.

The Hon. TAYLOR MARTIN: You have taken a point of order because you do not want to hear the answer.

The CHAIR: Order! I am going to hear the point of order.

Ms GLADYS BEREJIKLIAN: Because he knows that if I answer the question he will be—

The CHAIR: Excuse me, Premier. I need to hear the point of order.

Ms GLADYS BEREJIKLIAN: Alright.

The CHAIR: Mr Searle.

The Hon. ADAM SEARLE: The question was: Who organised the meeting and why was the meeting organised?

The Hon. NATALIE WARD: It is not a point of order; not a good one.

Ms GLADYS BEREJIKLIAN: Madam Chair, Mr Searle does not want me to answer the question because it would put into disrepute his laughable proposition.

The CHAIR: Well, Premier—

Ms GLADYS BEREJIKLIAN: And that is why I would like to answer the question—to demonstrate why Mr Searle's proposition is completely laughable, wrong and frankly offensive.

The CHAIR: With respect, Premier—genuinely with respect—

The Hon. NATALIE WARD: To the point of order—

The CHAIR: —you do not get to debate points of order.

The Hon. NATALIE WARD: Well, I do. Point of order—

The CHAIR: Excuse me, you are interrupting me. I will give you the call in a second.

The Hon. NATALIE WARD: Thank you.

The CHAIR: I am just dealing with this matter first. We need to finalise and deal with the point of order first and then we will go back to your answer.

The Hon. NATALIE WARD: Great, thank you.

The CHAIR: Thank you, Premier.

Ms GLADYS BEREJIKLIAN: Thank you.

The CHAIR: Ms Ward.

The Hon. NATALIE WARD: The Hon. Adam Searle did not have a point of order, he made further commentary. We have repeatedly requested that members ask a question and allow the Premier to answer. Just because he does not like the answer does not entitle him to talk over her. We would like to hear the answer and he has repeatedly done so. We have let it go and let it go, but I ask that you chair this meeting and call him to order so that we can have an orderly process of asking questions and answering them. He just does not want to hear the answer.

The Hon. ADAM SEARLE: Well, Madam Chair, to that point of order: The question is a closed question admitting of a direct answer. The Premier is obviously very concerned about the answer she might be required to give and is filling in time.

Ms GLADYS BEREJIKLIAN: No, quite the opposite.

The Hon. NATALIE WARD: Further to the point of order—

The CHAIR: Premier, please, we have to deal with the formal business of this. Mr Searle has the call.

Ms GLADYS BEREJIKLIAN: But he cannot just make things up.

The CHAIR: Well, he has the call right now and we need to hear from him.

Ms GLADYS BEREJIKLIAN: But he is just making things up.

The Hon. ADAM SEARLE: That was my point of order.

The Hon. NATALIE WARD: Further to the point of order—

The CHAIR: Yes, Ms Ward.

The Hon. NATALIE WARD: Mr Searle is now making bold assertions, which are unfounded. It is not helpful to the process. I ask that he ask the question and allow the Premier to answer. She is entitled to answer in any way she chooses.

Ms GLADYS BEREJIKLIAN: Thank you.

The Hon. NATALIE WARD: It is not for him to umpire.

Ms GLADYS BEREJIKLIAN: Madam Chair, can I also put this—

The CHAIR: I just have to rule. Sorry, Premier.

Ms GLADYS BEREJIKLIAN: Yes.

The CHAIR: Let's wrap this up. At the beginning of this, when we first started this round of points of order, what I saw was people interrupting each other. I would go back to what I said earlier, which is: We are better off having a question and an answer and then we will get through this as smoothly as possible.

Ms GLADYS BEREJIKLIAN: Thank you.

The CHAIR: Premier.

Ms GLADYS BEREJIKLIAN: I am attempting to answer the question but Mr Searle is clearly worried about the information I am providing to this Committee, which demonstrates why he has put an article in the paper that is laughable and completely wrong in its assertions. Back in 2011 the Standing Committee on State Development of the upper House looked into economic and social development in central western New South Wales. They handed down their report on 31 May 2012. One of the recommendations of that report, whose contributors included members of the Labor Party, the Liberal Party and the National Party—and let me tell you, to have all parties agree to fund a particular road project is quite unique. Recommendation 12 of that standing committee and their specific reference to New South Wales was that the Minister for roads develop a planning schedule to complete the sealing of the Cobb and Silver City highways as soon as practicable. That was the recommendation back in 2012. Then, back in 2014, the then Minister for roads attended the Western Division Councils meeting, where this issue was raised. His comments were reported as the following:

One of these projects was the extension to the sealing of the Cobb highway, north of Ivanhoe, but there was still 120 kilometres of dirt remaining between Ivanhoe and the Barrier Highway, \$60 million in road works. The Silver City Highway was slowly being sealed and he—

in reference to the Minister for roads—

was working with members John Williams and Kevin Humphries to find more money for upgrading of all of these important network roads.

I thought 2011, 2012 and 2014 were the earliest times this issue was raised as an issue of priority, but no. We saw then back in 1999 that the then Labor member for Broken Hill—a well-known member, Peter Black—

The Hon. ADAM SEARLE: Point of order—

The CHAIR: I will hear the point of order.

The Hon. ADAM SEARLE: I am still yet to hear the Premier answer the question: Who organised the meeting and why?

Ms GLADYS BEREJIKLIAN: I am getting to it.

The Hon. NATALIE WARD: She is getting to it.

Ms GLADYS BEREJIKLIAN: So back in 1999, in fact, the then—

The CHAIR: Premier, I need to deal with the point of order.

Ms GLADYS BEREJIKLIAN: I am getting to the—

The CHAIR: I understand, but I need to go through the processes so that everyone has procedural fairness.

Ms GLADYS BEREJIKLIAN: Sure.

The Hon. NATALIE WARD: It was not a point of order.

The CHAIR: As we have established a couple of times, there is a question and an answer. It is correct that you can answer a question as you see fit but you do need to be relevant to the question that was asked.

Ms GLADYS BEREJIKLIAN: Right.

The CHAIR: So I will just remind everybody of that.

The Hon. NATALIE WARD: You actually were being relevant to the question.

Ms GLADYS BEREJIKLIAN: I am getting to the direct response, which is that this issue has been identified as a priority since 1999 when the then member for Broken Hill actually said:

The 'Cobb Highway' is now sealed with bridges across the Willandra channels; the last section—

The Hon. JOHN GRAHAM: Premier, none of these MPs were in the meeting.

Ms GLADYS BEREJIKLIAN: Can I finish, please?

The Hon. JOHN GRAHAM: There was only one MP in that meeting; that was Daryl Maguire.

Ms GLADYS BEREJIKLIAN: Can I please finish?

The Hon. ADAM SEARLE: And he was not even the local MP.

Ms GLADYS BEREJIKLIAN: Can I please finish?

The CHAIR: Yes, Premier.

Ms GLADYS BEREJIKLIAN: Thank you.

The Hon. JOHN GRAHAM: This is totally irrelevant.

Ms GLADYS BEREJIKLIAN:

The 'Cobb Highway' is now sealed with bridges across the Willandra channels; the last section at Mossgiel—

I apologise if I am not pronouncing that correctly—

in 1999, which was done as a political decision, of which I am proud, against the wishes of the R.T.A. nabobs.

Whatever that means. My point is that this issue has been regarded as a priority since 1999. In 2011 and 2012 a committee of the upper House unanimously supported this project as a priority. In 2014 the then Minister for roads provided an update to the Western Division Councils on the progress of this project. It was on the record for years and years. To suggest otherwise is just wrong and it is incorrect, and any meeting held on this topic would have been after these matters were publicly canvassed. And, in fact, as I said, the Western Division Councils reported in their annual conference and update from the then Minister for roads in 2014. This information was on the public record for years. To suggest otherwise is just wrong and fanciful.

Ms ABIGAIL BOYD: Thank you and good morning, Premier. Hopefully I have some more straightforward questions. How many Ministers in your original 2019 Cabinet were designated as senior Ministers?

Ms GLADYS BEREJIKLIAN: We have cluster—I would have to ask my secretary for that information. I do not know off the top of my head.

Mr REARDON: In 2019, after the State general election in March 2019, the new ministry—as outlined in the steps of the *Ministerial Handbook*—was sworn in, and there were eight secretaries also appointed at that time. So there is the Premier and Cabinet cluster—

Ms ABIGAIL BOYD: Sorry, with respect, can we just get to the number? How many were senior Ministers for the purposes of the pay scale?

Mr REARDON: The Premier has just outlined what a cluster Minister was, which is the naming convention that I would give you. That is what I was trying to provide you.

Ms GLADYS BEREJIKLIAN: I think she means in terms of remuneration, which we might need to—

Ms ABIGAIL BOYD: I mean in terms of remuneration.

Ms GLADYS BEREJIKLIAN: Yes, I think there are different—we will take that on notice. I do not know the number off the top of my head.

Ms ABIGAIL BOYD: You do not know how many Ministers are senior Ministers?

Ms GLADYS BEREJIKLIAN: Well, no, there is a classification in relation to remuneration, as far as I understand. There is a distinction, which we will take on notice.

Mr REARDON: We will take that on notice.

Ms GLADYS BEREJIKLIAN: I just don't know the answer off the top of my head.

Ms ABIGAIL BOYD: How is the decision made to designate Ministers as senior Ministers?

Ms GLADYS BEREJIKLIAN: It is made by the Premier in consultation with the Deputy Premier.

Ms ABIGAIL BOYD: Is there a limit to how many Ministers can be senior Ministers?

Ms GLADYS BEREJIKLIAN: I will ask the secretary if he knows that answer.

Mr REARDON: The organising principles that the ministry is established on is a matter for the Premier alone, but how she organises the public service to serve those Ministers is under a cluster structure.

Ms ABIGAIL BOYD: Yes, of course. Thank you.

Mr REARDON: So there were eight clusters at that time: Premier, Deputy Premier et cetera.

Ms ABIGAIL BOYD: Just in the interests of time—Premier, is there a set of guidelines or other criteria for appointing Ministers as senior Ministers?

Ms GLADYS BEREJIKLIAN: I am sure in terms of remuneration there is. I will ask the secretary to take that on notice. Ms Boyd, if you are asking in terms of designating seniority in terms of cluster leads and portfolio allocation, that is clearly my responsibility; but in terms of administering those arrangements and determining remuneration, that is a matter for the secretary in accordance with all the guidelines and the probity requirements.

Ms ABIGAIL BOYD: I completely understand you do not personally have any control over the remuneration that is set for senior Ministers, but what I am trying to understand is whether the decision to make somebody a senior Minister is your decision alone?

Ms GLADYS BEREJIKLIAN: Certainly in contemplation of how government structure works, that is my first and foremost priority: How does government structure work. I would assume in some instances our definitions are not necessarily what the remuneration matches, but certainly what we determine—if I could give you this context, it was apparent to us and apparent to me that in the time I have been Premier that the Government would function better and more cohesively and silos would be reduced if we combined certain agencies and portfolios within what we call clusters, which is a term that we use.

Ms ABIGAIL BOYD: Yes. Sorry to interrupt you—

Ms GLADYS BEREJIKLIAN: That is okay.

Ms ABIGAIL BOYD: —but the designation of who is a senior Minister does not actually seem related to the clusters.

Ms GLADYS BEREJIKLIAN: It could. The cluster leads—

Ms ABIGAIL BOYD: It could but it does not need to be. There is nothing—

Ms GLADYS BEREJIKLIAN: The eight cluster leads are clearly senior Ministers. I would assume there would be others outside of that who, according to the guidelines, would also be eligible to be senior Ministers.

Ms ABIGAIL BOYD: To make that Minister a senior Minister requires a letter from you to presumably President Ajaka or someone else in order for that pay scale to be adjusted?

Ms GLADYS BEREJIKLIAN: No. Unless I am mistaken, I would assume that would be a matter that the Department of Premier and Cabinet would deal with as the ones responsible for implementing those matters. I will ask my secretary to comment who will perhaps know a bit more about the administration than I would.

Ms ABIGAIL BOYD: Perhaps we could come to that in the afternoon session. It would be great if you take some of this on notice for then. Why was Minister Tudehope made a senior Minister?

Ms GLADYS BEREJIKLIAN: It would be in line with whatever requirements were made at the time.

Ms ABIGAIL BOYD: By you though?

Ms GLADYS BEREJIKLIAN: I would determine the portfolios. The term you are using I understand refers to remuneration and that is a matter for administration. I do not—

Ms ABIGAIL BOYD: Can you understand—you are a smart person, I am sure—

Ms GLADYS BEREJIKLIAN: I do not quite understand what you are getting at, I am sorry.

Ms ABIGAIL BOYD: I understand that it is not in your power to give a pay rise to your Ministers.

Ms GLADYS BEREJIKLIAN: Correct.

Ms ABIGAIL BOYD: However, it is in your power to make someone a senior Minister, which then gives them an extra almost \$17,000, which is effectively like a pay rise. I am trying to get the bottom of how you make that decision to give those Ministers a pay rise.

Ms GLADYS BEREJIKLIAN: Right. Again, I do not know for certain the administration of that. I would certainly make the following comment, that Minister Tudehope is integral to the running of the House and does parliamentary business for what, as all of you would know, is a very busy House.

The Hon. ADAM SEARLE: Certainly the Government would be stuffed without him.

Ms GLADYS BEREJIKLIAN: For that purpose, he manages—just as I am the leader of my party in the lower House, Minister Speakman is the Leader of the House and manages day-to-day government business. In the upper House, Minister Harwin is the Leader of the Government. However, Minister Tudehope manages day-to-day business. I am assuming, based on the workload that he has would have determined his designation.

Ms ABIGAIL BOYD: Perhaps I can remind you. Minister Tudehope was appointed as Leader of the Government in the Legislative Council when Minister Harwin stepped aside temporarily. He received an increase of \$35,531 per year as a result of that position, but then when Minister Harwin came back, Minister Tudehope would have had his pay reduced by \$35,531. Instead, I understand you made him a senior Minister at that point so that then he only had a pay cut of half of what he was receiving. Is that correct?

Ms GLADYS BEREJIKLIAN: I would assume the reason for that determination—I am happy to take it on notice. I would assume the reason would be that his role as managing government business, even when Minister Harwin returned, was ongoing. That is why he was regarded as having that additional responsibility.

Ms ABIGAIL BOYD: Let me clarify: Previous to Minister Harwin having to step aside there was not a need for an additional person to help him with running the House—

The Hon. ADAM SEARLE: Yes, there was.

Ms ABIGAIL BOYD: —but after he came back, Minister Tudehope was appointed as a senior Minister because it was felt that he was also needed at that time as an additional person to run the House.

Ms GLADYS BEREJIKLIAN: The feedback I received is that—if I can make this point: I am the Leader of the Government in the lower House, but obviously I do not day-to-day manage the business of the House, the Attorney General does. Similarly in the upper House, it was felt that we should have those arrangements in the upper House, given the wonderful excess of work provided by the Opposition and the crossbench, which is a good reflection of the house of review but based on that, I determined, based on the feedback from my colleagues, including Minister Harwin and Minister Tudehope, that it would be appropriate to

reflect the arrangements in the upper House that we have in the lower House, which is to have a Leader of the Government and also a leader of government business.

Ms ABIGAIL BOYD: Why is there no transparency around the criteria for appointing senior Ministers and when they have been appointed? Why is it that the public cannot readily find out who is a senior Minister?

Ms GLADYS BEREJIKLIAN: I would be more than happy to do that. I just do not know the administrative arrangements that accompany that and to what extent those matters may or may not have to be confidential. I know there is a remuneration Act which determines the pay scales of—

Ms ABIGAIL BOYD: The pay scale is transparent and open. It is just which of these Ministers are enjoying that extra pay.

Ms GLADYS BEREJIKLIAN: I do not believe what we are doing is any different to what has happened for many years. Can I just ask the secretary if he has anything further to state to provide clarification to you?

Ms ABIGAIL BOYD: I will come back. I have limited time.

Ms GLADYS BEREJIKLIAN: Okay.

Ms ABIGAIL BOYD: Can you tell me how many other Government Ministers have effectively had a pay rise in the period since the public sector has had its pay frozen?

Ms GLADYS BEREJIKLIAN: To my knowledge, none. We determined that no-one in government, as in Ministers or members, would receive a pay rise.

Ms ABIGAIL BOYD: Which is why I am referring to effectively receiving a pay rise by being designated, for example, a senior Minister or a Parliamentary Secretary.

Ms GLADYS BEREJIKLIAN: Yes. I would suggest that if that indeed occurred—and I have no reason to doubt that—it would be a one-off exception as opposed to the rule. Can I please stress that we took very seriously the notion of the pay sacrifice and the pay decisions we were asking the public service to make. For that reason, we determined that no government member or Minister would receive any increase to their salary during that time. Minister Tudehope's circumstances, I would suggest, were unique and a one-off.

Ms ABIGAIL BOYD: Do you acknowledge that you have appointed more Parliamentary Secretaries than has ever been the case of any government previously?

Ms GLADYS BEREJIKLIAN: Perhaps. I do not know the answer.

Ms ABIGAIL BOYD: Are you aware that those Parliamentary Secretaries earn an additional 20 per cent on top of their ordinary pay?

Ms GLADYS BEREJIKLIAN: Can I say, we make them work for every dollar.

Ms ABIGAIL BOYD: Do you believe that your colleagues are entitled to additional pay for their additional duties when frontline workers during the COVID crisis, particularly the nurses next door, are receiving zero?

Ms GLADYS BEREJIKLIAN: Nobody in my Government has received—I should say there has been no systemic pay rise. In fact, we proactively determined—

Ms ABIGAIL BOYD: I did not ask you about systemic pay rises, did I?

Ms GLADYS BEREJIKLIAN: I know. I am sorry, but that is the point—

Ms ABIGAIL BOYD: I asked you about individuals within your Government—

Ms GLADYS BEREJIKLIAN: No, but the point you are making—

Ms ABIGAIL BOYD: —enjoying tens of thousands of dollars more money now than they did at the beginning of the COVID crisis.

Ms GLADYS BEREJIKLIAN: No, you are trying to suggest there has been an increase. It is only a one-off; it is one person. You are trying to suggest it is a systemic issue and it is not.

Ms ABIGAIL BOYD: It is not one person, it is several.

Ms GLADYS BEREJIKLIAN: No, it is. The Parliamentary Secretaries are appointed after the Government is elected or re-elected. Those figures did not increase during the time that we asked the public service to not receive an increase.

Ms ABIGAIL BOYD: There were 18 Parliamentary Secretaries—

The CHAIR: We will come back to this. It is Mr Borsak's time.

The Hon. ROBERT BORSAK: Welcome, Premier.

Ms GLADYS BEREJIKLIAN: Thank you, Mr Borsak.

The Hon. ROBERT BORSAK: Premier, when did you first hear that Mr Maguire would be appearing on 13 July 2018 before ICAC in Operation Dasha, ICAC's inquiry into the Canterbury City Council?

Ms GLADYS BEREJIKLIAN: I would have been advised in the appropriate way. I cannot recollect exactly when it was, but it was obviously a matter for the public record.

The Hon. ROBERT BORSAK: Sorry, that is not exactly an answer to that question. I asked when you were advised, not when you heard about in the paper.

Ms GLADYS BEREJIKLIAN: In terms of the exact date, I am not sure. I cannot recollect, Mr Borsak. That is my honest answer.

The Hon. ROBERT BORSAK: Did Mr Maguire advise you that he had received a secret summons from ICAC to appear as a witness?

Ms GLADYS BEREJIKLIAN: I recollect that I was advised in the appropriate ways. I am happy to take that on notice because I cannot remember.

The Hon. ROBERT BORSAK: Specifically relating to Mr Maguire, did he advise you?

Ms GLADYS BEREJIKLIAN: Not to my recollection, but I will take that on notice.

The Hon. ROBERT BORSAK: You might also take on notice, if so, when he advised you. Why did you decide to take annual leave on 13 July 2018—the day Mr Maguire was scheduled to appear at ICAC?

Ms GLADYS BEREJIKLIAN: I would assume that was a complete coincidence. If you ask any member of my staff, the date at which I take annual leave is always the subject of much discussion in the office because I am not very good at taking leave. Those dates would have been determined by my office. For anyone who has held a job like mine, you appreciate that your diary is essentially managed by people around you you trust. They would have been the dates that my office determined I was available and free to take leave. I wish I had more control over when I take leave. They would have been matters determined by my office as to when they saw fit that I did not have major commitments or, in fact, when Parliament was not sitting or there was no Cabinet scheduled. I would assume those dates would have been determined months and months in advance of me taking that time, given my schedule and given the responsibilities I bear.

The Hon. ROBERT BORSAK: Can you confirm which days you actually took leave during that period of time?

Ms GLADYS BEREJIKLIAN: Those dates are actually gazetted, Mr Borsak. As the Premier of the State, whenever I take—

The Hon. ROBERT BORSAK: They were gazetted from 13 July to 21 July.

Ms GLADYS BEREJIKLIAN: Yes. The point I am making, Mr Borsak, is whenever the Premier of the day takes leave and hands the responsibility to the Deputy Premier to be the acting Premier, those decisions are made usually months and months in advance because of my schedule. They are gazetted at the appropriate time and I think, from my understanding—given I sign off the leave of my ministerial colleagues—there is a specific time period within which they are all gazetted.

The Hon. ROBERT BORSAK: I put it to you that it was not actually made months and months in advance, and that it was published in the *Government Gazette* on 6 July 2018.

Ms GLADYS BEREJIKLIAN: Right, but that is my point: My office would have designated that time months and months in advance, but the date at which they are gazetted is the usual processes we go through. I would ask you not to jump to any inappropriate conclusions. As I said, dates of leave, in fact—

The Hon. ROBERT BORSAK: Premier, I am not jumping to any conclusion. I am just asking questions.

Ms GLADYS BEREJIKLIAN: Right.

The Hon. ROBERT BORSAK: The coincidence of 13 July, when Mr Maguire was to appear, and you commencing your holidays—probably a well-deserved holiday—on 13 July seems a rather interesting coincidence.

Ms GLADYS BEREJIKLIAN: That would have been a complete coincidence. I do not know what date the integrity agency would have published its public hearings, but I would suggest that my diary had been cleared for that break months and months in advance because of my schedule. It would have coincided with parliamentary break, no Cabinet and no major decisions or no major events that I had to attend.

The Hon. ROBERT BORSAK: You are saying that you took the leave because you were not seriously expecting any fallout at all, because you did not know Mr Maguire was going to appear on 13 July.

Ms GLADYS BEREJIKLIAN: Correct. I remember being interrupted on my break to be told of what had transpired at the ICAC.

The Hon. ROBERT BORSAK: Surely, Premier, Mr Maguire—your secret lover at the time—would have given you a special briefing before he appeared before ICAC?

Ms GLADYS BEREJIKLIAN: Absolutely not.

The Hon. ROBERT BORSAK: Did you think it was fair to leave the Deputy Premier, Mr Barilaro, in the hot seat with the fallout from the ICAC inquiry concerning Mr Maguire?

Ms GLADYS BEREJIKLIAN: Mr Borsak, that was a complete coincidence. I had no idea. I am not someone who fears fronting. I front every day and answer all manner of questions every day of my public life, and that was not a consideration whatsoever. In fact, if anything, my assumption would have been that there would be nothing significant occurring as I was away; otherwise, I would have been very pleased to have been here. That is a complete coincidence and I was quite taken aback when I was advised of what had transpired on that particular day.

The Hon. ROBERT BORSAK: Did you brief Mr Barilaro of what was likely to happen before he took over?

Ms GLADYS BEREJIKLIAN: You cannot brief someone on something you did not know.

The Hon. ROBERT BORSAK: Where you aware that Mr Maguire had applied for legal assistance to assist in his legal costs for his appearance on 13 July 2018?

Ms GLADYS BEREJIKLIAN: That would have been a matter for him and whomever he applied for that from.

The Hon. ROBERT BORSAK: You are saying you knew nothing about it?

Ms GLADYS BEREJIKLIAN: Not to my recollection.

The Hon. ROBERT BORSAK: Mr Maguire did not inform you that he was applying for legal assistance from the Government?

Ms GLADYS BEREJIKLIAN: Again, I will take that on notice, but not to my recollection, no. Again, that is not to say—I have no recollection of that, no.

The Hon. ROBERT BORSAK: So you will take it on notice?

Ms GLADYS BEREJIKLIAN: I am happy to take it on notice, but I am happy to also say to you that I have no recollection of that.

The Hon. ROBERT BORSAK: Did you see Mr Maguire's legal assistance application?

Ms GLADYS BEREJIKLIAN: I doubt it. Not to my—no. That would have gone to the relevant people in government. I am not sure of that process, but it certainly would not have come to me.

The Hon. ROBERT BORSAK: Did your close factional colleague the Attorney General discuss Mr Maguire's legal assistance application with you prior to Mr Maguire's appearance on 13 July 2018?

Ms GLADYS BEREJIKLIAN: Mr Borsak, can I just make this point: The Attorney General is one of the most honest and high-integrity individuals you can find. I think he would object—and I will object on his behalf—to the implication you have made in that question.

The Hon. ROBERT BORSAK: Are you saying he is not a close factional colleague of yours?

Ms GLADYS BEREJIKLIAN: No, I am suggesting—

Mr DAVID SHOEBRIDGE: Does that go to his honesty?

Ms GLADYS BEREJIKLIAN: No. I am suggesting you are implying that he would do something that was not responsible or that was not—

The Hon. ROBERT BORSAK: Premier, you are not answering the question. We have addressed these questions to the Attorney General already, and I am addressing this question to you.

Ms GLADYS BEREJIKLIAN: Right. I do not recall ever discussing it with the Attorney General.

The Hon. ROBERT BORSAK: Did you at any stage disclose any conflict of interest to the Attorney General during any discussions that you may have had with him?

Ms GLADYS BEREJIKLIAN: I just answered in the previous question that I do not recall having any discussions.

The Hon. MARK LATHAM: Premier, did you know that one of your parliamentary secretaries, Daryl Maguire, was overseas in April 2017 visiting the Pacific islands? Yes or no?

Ms GLADYS BEREJIKLIAN: I cannot recall. I may have been aware and I would have assumed that, as Parliamentary Secretary, if it was private travel that was on him. If it was otherwise—if he needed to disclose it—he would have disclosed it.

The Hon. MARK LATHAM: So you can remember this, or you cannot?

Ms GLADYS BEREJIKLIAN: I cannot remember if I remember it after the event, because it has certainly been on the public record.

The Hon. MARK LATHAM: You cannot remember if you can remember it. Do you recall knowing that one of your Parliamentary Secretaries, Daryl Maguire, was overseas again visiting the Pacific islands in February 2018?

Ms GLADYS BEREJIKLIAN: It has been stated on the public record that that was the case.

The Hon. MARK LATHAM: Were you aware that Mr Maguire regarded this as official business, that he was purporting to represent the New South Wales Government, act as a Parliamentary Secretary and the head of the Asia Pacific Friendship Group, and that his staff organised the itinerary?

Ms GLADYS BEREJIKLIAN: I would not have been aware of the specific details. But, obviously, my expectation is that every single Parliamentary Secretary and every single Minister would disclose in the appropriate way what they were undertaking. Mr Latham, I am not sure if it was part of the parliamentary friendship group. I am assuming that there would be members of Parliament from all parties present as well. I am not sure.

The Hon. MARK LATHAM: This is how Daryl Maguire presented his trip. As you said at ICAC, he is quite the big-noter and very interested in money. Do you recall conversations with your boyfriend about heading overseas and asking questions about the nature of the business?

Ms GLADYS BEREJIKLIAN: Mr Latham, as I alluded to previously, given these matters are the subject of the integrity agency—

The Hon. MARK LATHAM: No, this matter is not. You have not been asked about it; he has not been asked about it.

Ms GLADYS BEREJIKLIAN: But these matters are matters that the integrity agency would consider. I do not want to pre-empt anything in that regard.

The Hon. MARK LATHAM: Well, [audio malfunction] down at ICAC. You are here at a parliamentary inquiry—

The CHAIR: Mr Latham, we will have to come back to this. It is the Opposition's time.

The Hon. JOHN GRAHAM: I will turn to the Stronger Communities Fund tied grant round. This has received some discussion in the upper House, some publicity. Premier, for months in the upper House your Government argued there were no documents in your office relevant to the approval of these grants. You knew there were documents. You signed them. Why did you not simply tell your colleagues about the existence of the working advice notes relevant to these grants?

Ms GLADYS BEREJIKLIAN: I do not know what you mean by why did I not tell my colleagues. What do you mean?

The Hon. JOHN GRAHAM: For months your colleagues in the upper House—some of them are here—mounted a strong defence that no documents existed, they simply did not exist in your office relevant to this grant. There were documents. You signed them. They were humiliated. The Leader of the House was humiliated making this argument. You should have told them, should you not, that these notes did exist?

Ms GLADYS BEREJIKLIAN: Mr Graham, you have made the incorrect assumption that I was the approver.

The Hon. JOHN GRAHAM: No, I have not.

Ms GLADYS BEREJIKLIAN: If I recollect, the question was put as to—the issue was who the approvers were of these grants. You and others were suggesting that I was the final approver and those documents existed.

The Hon. JOHN GRAHAM: We will come to that, Premier.

Ms GLADYS BEREJIKLIAN: No, this is an important point to make, Mr Graham. This is an important point to make: Nobody has agreed or suggested, apart from the Opposition and the crossbench, that I was the final approver of those grants, because I was not.

The Hon. JOHN GRAHAM: I will hand you one of these notes so you have it in front of you. These notes were shredded. The physical copies were shredded. The back-up copies were deleted, the electronic records. We know that you wrote on those working advice notes. That is the evidence from your office. What did you write on those notes?

Ms GLADYS BEREJIKLIAN: Mr Graham, can I make two points in relation to this, because they are important matters to get on the record. Firstly, both the Information Commissioner, as you know, and the State Archives and Records Authority looked at this matter. In relation to the Information Commissioner and the Privacy Commissioner, they reported that there had been no breach of the matters they were looking at. In relation to the State Archives and Records Authority, who looked at this matter very closely, as you know—I am assuming you have read the report as I have—at no time did the authority believe, in fact quite the contrary, that there was any conscious misconduct or any attempt to do anything malicious. In fact, the State Archives and Records Authority attributed what occurred to ambiguity in existing processes.

The Hon. JOHN GRAHAM: I do not think that is a fair representation of the report, Premier.

Ms GLADYS BEREJIKLIAN: I can quote you bits from the report. But they were at pains to raise on a number of occasions that there was nothing malicious or intentional by any staff member in the destruction of those reports. Can I also say, Mr Graham, that the Government takes very seriously the recommendations they made, and in fact we are working with the State Archives and Records Authority to administer their recommendations. I take on board the fact that some aspects of the handbook or the related guidelines had not been updated for a very, very long time.

The Hon. JOHN GRAHAM: Do you accept the finding from the State Archives and Records Authority that your office broke the law? Do you accept that?

Ms GLADYS BEREJIKLIAN: I accept everything they have put in their report, but I accept—

The Hon. JOHN GRAHAM: Do you accept your office broke the law? Do you accept that, Premier?

Ms GLADYS BEREJIKLIAN: I accept that it was, in their words, a technical breach. But I accept it on this basis: They noted firstly that my office co-operated fully, and we will continue to do so, in relation to adopting the recommendations; secondly, at no time did any staff member act maliciously or intentionally to destroy anything. But also what is an important learning, and this goes to everybody, is that working notes or advice or working briefs, the State Archives and Records Authority, I understand for the first time, has determined that they should be archivable.

The Hon. JOHN GRAHAM: Premier, I have read the report. I want to ask you something only you can answer.

Ms GLADYS BEREJIKLIAN: Certainly.

The Hon. JOHN GRAHAM: Those notes were shredded. What did you write on the notes?

Ms GLADYS BEREJIKLIAN: I would not be able to recollect. They were briefing notes. I get private briefing notes and working notes all the time, Mr Graham. I did want to look back to see what perhaps previous practice was in relation to working notes.

The Hon. JOHN GRAHAM: I do not want to ask about previous practice.

Ms GLADYS BEREJIKLIAN: I know you do not want to know. Because when Nathan Rees was the Premier he handed over zero boxes of archives to the State Archives and Records Authority, as with Premier Iemma, as with Premier Keneally. The point I am making is traditionally working notes and working briefs, which all Premiers and Ministers would receive, were not previously regarded as archivable. One hundred per cent public—

The Hon. JOHN GRAHAM: Is the difference here that there was no departmental briefing note? DPC did not provide a brief for \$141 million of public money. Your office produced the only note. Those two pages—

Ms GLADYS BEREJIKLIAN: That is not true.

The Hon. JOHN GRAHAM: Those two pages were the only note and they were shredded.

Ms GLADYS BEREJIKLIAN: That is not true.

The Hon. JOHN GRAHAM: Is that not why this case is different?

Ms GLADYS BEREJIKLIAN: No, no. And the reason why I would not have received a departmental brief is because I was not the Minister responsible for executing the grants.

The Hon. JOHN GRAHAM: Looking at that note in front of you—

Ms GLADYS BEREJIKLIAN: Mr Graham, are you suggesting that when you were advising Premier Rees that you never provided him with private advice, or an update, or a briefing in writing?

The Hon. JOHN GRAHAM: I have never seen hundreds of millions of dollars go out the door of the Premier's office without a departmental brief. I have never seen it.

Ms GLADYS BEREJIKLIAN: Because it didn't.

The Hon. JOHN GRAHAM: I have never seen anything like this fund.

The Hon. NATALIE WARD: Is there a question?

Ms GLADYS BEREJIKLIAN: Mr Graham, because it never went from my office.

Mr DAVID SHOEBRIDGE: Yes, it came from the Premier.

Ms GLADYS BEREJIKLIAN: I was not the approver. No matter what you say, you cannot change the fact. The approval was done by the Office of Local Government under the auspices of the relevant Minister. Yes, I was provided updates and briefing and—

The Hon. JOHN GRAHAM: Premier, I will ask you this question: Looking at that note in front of you, the working advice note—

Ms GLADYS BEREJIKLIAN: I am not looking at that note.

The Hon. JOHN GRAHAM: —that was then shredded—well, if you can recall it, feel free not to look at it, but I am inviting you to look at that note put in front of you. There is space there for three options: approved, noted, not approved. Which of those options did you choose when you wrote on this note?

The Hon. NATALIE WARD: She has already answered this.

Ms GLADYS BEREJIKLIAN: I have already answered that question. But, Mr Graham, I put this to you—

The Hon. JOHN GRAHAM: So you are saying you do not recall? I am asking a very specific question here.

Ms GLADYS BEREJIKLIAN: I would not have recalled what I wrote on a note. As you would know, the Premier of the day might have hundreds of notes every month to look at and I would be misleading this Committee if I could purport to remembering every single note I wrote on all reports. I would stress this point: Had I been required to be the approver of the grants, of course I would have received the relevant briefs to sign, but I was not the person who made the approvals for the dollars to go out the door. That was done by the Office of Local Government under the auspices of the relevant Minister.

The Hon. ADAM SEARLE: Not according to your staff, who have sent an email saying you were the approver.

Ms GLADYS BEREJIKLIAN: That is the language they use, but I am just telling you what the facts are. The facts are sometimes inconvenient to the Opposition.

The Hon. JOHN GRAHAM: Premier, I accept you are saying you do not approve these projects. It is not just your office. That assertion is contradicted by the evidence of the Office of Local Government. It is contradicted by the documents supplied to the Public Accountability Committee by numerous government departments. It is contradicted by the emails from your office saying you approve this, the contemporaneous emails; it is contradicted by the working advice notes in front of you now, which indicate "approve". That is the recommendation.

Ms GLADYS BEREJIKLIAN: No.

The Hon. JOHN GRAHAM: That is the recommendation in front of you. The evidence of your office is, and this is from your senior policy adviser and your director of policy, those grants were actually sourced from your office, from your MPs. That is what they have said. How can you sit here and say you did not approve those?

Ms GLADYS BEREJIKLIAN: As you know, all grants have to go through a proper due diligence process in terms of the final approver. I was not the final approver. However, was I provided an update? Was my opinion sought on certain things? Perhaps, yes. But I was not the final approver. The important point to note is the following: The State Archives and Records Authority said on a number of occasions that there was no malicious intent by anybody in my office, that the reason why the documents were destroyed was because the rules were ambiguous and that the general disposal authority was old and arguably no longer fit for purpose. That is why I have welcomed, absolutely welcomed, the recommendations made by the State Archives and Records Authority. In fact, I understand my office, the Department of Premier and Cabinet, and the State Archives and Records Authority are working to make sure that we have—in the public interest—updated, clear guidelines for all staff to follow moving forward, given that now they have deemed that a working brief—

The Hon. JOHN GRAHAM: Will the updated guidelines include shredding important approvals for millions of dollars of public money?

Ms GLADYS BEREJIKLIAN: The updated guidelines will clarify the ambiguity, which the State Archives and Records Authority—

The Hon. JOHN GRAHAM: There is no ambiguity here about—

Ms GLADYS BEREJIKLIAN: That is your opinion, Mr Graham.

The Hon. JOHN GRAHAM: —keeping approval.

Ms GLADYS BEREJIKLIAN: Mr Graham, that is your opinion. I am just stating the facts.

The Hon. JOHN GRAHAM: Have there been any consequences? Your office broke the law. Have there been any consequences for that?

Ms GLADYS BEREJIKLIAN: You just told me you read the archives authority report. Their authority recommended no further action.

The Hon. JOHN GRAHAM: So no consequences, off scot-free?

Ms GLADYS BEREJIKLIAN: No, and I will explain to you the consequences.

The Hon. JOHN GRAHAM: Are there any consequences?

Ms GLADYS BEREJIKLIAN: Firstly, the archives authority did not recommend any further action in terms of legal action. Secondly, in relation to consequences, the consequences are that we completely accept the recommendations made. We are concurrently working with the authority to make sure that we eliminate any ambiguity so that all staff, whether they work for the Premier, a member of Parliament or a Minister, have clear

knowledge, understanding and guidelines as to what constitutes a State archive. Can I say at the outset, that I regard public transparency as absolutely critical. If the public need to have access to a particular document, for future reference—I understand that some, obviously Cabinet-in-confidence material is not allowed to be made public until after a certain point of time—but in the interests of that public interest we want to make sure we get it right. But clearly this is a new development, given when I asked what previous Premiers had done in relation to handing over archives, there was zero record, apart from Cabinet documents, formal documents—

The Hon. JOHN GRAHAM: No previous Premier that I am aware of has ever done anything like this, including Greiner and Fahey. I have never seen anything like this. This is unprecedented.

Ms GLADYS BEREJIKLIAN: I disagree with that.

The Hon. JOHN GRAHAM: Hundreds of millions of dollars out the door with no departmental brief.

Ms GLADYS BEREJIKLIAN: You are asking two different questions.

The Hon. JOHN GRAHAM: No brief from Mr Reardon.

Ms GLADYS BEREJIKLIAN: I will ask my secretary, who is the head of my department—

The Hon. JOHN GRAHAM: I will come to your secretary this afternoon. I just want to ask you this—

Ms GLADYS BEREJIKLIAN: No. Mr Graham, you have just made a serious—

The Hon. JOHN GRAHAM: Can I put my question?

Ms GLADYS BEREJIKLIAN: Can I answer your question? You have made a serious point which I vehemently disagree with and I would like my secretary, in his capacity, to answer your question.

The Hon. JOHN GRAHAM: He will have a chance to do that this afternoon.

Ms GLADYS BEREJIKLIAN: No, I want him to do it now.

Mr REARDON: I think you have asked about a grants program and you asked about a departmental brief from the Department of Premier and Cabinet against that grants program?

The Hon. JOHN GRAHAM: Yes. Did you provide one?

Mr REARDON: It is not a grants program that we are accountable for.

The Hon. JOHN GRAHAM: I agree.

Mr REARDON: So no, we did not. It is a program that we are not accountable for. That would be normal for any other grants program that does not belong to us. We deal with the ones that we are accountable for—

The Hon. JOHN GRAHAM: I accept that, Mr Reardon.

Mr REARDON: May I complete the answer?

The Hon. JOHN GRAHAM: You said you are not responsible.

The Hon. TREVOR KHAN: Let him finish.

Mr REARDON: We are responsible for grants programs that we have within the Department of Premier and Cabinet. You asked me about one before which has now transferred out under the regional New South Wales banner. The other job that we have is to provide guidance just on grants programs more generally. Those guidelines are available to every agency. So we have two roles. What we do not have though is accountability for the one that you were referencing.

The Hon. JOHN GRAHAM: Premier, do you agree with your officer's evidence though that these grants were sourced from the members of Parliament by the Parliamentary Liaison Team? Would you at least agree with that?

Ms GLADYS BEREJIKLIAN: What happened in relation to seeking feedback from colleagues or members in relation to important projects in their communities is an administrative matter which I would expect others to manage. It is not something that I would micromanage.

The Hon. JOHN GRAHAM: Do you accept the evidence from your office that the Parliamentary Liaison Team consulted with Government members of Parliament who were, in turn, asked to consult with their relevant local councils on possible projects that could be funded? Is that correct?

Ms GLADYS BEREJIKLIAN: That may very well have occurred, yes.

The Hon. JOHN GRAHAM: It did occur, do you mean?

Ms GLADYS BEREJIKLIAN: Yes.

The Hon. JOHN GRAHAM: I will turn to a second matter, that is, the question of the route of the Outer Sydney Orbital. I turn in particular to the period where there was some controversy about the route. There was a series of meetings, which some of your Ministers have confirmed, that were held between April and 22 June in your office. I think you chaired those meetings to discuss with local members of Parliament the significant controversy over the route. Do you recall those meetings?

Ms GLADYS BEREJIKLIAN: I recall there being public debate about routes of major networks. I do not recall specific street names or road names or anything like that. But it is always a matter of public record when there are concerns about a major road project. In fact, I do not know of a major road project in our State's history that has not attracted some level of controversy or public discussion. At the end of the day, it is a matter for the relevant roads Minister to put forward to Government what the best options are.

The Hon. JOHN GRAHAM: Your Ministers have confirmed—Minister Pavey was up-front and recalled two of these meetings in your office at which you were present. It has been put to me you were chairing those meetings. Do you recall those meetings?

Ms GLADYS BEREJIKLIAN: I do not recall the specific content of those meetings. It is reassuring that the responsible Minister was there at those meetings. It is not unusual to have members of Parliament talk to Government Ministers about their concerns for particular routes of particular road projects.

The Hon. JOHN GRAHAM: Will you take on notice and check your diary about who was present at those meetings and when they occurred? How many meetings there were?

Ms GLADYS BEREJIKLIAN: Certainly.

The Hon. JOHN GRAHAM: Do you recall the content of these meetings? They were called to discuss the potential tunnel option, the route, perhaps the location of the interchanges for the Outer Sydney Orbital.

Ms GLADYS BEREJIKLIAN: I do not recall any details, no. I do not recall any details simply because, as you appreciate, I would have numerous meetings and briefings and updates on concerns raised by members or issues raised by colleagues. I would not have a specific recollection.

The Hon. JOHN GRAHAM: But you do not dispute the meetings occurred? You will check the details.

Ms GLADYS BEREJIKLIAN: I do not have a specific recollection but I am happy to take on notice if and when they occurred, yes.

The Hon. JOHN GRAHAM: On 5 June 2018 during this period the *Sunday Telegraph* published an article by Jennifer Sexton which raised significant concerns about a developer, Country Garden, knowing the route of the Outer Sydney Orbital before local residents had any idea. Do you recall that article?

Ms GLADYS BEREJIKLIAN: No.

The Hon. JOHN GRAHAM: Why then later, after this article had been announced, on 22 June the Government announced a new tunnel plan with the tunnel ending at that development by that developer?

Ms GLADYS BEREJIKLIAN: As is the normal course of events, I would assume the relevant department gave the relevant Minister advice on what the best route was in community interests and that normal processes were followed.

The Hon. JOHN GRAHAM: This developer submitted this map that caused concern to the Greater Sydney Commission, an agency that reports to you. Why did the 5 June article not trigger a concern? Why did the Government press ahead and announce this plan that could have meant significant money for this developer?

Ms GLADYS BEREJIKLIAN: I understand from the public record that these matters were canvassed in detail at other estimates hearings. Can I state, I have nothing further to add to what has already been stated by colleagues at another time.

The Hon. JOHN GRAHAM: I show you the map that went to the Greater Sydney Commission—an agency that reports to you, which is why I am asking you about it. I cannot ask other Ministers about it.

Ms GLADYS BEREJIKLIAN: Can I just make one correction to a statement you made? The Greater Sydney Commission is an independent body but it does not approve projects, it does not approve specific things. It provides advice to Government on planning matters but it does not provide specific advice on routes or anything like that.

The Hon. JOHN GRAHAM: These maps sparked the concern. The map I have shown you was submitted by the developer. It has the route of the Outer Sydney Orbital through its property. It very accurately predicts, three months ahead of time what the Government then announced the route was. Over the page are documents that went out in the public from the Government at the time which show no specific route. Somehow, three months ahead the company got this right. How did that happen? Can you give us any information about how that happened?

Ms GLADYS BEREJIKLIAN: I would have absolutely no idea.

The Hon. JOHN GRAHAM: Yes. But you agree from the—

Ms GLADYS BEREJIKLIAN: No, I do not agree to anything. I do not agree to that at all.

The Hon. JOHN GRAHAM: You have no explanation as to how that happened?

Ms GLADYS BEREJIKLIAN: No, because it is not my responsibility to look at that.

The Hon. JOHN GRAHAM: This document was put into the Greater Sydney Commission. This was public, while you were convening meetings in your office about this route. Why did it not spark a concern or an investigation?

Ms GLADYS BEREJIKLIAN: Because Government follows due process when it comes to looking at major projects. These matters have been canvassed at previous estimates hearings. I have nothing to add and no knowledge of the matters you raise.

The Hon. JOHN GRAHAM: When were you aware of Country Gardens' interest in the route of the Outer Sydney Orbital?

Ms GLADYS BEREJIKLIAN: I do not think I was ever aware.

The Hon. JOHN GRAHAM: You were never aware, despite these publications?

Ms GLADYS BEREJIKLIAN: I do not think I was ever aware and I would not take any interest in those matters. All I would take interest in is due process of government in approving projects and route.

The Hon. JOHN GRAHAM: When did you become aware of Daryl Maguire's interest in Country Garden?

Ms GLADYS BEREJIKLIAN: I do not know. I have no recollection.

Mr DAVID SHOEBRIDGE: Premier, do you accept that Mr Hurst, the chief executive officer of the Office of Local Government, had good knowledge about how the Stronger Communities grants funds were allocated?

Ms GLADYS BEREJIKLIAN: With all due respect, I would not want to comment on Mr Hurst. That is a matter—

Mr DAVID SHOEBRIDGE: If you do not want to comment, that is fine.

Ms GLADYS BEREJIKLIAN: I do not think that is—no, I am just saying I do not think that is—

Mr DAVID SHOEBRIDGE: That is okay. We will move on.

Ms GLADYS BEREJIKLIAN: I am not sure of the point of the question.

Mr DAVID SHOEBRIDGE: You see, Premier, Mr Hurst, in answers to questions on notice of the Public Accountability Committee, said of the \$252 million tied grants round, "\$141.8 million was allocated by the Premier." Do you agree with Mr Hurst?

Ms GLADYS BEREJIKLIAN: I do not know that that is what he said, but certainly—

Mr DAVID SHOEBRIDGE: It is what he said.

The Hon. TREVOR KHAN: You cannot put that without the subsequent evidence that he gave, David.

Mr DAVID SHOEBRIDGE: I will get to that.

Ms GLADYS BEREJIKLIAN: But Mr Shoebridge, all I will say is that I was not the final approver and—

Mr DAVID SHOEBRIDGE: You were the interim approver, were you? The sort of halfway approver?

Ms GLADYS BEREJIKLIAN: No.

The Hon. TAYLOR MARTIN: The Premier is answering.

Ms GLADYS BEREJIKLIAN: No doubt I was provided advice on the suggestions that had been put forward for some of those grants, and that is on the public record. I was not the final approver. I would always anticipate that the relevant agency that administers grants—the relevant agency that has the final approval—would go through all the due diligence to make sure everything was in accordance with government guidelines.

Mr DAVID SHOEBRIDGE: You were asked by Mr Graham earlier about your recollection of what you had put on the briefing notes. Do you remember those questions?

Ms GLADYS BEREJIKLIAN: I am sorry, can you repeat that?

Mr DAVID SHOEBRIDGE: You were asked by Mr Graham earlier about your recollection of what you put on the briefing notes and you said you could not remember.

Ms GLADYS BEREJIKLIAN: Correct.

Mr DAVID SHOEBRIDGE: Because this was some time ago, was it?

Ms GLADYS BEREJIKLIAN: Correct.

Mr DAVID SHOEBRIDGE: Then I might take you to some contemporaneous records, records that were produced at the time by your office. You have got a bundle there, Premier. I have bent over—

Ms GLADYS BEREJIKLIAN: Are you suggesting I should go through them all now before I answer your question?

Mr DAVID SHOEBRIDGE: I am going to take you to them one at a time—

Ms GLADYS BEREJIKLIAN: I am pretty good, but I am not that fast at reading everything.

Mr DAVID SHOEBRIDGE: I am going to take you to them one at a time and, for your convenience, I have bent over the corner of the first one. If you could get to the bundle—

Ms GLADYS BEREJIKLIAN: No, that is okay. I would rather just listen.

Mr DAVID SHOEBRIDGE: I am going to take you to that first document, if you would go to it—

Ms GLADYS BEREJIKLIAN: If you are suggesting—

Mr DAVID SHOEBRIDGE: I would like you to look at the document.

Ms GLADYS BEREJIKLIAN: No, I would rather you just asked me the question.

Mr DAVID SHOEBRIDGE: Alright, fine. Premier, on 25 June 2018 in the document that you are choosing not to look at there is an email that came from Ms Lau of your office. There is a long list of projects and the millions of dollars from that \$252 million fund. Ms Lau states:

Below are the additional metro council projects the Premier has approved.

Was Ms Lau right or wrong?

Ms GLADYS BEREJIKLIAN: That is language she used, but the facts are that the final approver was the relevant agency and the relevant Minister.

Mr DAVID SHOEBRIDGE: Premier, why will you not look at the document?

Ms GLADYS BEREJIKLIAN: Because—

The Hon. NATALIE WARD: She can choose to answer however she wants to.

Mr DAVID SHOEBRIDGE: Why won't you look at the document that contradicts you?

Ms GLADYS BEREJIKLIAN: No, because, Mr Shoebridge, I am not going to go down a path of looking at things out of context or being asked questions that have been previously canvassed—

Mr DAVID SHOEBRIDGE: You are not going to respond to documents that come from your own office?

The Hon. NATALIE WARD: She is entitled to answer—

Ms GLADYS BEREJIKLIAN: I am not going to respond to a swathe of things you have plonked on the desk.

Mr DAVID SHOEBRIDGE: "A swathe of things" I have "plonked" on your desk? Premier, I will take you to the next document, and I invite you to look at it. Are you going to refuse to look at that document too?

The Hon. NATALIE WARD: She is entitled to answer how she wants to.

Mr DAVID SHOEBRIDGE: Premier, are you going to refuse to look at the next document as well?

The Hon. NATALIE WARD: Point of order—

Ms GLADYS BEREJIKLIAN: Can you please ask the question?

The CHAIR: Yes, I will take the point of order, Ms Ward.

The Hon. NATALIE WARD: I understand Mr David Shoebridge's intention but, as we all know, the witness is entitled to answer the question in any way she wishes. She is endeavouring to answer the questions and assist—

Mr DAVID SHOEBRIDGE: Yes, and I am entitled to ask the witness—

The Hon. NATALIE WARD: If I may finish without being spoken over again—

Mr DAVID SHOEBRIDGE: —if she is refusing to look at the documents.

The Hon. NATALIE WARD: If I may finish my sentence without being interrupted.

Mr DAVID SHOEBRIDGE: It is not a point of order.

The CHAIR: Ms Ward, continue; I am listening to you.

The Hon. NATALIE WARD: Thank you very much, Chair. I just ask that we move forward. The witness is entitled to answer however she wants to answer. She is assisting the Committee and answering Mr David Shoebridge's questions. It is not for him to tell her or otherwise. There is no power to tell her what to do in the context of this Committee. She will answer the questions as she sees fit. She is trying to do so, so allow her to—

Mr DAVID SHOEBRIDGE: That is not a point of order.

The CHAIR: In relation to the point of order—

The Hon. NATALIE WARD: You are not in the chair.

Mr DAVID SHOEBRIDGE: Well, that is my submission: It is not a point of order.

The CHAIR: I am going to rule on this. The Premier is entitled to answer as she sees fit but the questioner is entitled to ask questions, which is exactly what he is doing. Mr Shoebridge?

Mr DAVID SHOEBRIDGE: Thank you—

The Hon. NATALIE WARD: Further to the point of order: He may not direct her—

Mr DAVID SHOEBRIDGE: Premier, you—

The CHAIR: I have ruled.

Mr DAVID SHOEBRIDGE: It has been ruled on. Premier, I invite you to look at the second document. Are you going to refuse to look at the second document?

The Hon. NATALIE WARD: As she is entitled to.

Mr DAVID SHOEBRIDGE: Are you going to refuse to look at the second document, Premier—

The Hon. NATALIE WARD: As she is entitled to.

Ms GLADYS BEREJIKLIAN: Mr Shoebridge, I think this is the eleventh estimates hearing that I have attended and I have never previously been asked to refer to—

Mr DAVID SHOEBRIDGE: So you are going to refuse to look at it?

Ms GLADYS BEREJIKLIAN: I just—

The Hon. NATALIE WARD: As she is entitled to.

Mr DAVID SHOEBRIDGE: That is okay. I will put it to you. I will read from it—

The Hon. NATALIE WARD: As she is entitled to.

Ms GLADYS BEREJIKLIAN: I do not appreciate—

Mr DAVID SHOEBRIDGE: I know you don't.

Ms GLADYS BEREJIKLIAN: No, I do not appreciate being asked to look at something and then respond.

Mr DAVID SHOEBRIDGE: Yes, I can see how you don't. It is uncomfortable for you.

Ms GLADYS BEREJIKLIAN: When you have clearly spent hours trying to think of your questions, why don't you just ask me the question?

Mr DAVID SHOEBRIDGE: I really have not. I have asked this of other witnesses who have managed to look at it. But you are the first witness who has ever refused to look at the documents, but it is your choice—

The Hon. NATALIE WARD: As she is entitled to!

Ms GLADYS BEREJIKLIAN: Yes, thank you.

Mr DAVID SHOEBRIDGE: On 25 June 2018 Ms Lau, a senior policy officer from your office, sent an email to the Deputy Premier, Tim Hurst and others, again referring to this \$252 million pork barrel scandal. She states:

Kevin/ David/ Tim – Premier has signed off on almost all metro council projects ...

Was she right or wrong when she said you had "signed off on almost all metro council projects"?

Ms GLADYS BEREJIKLIAN: That is the words that were used but the facts are, Mr Shoebridge, that the Office of Local Government was responsible for doing all the due diligence and ensuring everything was appropriate in the dissemination of these grants. Can I add, Mr Shoebridge, that these projects—some of which have now been completed—add enormous value to our communities and support the wellbeing of our citizens?

Mr DAVID SHOEBRIDGE: Yes, but Premier, I asked you whether or not Ms Lau was right or wrong. You say she is wrong, is that right?

Ms GLADYS BEREJIKLIAN: No, I did not say that. Why do you just make up words that I have not even uttered out of my mouth?

Mr DAVID SHOEBRIDGE: Why won't you read the documents, Premier? I know they are embarrassing—

Ms GLADYS BEREJIKLIAN: Can I just ask my colleagues: Is that his usual practice, that he just makes up words that I don't even say?

The Hon. TAYLOR MARTIN: Yes.

The Hon. NATALIE WARD: Always. All the time.

Mr DAVID SHOEBRIDGE: Premier, on the twentieth—I would invite you to—

The Hon. NATALIE WARD: There is one set of rules for us and another set of rules for him.

The CHAIR: Order! Sorry, Premier, but you need to answer the questions.

Ms GLADYS BEREJIKLIAN: It is a very curious process!

The CHAIR: Order!

Mr DAVID SHOEBRIDGE: I would invite you to—

The Hon. NATALIE WARD: He doesn't really want the answers.

The CHAIR: Order! Excuse me, everybody, we need some order for this process—

Mr DAVID SHOEBRIDGE: You may think it is funny—

The Hon. NATALIE WARD: He is not interested in the answers.

The CHAIR: The Premier cannot have conversations with Government members across the table. Mr Shoebridge has the call. I would ask that—

The Hon. NATALIE WARD: And Mr Shoebridge should respect—

The CHAIR: —the Government members to come to order.

The Hon. NATALIE WARD: That is rich. That is rich.

Mr DAVID SHOEBRIDGE: Premier, you know you do yourself no credit laughing about \$252 million of—

The Hon. TREVOR KHAN: Point of order—

Mr DAVID SHOEBRIDGE: —pork-barrelled, scandalous funding—

The CHAIR: I will hear the point of order. I am sorry, Mr Shoebridge, but a point of order has been taken that I will hear.

The Hon. TREVOR KHAN: The point of order is this: It is a question of control of the Committee on all sides. One of the issues of control is that Mr Shoebridge is entitled to ask the question. He is not entitled to engage in a commentary of the witness and make assertions that are not questions. I ask that you actually bring him to order, invite him to ask his questions but to not engage in commentary.

The CHAIR: He is asking questions. Nobody here can engage in commentary. What I raised earlier was in relation to the Premier and some members of the Committee engaging in conversation. Mr Shoebridge has the call. He must ask questions, and the Premier can choose to answer them how she sees fit.

Mr DAVID SHOEBRIDGE: Premier, in a further email from Ms Lau, a senior policy officer from your office, this time on 28 June 2018—and I invite you to refer to it; it is the third marked document there—Ms Lau stated in correspondence to Mr Hurst:

The Premier has signed off further funding for metro councils.

Which was, again, millions and millions of dollars of more funding for projects. Was Ms Lau right or wrong in that third email where she said you had signed off funding for metro projects?

Ms GLADYS BEREJIKLIAN: Irrespective of the language, it was not my responsibility or authority to approve the dollars or support the dollars going out the door. That was the responsibility of the Office of Local Government and the relevant Minister to undertake that due diligence. I stress, Mr Shoebridge, that my understanding and the advice I have is that many of those projects have provided enormous benefit to local communities across the State.

Mr DAVID SHOEBRIDGE: Why don't we look at the fact that you identified and allocated \$90 million to just one council, being Hornsby council? What, if any, briefings or details did you have about the two projects that together amounted to \$90 million when you allocated the funding of \$90 million and you identified those projects? What did you have in front of you?

Ms GLADYS BEREJIKLIAN: One recollection I do have is that—and it was in the public domain—is that the council felt the Government was not satisfactorily dealing with the loss of their—through the boundary changes. I recall they were very upset with us for not providing sufficient grants. I do not recall specific meetings or conversations, but I do recall generally that that council had argued that they would be hundreds of millions of dollars worse off because they had lost ratepayers to the adjoining council. I recollect that.

Mr DAVID SHOEBRIDGE: So that was a sweetheart deal to buy them off because they were aggrieved about the disastrous amalgamation process.

Ms GLADYS BEREJIKLIAN: No, I just—

Mr DAVID SHOEBRIDGE: That is why you gave \$90 million to them. It was a sweetheart deal.

Ms GLADYS BEREJIKLIAN: No. It would have—these were all grants supporting important community projects and what I understand was many councils put forward their bids. It is the responsibility of the Office of Local Government to make sure that every project had gone through the due diligence process and all the probity processes and that each allocation was undertaken appropriately.

Mr DAVID SHOEBRIDGE: Robert, can I ask just one question?

The Hon. ROBERT BORSAK: It is actually the Hon. Mark Latham's time, but yes.

Mr DAVID SHOEBRIDGE: Premier, with ICAC about to commence a four-week hearing into one of your now former Ministers and factional ally and with the ongoing inquiry into Mr Maguire, which includes his relationship and dealings with you, do you accept that you should have no part in deciding ICAC's current budget until these matters are resolved because of the conflicts of interest?

Ms GLADYS BEREJIKLIAN: No. I accept that I should undertake all of my responsibilities as Premier of New South Wales.

Mr DAVID SHOEBRIDGE: Do you have any ongoing involvement with either of those ICAC inquiries while determining the budget?

Ms GLADYS BEREJIKLIAN: Whether or not I did or did not would be inappropriate—

Mr DAVID SHOEBRIDGE: Whether or not you do, is my question.

Ms GLADYS BEREJIKLIAN: No, but whether—Mr Shoebridge, as you would know as a lawyer, whether I did or did not, it would not be appropriate for me to respond in this forum and, as you would appreciate as an appropriate defender of the integrity agencies, that you must let them undertake their activity without interference.

Mr DAVID SHOEBRIDGE: I would appreciate a Premier recognising a conflict of interest when it was staring her in the face.

Ms GLADYS BEREJIKLIAN: Yes.

Mr DAVID SHOEBRIDGE: There is one staring in your face now from ICAC—ICAC funding.

Ms GLADYS BEREJIKLIAN: I refute—

Mr DAVID SHOEBRIDGE: And you continue to have that role in determining funding.

Ms GLADYS BEREJIKLIAN: I refute that and there have been previous Premiers, previous Labor Premiers, where there have been members of their Government—

Mr DAVID SHOEBRIDGE: If that is your standard, you are in big trouble, Premier.

Ms GLADYS BEREJIKLIAN: No, no, no. What I am suggesting is it is normal practice for the Premier of the day to execute their responsibilities in accordance with the guidelines in relation to integrity agencies and whether—it does not matter which political party the Premier is from and which political party members or others are examined under those processes but those responsibilities exist.

The CHAIR: Mr Latham?

The Hon. MARK LATHAM: Thank you, Chair. Thank you, Premier. Just coming back to Daryl Maguire's trips overseas in 2017, 2018. Prior to either of these trips, Premier, what conversations did you have with Daryl, your partner in life and given the fact he was going overseas [audio malfunction]?

Ms GLADYS BEREJIKLIAN: Firstly, Mr Latham, can I say that I dispute the term you used in your question and I would also make a general comment that every member of Parliament, depending on their role and their responsibilities, has various obligations which they need to disclose appropriately at the appropriate time.

The Hon. MARK LATHAM: Did you have conversations with Mr Maguire while he was on these trips?

Ms GLADYS BEREJIKLIAN: Look, as I said, any members of Parliament, any Parliamentary Secretaries or Ministers must make the appropriate disclosures, must make the appropriate due diligence in relation to those matters. And can I say, Mr Latham, as I have said strenuously on the public record I am very clear about my obligation as the Premier. I am very clear about what constitutes public interest. I am very clear about the distinction between private and public and I have made that clear on a number of occasions.

The Hon. MARK LATHAM: Well, Premier, do you not have an obligation to make sure that your members of Executive Government are following the rules?

Ms GLADYS BEREJIKLIAN: My obligation is to ensure that I execute all of my responsibilities as the Premier, and it is the obligation of every member, including yourself. I do not have to chase you as to what

you disclose on the parliamentary record and similarly Parliamentary Secretaries and Ministers have an onus on them to disclose through the appropriate channels, whether it is the Parliament or whether it is to my department, or whether it is to me, depending on their responsibility. The onus is on every member to disclose their responsibilities, their interests, at the appropriate time and in the appropriate way.

The Hon. MARK LATHAM: Well, this was not an interest, Premier, as you said earlier on. You have a responsibility to approve or disapprove of applications from members of Executive Government seeking approval for overseas travel for official business. Given the fact that you knew Mr Maguire was overseas twice, in April 2017 and February 2018, and he would have told you that in the nature of your relationship, did you ask him about the nature of the work he was conducting, knowing that, as you have described him, he was a big noter interested in investments and money?

Ms GLADYS BEREJIKLIAN: Members of Parliament from all sides conduct parliamentary or conducted parliamentary—I do not know if they still exist—friendship trips on numerous occasions. As far as I understand, they were not things that I would need to be advised about. They would be up to the member to determine whether they participate and often members would pay for themselves on those trips. That used to occur. I do not know if it still occurs. But that is not something that I would regard as something that would come across my desk.

The Hon. MARK LATHAM: Did Mr Maguire tell you that his trips were paid by the Shenzhen Commercial Development Association?

Ms GLADYS BEREJIKLIAN: Mr Latham, I have answered the question. Those matters, where relevant, are being investigated as we speak and that was confirmed in recent days.

The Hon. MARK LATHAM: Premier, do you see the absurdity in you trying to hide behind ICAC matters that have not been interrogated?

Ms GLADYS BEREJIKLIAN: Are you suggesting you are an ICAC investigator?

The Hon. ADAM SEARLE: No.

The Hon. MARK LATHAM: No. You are trying to hide behind—you are saying, "We can't talk about this because it is down at ICAC." Well, it is not down at ICAC, is it? These questions are of Maguire travelling overseas, of you knowing about it in April 2017 and February 2018, and as Premier not even seeking to find out was he on official business and of course he needed your approval, but as his partner in life apparently just waving it through. And this is where you have got yourself in a terrible mess, mixing up your public duty with your private relationship that you kept secret for many, many years. Now, answer the question as to your knowledge of Mr Maguire being funded on this trip by the Shenzhen Commercial Development Association.

Ms GLADYS BEREJIKLIAN: Mr Latham, firstly can I say that I find your obsession with my failed private relationship rather bizarre and disconcerting. But notwithstanding that I also object to the terms—

The Hon. MARK LATHAM: [audio malfunction]

Ms GLADYS BEREJIKLIAN: Can I answer the question, please?

The CHAIR: Yes. Premier?

The Hon. MARK LATHAM: I am asking questions in the public interest.

The CHAIR: We are just going to hear the answer.

The Hon. MARK LATHAM: And if you [audio malfunction].

Ms GLADYS BEREJIKLIAN: Can I also say that I find the description you use not appropriate and can I also say that matters that need to be dealt with by the integrity agency are being dealt with by the integrity agency. Can I also state again on the record that I have a clear and strong knowledge and understanding of what constitutes my public responsibility. I know I speak openly and honestly when I say every day I get up in this State is to work for the people of this State and to work my guts out for the people of this State, and any assertion to the contrary I refute very strongly.

The Hon. MARK LATHAM: Well, in working for the people of this State, and if you did know that Daryl Maguire—and you would normally expect in the nature of a close personal relationship you would know how the trip was funded and it was funded by the Shenzhen Commercial Development Association, why did you not take any action, knowing that one of your Parliamentary Secretaries was breaking the rules by having a trip funded by a commercial body?

Ms GLADYS BEREJIKLIAN: Well, you are making assumptions. You are making assumptions of something that is not the case. And can I say that if you want to pursue those issues, you should do them through the appropriate forums.

The Hon. MARK LATHAM: Well, if I can take you now to the question of Cawdor land owned by Country Garden and the meetings that Mr Graham referred to earlier on, how did the Government arrive at the decision to have the tunnel that was planned to run from Cobbitty to Cawdor come out on the description issued by the Government on its maps as south-east of Cawdor Road?

Ms GLADYS BEREJIKLIAN: Ordinarily those are processes where departments provide advice to Ministers and Ministers put those matters forward. I will just ask whether Simon Draper, who heads Infrastructure NSW or else my secretary would like to shed light on that. My secretary has asked to comment.

Mr REARDON: Just in terms of —

The Hon. MARK LATHAM: I am asking about deliberations in the meetings you conducted with Chris Patterson, Jai Rowell and Ministers Constance and Pavey. I am asking about your knowledge of it, Premier.

Ms GLADYS BEREJIKLIAN: No, but you asked me how Government arrives at its decisions and I was going to ask my secretary to answer that part of the question.

Mr REARDON: Can do. Thanks, Premier. So in 2017 the Government asked various agencies to put their next long-term plans together. The Greater Sydney Commission put the Greater Sydney Regional Plan together, which was released in, I think, March 2018. At the same time Infrastructure NSW prepared its complementary State Infrastructure Strategy update, also released at the same time, and Transport for NSW produced a 40-year plan called Future Transport 2056. Each of those plans talked about land use and talked about transport corridors as a primary component of them. They also talked about water, energy sectors and a whole range of other areas, which is the remit of Infrastructure NSW. They were put out at the same time to give clarity to what the future planning would be—long-term planning of New South Wales, and Sydney in particular, would look like and they were very well received. Those have a range of mass transit alignments in them and they have a range of more localised regional transit alignments in them. The next steps for those are used to then form transport corridors and probably to the point of background to set the scene for the question you asked.

The CHAIR: Mr Searle.

The Hon. ADAM SEARLE: Premier, going back to the Cobb Highway meeting that took place in November 2016, the local MPs that were affected by this program—the member for Barwon, I think then Mr Humphries, a former ministerial colleague; and the member for Murray, Mr Piccoli, then a current ministerial colleague—they were not there at the meeting with you, were they?

Ms GLADYS BEREJIKLIAN: Mr Searle, I have no recollection, but I will say this—

The Hon. ADAM SEARLE: Okay. The roads Minister, who has had portfolio responsibility for the project—that person was not there, were they? It was just you, the Treasurer, and Mr Maguire, whose only connection to the project was his financial interest in his property. Can I put these matters to you—

Ms GLADYS BEREJIKLIAN: What you have just said is incorrect, because I understand it was the Western Division Councils that was present.

The Hon. ADAM SEARLE: Sure. But I am talking about—

Ms GLADYS BEREJIKLIAN: That is an important fact you have omitted.

The Hon. ADAM SEARLE: I am talking about the only MPs who were present.

Ms GLADYS BEREJIKLIAN: Right. Okay.

The Hon. ADAM SEARLE: They were you as Treasurer—you were not the roads Minister—and Mr Maguire who had no portfolio connection, had no electorate connection. His only connection to the project was his financial interest in the real estate nearby. The records show that your Government's funding for that project escalated significantly after Mr Maguire made that investment. As Treasurer, you obviously had some input into those decisions. Given your connection with Mr Maguire, did you disclose that relationship before you made decisions on the funding of this project?

Ms GLADYS BEREJIKLIAN: Mr Searle—

The Hon. ADAM SEARLE: Yes or no, Premier?

Ms GLADYS BEREJIKLIAN: Mr Searle, allow me to answer the question because what you are putting forward is laughable. Firstly, can I make this point? It is not unusual—

The Hon. ADAM SEARLE: So you were not in a relationship at the time with Mr Maguire?

The Hon. NATALIE WARD: Let her answer.

Ms GLADYS BEREJIKLIAN: Can you please allow me to answer the question?

The Hon. TREVOR KHAN: Point of order—

The Hon. ADAM SEARLE: You were not, as Treasurer, having funding decisions over this?

The CHAIR: The Premier has the call. We will hear the answer.

Ms GLADYS BEREJIKLIAN: Thank you very much. Firstly, it is not unusual for country members to accompany councils who have travelled long distances to meet with government officials. In fact, I would assume the council met with a number of people that day; I cannot confirm. But when people have—

The Hon. ADAM SEARLE: Premier, it was 140 kilometres from his electorate.

The Hon. TREVOR KHAN: Point of order—

Ms GLADYS BEREJIKLIAN: Can you please allow me to finish my answer, which is why your proposition is laughable? Firstly, your own committee of your own House, with Labor members on it, determined that this was a priority project for Government. A unanimous decision.

The Hon. ADAM SEARLE: Premier, many parliamentary report—

Ms GLADYS BEREJIKLIAN: Let me finish.

The Hon. ADAM SEARLE: No, many parliamentary recommendations are made for funding projects. They do not all get funding. You made decisions to fund this project that would benefit your boyfriend.

Ms GLADYS BEREJIKLIAN: Wrong.

The Hon. ADAM SEARLE: That is the truth, isn't it?

Ms GLADYS BEREJIKLIAN: That is a disgusting—

The Hon. ADAM SEARLE: That is the truth, isn't it?

Ms GLADYS BEREJIKLIAN: No, it is a disgusting proposition.

The Hon. ADAM SEARLE: You have not explained why he was there. It was a hundred kilometres from his electorate.

The Hon. TREVOR KHAN: Well, let her answer.

The Hon. NATALIE WARD: Let her answer the question.

Ms GLADYS BEREJIKLIAN: Let me answer the question.

The Hon. ADAM SEARLE: It was a hundred kilometres from his electorate. He had no business being there.

The Hon. TREVOR KHAN: Point of order—

The CHAIR: Let us hear the Premier's answer.

Ms GLADYS BEREJIKLIAN: Mr Searle, your shouting and carrying on is not going to change the facts, and you cannot handle the truth.

The Hon. ADAM SEARLE: The fact is he had no business being there.

The CHAIR: The Premier has the call.

The Hon. ADAM SEARLE: He was only there to further his financial interests, which you were enabling. That was the case, wasn't it?

The CHAIR: The Premier has the call. Let us hear the answer.

Ms GLADYS BEREJIKLIAN: Can I answer the question?

The CHAIR: Premier.

Ms GLADYS BEREJIKLIAN: As I stated, an upper House committee determined that this was a priority project and made a recommendation to the Minister for Roads back in 2012. In 2014, the Minister for Roads went to the Western Division Councils annual conference and updated that conference—in 2014—of the Government's commitment to the project and the funding requirements. At the end of the day, these are decisions for the Minister, for Roads but this was apparent from 2011—

The Hon. ADAM SEARLE: And for the Treasurer.

Ms GLADYS BEREJIKLIAN: In fact, the previous Labor member back in 1999 commented on this. What you are suggesting is absolutely laughable and wrong and, frankly, offensive. This was a priority project for the Government on the record since 2011, 2012, 2014. It was up to the Minister for Roads to determine—all Treasurers allocate allocations to all portfolios. It is up to the Ministers to put forward where that funding goes. This was—

The Hon. ADAM SEARLE: That is not true, Premier.

Ms GLADYS BEREJIKLIAN: Your own member—

The Hon. ADAM SEARLE: That is not true, Premier.

Ms GLADYS BEREJIKLIAN: Hang on. No, let me—

The Hon. ADAM SEARLE: ERC decides to fund various projects.

Ms GLADYS BEREJIKLIAN: Madam Chair, can I answer the question, please?

The CHAIR: Yes, you have the call.

Ms GLADYS BEREJIKLIAN: He is carrying on a lot; he does not like the facts.

The CHAIR: Premier, you have the call. Please answer the question.

Ms GLADYS BEREJIKLIAN: Thank you very much. I would rather be able to answer the question without his carrying on and interruptions—

The CHAIR: Well, please answer the question.

Ms GLADYS BEREJIKLIAN: —because the theatre and drama will not change the facts.

The CHAIR: Premier, please answer the question.

Ms GLADYS BEREJIKLIAN: Thank you. The facts are that this was a project which had been on the public record, which the Government said it wanted to complete, which the then Minister for Roads in 2014 updated the Western Divisions Councils. The council then reported on what the Minister for Roads had said. Those decisions are decisions for the Minister for Roads. Even Labor members on the committee, but also the former Labor member for Broken Hill, was talking about the importance of this project as far back as 1999. To suggest otherwise that there was anything inappropriate that happened here is completely wrong, offensive and, frankly, laughable. It is laughable that something on the public record that was improving safety and freight for the Far West of New South Wales, which has subsequently been hit by the drought—and moving freight around and improving public safety is a government commitment.

Our Roads budget across the State is at record levels—north, south, east and west—and nobody can dispute the importance of this project, which was commented on publicly as far back as 1999. I understand from what the committee deliberated that this project was spoken about since 1980. Frankly, the question you should be asking me is why it took so long to fix this piece of infrastructure, which benefits freight movements to the most rural and regional and remote parts of our community. Our Government is proud to fund these projects. Our Government is proud to make sure we prioritise communities that need them. This has been on the public record at least since we have been in government; prior to that, the Labor member since 1999 and prior to that, I understand, reports as far back as the eighties.

The Government made no secret that it was funding this project. The Government made no secret that it was putting resources. In fact, it would have been determined by the Minister for Roads and his agency on what was allocated when. That is an issue for the relevant Minister. The Minister for Roads at the time in 2014 made that, and I understand that Minister Toole since that time has provided further updates. There are the facts. Anything else you try to fancifully put forward is wrong, offensive and, frankly, laughable.

The Hon. ADAM SEARLE: Premier, you have failed to give a direct answer to any of the questions, but I will move on to a different topic. In 2017-18 when you were clearly in a relationship with Mr Maguire, you gave from your Premier's Discretionary Fund, over which you have sole control, six grants that benefited the Wagga Wagga electorate and indirectly, therefore, benefited Mr Maguire politically. That was worth a total of over \$40,000. In her evidence to the grants inquiry, your former chief of staff Ms Cruickshank confirmed the fund is solely at your discretion and that you did not disclose your relationship with Mr Maguire to her or any other persons, as far as she was aware, before making those grant allocations. Why did you not disclose your relationship at that time, given you were clearly in a relationship with him?

Ms GLADYS BEREJIKLIAN: Mr Searle, the matter that you are asking me about I have been asked about on a number of occasions. You only have to look up the media clips.

The Hon. ADAM SEARLE: Yes, but you have not yet given a straight answer.

Ms GLADYS BEREJIKLIAN: I have, and I will continue to give an answer—that is, the discretionary grants come forward on the application of members. In fact, many members of Parliament would have received grants far in excess of what you have just talked about per electorate. And these are—

The Hon. ADAM SEARLE: Premier, just one moment. You are making a decision about whether or not to fund the application—

Ms GLADYS BEREJIKLIAN: Are you disputing—

The Hon. ADAM SEARLE: No. You are receiving an application from Mr Maguire. You have to make a decision whether or not to fund that matter. You are in, on your own admission, a close personal relationship—an intimate relationship with him. How can you make a decision to allocate taxpayers' dollars without disclosing that relationship?

Ms GLADYS BEREJIKLIAN: Firstly—

The Hon. ADAM SEARLE: It lacks probity and it lacks integrity, doesn't it?

Ms GLADYS BEREJIKLIAN: Firstly, can I dispute the terms you have use in your question, which I completely dispute. Secondly, all of those funding arrangements in those discretionary grants have to come through my department and nobody can—

The Hon. ADAM SEARLE: But your department did not know about the relationship.

The Hon. TREVOR KHAN: Let her answer.

The Hon. ADAM SEARLE: You did not disclose it.

The Hon. TREVOR KHAN: Point of order: You just cannot allow this.

Ms GLADYS BEREJIKLIAN: I am sorry, and as I have said on numerous—

The CHAIR: He is clarifying the question so that we can get a particular answer, and the Premier has the call.

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

Ms GLADYS BEREJIKLIAN: That is okay.

The Hon. TREVOR KHAN: With respect, that is rubbish.

The CHAIR: No, it is not.

The Hon. NATALIE WARD: We need a Chair at this hearing.

The CHAIR: Keep saying that.

Ms GLADYS BEREJIKLIAN: As I have said on a number of occasions, there is a clear distinction between my public responsibilities and my private life. A clear distinction. At no stage did I do anything wrong or did I do anything which was not in the public interest. It is a matter of fact that any grant allocation to any community is based on merit, is based on what the community needs. If you compare where those grants have been, there are electorates which received far, far in excess of that, and all of those grant applications have to come through my department in a departmental brief.

The Hon. JOHN GRAHAM: But they are made at your discretion, Premier.

Ms GLADYS BEREJIKLIAN: They all have to go through—no, no, no—

The Hon. JOHN GRAHAM: They are not. These are at your discretion; that is quite clear. This is the Premier's Discretionary Fund; you choose who gets the money.

Ms GLADYS BEREJIKLIAN: Are you suggesting if I know somebody more than somebody else that they should or should not receive funding? That is a ridiculous position.

The Hon. JOHN GRAHAM: I am suggesting you should have declared a conflict of interest.

Ms GLADYS BEREJIKLIAN: What you are proposing is offensive insofar as I have always executed my public responsibilities as I should and you are—

The Hon. JOHN GRAHAM: You have not executed your responsibility to declare a conflict of interest.

Ms GLADYS BEREJIKLIAN: That is not for you, and I have never ever been accused—

The Hon. JOHN GRAHAM: No, it is for you.

Ms GLADYS BEREJIKLIAN: I have never ever been accused of wrongdoing—

The Hon. JOHN GRAHAM: I am accusing you of not declaring a conflict of interest when you should have. Why didn't you?

Ms GLADYS BEREJIKLIAN: That is a matter for you, but can I say this—

The Hon. JOHN GRAHAM: No, it is a matter for you, Premier. Why did you not declare a conflict of interest?

The Hon. NATALIE WARD: Point of order, Chair. Once again, we have a situation where we have members talking over members and I ask that you chair this hearing so that members ask a question and allow an answer. This has continued now for six interruptions; it is not the first. It is continuous behaviour by members, which is not being chaired and not being managed. I ask that you manage the members, whether from your party or another party, so that we have a proper hearing here. The Premier is attempting to answer the questions. She is here to assist the Committee. They just do not like the answers.

The Hon. ROBERT BORSAK: Are you moving a motion of no confidence in the Chair?

The Hon. NATALIE WARD: Potentially.

The Hon. ROBERT BORSAK: That is about the third or fourth time I have heard that.

The Hon. NATALIE WARD: Potentially, Chair. Potentially.

The CHAIR: It has been coming all day and I am happy to deal with this.

The Hon. NATALIE WARD: Potentially.

The Hon. ROBERT BORSAK: Then you should move it and let's see how it gets dealt with.

The Hon. NATALIE WARD: I am entitled to move that when I choose to move that, Mr Borsak. I will not be bossed around by you. I will take that point when I choose to do so.

The CHAIR: It has been coming all day and I want to deal with the point of order.

The Hon. NATALIE WARD: I am asking and inviting the Chair to chair the meeting.

The CHAIR: I am chairing the meeting and I am chairing it completely appropriately. If you have an allegation to make, then you can make it—

The Hon. NATALIE WARD: I just have.

The CHAIR: —but you are interrupting proceedings. It is becoming continual, so I will make that point. We are entitled to have questions and answers. The Premier is engaging in a robust way with her answers, which is appropriate. The questions are robust. There are no issues in terms of procedural fairness with people being able to engage in that way. I do not uphold the point of order.

The Hon. NATALIE WARD: Of course you do not.

The Hon. ADAM SEARLE: Madam Chair, I have got a series of documents—

The Hon. NATALIE WARD: Tribes of as-yet undiscovered Peruvian Indians knew that you would not uphold it.

The CHAIR: Ms Ward, you are interrupting proceedings. If you have a point of order then take it, otherwise Mr Searle has the call.

The Hon. NATALIE WARD: My point of order, Chair, is that I ask that you call members to order—

The CHAIR: I have ruled on that.

The Hon. NATALIE WARD: —so that we have an orderly—

The CHAIR: You have just been making comments when Mr Searle has the call.

The Hon. NATALIE WARD: You have spoken over me again. You have invited me to make a point of order; I have done so.

The Hon. ADAM SEARLE: Madam Chair, I hand up four documents for the witnesses, one set for the Premier and one set for Mr Reardon—and we will come to Mr Reardon later. There are four documents here, all of which are publicly available documents, two of which are styled as briefings for the Premier. They appear to be two briefing notes prepared by Ms Smith, the head of legal for DPC. Premier, do you recognise these two documents?

Ms GLADYS BEREJIKLIAN: I have not sighted them. Please ask your question.

The Hon. ADAM SEARLE: Can you please sight them?

Ms GLADYS BEREJIKLIAN: No, I would prefer you just ask me a question.

The Hon. ADAM SEARLE: I am actually going to ask you a question about the document.

Ms GLADYS BEREJIKLIAN: Great, thank you. Just ask me the question.

The Hon. ADAM SEARLE: Were you briefed on the contents of these documents?

Ms GLADYS BEREJIKLIAN: I do not know what is in this—

The Hon. ADAM SEARLE: It is a bit hard without looking at the document, Premier. Please look at the document.

Ms GLADYS BEREJIKLIAN: Can I say, if they refer to what Ms Smith was asked yesterday, I have got nothing further to add.

The Hon. ADAM SEARLE: Okay. Did your department tell you about the two disclosures by two ministerial staff about concerns they had about Mr Maguire's conduct?

Ms GLADYS BEREJIKLIAN: I would have been advised confidentially about matters which went to other agencies without knowing any detail whatsoever about what they would have been.

The Hon. ADAM SEARLE: Okay, but were you told about the details of these matters at the time? Do you recall?

Ms GLADYS BEREJIKLIAN: Not to my recollection, no.

The Hon. ADAM SEARLE: Mr Reardon, did you brief the Premier on these matters?

Mr REARDON: I do not know the briefings you are talking about, but if it is—

The Hon. ADAM SEARLE: You have got them before you.

Mr REARDON: But if it is evidence you are asking that is the same as what you have asked my former general counsel who is now the Crown Solicitor, Karen Smith, then I do not think I would have anything further to add than she has responded to.

The Hon. ADAM SEARLE: Mr Reardon, the question is very clearly: Did you brief the Premier about what was disclosed by these two ministerial advisors?

Mr REARDON: If it is something that we had to provide advice to an integrity agency, we would have gotten on and provided advice to the integrity agency.

The Hon. ADAM SEARLE: Look at the briefing note to the Premier, please.

Mr REARDON: Can I answer your question? If we were asked or had a reason to provide a reference to an integrity agency, we would have gotten on and done that fairly quickly. If there was a request for information to various sources and we had already provided the advice to the integrity agency, we would have advised Premier's office, if appropriate, that we had done that without going into any detail and then I would have been advised by my general counsel. The general counsel both former, Karen Smith, and current are very diligent in ensuring that when we have a request from an integrity agency, we respond to it in a very timely fashion.

The Hon. ADAM SEARLE: Premier, these two briefing notes indicate to you that ministerial advisors have come forward with matters of concern.

Ms GLADYS BEREJIKLIAN: What were the dates of those notes?

The Hon. ADAM SEARLE: 23 July and 27 July 2018, so after Mr Maguire had given his evidence at ICAC.

Ms GLADYS BEREJIKLIAN: Right.

The Hon. ADAM SEARLE: And I believe you said—I think you said in Parliament that anyone with information should come forward—

Ms GLADYS BEREJIKLIAN: Right.

The Hon. ADAM SEARLE: —and two ministerial advisors did. So my question to you is: Were you briefed about the content of these two disclosures at that time?

Ms GLADYS BEREJIKLIAN: Absolutely not to my recollection, and I would suggest, Mr Searle, that if there was a live investigation, it would not have been appropriate for me to have been advised of the content.

The Hon. ADAM SEARLE: Two of the documents that you have refused to look at are advices, it appears, to Mr Reardon from DPC, which indicate that as Secretary of DPC he had a legal obligation under section 11 of the ICAC Act to refer both of these matters to the ICAC, and he did so very expeditiously; there is no question there. What I put to you is: You were definitely aware of one of these matters, the matter involving United World Enterprises.

Ms GLADYS BEREJIKLIAN: I do not know what that is.

The Hon. ADAM SEARLE: I will come to it in a minute. But you were under the same legal obligation as Mr Reardon. Why did you not disclose that matter?

Ms GLADYS BEREJIKLIAN: I do not have a clue about the organisation you are talking about.

The Hon. ADAM SEARLE: Okay. In the evidence before the ICAC—

Ms GLADYS BEREJIKLIAN: Right.

The Hon. ADAM SEARLE: —a conversation was played between yourself and Mr Maguire—

Ms GLADYS BEREJIKLIAN: Right.

The Hon. ADAM SEARLE: —in September 2017—

Ms GLADYS BEREJIKLIAN: Right.

The Hon. ADAM SEARLE: —where he was telling you about his problem with United World Enterprises—

Ms GLADYS BEREJIKLIAN: Right.

The Hon. ADAM SEARLE: —and about how he might have to go to China to sort the matter out.

Ms GLADYS BEREJIKLIAN: Right.

The Hon. ADAM SEARLE: You were asking if he was going to come to Sydney that Sunday. He said, "No, I have to sort this matter out", and he was telling you about problems with Minister Blair's office. So you were alive to the fact that he was involved in a commercial matter involving United World Enterprises. My question to you is this—if the secretary of your department was under a legal obligation under the ICAC Act to disclose that matter when it was reported to him, you were obviously under the same obligation when Mr Maguire told you in 2017 about this matter. Why did you not report it either at the time in 2017 or when it became public knowledge that Mr Maguire was before the ICAC? You were on notice about that, were you not?

Ms GLADYS BEREJIKLIAN: Mr Searle, as I have stated to you previously, these are matters for the integrity agency. I have never been accused of any wrongdoing. There are no allegations against me, and can I state this: I am assuming the briefing note you are referring to, which I sighted about information about people participating in the inquiry, was the previous inquiry, which was not the current one before the ICAC, so I do not understand what you are suggesting. But I will say this: If you seriously respect and trust the integrity agency's efforts in reporting, examining, investigating matters in the public interest, let them do their work.

The Hon. ADAM SEARLE: Premier, you knew—and this is all on the public record—about all of Mr Maguire's—

Ms GLADYS BEREJIKLIAN: No.

The Hon. ADAM SEARLE: —get-rich-quick schemes. I will give you one example: in 2014, the text message about his \$5,000 commission. You knew about it, he told you about it, you congratulated him on it. How is that different to the matter he spoke about before ICAC in 2018 that caused him to resign from Parliament? How did you then not come forward with all the very many things you knew about his get-rich-quick schemes?

Ms GLADYS BEREJIKLIAN: Mr Searle, you are going over material that has already been in the public domain—

The Hon. ADAM SEARLE: Yes, and you knew about these things and you failed to disclose them as you were required to do under the ICAC Act.

Ms GLADYS BEREJIKLIAN: You are going—

The Hon. ADAM SEARLE: You had a legal obligation to disclose and you failed to discharge that obligation under the law, didn't you, Premier?

Ms GLADYS BEREJIKLIAN: You are going over old material. You are going over material that has already been in the public domain. You are going over—

The Hon. ADAM SEARLE: The new material—

Ms GLADYS BEREJIKLIAN: Can I answer the question?

The Hon. ADAM SEARLE: —is these documents produced to the upper House that says your secretary was under a legal obligation to disclose these matters. Axiomatically, it must be the case that you were under the same obligation. You did not do that; you did not disclose any of these matters that you knew about. You did not disclose about his \$5,000 commission; you did not disclose about his various other get-rich-quick schemes. You sat on your hands, even when your department acted, even when ministerial advisors in your Government acted. They all acted with more probity and integrity than you. You knew more about Mr Maguire's get-rich-quick schemes than any other person. Two advisors come forward when they know only one matter; you know of half a dozen or more and you failed to disclose. Premier, why did you fail your obligation under the ICAC Act? Why did you fail your obligation under the ministerial disclosures?

Ms GLADYS BEREJIKLIAN: Minister—Mr Searle—I know you want to be a Minister one day. Mr Searle, can I state unequivocally, firstly, these matters have already been canvassed, both in public hearings and in the public domain. Secondly, at no instance have I ever been accused of wrongdoing and no allegation has been put to me. Thirdly—

The Hon. ADAM SEARLE: Premier, you obviously have not been listening. I am suggesting you failed to disclose your obligations. I am saying you have failed to disclose your obligations.

Ms GLADYS BEREJIKLIAN: Thirdly, the privilege of my life is to be the Premier of this State. Every day I have executed my responsibilities with the greatest level of integrity and with the greatest level of knowledge of my obligations. Nobody has put anything to me to the contrary in relation to those obligations—

The Hon. ADAM SEARLE: I am doing just that, Premier. I am actually putting it to the contrary.

Ms GLADYS BEREJIKLIAN: Respectfully, Mr Searle, you should allow others, who are authorised or who have looked at these matters, to look at these matters.

Ms CATE FAEHRMANN: Morning, Premier. I will move to a different subject. In October 2019 you stood with the Prime Minister in Tamworth, announcing a billion-dollar package for raising the Wyangala Dam wall, building a new Dungowan dam and building a new Mole River dam. At the time, you said you were confident construction would begin in 2020 and that what was missing in the past were the funds to accelerate the project. Premier, at the time you announced the \$1 billion combined with Commonwealth funding—you remember that?

Ms GLADYS BEREJIKLIAN: Yes, I do remember that.

Ms CATE FAEHRMANN: At the time, there was no business case, there was no feasibility study, there was no hydrological modelling that had taken place to base that \$1 billion package on. Nothing has still been released to date. Leaked documents from the Department of Planning, Industry and Environment show the combined costs now of these highly controversial dams could be up to \$3 billion and that the business cases alone could be \$200 million. Are you aware of these cost blowouts, firstly?

Ms GLADYS BEREJIKLIAN: I am aware that both of those dam projects are challenged at the moment in terms of timing and cost. Can I, just for the record, Ms Faehrmann, say that the third one you mentioned, Mole River—we did not commit to progressing with that project. We committed to doing a business case for that project. But the first two, Wyangala and Dungowan, we did commit to commencing. I have been updated in meetings along with colleagues about the challenges to those projects. As you would know, given your interest, New South Wales has not upgraded or built a dam for many decades. But I would, in the interest, if you do not mind, ask Mr Draper, who is head of Infrastructure NSW, who has oversight of advising Government when projects are challenged in time or cost, to perhaps give an update. He is across the detail more than I am.

Ms CATE FAEHRMANN: We can go to you in a second, Mr Draper. I would like to get that. But just in terms of that challenge, it was a National Party election commitment, basically, these new dams, before the election in 2019. We are looking now at a potential \$2 billion cost blowout for the State Government based on a commitment by the National Party before the last election, based on really nothing, no business case. At what point does that—

The Hon. TREVOR KHAN: That's cruel.

Ms GLADYS BEREJIKLIAN: I'll answer the question. It's okay. It's okay, Trev. Hang on. I'll have a bite of the cherry.

The Hon. TREVOR KHAN: I'm outraged.

Ms CATE FAEHRMANN: I was waiting for the National Party member to get a little bit antsy about this, and he did. Thank you, Trevor Khan. At what point does a \$2 billion cost blowout become a problem for your Government, given the impact of COVID-19? At what point do you say to the National Party that these dams are a bit ridiculous and they really should not go ahead?

Ms GLADYS BEREJIKLIAN: Ms Faehrmann, firstly can I state in defence of my National Party colleague who is here that they were decisions of Government, they were not decisions of a particular party or not. They were decisions of Government, and we own those decisions.

Ms CATE FAEHRMANN: I feel very sorry for you, Premier, that you have to wear that decision.

Ms GLADYS BEREJIKLIAN: That's okay. No, it is true. They were decisions of Government. We own those decisions. I am not going to pretend that the projects are not challenging. The costs are likely to be far more significant than we envisaged and the engineering challenges far more significant than we envisaged. Ms Faehrmann, I would be pretending if I told you I am across as much detail as Mr Draper is on these projects. I will ask him to be briefed so that your question time does not interrupt. But Mr Draper can give whatever is available on the public record.

Ms CATE FAEHRMANN: I appreciate that. Thank you.

Mr DRAPER: Thanks, Premier. There is no question that there are a number of very large complex projects that the Government is delivering over the coming years. Dams I would count among those. We do not build dams very often. We do not do dam wall raisings very often. They are very large complex projects. Infrastructure NSW's position on announcing the costs and timetables associated with projects is that it should be done incrementally. There is a lot of uncertainty about those things. As those uncertainties are resolved, that is the time for Government to provide information to the public and to Parliament about those dams.

These dams are still going through a process of being investigated. There is a lot of work being done, early contractor involvement work. Business case will have to be brought to Government. At that point, I think, we will have a much firmer idea of what the cost of the dams and the time table for the delivery of the dams may be. Just to clarify our role in this, we provide advice to Government on the status of those. We provide that to Cabinet through our assurance process, our gateway processes. When those business cases and proposals to procure the dams are brought then we will provide advice to Government at that time.

Ms CATE FAEHRMANN: At what point from Infrastructure NSW's perspective does, for example, a dam become unfeasible? At this point the raising of Wyangala Dam's wall—the Department of Primary Industries and Environment's capital work summary that was revealed during a call for papers said that it is at least \$1.2 billion, up to \$2.1 billion. This was November 2020. So it is the most recent document we have seen. The Wyangala Dam wall is supposed to bring yield of 21 gigalitres per year. We have seen some costs of something like \$30 million a megalitre, if that is the case. The Government is talking about this as needed for water security. That is the most expensive option on the table by a mile. At what point does Infrastructure NSW say, "I think we should investigate other alternatives for water security in the region"? Is that your role as well?

Mr DRAPER: Yes. It is really the role of the agencies delivering, to do that. But what we do is provide assurance that they have done that adequately. When they bring a business case to Government, one of the things we would test against is whether all those options have been thoroughly explored, whether the assumptions underpinning them are sound—

Ms CATE FAEHRMANN: You would know, Mr Draper, that the options have not been explored. You would be very well aware of that. The Productivity Commission, for example, looking into Dungowan Dam—again, that has potentially blown out to \$870 million. The same capital works summary I said before—\$870 million. The Productivity Commission slammed that proposal, including the fact that it did not look at alternatives. You are very well aware that Wyangala Dam and Dungowan Dam have been political commitments by the National Party before the last election. No alternatives in terms of cheaper and more sustainable alternatives. Are you saying that Infrastructure NSW will most likely say that alternatives should be explored?

Mr DRAPER: To answer that question and the previous one perhaps together, the way that the Government decides on whether to proceed with these investments is that a final business case is brought to Government, to the Cabinet. That is the point at which the Government determines whether it should make a decision. That point has not yet been reached, albeit that, as you say, there were announcements during the election campaigns. It is often the case that Governments make announcements about projects subject to business cases. Those business cases have not been brought—

Ms CATE FAEHRMANN: It must do your head in, Mr Draper, that that is the situation.

Mr DRAPER: That is where we would be providing advice about whether options have been thoroughly explored at that time.

Ms CATE FAEHRMANN: After Cabinet has made a decision or beforehand?

Mr DRAPER: No, leading in, as part of that decision-making process.

Ms CATE FAEHRMANN: Infrastructure NSW, I understand, did a 20-year infrastructure study in 2018. You are aware of that?

Mr DRAPER: The State Infrastructure Strategy?

Ms CATE FAEHRMANN: That is right.

Mr DRAPER: Yes.

Ms CATE FAEHRMANN: The State Infrastructure Strategy did not say Wyangala Dam and Dungowan Dam are part of that strategy, did it?

Mr DRAPER: I can check that on notice, but I think you are right on that.

Ms CATE FAEHRMANN: I think it said, if anything, needed to be explored with feasibility studies and everything else. What we have at the moment is the politicians, if you like, saying that this project is going to go ahead regardless. I suppose the question is, the business cases are expected to cost up to \$200 million for a start—you are aware of that—is that very expensive for business cases, which, I understand, the Government has to fund? The Government has to also reimburse Water NSW for sunk costs if the project does not go ahead. So it is already a \$200 million. I suppose it just could go nowhere. But it is still \$200 million on the taxpayer.

Mr DRAPER: When we say business cases, there is often a lot of investigation to be done. So what I described earlier—we have got this position that by the time you get to making investment decisions or awarding contracts to build something, there should be a high degree of certainty about the cost. I think that is the point that you are getting at as well. And to do that, there have to be quite a lot of engineering studies and engagement with contractors.

Ms CATE FAEHRMANN: Yes.

Mr DRAPER: That costs a fair bit of money. I mean, \$200 million is a lot of money; I do not quibble with that.

Ms CATE FAEHRMANN: Premier, you have heard that potentially these projects could cost up to \$2 billion and that alternative options have not been explored, that there is no business case, no hydrological modelling, they are incredibly controversial. I have not talked about the environmental impacts and downstream communities being absolutely up in arms about this. This potentially \$3 billion—you have said construction is going to go ahead, as do a number of others, including the water Minister, but considering that is an obscene waste of taxpayers' money, is this just another example of pork-barrelling by your Government?

Ms GLADYS BEREJIKLIAN: These projects were determined obviously given the deep drought that most of our State was subjected to.

Ms CATE FAEHRMANN: To shore up National Party seats?

Ms GLADYS BEREJIKLIAN: No. Can I please make the point that I have to take responsibility for these as Government decisions. They were put forward by the relevant Minister and accepted by myself and the Deputy Premier in the Federal Government, so I do not think it is fair to pin it on one party in the Coalition or another. We have to own them as government decisions. But also, as Mr Draper said—

Ms CATE FAEHRMANN: You could always go back on them, Premier.

Ms GLADYS BEREJIKLIAN: As Mr Draper said, they are projects of enormous challenge and Government does not make final investment decisions until we have all that information before us. But, as you alluded to, I do not know whether the figures you used are anywhere near what the advice is that we will receive, but clearly the projects are likely to cost far more than what we anticipated and Government will choose to make an investment decision when we receive all that information.

The Hon. MARK LATHAM: Premier, in answer to Mr Searle moments ago regarding these two referrals to ICAC from the ministerial staffers in July 2018, you said, "If they were alive matters it would not have been appropriate for me to be advised." Why do you say that?

Ms GLADYS BEREJIKLIAN: Mr Latham, as you would know, if integrity agencies are investigating certain matters, it is their discretion as to what they share or what they seek and all those things would have been done appropriately. But can I state this: As I stated on the public record, as I have stated during public hearings, if at any time I had cause to report something inappropriate within my responsibilities as a member of Parliament, of course I would have. I have made that point publicly a million times and I have made it in the public hearings. Please note, however, I take my responsibility in terms of respecting the processes very acutely, that I would never disclose information that was confidential that came to me as the Premier. It was information that the various agencies involved would have known that I received and it was information I noted. At all times, those responsibilities were executed appropriately and at all times—as I continue to do—I always maintain the processes of matters that may or may not be investigated at any particular time. But can I please make this point, as I have made a number of times on the public record, in public hearings: If at any time I have had or had cause to report anything inappropriate, of course I would have, or would have done, or would.

The Hon. MARK LATHAM: So from that answer, we can conclude that in your assessment you thought after the news out of Canterbury council's Operation Dasha about corrupt conduct by Daryl Maguire in mid-2018, at that point you had no suspicion of any other corrupt conduct by Mr Maguire that would have been relevant in reporting to ICAC?

Ms GLADYS BEREJIKLIAN: As I said, Mr Latham, those matters have been canvassed at length and I do not have anything further to add beyond what I have said today, what I have said in the public hearings, what I have said on the public record and what I have said whenever questions have been put to me.

The Hon. MARK LATHAM: But that statement I just made is the logical conclusion from your earlier answer, isn't it?

Ms GLADYS BEREJIKLIAN: No.

The Hon. MARK LATHAM: Everything that was reportable you did report?

Ms GLADYS BEREJIKLIAN: No. You can—

The Hon. MARK LATHAM: Were there matters that you did not report?

Ms GLADYS BEREJIKLIAN: I am sorry, I did not catch that.

The Hon. MARK LATHAM: Were there matters that you did not report?

Ms GLADYS BEREJIKLIAN: I am sorry, I did not hear the question.

The Hon. MARK LATHAM: Were there matters of reasonable suspicion of corrupt conduct by Mr Maguire that you did not report to ICAC as of mid-2018?

Ms GLADYS BEREJIKLIAN: Absolutely not, and I have already made statements to that effect publicly. I would ask you to respect the process, and I would also ask you to acknowledge that I was a witness to those matters and nothing more.

The Hon. MARK LATHAM: In your statement earlier, that if these were alive matters it would not have been appropriate for you to be advised of them, do you agree it would have been even more inappropriate, given they were matters concerning Daryl Maguire, with whom you had a close personal relationship?

Ms GLADYS BEREJIKLIAN: Mr Latham, as I said, these matters have been discussed publicly. These matters have been canvassed a number of times. You have asked me the same question in many different ways and I have nothing further to add to what I have already answered today, in public hearings, in public commentary. I also say, quite earnestly, that this body and members of Parliament either have faith in the integrity agencies or they don't. If you have faith in those integrity agencies, we collectively need to let them do the work that they need to do and I have nothing further to add.

The Hon. MARK LATHAM: Yes, very good. I have faith in the institution of the Parliament. That is why we are here and that is why we are interrogating these matters in the public interest. But my question that I asked you that you did not answer related to your comments that you made some 10 minutes ago that if these were alive matters, it would not have been appropriate for you to be advised. I am asking you, and I hope you can answer: Premier, would it have been even more inappropriate for you to be advised given the matters involved your partner and the person with whom you were having a close personal relationship, Daryl Maguire?

Ms GLADYS BEREJIKLIAN: As I said, they were matters for the integrity agency.

The Hon. MARK LATHAM: But they are matters for you, given your statement moments ago?

Ms GLADYS BEREJIKLIAN: I am sorry?

The Hon. MARK LATHAM: They are matters for you, surely, given you made that statement 10 minutes ago. I am asking: Would it have been even more inappropriate for you to have been advised because these matters involved Daryl Maguire?

Ms GLADYS BEREJIKLIAN: No. As I said, I have got nothing further to add beyond the fact that I always executed my obligations in the best way and in the public interest. You or anybody else can make assertions as often as you like. I will just stick to the facts and I have got nothing further to add.

The Hon. MARK LATHAM: All I am doing is asking questions, Premier, and I wish you would answer them. I will give you one more chance. Can you answer that question, arising from your comments 10 minutes ago, that it would be even more inappropriate to advise you of these matters because they involved Daryl Maguire? You might not want to answer it, but surely in a parliamentary forum you should.

Ms GLADYS BEREJIKLIAN: I am assuming that you are not questioning the integrity agency or the way in which they conduct their business, because that is how I am implying the question that you are putting to me, is that you are putting to me that you do not trust the way in which the integrity agency conducts its business, and I would refute that. I would allow them to do their job. I think you are crossing the line in asking questions which are matters—you either have trust in the process and the integrity agencies or you don't. And if you have trust in those integrity agencies, you would accept my responses.

The Hon. MARK LATHAM: No, that is just a different way of not answering the question, isn't it, which is pretty hopeless. But anyway, let's move on to the next issue. Premier, why did you take direct ministerial control of the Greater Sydney Commission in early 2018 when the DPIE secretary, Carolyn McNally, said that you are likely to become more embroiled in "controversial LEPs (Local Environmental Plans) within the Greater Sydney region". Premier, in October last year you told ICAC that you kept Daryl Maguire's land development interests at arms-length. If this was true, why did you take control of the agency—the Greater Sydney Commission—which was fundamental in advancing his financial interests through Charlie Demian, Joe Alha, William Leong, Country Garden, Louise Waterhouse and United World Enterprises?

Ms GLADYS BEREJIKLIAN: Mr Latham, I am very glad that you have asked me this question because it allows me to put on the record, as I have done before, very important facts. The reason the Greater

Sydney Commission—and I will ask my secretary to also outline what he knows because this is an important question of fact. The reason why the Greater Sydney Commission came into the Premier's cluster is because the Greater Sydney Commission asked for that to occur. I received advice from the Greater Sydney Commission and from my secretary that that was in the best interest of the Government for that to occur. The department of planning understandably did not like that because they wanted it to remain within their responsibility, but that was the whole point: that the Greater Sydney Commission should be above reproach and should provide robust and independent advice to government, which is what I am proud they do. It was the Greater Sydney Commission that determined the three cities strategy around the CBD, Parramatta and the new airport city. It was at the Greater Sydney Commission's request that that occurred. Mrs Turnbull has actually said that on the record—she was there at the time. And I will ask my secretary to put on the record—

The Hon. MARK LATHAM: No, no. I do not want to ask the secretary. I am asking you—

Ms GLADYS BEREJIKLIAN: No, Mr Latham, this is an important point. Mr Latham, you are making certain—

The Hon. MARK LATHAM: Premier, you are not answering the question because the deals put themselves, taking on the Greater Sydney Commission, Daryl Maguire is just going to—

Ms GLADYS BEREJIKLIAN: Mr Latham, you are—

The Hon. MARK LATHAM: [Audio malfunction] matters, all these things where I say to him, "I don't need to know that," he is going to do more and more now, isn't he? [Audio malfunction].

Ms GLADYS BEREJIKLIAN: Mr Latham, you put a question to me which is significant to the strategic role. Just like Infrastructure NSW, the Greater Sydney Commission—

The Hon. MARK LATHAM: Your secretary—

Ms GLADYS BEREJIKLIAN: With all due respect, I would know a bit more about this than you would.

The CHAIR: I will actually interrupt here. It is a little tricky, particularly with the WebEx. We are not catching everything that everyone is saying and it is tricky for Hansard.

Ms GLADYS BEREJIKLIAN: I understand that and I apologise to Hansard in advance. But can I say this: Just like Infrastructure NSW, the Greater Sydney Commission is a body that provides independent and robust advice to government, independently. I would ask, because it is relevant, because I have just said the reason why they came within the Premier's cluster is, firstly, they asked for it and, secondly, that was the advice I received from my secretary and I would like him to be able to respond given that it is in direct response to the question you asked, which is fundamental to what you are putting.

Mr REARDON: Thanks, Premier. Under the—

The Hon. MARK LATHAM: We have got three hours with Mr Reardon this afternoon.

Ms GLADYS BEREJIKLIAN: No, because it relates—

The CHAIR: Sorry, we are actually at a point now where we are in a different set of time. I want to explain what is happening so that everyone is clear. We are in the final nine minutes, so the time will be split evenly between the crossbench and the Opposition.

The Hon. TREVOR KHAN: Chair, I am not cavilling with that, but the witness is entitled to complete her answer.

The CHAIR: Yes, I am going to let her finish. I just want to be clear about what is happening. I am not cutting her off. Premier, you are very entitled to finish.

Ms GLADYS BEREJIKLIAN: Do you mean in relation to the question?

The Hon. MARK LATHAM: Come in, Mr Reardon, with the time filler.

Ms GLADYS BEREJIKLIAN: Mr Latham, can I just make this point—

The Hon. ADAM SEARLE: This is eating into our time. We would like to ask a question.

Ms GLADYS BEREJIKLIAN: Can I make this point: You can choose to be disrespectful to me but please treat with respect senior public servants who work on behalf of the people. I really object to your tone because Mr Reardon—

The Hon. MARK LATHAM: Oh yeah, like [audio malfunction].

Ms GLADYS BEREJIKLIAN: Mr Reardon—

The Hon. MARK LATHAM: [Audio malfunction].

Ms GLADYS BEREJIKLIAN: No, can I just say—

The CHAIR: Order! We are now straying into territory where we are not continuing the line of questioning or finishing the answer.

Ms GLADYS BEREJIKLIAN: It is one thing to be rude and offensive to me, but I will not have you do that to my secretary.

The CHAIR: Premier, please. There is only a little bit of time left; let's just get through it. We are now in Opposition time.

The Hon. JOHN GRAHAM: I would invite Mr Reardon to put that answer on notice. I will ask you, Premier, in relation to one of your other decisions—this was the Australian Clay Target Association—where, as Treasurer, you made a funding reservation in December 2016 under the Restart NSW fund for this organisation. Anthony Whealy, a former commissioner of ICAC, suggested that if that was the case it might amount to a conflict of interest. Why didn't you declare a conflict of interest over this funding reservation decision that you made as Treasurer, given it did involve Daryl Maguire?

Ms GLADYS BEREJIKLIAN: Mr Graham, as you would know, as Treasurer of the State, the responsibility is to make allocations to specific portfolios within which then the Minister makes decisions. If you are suggesting that the Treasurer of the day personally signs off on every single funding allocation that is made, that is incorrect. What the Treasurer of the day does is allocate dollars to relevant portfolios, to relevant Ministers to prioritise what is in their portfolios and to make decisions on what are worthwhile projects. That is the way in which government works—

The Hon. JOHN GRAHAM: Why not declare a conflict of interest though?

Ms GLADYS BEREJIKLIAN: As I have said a number of occasions, I have responded to those matters. At the end of the day, what is important is to make sure that the proper processes of government are always maintained. That is exactly what occurs when organisations or members come forward with funding requests. They go through the relevant processes, the relevant Minister signs off on them, and the Treasurer of the day makes broad allocations to specific portfolio areas.

The Hon. JOHN GRAHAM: Premier, on the—

Ms GLADYS BEREJIKLIAN: Can I finish answering the question, please? That is how the system works. I object to the notion—

The Hon. JOHN GRAHAM: Thank you, Premier. I think you have answered the question.

Ms GLADYS BEREJIKLIAN: I object to the notion—

The Hon. JOHN GRAHAM: I want to ask about the—on 4 July 2020—

Ms GLADYS BEREJIKLIAN: I object to the notion that at any time any support to any community was not done but within the highest regime of government probity.

The Hon. JOHN GRAHAM: Thank you, Premier. On 4 July 2020, the respected transport bureaucrat Howard Collins opened the \$4.3 billion M8 tunnels. No Minister, no Premier was available. This was shortly after your "toll mania" comments. Can you recall any other similar massive infrastructure and jobs decision announced by a government but a Premier simply did not turn up?

Ms GLADYS BEREJIKLIAN: I actually was there that week, if I recall, with a major announcement. I am incredibly proud of that project—can I put that on the record? That project has saved western Sydney commuters, depending on where they come from, at least an hour of their lives.

The Hon. JOHN GRAHAM: You talked about toll mania and Howard Collins cut the ribbon—

Ms GLADYS BEREJIKLIAN: Can I say how proud I am? I actually attended a major announcement within days and I recall at the time—

The Hon. JOHN GRAHAM: Why weren't you there to cut the ribbon?

Ms GLADYS BEREJIKLIAN: I was there for a major announcement. Can I state on the record how proud I am of that project? Our Government came and promised to western Sydney that we would provide them with options to reduce travel times, to give them back valuable life—valuable time to spend doing what they want to spend time doing—a project that was a long time coming and a project for which I was there in recent days. I am incredibly proud of that project and I will not have you suggest otherwise.

The Hon. ADAM SEARLE: Premier, under the terms of the deal that Crown signed with the Baird Government in 2014, a government of which you were a senior Minister—in fact, I think you were the deputy Liberal leader—to open Sydney's second casino. The gambling giant is entitled to claim compensation worth 10 and a half times the estimated negative financial impact of any action the New South Wales Government takes which changes or has the effect of changing its licence. How did those compensation clauses come to be negotiated, when did you know about them and what role, if any, did you have in that matter?

Ms GLADYS BEREJIKLIAN: I was transport Minister at the time, so I would not have a clue.

The Hon. ADAM SEARLE: Were you on the ERC?

Ms GLADYS BEREJIKLIAN: Secondly, can I say this: I am incredibly proud that our Government commissioned the Bergin report. I want to thank Commissioner Bergin for the work that she did. We are the only State Government—the first State Government that had the courage to put those things in the public domain. I say to her that the Government is carefully considering the recommendations. We have also made various public comments in relation to how we expect business to be conducted in New South Wales.

The CHAIR: The crossbench, Ms Boyd?

Ms ABIGAIL BOYD: Premier, back in 2018 the former Minister for the Prevention of Domestic Violence and Sexual Assault said that the first priority under the New South Wales Government's Sexual Assault Strategy was to reform the sexual consent provisions in the Crimes Act. We are now in 2021 and when I asked the Attorney General about this he could not even tell me that he would be recommending reforms to the sexual consent provisions in our Crimes Act. Why has this dropped off as a priority for this Government and what will you do to reinstate this as a priority?

Ms GLADYS BEREJIKLIAN: Ms Boyd, can I please state unequivocally that our priority to support those consent laws has not diminished. The challenge is how complex the issues are and whether we support national harmonisation on having one set of laws across the nation. Please do not regard lack of sufficient progress as any indication of our Government's lack of priority. In fact, reducing domestic violence is one of the Premier's Priorities. It is one of a dozen priorities across the Government and that means all agencies have to be focused. It is very difficult to reduce reoffending, which is the target we have established. In relation to consent laws, which I understand is a separate issue, I am not going to pretend that it is an easy path. But I also want you to know and this Committee to know that the Government will continue to work hard, through the Attorney General but across all of government, to make sure that we progress those matters.

Ms ABIGAIL BOYD: Will you reinstate a Minister for the prevention of sexual assault?

Ms GLADYS BEREJIKLIAN: The Attorney General—well, to be fair, every single Minister, every single member of the Government and every single member of this place should have responsibility for that. That is a whole-of-government issue. Primarily, issues regarding justice and, obviously, that component of it are within the Attorney General's responsibilities. But please know that—

Ms ABIGAIL BOYD: It has been three years.

Ms GLADYS BEREJIKLIAN: —that issue is so critical that it cuts across education, health and a number of different government agencies. We approach those issues from a whole-of-government perspective.

Ms ABIGAIL BOYD: It has been three years.

The CHAIR: It is now Mr Latham's time.

The Hon. MARK LATHAM: Premier, can you confirm that earlier statement—and you might have received some advice over the past 2½ hours—that you have never heard of the names Charlie Cull and Daniel Hill?

Ms GLADYS BEREJIKLIAN: They may have come across my desk and I may have heard of them. But if you are asking me whether I know those people closely, I do not. If you tell me they are former staffers, I apologise—that if I have met them and spoken to them or been in meetings with them and did not associate the name with who they are, I apologise profusely. But the names automatically do not ring a bell.

The Hon. MARK LATHAM: Could I ask if over the lunch break Mr Reardon could please check his records for questioning this afternoon about the advice he received from the Premier and advice he gave to the Premier about these references to ICAC in mid-2018, please?

Mr REARDON: I will see what I can do.

The Hon. MARK LATHAM: Thank you.

The CHAIR: Thank you, Premier. We have concluded—

Ms GLADYS BEREJIKLIAN: Thank you, Committee—another great year of estimates.

The CHAIR: Thanks for attending this morning. We have finished with your questioning. The Committee will now break for lunch and resume at 2.00 p.m.

The Hon. ADAM SEARLE: Madam Chair, just before we do that, given where we got up to I would like to invite the Premier back at 2 o'clock to answer some more questions.

Ms GLADYS BEREJIKLIAN: Thank you for the invitation. I politely decline. I have a pandemic and a few other things to worry about. Thank you very much.

(The Premier withdrew.)

(Luncheon adjournment)

The CHAIR: Welcome back to the public hearing of Portfolio Committee No. 1 and its inquiry into the 2020-2021 budget estimates. We will commence with questions from the Opposition.

The Hon. DANIEL MOOKHEY: Good to see you again, Mr Secretary, and greetings to the officials. Through you, Mr Secretary, I was hoping to be able to ask the Auditor-General some questions?

Mr REARDON: Of course.

The Hon. DANIEL MOOKHEY: I table this document for the Committee and provide a copy for the Auditor-General.

Mr REARDON: Chair, I only say, of course, I do not know the nature of the questions. If there is anything I need to know about first—but otherwise the independence of the Office of the Auditor-General, I will let the Auditor-General speak to.

The Hon. DANIEL MOOKHEY: It is to do with icare, Mr Secretary. I do not know if you need to know or not.

Mr REARDON: It is not in our portfolio.

The CHAIR: We will deal with it as we go. If there is an issue you are welcome to raise it.

Mr REARDON: Okay.

The Hon. DANIEL MOOKHEY: I have another copy, if that is helpful, for either the Chair or the secretary. Thank you, Auditor-General. Firstly, I have provided you with a copy of your audit into the central agencies that you produced in December last year. They are extracts from that of the key pages, as opposed to the 80 pages of the report. By the way, I enjoyed the report. Page 26 of the extract, do you see that?

Ms CRAWFORD: Page 26?

The Hon. DANIEL MOOKHEY: Your page 26 it is called.

Ms CRAWFORD: Yes.

The Hon. DANIEL MOOKHEY: This is a page that is labelled "Financial performance of icare agencies". Do you see that?

Ms CRAWFORD: Sorry, I did not bring my glasses. It is on my page 27.

The Hon. DANIEL MOOKHEY: It is the table on page 26. Do you see that?

Ms CRAWFORD: Yes.

The Hon. DANIEL MOOKHEY: You see that you report that as of the date that the audit was completed, icare's scheme liabilities exceeded its assets by \$316 million. Am I reading that correct?

Ms CRAWFORD: Yes.

The Hon. DANIEL MOOKHEY: The layman's interpretation of that is that icare's liabilities are in excess of its assets to the tune of \$316 million—that is, it could not meet its obligations if they all fell due on the same date?

Ms CRAWFORD: Correct.

The Hon. DANIEL MOOKHEY: That is correct? That is a deterioration of some \$1.8 billion in one year. Is that correct?

Ms CRAWFORD: Correct.

The Hon. DANIEL MOOKHEY: Yes? Have you noticed any other agency or scheme that has suffered a \$1.9 billion reversal in the last year in any of your other audits?

Ms CRAWFORD: You are talking about the last financial year?

The Hon. DANIEL MOOKHEY: Yes. Did any other agency incur such a reversal in financial position?

Ms CRAWFORD: No.

The Hon. DANIEL MOOKHEY: It is fair to say that icare was the worst performer in the New South Wales public service in that respect?

Ms CRAWFORD: On this basis, if you are measuring it by this basis, yes.

The Hon. DANIEL MOOKHEY: Would you now turn to page 27 of that report?

Ms CRAWFORD: Yes.

The Hon. DANIEL MOOKHEY: You see there is a section that I have highlighted for you. It says:

The increase in the outstanding claims liability (after recoveries) is due to:

- the growth in claims compared to payments during the year, adding \$823 million.

Do you see that?

Ms CRAWFORD: Yes.

The Hon. DANIEL MOOKHEY: You say that:

This is due to a net increase in the number of claimants, with less claimants exiting the scheme than anticipated due to the deterioration in return to work rates ...

Do you see that?

Ms CRAWFORD: I do.

The Hon. DANIEL MOOKHEY: Let's be abundantly clear here: The reason why icare's finances have deteriorated so much is because they are not returning enough people to work in time. Is that a fair summation?

Ms CRAWFORD: Mr Mookhey, that is one of the possible—one of the explanations, or one explanation.

The Hon. DANIEL MOOKHEY: It is the first one you mentioned though, is it not?

Ms CRAWFORD: Yes.

The Hon. DANIEL MOOKHEY: Am I right to infer that is the main reason?

Ms CRAWFORD: No, I think it is one reason; I am not sure that there is a main reason.

The Hon. DANIEL MOOKHEY: You say in the other dot points here that changes in assumptions added \$221 million. In the third dot point you say differences during the year between the actual and assumed number of catastrophic medical claims added \$208 million, and an allowance for the impact of COVID added \$212 million.

Ms CRAWFORD: Yes.

The Hon. DANIEL MOOKHEY: Given that \$823 million is attributed to the fall in return-to-work rates, and that is by my maths four times the number of the next highest contributing factor, it is not unfair to infer

that the main reason why there was a deterioration of \$1.8 billion was because they are not returning enough people to work. Is that unfair?

Ms CRAWFORD: I think you could make that inference.

The Hon. DANIEL MOOKHEY: Thank you, Auditor-General. In terms of why return-to-work rates have deteriorated since 2017, if you see at the bottom of page 27 I have highlighted another section for you. You say:

- the introduction of a new claims management model on 1 January 2018. The new model involved icare using a single scheme agent (previously five scheme agents) to process all new claims. The Nominal Insurer's actuary has reported that initial case manager capacity and capability issues within the new agent, and time taken upfront to transfer claims between scheme agents, has contributed to increased costs.

Do you agree the reason why the return-to-work rates have fallen is because icare introduced a new claims management scheme?

Ms CRAWFORD: Could you just repeat that please?

The Hon. DANIEL MOOKHEY: Am I right to infer from what you have said that the reason why return-to-work rates have fallen so much is because icare introduced a new claims management model on 1 January 2018?

Ms CRAWFORD: Again, that would be a contributing factor.

The Hon. DANIEL MOOKHEY: The only other factor that you mention, in that section at least, is a number of implementation and training issues associated with the implementation of the Guidewire claims management system. Both factors have to do with icare's choice to introduce a new system of claims management. Is that unfair?

Ms CRAWFORD: As presented. Could I just point out that this is a summary document? I am sure there is a range of complexities in the management of return to work. But in summary, and trying to identify the key contributors, then what you are saying is correct.

The Hon. DANIEL MOOKHEY: Thank you. I appreciate that. And I do appreciate that context as well. Auditor-General, do you mind turning to page 31? You identify a set of issues to do with the way icare has administered the Nominal Insurer. You say in the paragraph that I have highlighted:

icare's allocation methodology resulted in the Workers' Compensation Nominal Insurer ... being charged 80 per cent ... of the indirect costs incurred by icare to manage all of its statutory schemes ... and 64 per cent of all direct costs.

You make the recommendation:

Insurance and Care NSW should ensure its approach to allocating services fees to the Workers Compensation Nominal Insurer and the other schemes it manages, is transparent and reflects actual costs.

You have also stated:

icare has not been able to demonstrate that its allocation of costs reflects the actual costs incurred by each scheme.

What I am interested in is: How much has the Nominal Insurer paid for costs that icare should have attributed to other schemes? You might need to take that on notice.

Ms CRAWFORD: I would have to take that on notice, I am sorry.

The Hon. DANIEL MOOKHEY: But it is right to say that icare has been using the Nominal Insurer to pay for matters that should not have been paid for by the Nominal Insurer.

Ms CRAWFORD: Yes.

The Hon. DANIEL MOOKHEY: The consequence of that is effectively that—

Ms CRAWFORD: I am sorry. I should not say, "It should not have." It has chosen to do this.

The Hon. DANIEL MOOKHEY: It has chosen to pay—yes. Can you see a justification for icare's choice?

Ms CRAWFORD: I think that would be up to them.

The Hon. DANIEL MOOKHEY: The meaning of all this is, of course, that employers have been paying charges for icare that they should not have, using money that they intended for injured workers—is that an unfair characterisation?

Ms CRAWFORD: No, that is correct.

The Hon. DANIEL MOOKHEY: On page 32 you talk about procurement practices at icare and you make the point that icare's procurement policies do not reflect government procurement requirements. You identify a series of examples of that not being the case. The two that I am interested in are that you found that procurement above \$650,000 was unaccredited agencies, to be conducted by an accredited agency within the Treasury cluster or NSW Procurement. That is, I infer—and I might be wrong in this inference—they should not have been allocating so much money to firms that were not accredited to the NSW Treasury. Am I reading that correctly?

Ms CRAWFORD: I do not think it says that. I think it is statement of fact as opposed to what they should or should not do.

The Hon. DANIEL MOOKHEY: You have identified a number of instances where icare executives have not completed their conflict of interest declarations.

Ms CRAWFORD: Correct.

The Hon. DANIEL MOOKHEY: On page 33 you state:

... 19.6 per cent of senior executive and applicable staff did not complete a conflict of interest declaration in 2019–20

Do you see that?

Ms CRAWFORD: Yes.

The Hon. DANIEL MOOKHEY: Has any other agency had such a record, that you are aware of?

Ms CRAWFORD: Yes. I suspect that that is the case. We do look in all of our audits across the sector at registers of conflicts of interest and it is variable.

The Hon. DANIEL MOOKHEY: Right—that is worrying. Do you wish to identify the other agencies that might have such a problem?

Ms CRAWFORD: No, I would have to take that on notice.

The Hon. DANIEL MOOKHEY: Okay. On page 29 you make the point that last year's accounts were the first to reflect historical child abuse claims.

Ms CRAWFORD: Yes.

The Hon. DANIEL MOOKHEY: And the first time icare had to recognise a liability which was, I think, to the tune of \$892 million for that in the Pre-Management Fund [PMF]—do you see that?

Ms CRAWFORD: Yes.

The Hon. DANIEL MOOKHEY: How much more can we expect to be coming in the next 40 years?

Ms CRAWFORD: I could not anticipate that.

The Hon. DANIEL MOOKHEY: Fair enough. Also in that section you make the point, insofar as Treasury Managed Fund goes, that the number of psychological injury claims has risen dramatically—you did not use the term "dramatically" but I am using the term "dramatically". And that is attributable to the police, actually—we have established that elsewhere. Firstly, did you establish that those claims were arising from additional NSW Police Force claims?

Ms CRAWFORD: I would have to take that on notice. I am not certain.

The Hon. DANIEL MOOKHEY: If so, can you take on notice why you think there are so many more additional psychological injury claims coming from the NSW Police Force?

Ms CRAWFORD: I could not express a general view about that.

The Hon. DANIEL MOOKHEY: That is fair.

Ms CRAWFORD: It has been the subject of past audits that we have done through my office so I could refer you to those.

The Hon. DANIEL MOOKHEY: On an unrelated matter, the transport Minister commissioned you to undertake a performance audit into the acquisition of 4-6 Grand Avenue, Camellia—is that correct?

Ms CRAWFORD: Correct.

The Hon. DANIEL MOOKHEY: When do you anticipate that that performance audit will be completed?

Ms CRAWFORD: Work on that audit is progressing quite quickly. It is my hope that we would have finished that audit March/April of this year.

The Hon. DANIEL MOOKHEY: Okay. Great. I have one other question and that is for Mr Reardon. Chair, can I just table this document and provide it to Mr Reardon, if possible?

The CHAIR: Sure.

The Hon. DANIEL MOOKHEY: Mr Reardon, you might recall last time we spoke last week we were having a discussion about ministerial directions that were issued by the transport Minister to Mr Rodd Staples. Do you recall?

Mr REARDON: Your words in relation to directions, I indicated that I did not understand whether it was a ministerial instruction, whether it was a capital-D direction or what Act it may have been under.

The Hon. DANIEL MOOKHEY: Helpfully, the direction itself was tabled and it is now provided to you and marked document "A". Have you seen that before?

Mr REARDON: No. I am not even going to reference this one. I went over this extensively at the last hearing so you can ask some questions and I will try to answer them as best I can.

The Hon. DANIEL MOOKHEY: Thank you. I will learn off you. Have you seen that direction or that letter before?

Mr REARDON: I do not know. I am not going to reference the letter.

The Hon. DANIEL MOOKHEY: Okay.

Mr REARDON: You asked me for a long period of time about Mr Staples last week. I responded to a lot of questions about the former Transport secretary and we went over a lot of territory in relation to Rodd no longer being in his role. I will refer to that evidence.

The Hon. DANIEL MOOKHEY: That is helpful, Mr Reardon, but to be fair to me these documents were not available to me at the time. You did not take any questions about them last week. They have now been made available by the transport Minister to the other committee. So I accept that you may not wish to add any further to the record but I am still going to ask you these questions.

Mr REARDON: That is your prerogative.

The Hon. DANIEL MOOKHEY: Did you see Mr Staples' reply?

Mr REARDON: I will take it on notice.

The Hon. DANIEL MOOKHEY: Sure. Can you turn to the second document that I have provided you?

Mr REARDON: No, I will not. I will take it on notice.

The Hon. DANIEL MOOKHEY: Sure. Did Mr Staples ever express to you a view that he has been given an illegal instruction?

Mr REARDON: I will repeat my response, which is: I extensively answered what I knew about this last week and I will refer you to that.

The Hon. DANIEL MOOKHEY: Given that Mr Staples in that letter which you are refusing to read points out to Minister Constance—

Mr REARDON: I am not refusing. I am simply saying that you are placing more documents. We went over a whole range of territory last week.

The Hon. DANIEL MOOKHEY: Yes, and I am placing these ones with you now, Mr Reardon. Given that Mr Staples in that letter points out to the Minister that he did not have the legal power to implement the Minister's instruction, did Mr Staples raise that with you at any point in time?

Mr REARDON: I will repeat my evidence: I went over this extensively last week, including any discussions that the Secretary of Transport may have had with the Secretary of Planning, Industry and Environment.

The Hon. DANIEL MOOKHEY: Let me put this to you.

Mr REARDON: Sorry, I was answering your question then, so can I finish?

The Hon. DANIEL MOOKHEY: Sure.

Mr REARDON: Whether they did or did not have discussions, as I said I will repeat what I said last week, and anything else you wish to put to me, I will take on notice.

The Hon. DANIEL MOOKHEY: You agree you cannot terminate a public servant for refusing to implement an illegal instruction?

Mr REARDON: I do not even understand the premise of that question.

The Hon. DANIEL MOOKHEY: Here: I will make it really simple for you.

Mr REARDON: Sorry, the Secretary of Transport, as I said last week, was terminated for the reasons I outlined last week and I will leave it at that.

The Hon. DANIEL MOOKHEY: Well, that was not my question. You accept that you cannot terminate a public servant for breaking the law.

Mr REARDON: I do not accept anything. I outlined the reasons for renewal in that portfolio last week extensively.

The Hon. DANIEL MOOKHEY: Did you at all make any inquiries before you reached your decision to terminate Mr Staples?

Mr REARDON: Chair, in relation to this, we are the Premier and Cabinet cluster and in that cluster we have a Premier, we have a Minister for the Public Service and Employee Relations. We were asked extensively on this last week—

The CHAIR: I understand that, Mr Reardon. I do not mean to cut you off but I want to be as fair to you as possible. You cannot take points of order. The member is entitled to ask whatever questions he wishes and you are entitled to answer them in whatever way you choose.

Mr REARDON: Thank you, Chair.

The Hon. ADAM SEARLE: I would like to ask some questions of the Electoral Commissioner. Last budget estimates round I asked you some questions about the funding for the NSW Electoral Commission. You expressed some grave concerns about the viability of the organisation under the pressure of efficiency dividends and the lack of secure long-term funding. In particular, you spoke of the lack of certainty and how for a number of your staff—I think it was 40 in number—the funding for them was not secure, and the impacts that might have on the integrity of the health and safety regime for your staff but also concerns about the electoral integrity outcomes. In light of the Auditor-General's report and the two Public Accountability Committee reports, can you update the Committee as to where your organisation is up to in terms of its funding?

Mr SCHMIDT: Thank you, Mr Searle. I welcomed the reports of the Auditor-General and the Public Accountability Committee, and I look forward to working with the Executive and with the Parliament in developing a more sustainable and appropriate funding regime going forward. Our problems have not disappeared. I have put in a number of budget bids for the current round. It is interesting in that context that I have to use the word "bid" because it suggests that there is some competitive contest out there where, as it happens, my requests are in a field of combat with other agencies that have competing aims. My premise—and I think this came through in the evidence I have given in a number of other forums—is that since I have been here the commission has not had the base funding from which it can appropriately carry out its statutory functions—that is, both elections and regulation of political participants. To specifics, I will mention very briefly a couple of the bids to give you the flavour.

The Hon. ADAM SEARLE: Please.

Mr SCHMIDT: I feel as though I am playing the same violin but I will play it again. I welcome the opportunity.

The Hon. ADAM SEARLE: It is a good tune and we want to hear it.

Mr SCHMIDT: Thank you. As at 30 June, funding for 57 positions runs out. Of those, there are 42 that have been picked up in a business case for the next financial year. What that means is, as I said, the funding ceases. Those people are in every one of the four divisions: elections, information services, corporate, and the funding and disclosure area of the organisation. We are a few months out from the local government election. I have subject matter experts; I have key staff in those positions. We put in a bid for positions last year, as you have alluded to, and we received some funding for those positions but it expires as at 30 June, so I have gone forward again and asked for them.

The instability that that creates—and you can imagine that, in the lead-up to an election—continues. I am taking measures that put me, I believe, at risk in compliance with some of the governance legislation regarding my operations and my financial duties under that legislation. I am authorising the engagement of people on longer term arrangements because you cannot go out to the market and tell people they have got six months or three months or whatever. You will not get anybody to apply for the job and you will have people in the organisation who would leave anyway. I do not want to talk about particular positions because I cannot afford to have people walking out the door.

I am prepared to continue spending my funding until it is exhausted to keep those people in place because I have to deliver the local government elections. I assume that I will be funded for those. If the worse comes to the worst, I still have a reserve power which has never been used—and is open to question of how far I can push it, and this has been raised, again, in other forums—where I can approach the Governor and ask for her intervention and for a direct appropriation. But that would be an embarrassment for everybody, I think, for me to have to go down that course, and it has never been tested so I am not quite sure what that would end up producing.

This will be the fourth year that I have made a bid for cybersecurity funding. I do not think I need to explain anymore why cyber is a vital risk to a body such as mine. Your legitimacy, the legitimacy of the Government and the legitimacy of the Parliament hinges on me being able to conduct independent and fair elections with integrity, and cyber is a major concern. I have repeatedly pointed out that I do not meet the Government's framework and the requirements of that for cybersecurity. We are trying what we can to achieve that by moving funds around from bucket to bucket on an ad hoc basis. But this is an issue that must be addressed fairly and squarely before something goes wrong.

Election system modernisation: This is another key issue that has been raised previously. I have a limited number of people who are flat out running elections and doing the regulatory functions and the support functions associated with that. We have a local government election in September. After then we turn immediately to preparation for the State general election. We will be late in commencing that because of the delayed local government elections as a result of the COVID pandemic. Straight after that in 2024 is the next round of local government elections. I have a limited number of subject matter experts who will be flat out working on that. We have ageing systems supporting our elections, some of which are 10 years old or older. Referring back to cyber very briefly, those systems were never designed in a world where cyber took such prominence so you cannot do easy fixes. In fact, there is a real danger that in trying to fix some of the problems you break something else. We do not have discrete systems. It is not like you pull out a microwave and plug it in to do one election and a toaster for another. We have a conglomeration of systems running concurrently.

The CHAIR: Mr Schmidt, I might ask you to wind you up because we are into the next lot of time.

Mr SCHMIDT: Because they are so interconnected, every time you try and change something or the Government or the Parliament has asked me to do something new there is a risk that you will break the existing system, which will put an election at risk. Bids have been put in; we have a number of ongoing problems.

Ms ABIGAIL BOYD: Mr Reardon, if we could pick up on the discussion that we were having this morning—with a little bit more time at our leisure now—when we were looking at the number of senior Ministers. I asked you how many were senior Ministers at the time that the Cabinet was first formulated in 2019. Do you have that information?

Mr REARDON: Sorry about earlier. The terminology "senior Minister" vis-a-vis cluster Minister we were just trying to line up. I do have some information and I will give that to you, and then anything else I might take on notice. The Premier may designate which Ministers will be senior Ministers for the purposes of the Parliamentary Remuneration Act 1989. Ministers designated as those senior Ministers receive a different salary than other Ministers. Schedule 1 to the Act also sets out the salaries of office and expense allowances for those office holders, including the Premier, the Deputy Premier, Leader of the Government in the Legislative Council, Deputy Leader of the Government in the Legislative Council and Parliamentary Secretaries. There is a group of

senior Ministers. Where that is placed in terms of formalisation I do not know, in terms of whether it is gazetted or not. If it is, I could furnish that to you; if it is not, it is probably something I will need to take on notice.

Ms ABIGAIL BOYD: Thank you, if you could. I do have one copy of a letter that was sent to President Ajaka at the time that Mr Tudehope was made a senior Minister, signed by the Premier. If I can find that I will table it later, but I was wondering if that was the standard procedure for how this was done?

Mr REARDON: I think the standard procedure is that, as I said, the Premier may designate Ministers as senior Ministers. She would choose. I would say as a proxy for this discussion that cluster Ministers is a good place to start.

Ms ABIGAIL BOYD: Are you able to tell me the specific—

Mr REARDON: I can tell you who the cluster Ministers are now, if you wish.

Ms ABIGAIL BOYD: If you could tell me which Ministers are senior Ministers for the purposes of the Parliamentary Remuneration Act?

Mr REARDON: If they 100 per cent line up—they may not 100 per cent line up. I am assuming they would but I just do not have enough detail in front of me. I can take it on notice.

Ms ABIGAIL BOYD: Perhaps if you take it on notice that would be useful because, with respect, I know who the Ministers are. I know who the—

Mr REARDON: Premier, Deputy Premier, Customer Service, Treasurer—

Ms ABIGAIL BOYD: And I know how it sits, yes. But what I want to know—

Mr REARDON: —Regional NSW, Health, Transport, Education, and Stronger Communities would be a good start.

Ms ABIGAIL BOYD: I want to know which ones are senior Ministers for the purposes of the Parliamentary Remuneration Act. Specifically, I want to know which ones they are at the moment and how many were senior Ministers in 2019. If you have any other data on the numbers of Ministers who were designated as "senior" over the last six years that would be particularly useful. I understand you would have to go and have a look for that.

Mr REARDON: So I will take it on notice. It is just that if it is not something that is normally available, it might be something that is considered sourced through the Government Information (Public Access) Act [GIPAA], for example, so I do not know.

Ms ABIGAIL BOYD: Okay. Understood. And to your knowledge there are no criteria set out for senior Ministers or any official documents that the Premier needs to work off? They are just at her discretion?

Mr REARDON: There may well be, but at the end of the day it is—the Premier appoints her own people, so I do not want to speak on her behalf.

Ms ABIGAIL BOYD: Understood.

Mr REARDON: If we do the administration after that, then that would be something. But her appointment process is totally a matter for her.

Ms ABIGAIL BOYD: And to your knowledge, it is not made public in any way?

Mr REARDON: That is why I took it on notice. If it was gazetted, I would probably have pointed you to that. If it is not, I will take that on notice and, as I said, it might be something that can be sought through GIPAA or other means.

Ms ABIGAIL BOYD: I understand it is not necessarily public but obviously is a matter of great public interest. So to save us going through the GIPAA process, it would be great if you could come back on notice.

Mr REARDON: I will take it on notice. I will see what I can do.

Ms ABIGAIL BOYD: Understood. In relation to Parliamentary Secretaries, I understand we have one additional Parliamentary Secretary compared to what we had just after the election in 2019. Is that correct?

Mr REARDON: I do not know. I could go and grab a list, but I do not know.

Ms ABIGAIL BOYD: If you could confirm for me, that would be very useful.

Mr REARDON: Well, I might be able to if they are all publicly available to actually do that during the hearing, if I can find a list.

Ms ABIGAIL BOYD: Sure. To help you, I understand that Adam Crouch was appointed a Parliamentary Secretary in December 2019 and that that was an additional Parliamentary Secretary. There was of course a change between the Hon. Catherine Cusack and the Hon. Taylor Martin, where one was effectively demoted and the other one then promoted, but when we look at the figures there is that additional one since the election.

Mr REARDON: Yes.

Ms ABIGAIL BOYD: So if you could confirm that?

Mr REARDON: If I cannot confirm except for I think they are on the New South Wales Parliament website, from memory. So I could refer you to the website of—

Ms ABIGAIL BOYD: I have looked at the website. I need your confirmation that this is actually correct.

Mr REARDON: I cannot give you that. I cannot give you that confirmation. I will just go to the same place and get the same source of data and potentially provide it, if I can, this afternoon.

Ms ABIGAIL BOYD: Thank you. That would be useful. Are you aware of any criteria or statement of roles and responsibilities for Parliamentary Secretaries?

Mr REARDON: I am not. I can take it on notice, if there is anything I can provide you with, but it will be the same response I gave for Ministers. They are matters for the elected officials and the Premier.

Ms ABIGAIL BOYD: Thank you, that is very helpful. Can we just turn to the Premier's Priorities. One of the Premier's Priorities was in relation to the public sector and specifically ensuring that 5.6 per cent of government sector roles are held by people with a disability. I understand that the 2020 public sector commission report has not yet been released, but can you tell me how you are progressing against that target of 5.6 per cent?

Mr REARDON: I can, extensively, for as much time as we have to talk about it. So we did communicate in Minister Harwin's estimates last week some detail on this. The Premier's Priority covers three areas: Women in leadership, and we are up to a gender balance in executive leader at 41 per cent, heading towards 50 per cent. For Aboriginal leadership, we had to recruit 57 up to 114, doubling the number of Aboriginal leaders. We are at 105 out of 114 right at the moment. We want to exceed that target as quickly as possible. On people with disability, our target is 5.6 per cent and for a number of years we have been in the mid-2 per cent and it remains at that place. It is something that probably has now got the greatest level of focus across the secretaries and across the Public Service Commission and to the Public Service Commissioner herself.

There are a few things, though, instead of just having a one number discussion. We are bringing lots of people with disability into the public service but not at the rate we need to. We just really are not. We have been trying to find out, and Mr Searle asked this last week, "What are your data points about what is working and what is not working?" One of the things that is clearly not working is the number who actually identified through the People Matter Employee Survey that had a disability. It is much higher than the number I have just pointed out in the mid-2s. So there is something about self-identifying that we need to do work on and a safe place to do it.

Ms ABIGAIL BOYD: What is that number?

Mr REARDON: So I will give you a couple of numbers. For Premier and Cabinet, for the purposes of this estimates hearing, I think we are almost around 4 per cent. Yes, we are at 4 per cent. That is a real number of people with disability. For the other thing that you are asking, which is how many people actually express that they have a disability in an anonymous way in the People Matter Employee Survey, I think it may be just in the 4 per cents as well. But I will come back if I have not given enough accuracy on that because it is important. If those people are working with us right now, you would want them to have the appropriate workplace culture where they will identify for the purpose so we can actually provide a workplace, travel to and from work and everything else that goes along with it—a welcoming place to come every day or, indeed, if they do not come every day, on the days that they do come.

Ms ABIGAIL BOYD: So how has the approach to recruiting people with disability changed in the last year? Have there been any more targeted?

Mr REARDON: There is no one single thing that we will do to do that—to do some mass recruitment somehow, okay? What we did with the other two and why I mentioned them first is you have to do about 10 things at once. You basically have to make your organisation known that you will recruit, for example, women in

leadership at much larger numbers by knowing that we actually have decent workplace cultures. That means our bullying and harassment policies, our flexible work policies and to know that no matter what background you come from you are welcome at our place. One of the things for the New South Wales public service, apart from the core of our values of wanting to make a difference, people come because we offer them our flexible work arrangement and that has helped us quite a lot.

We need to do the same things for people with disability. So it means that if we find people who have autism, they can be really good at data and cybersecurity even. If we have people with other types of disability, they can be applied in certain places better than a lot of other people, quite frankly. Probably one of the things we are also doing is just changing our language. So we do not talk about people with disability as one homogeneous group of people. That is just not fair to them. So we are recruiting at more junior levels in certain areas. We are really going to try to push to recruit more senior levels and not, as we said last week, just move the same people around the public service. We need more people coming in.

Ms ABIGAIL BOYD: We are out of time but we will come back to this in my next round.

Mr REARDON: Sure.

The CHAIR: Mr Latham?

The Hon. MARK LATHAM: Thank you, Chair. I wanted to start with Sarah Cruickshank, if I could and ask Sarah: You were from the department and seconded to be the chief of staff to the Premier. Is that right?

Ms CRUICKSHANK: Yes, that is correct, Mr Latham.

The Hon. MARK LATHAM: And now you are back in the department.

Ms CRUICKSHANK: Yes, that is correct.

The Hon. MARK LATHAM: You gave evidence at the ICAC days earlier than the Premier regarding the Niall Blair United World Enterprises [UWE], Shanghai, Daryl Maguire matter. Is that right?

Ms CRUICKSHANK: Yes, it is. I think it is extensively on the record.

The Hon. MARK LATHAM: Yes, it is, and on the record you said that if you had known Daryl Maguire was seeking a UWE board role in this matter you would have reported it to ICAC. Is that still your position?

Ms CRUICKSHANK: It is absolutely is my position.

The Hon. MARK LATHAM: Are you surprised the Premier did not do the same?

Ms CRUICKSHANK: Mr Latham, it is not for me to comment on other people's performance. All I can do, as I said in the testimony to ICAC, is comment on what I would have done.

The Hon. MARK LATHAM: Well, you worked for the Premier, who is the leader of the State Government. Is it unfair for me to say that you, having adopted a standard that if you know Maguire is seeking a role on the UWE board you would have reported him to ICAC, is it reasonable for your boss to have the same standard?

Ms CRUICKSHANK: I am sorry, I am just not willing to comment on what other people should have done, Mr Latham. I do not think it is actually fair to ask me that either.

The Hon. MARK LATHAM: Well, you are a senior public servant who was the chief of staff to the Premier. These are high matters of corruption, and a cover-up we have been told.

Ms CRUICKSHANK: Mr Latham, I am not disputing that. What I am saying is that I do not think it is fair to ask me to comment on something, particularly as it pertains to hearings that are happening elsewhere as well. What I said on the public record stands. Had I known something different, I would have done something differently, but I did not. Therefore I treated the matter as it came to me as a kind of operational thing of it being highly inconvenient that some local backbench member wants to insert himself in a trade mission, which he should not have been. I think you would have read the detail closely, but that was how I treated it as chief of staff.

The Hon. MARK LATHAM: It was completely not appropriate and it is the only incident of its kind that you can recall—is that still the case?

Ms CRUICKSHANK: Yes. That is absolutely—I think I actually used the word—it was ridiculous as well.

The Hon. MARK LATHAM: You are standing by your comments but not reflecting on the role of others. Can I take you to what came subsequent to your evidence at the ICAC? That was the release on 12 October of the transcript of the intercepted telecommunications between Gladys Berejiklian and Daryl Maguire, which makes extensive reference to you. I will start with the conversation where Berejiklian says:

Apparently Niall Blair's rung up to say "Tell Daryl not to worry, I'm raising the issue on his behalf in China."

These are words attributed to you. Did you say that?

Ms CRUICKSHANK: I am sorry. Could you repeat that, Mr Latham? I am aware of the transcript—

The Hon. MARK LATHAM: Gladys Berejiklian is explaining to Daryl Maguire what is happening inside her office. She is explaining to her boyfriend what is happening inside the office regarding his private financial interests with this UWE-Bright Food matter in Shanghai and the investment in Leeton outside his electorate. She is letting Maguire know that, asking, "Did Sarah ring ... from my office?" and Maguire says no. Gladys Berejiklian says you sent her a text message because you have to ring—whenever you have to ring a member of Parliament to let the Premier know. She says:

Apparently Niall Blair's rung up to say "Tell Daryl not to worry, I'm raising the issue on his behalf in China."

I am assuming this is something you have told the Premier. Did Niall Blair ring up and say to you, "Tell Daryl not to worry. I am raising the issue on his behalf in China"?

Ms CRUICKSHANK: I actually do not recall that. I do not recall that. I do remember, as I said at length at ICAC—and I guess I am being a little careful because I do not want to say something different to what is on the public record, given it is an ongoing investigation—but my recollection is the phone call that came to me came from Mr Blair's office, raising concerns that Mr Maguire was proposing to travel to China, almost on the eve of the Minister doing an important trade mission. That was when I was told that this random backbench MP was proposing to do that. That is my recollection of it, and my recollection is that I did at some point in the 24 to 48 hours that that went on—and, again, I think this is a matter of public record—I think I messaged the Premier and said, "Just FYI, Daryl is being annoying", because that was how I regarded it. That is it. I actually do not recall if I had a conversation with Minister Blair. But certainly Minister Blair's office was in contact with me.

The Hon. MARK LATHAM: The Premier says here in this telephone tap:

Sarah said "Oh they want us to tell him so ... he doesn't go off his brain in China against all these people because the Minister's promised to, promised to fix it for him."

Did you say that, or did Niall Blair say—

Ms CRUICKSHANK: No, I do not think I did, Mr Latham, but I am also quite concerned we are straying into territory that, to be frank, goes very far beyond the remit of this Committee. I am not trying to be difficult. There are other things that I can answer on, but on this one I do not believe I did. Just because it was furnished in evidence subsequent to my appearance does not mean that I did or did not do it. I just do not believe I did have that conversation with Minister Blair.

Mr REARDON: Mr Latham, there is a proceeding underway and I think we responded to it this morning. I do not know if staff of Premier and Cabinet need to be responding to this. You may see it differently, but there is a proceeding underway somewhere else with an integrity agency and—

The Hon. MARK LATHAM: What is that—a point of order from a public servant or a politician?

The CHAIR: I am going to interrupt here. I will also emphasise it is particularly difficult, I understand, for everyone involved, with the Webex connection and people speaking, not on purpose, over the top of each other. So we will just be mindful of that. The questions are appropriate. I understand that this is a difficult area. I understand that there are other matters on foot. The questions can be asked and the witness can answer them as she chooses, as she is doing, but there is no preclusion from this Committee asking questions. I understand your point, but this Committee has a role.

The Hon. MARK LATHAM: I will take you to the next part of the transcript, Sarah Cruickshank, where Daryl Maguire says that they are not going to fix it because Ministers cannot be involved in individual problems. In your experience, in the department and as chief of staff, is that the right ethical standard—Ministers cannot be involved in individual problems? Did Daryl Maguire have an outbreak of proper integrity here and get it right?

Ms CRUICKSHANK: I do not know. I cannot comment, Mr Latham. I do not actually fully understand what Mr Maguire was saying when he said that, to be honest.

The Hon. MARK LATHAM: Okay. Then the Premier goes on—

Ms CRUICKSHANK: The first I heard of any of this was the same as anybody else—when we were listening to the hearings.

The Hon. MARK LATHAM: But, Sarah, you were there, you see? We were not. Then the Premier goes on to state, speaking of you and other staff members:

... they seem to think it's in your electorate, I didn't say anything ...

Do you know of other occasions when a Minister or a head of government has wilfully left their staff in the dark about a matter such as this?

Ms CRUICKSHANK: I cannot speak for that, Mr Latham. I certainly did believe—as I said at ICAC when I appeared, I said that I had believed it was a company that was operating in his electorate and he had concerns about whatever the investment was—and I forget now; I think it was a dairy company, from memory—and that it was a company that was in his electorate that was potentially delivering jobs to the electorate and therefore he was concerned that whatever deal related to that investment in Wagga was not going ahead. That was what I believed I was dealing with. To be brutally honest—and I think I said this at ICAC, or something along these lines—I thought I was dealing with a rather annoying local MP who thought that what was going on in his electorate was more important than a State-to-State diplomatic trade mission. And that was the frame of mind that I had on it. I thought that was where—

The Hon. MARK LATHAM: Sure. But having found out on 12 October that it was not in his electorate and the Premier knew that and did not tell you, would that have added to your impulse to refer it to ICAC?

Ms CRUICKSHANK: I cannot speculate on that because I did not know it was not in his electorate and I did not know that there had been other conversations relating to it.

The Hon. MARK LATHAM: You know now. Would you have referred it to ICAC if you had known that it was both outside his electorate and he was seeking a spot on the UWE board?

Ms CRUICKSHANK: I am hesitant to comment on a hypothetical, Mr Latham. What I will say is—

The Hon. MARK LATHAM: That is not hypothetical, Sarah.

Ms CRUICKSHANK: Well, it is—

The Hon. MARK LATHAM: These are real-life words that were intercepted.

Ms CRUICKSHANK: No, no, it is hypothetical, Mr Latham, because—

The Hon. MARK LATHAM: There is a transcript of it with ICAC. What is hypothetical about it?

Ms CRUICKSHANK: What is hypothetical is the scenario that if I had known something different, I might have done something different. There is nothing like the benefit of hindsight, but the reality is I did what I believed was correct at the time and what I believed was going on was a very enthusiastic local backbench MP seeking to advocate for something, frankly, with no regard at all to what the State of New South Wales and, in that case, the trade Minister might have been about to embark on as a trade mission. That was how I saw it and that is how I dealt with it.

The Hon. MARK LATHAM: Do you accept in this transcript the Premier was coaching Maguire on how to handle you and the office?

Ms CRUICKSHANK: I am not going to comment on that. It is not my transcript. It was not my evidence to ICAC.

The Hon. MARK LATHAM: Well, your boss at the time, the Premier, said—

Ms CRUICKSHANK: It does not matter who my boss was.

The CHAIR: Sorry. To everyone involved—I know it is tricky, Mr Latham, because you cannot hear the buzzer. I will hold it up to the microphone next time, but we are out of time for this session. We can come back to it. It is the Opposition's time.

The Hon. MARK LATHAM: Okay.

The Hon. ADAM SEARLE: Just at the outset, for the benefit of the Committee, the Opposition does not have any questions for Mr Fitzsimmons, and I do not know whether anybody else does, but I just wanted to put that on the record in case—

The Hon. TREVOR KHAN: He has been here for hours.

The Hon. NATALIE WARD: You could ask him something.

The Hon. ADAM SEARLE: That is why I thought I would raise it.

The Hon. TREVOR KHAN: He is running.

The CHAIR: Are all Committee members happy to excuse the witness?

The Hon. TREVOR KHAN: We might have something in our 15 minutes at the end.

The Hon. ROBERT BORSAK: We will catch you next year.

The Hon. NATALIE WARD: Other than to thank him very much for his great work.

Ms ABIGAIL BOYD: Thank you.

(Mr Fitzsimmons withdrew.)

The CHAIR: The Opposition.

The Hon. JOHN GRAHAM: Yes. Mr Reardon—

The Hon. TREVOR KHAN: Is there anyone else who can go?

The Hon. JOHN GRAHAM: You stay right there.

The Hon. ADAM SEARLE: Not so fast, Mr Bond.

The Hon. JOHN GRAHAM: Mr Reardon, we dealt with a range of complex issues with the Premier this morning, but there was one very simple question at the heart of all those issues: Why didn't she declare a conflict of interest? In evidence to the Public Accountability Committee, Ms Cruickshank gave, I thought, very straightforward evidence about what she knew about those things—that was in her former role—and that was that a declaration was not made, that she was aware of, by the Premier, as chief of staff.

Mr REARDON: Mr Graham, could you actually specify what things you are talking about? You are assuming I—the actual subject matter that you are going to talk to.

The Hon. JOHN GRAHAM: I am just going to explain.

Mr REARDON: Okay.

The Hon. JOHN GRAHAM: Ms Cruickshank said she was not aware of the Premier ever declaring a conflict of interest in relation to Mr Maguire, as chief of staff. She correctly observed though at the time she might not be aware if the Premier made a declaration direct to the head of her department, the head of DPC. Did the Premier ever declare her close personal relationship and that conflict of interest to you?

Mr REARDON: A conflict of interest on what though? What are you asking with?

The Hon. JOHN GRAHAM: In relation to any matter.

Mr REARDON: Anything at all?

The Hon. JOHN GRAHAM: Yes.

Mr REARDON: No.

The Hon. JOHN GRAHAM: When was it you found out that the Premier was in a close personal relationship with Daryl Maguire?

Mr REARDON: When my general counsel advised me halfway through a hearing on whatever day the integrity agency's hearing was.

The Hon. JOHN GRAHAM: On the day of that public hearing.

Mr REARDON: Yes, whatever date that was.

The Hon. JOHN GRAHAM: Understood. I want to turn to the questions we were asking about on the Wagga—

Mr REARDON: Sorry, what I was advised by my general counsel was what the nature of the evidence was. The nature of, you coin it then, "conflict of interest" et cetera is your words, but I just was advised of the evidence that was being given.

The Hon. JOHN GRAHAM: Understood. The evidence about the relationship—the issues about any conflict which might then arise—

Mr REARDON: I will not comment on.

The Hon. JOHN GRAHAM: Understood. Turning to the Premier's Discretionary Fund—we asked some questions about this this morning. These were specific questions about six grants given to the electorate of Wagga Wagga. It is a total of more than \$40,000 but the key issue here is the principle. You agree that that fund is at the total discretion of the Premier. It is up to the Premier of the day where that money is allocated.

Mr REARDON: I understand that that grant program has been around since 1998 or even prior to that. The Premier's Discretionary Fund, by its very term I would imagine that is where it is. But just on this, if you may, I would ask if Ms Cruickshank could make a few comments on this very matter.

The Hon. JOHN GRAHAM: Sure, understood.

Ms CRUICKSHANK: Sure, I am happy to because actually in my current role—in fact, I think I said this at the last hearing—I am responsible for the Premier's Discretionary Fund as it is administered within the Department of Premier and Cabinet now. You are correct; it is entirely at the discretion of the Premier of the day and, as my secretary just alluded to, it is at least 20 years old and has been in place for a significant period of time for every Premier of the day. I did take on notice the same question that you are asking Mr Reardon now and I did provide an answer to the inquiry as a supplementary. Yes, it is true that I was not aware of any disclosure having been made by the Premier, but I have received the advice and have provided it to the other committee that there is actually no requirement for any Minister to do that unless it confers a private benefit on that Minister or, in this case, Premier. That is the advice I was given and I have given back that to the Committee as well.

The Hon. JOHN GRAHAM: Understood. Thank you for that evidence. I might return to you, Mr Reardon. The Premier also correctly observed that there often might be a departmental brief that accompanies signing off a—either of you might choose to answer this—there often might be a brief if the Premier signs that off. That does not mean it is not her or his decision. Those grants in the discretionary are still at his or her discretion, aren't they?

Mr REARDON: I will just clarify a few things and then I will pass back to the deputy secretary. If they are a grant program that is within the Department of Premier and Cabinet that we are actually administering and running—

The Hon. JOHN GRAHAM: I am asking about the Premier's Discretionary Fund.

Mr REARDON: Okay, which is us. Therefore, briefings I will have Ms Cruickshank comment on.

Ms CRUICKSHANK: Again, I think I did refer to that at the previous inquiry, but I realise this is a different format. With the Premier's Discretionary Fund—and in a way I am also drawing on my previous role's knowledge as well, so I am putting the two together for you—any number of external organisations, not-for-profits, MPs will put forward suggestions for projects. The Premier's office advises the department of which ones the Premier would like to fund. We receive that advice; it just says, "These are the organisations we would like to fund." We prepare a brief that goes back to the Premier to say, "Your office has advised the following"—however many—"organisations would like to be funded." We split it out, just for your information. We also split it out between metro and regional because there are two different parts of the Premier's Discretionary Fund to ensure that funds go all around the State. We provide that advice back up to the Premier, confirming that these are the organisations that she would like to use funds from the Premier's Discretionary Fund, and we then follow up with a "and this is how much funding is still left in your fund", and then that documentation is returned to us.

Then the only other role that DPC plays is more of an assurance and legitimacy thing. We obviously are in contact then with the organisation. We make sure that they have an ABN or they are set up appropriately et cetera. We make sure that they acquit the funds; we require the invoices et cetera back. So we do the administration back end that sits behind the discretionary fund. But the decision-making happens from the

Premier. They advise the department; the department sends a reverse brief back up to say, "Confirming this is what you have decided."

The Hon. JOHN GRAHAM: Mr Reardon, I guess I am interested in your view about how—I mean, that is the Premier's Discretionary Fund at the total discretion of the Premier. When we turn to that Stronger Communities Fund, the tied grants round, there is just no departmental brief produced across government at all for a quarter of a billion dollars of public funds. You are the head of the public service, how do you explain how no departmental brief was ever issued in relation to that funding?

Mr REARDON: Mr Graham, grants guidance is provided by Premier and Cabinet at a strategic level to all agencies to follow the principles, and that grants guidance has been around for some time. If it needs any updating from time to time, that gets done like any other DPC circular or Premier's memo. We try to be proactive about how we do those things. But then grants guidelines for a specific program are the accountability of the cluster and the agency. It is simply the fact on the one that you are asking about, I just did not know about this grants program. I just did not know about it; I did not even know the naming convention of it, and therefore there was not a DPC departmental briefing on it. That is clear. It was not our accountability and therefore that would be only natural that we did not. On your question about guidance and my thoughts on it, I cannot really speculate on it. You have had a public inquiry and hearings on this matter extensively, from what I understand, and I really do not have anything more to add on that matter.

The Hon. JOHN GRAHAM: But this is going to your Minister, the Premier. She had the only documents that really choose which projects are selected—the four or five pages in her office. Is that of concern to you, as the head of the public service, that there is just no departmental brief in this instance?

Mr REARDON: A Premier and Cabinet departmental brief?

The Hon. JOHN GRAHAM: Any departmental brief that goes to any Minister in the Government.

Mr REARDON: I have not even followed the fact of what departmental briefs may have been produced on that fund, so I will just repeat that we would expect that the guidance we put out and guidance material we put out to be followed. They have a structured process that is very clear in terms of the grant guidelines, that actually go for any specific program, that go to people who might be targeting those programs and make it as simple and as effective as possible that we get grant bids in, they are dealt with in accordance with the criteria that should be set out in those grant programs. That is what we would expect.

The Hon. JOHN GRAHAM: Does your answer not go to the heart of why this is a problem? This money is appropriated to the local government Minister, they are in charge of this program and it is actually being determined in the Premier's office or Deputy Premier's office—your Minister, the leader of the Government. That is the issue here. That is why the paperwork has spectacularly failed, because this is happening upstairs in the Premier's office and you have no knowledge as the head of the public service.

Mr REARDON: Just on your very last matter first, there are probably a lot of things that I might not be across when there are 400,000 of us and we do a lot of things on a daily basis on behalf of eight million people.

The Hon. JOHN GRAHAM: But a quarter of a billion dollars—like, seriously.

Mr REARDON: There is a budget of \$80 billion recurrent and \$107 billion over the forward estimates of capital. If you expect me to follow every single one of those dollars, I would not need any of the people sitting around me or an Auditor-General or anyone else. That is just unrealistic. That is my answer.

The Hon. JOHN GRAHAM: I actually accept that, Mr Reardon, although this has now become quite controversial. I am interested that you do not seem more concerned about the processes or patching those up.

Mr REARDON: No, I am not saying that. You want to have good, clear, transparent processes for these grant programs. There are many grant programs; I could not sit here and list them all. What you try and do is give good guidance to any agency, any cluster, and they should come up with their own criteria, their own guidelines, target where they are targeting and get on with it, and you would expect that they do follow the process that they point out for the potential recipients.

The Hon. JOHN GRAHAM: Is it even legal for this money to be appropriated to the local government Minister and then the local government Minister has no say in their approval? It is really determined in the office of the Premier or the Deputy Premier.

Mr REARDON: I am not of a legal background. So I could not—I will not even answer that, because I just would not have anything to add.

The Hon. JOHN GRAHAM: Can you take that on notice? I take it you have not asked that question to date.

Mr REARDON: It may have been asked. You have got an extensive inquiry underway. There may have been evidence given there, and there may have been submissions provided towards that. So it may have been asked.

The Hon. JOHN GRAHAM: Can I ask you to take that on notice? I think it is one of the key questions. We are keen to know whether it is even legal for that to take place.

Mr REARDON: I will take it on notice as soon as I can.

The Hon. JOHN GRAHAM: One of the issues that came up, prior to it being revealed that these documents were shredded and the electronic records deleted, was the fact that there was a months-long argument in the upper House and a number of letters to the upper House that came in under your signature, indicating that there were not documents relevant to the approval of these funds held. There was extensive debate in the House, questions raised, about how could it be the case that there were just no approval documents to be presented. In the end, it turned out they were not there because they had been shredded. Why for months did DPC, or perhaps the Premier's office, present this argument that there were no documents relevant to the approval of this fund?

Mr REARDON: DPC would have gone through its normal process if that was a Standing Order 52. For better or worse, it is becoming very good at having to deal with standing orders. I think we are up to 180 in this term of government. It has taken up about 9,000 staff hours to deal with them. It basically redeploys a hell of a lot of people over extensive periods of time to respond to those things. That is in a year with bushfire and COVID. So we have had to redeploy a lot of people. That one you are asking me about leaves another 179 we are also looking at in the last couple of years.

As I understand it, that breaks all records for how many standing orders there have been in a term of government. I do not know if that is good or bad, but it has tied up a lot of people. The documents, we would have sought through my general counsel's office, as we normally would. We would go out to the appropriate areas of the public service to seek those documents. What comes back, people have to attest to. I then attest on behalf of the public service back to this House. That is what I have done. To the best of my knowledge, that is what I have done. That is what I have done for every single one of those 180 standing orders.

The Hon. ADAM SEARLE: But just in relation to this document—which is the working advice note that was later shredded, the physical copy, and the electronic copy deleted—you would have attested that no documents existed of the kind that was being sought by the—

Mr REARDON: If that is what I was advised, that is what I would have attested.

The Hon. ADAM SEARLE: This is actually my question: Who gave you that advice? Who told you the Premier's office had no such document?

Mr REARDON: I will take it on notice.

The Hon. ADAM SEARLE: Please do.

Mr REARDON: The advices I receive are from multiple parts of the public service. We have a chain of command on attestations that we need to for a whole range of things. We do that for financial delegations so the Audit Office actually understands that we have got processes in place for financial remittance under the public finance Act. We have cybersecurity attestations. So we have to trust people in the chain of command to advise us.

The Hon. ADAM SEARLE: Absolutely. Just as—

Mr REARDON: I understand the importance of the role that I play as head of the public service, remitting that advice back over to the House. My general counsel takes me through each one of those standing orders. I will do as much due diligence as I have time for to understand what might be in a privileged box or a non-privileged box. The number of boxes, as you would be aware, is well over a thousand now. We have sought to remit those to the best of our ability with the resources we have available. But I will repeat that is a stretch in terms of how many we have had.

The Hon. ADAM SEARLE: I understand that, but in—

Mr REARDON: I am sure you do not in terms of how many hours it has taken in the public service during a year of COVID and bushfire. On behalf of secretaries, I would just like you to be aware of that.

The Hon. ADAM SEARLE: We do understand. Because you and other people have informed us, we do understand that. But these are not documents that were just sought once. They were sought on a number of occasions by the House, and the House was told by you on a number of occasions there were no documents. The Leader of the House told the House there was no such document. The members of the Government in this room fought valiantly to resist motion after motion in the House on the basis that we, the Opposition, were asking for something that did not exist. It turned out that that was false; that was untrue.

When you are seeking documents—we are not talking about the whole of the public sector here. You were getting these documents from the Premier's ministerial office. I assume there are not hundreds of thousands of people in the Premier's ministerial office. It would have been a limited cohort of people and an even more limited cohort of people that you would personally liaise with on these sorts of documents. Who did you discuss these matters with? Was it the chief of staff?

Mr REARDON: Are you finished? There was a fair bit in that. Firstly, you assumed that I personally liaised with a bunch of people on these things. I can assure you—

The Hon. ADAM SEARLE: I am assuming you would liaise with the Premier's chief of staff on this.

Mr REARDON: I am answering your question. I assure you I do not. There are 180 standing orders over the last couple of years. If you expect me to spend my time on—I am answering the question.

The Hon. ADAM SEARLE: But you are not being responsive to the question. I have asked you about the non-production of this particular cohort of documents.

The Hon. TREVOR KHAN: Point of order—

The CHAIR: I will hear the point of order.

The Hon. TREVOR KHAN: Mr Reardon is attempting to answer. What we are really getting into is an argument. I would ask that the member just allow Mr Reardon to answer without the interjection.

The CHAIR: What I will say is this: I do not want arguments to develop. I do not think that is helpful to anyone this afternoon. As I said this morning, questions, answers, in that order is helpful to everybody. I will say, though, this question got quite specific and there has been quite a lot of latitude in terms of explaining there is a lot of documents being sought. It is time to move on from that and deal with the specific question as you see fit.

Mr REARDON: That is what I am doing.

The Hon. TREVOR KHAN: Chair, can I just take the point of order. My point of order—

The Hon. ADAM SEARLE: She upheld your point of order.

The Hon. TREVOR KHAN: As long as we understand where we are going.

The Hon. JOHN GRAHAM: You're winning here.

Mr REARDON: You made a lot of assumption in that, that I would specifically talk to a bunch of people. I would not. I would basically be engaged in attestations back to here, right at the very end, based on the nature of the deadlines that are imposed, the extensions we seek et cetera. That is when I am engaged. I just want to be clear on that. I am answering your question.

The Hon. ADAM SEARLE: I do not mean to interrupt you, but I just wanted to agree with you. I was not suggesting that you would speak to a lot of people. I was actually suggesting you would speak to very few people about this particular return.

Mr REARDON: I would probably speak to one, or maximum two, on these matters. That is the end product. On behalf of the public service, I attest those over to this House. That is an expectation that we will do the right thing in terms of the production of documents. If your question is, to the best of my knowledge, "Am I attesting documents to this House?", to the best of my knowledge, I am, yes. That is the question you are asking me.

The Hon. ADAM SEARLE: I think there is a misunderstanding. Mr Reardon, be assured—

Mr REARDON: In terms of the 180 resolutions that we have talked about, there would be probably more than one time where attestation that we do not have any further documents that we can furnish the House with, and that has not been received well by this House. I can understand that is a position you would take. You have probably come back again and asked again, and we may have ended up in the same place again. I do not do

that because we like to go round and round. We do that because, to the best of my knowledge, that is what I am attesting based on the advice I am given. On the matter you are raising in relation to this, I would assume that my general counsel would liaise with a Minister's office or the Premier's office about any documentation they may have and I would have to leave it to her to advise me of what is coming back across the House.

The Hon. ADAM SEARLE: We will come back to that. Thank you.

Ms ABIGAIL BOYD: Just picking back up on the discussion we were having in relation to people with disability in government sector roles. In last year's estimates I am not sure if it was you, Mr Reardon, or the Premier herself or someone else was mentioning that there was some targeted training being undertaken for managers within the public sector as well as some consultant work to identify how to better retain staff with disabilities and also that there was development of recruitment guidelines underway. Is that work completed?

Mr REARDON: These are questions from last year?

Ms ABIGAIL BOYD: We asked last year about this. We were told that, yes, the Government was not tracking well against that goal but there were these specific things that were being done so that, by the time we got to these estimates, things would be better.

Mr REARDON: There are. I will speak to—I just received some more advice on a bunch of stuff. We talked about how we are tracking now for people with disability declared. First thing I will say is, for Premier and Cabinet, our People Matter Employee Survey I indicated was around 4 per cent. I think it is actually higher. I think about 6 per cent of employees anonymously identify with disability. That is a major area of focus because, at a target of 5.6, if we have 6 per cent of our people who identify anonymously as having a disability, we would like to know about that more fulsomely and we need to work on what we need to do to allow those people to identify. And now I am going to talk about some of the programs we have. So we have the Australian Network—

Ms ABIGAIL BOYD: Sorry, just on that, because—and although I appreciate what is happening within the department, we are talking about the Premier's priority, which was across government sector roles.

Mr REARDON: I was just trying to give you an exemplar in here.

Ms ABIGAIL BOYD: That is fine.

Mr REARDON: At the Premier's priority, which Ms Cruickshank is accountable for driving the Premier's Priorities through the Premier's Implementation Unit [PIU], that one is brought to the Secretaries Board, as they all are on a very frequent basis. We are very, very focused on the people with disability now, so the nine secretaries are very aware. One of the items we noted was the People Matter Employee Survey [PMES] and the difference between real and anonymous identification of people with a disability is a pretty big difference, and we would like to understand why. Other things we are doing in terms of us, and therefore it might be an exemplar for the rest of the public service, is we have an Australian Network on Disability internships within Premier and Cabinet. We are targeting roles for people with disability, primarily autism, which I mentioned before. We are becoming a disability employer of choice, so at least we put our marketing and our branding out there to say that we care and we want to do something about increasing our numbers.

We are just trying to push a far more flexible work and inclusive culture, but a bit more focused on—if I was mobility impaired and had to enter our building and the first thing I encountered was, for example, gates that I could not get through with a tag because they were not wide gates—we do, incidentally, in our buildings—but if we have any of those physical barriers to entry into our workplaces and workspaces, we need to do something about it. I am encouraged because the conversation is more and more now on this area, and in other areas like mental health. We will get there but it will not be one single thing that we will do, we will have to do a lot. I am on the Public Service Commission Advisory Board as well, where this is a specific focus for the Public Service Commissioner. If the Public Service Commissioner has any other comments on specific programs, I would be more than happy to provide anything else I can.

Ms ABIGAIL BOYD: The Government's See the Possibilities campaign and website directs disabled jobseekers to contact a variety of job service providers and private and non-government organisations but does not provide a contact point for people with disabilities to seek help and support from the New South Wales Government. What is the reason for that? But also—

Mr REARDON: What website is that?

Ms ABIGAIL BOYD: See the Possibilities.

Mr REARDON: Right.

Ms ABIGAIL BOYD: So you go on there, it is a New South Wales Government website. You go on and it will say, "Contact this job agency or contact these people to—

Mr REARDON: We should pick that up and fix it.

Ms ABIGAIL BOYD: Thank you.

Mr REARDON: Okay? No defence. If there is something we are not doing right, we will pick that up and fix it. Thank you for pointing it out.

Ms ABIGAIL BOYD: Thank you, that would be useful. We have also been approached by people with disabilities saying they would like the Government to provide some greater services that are specific to people with disability, like career counselling and guidance through the application process, things of that nature. Is that something that you have been considering?

Mr REARDON: Yes is the answer, but getting on with it is—now is the time. So any suggestions—there is no monopoly on good ideas here.

Ms ABIGAIL BOYD: Okay.

Mr REARDON: So we will take any suggestions we get from most sources on this area.

Ms ABIGAIL BOYD: Thank you.

Mr REARDON: We want to shine a light.

Ms ABIGAIL BOYD: Thank you.

Ms CRUICKSHANK: If you would like, I can actually add one extra thing, which I am not sure the secretary has touched on yet. To your point about how we are actually reaching out to people with disability to lay out opportunities for them to join the public sector, there is actually an organisation—and I may get the name wrong, I think it is called Stepping In or Stepping Up. It is one that—

Ms BROWN: Stepping Into.

Ms CRUICKSHANK: Stepping Into. Thank you very much. In my capacity looking after the Premier's Implementation Unit but also alongside colleagues from the Public Service Commissioner and other agencies, we and a number of other government agencies are very heavily involved with the discussions as to how we can actually progress the working opportunities that come through that. And in a way it picks up on the points you are making about how it not just provides opportunities for them but actually also helps them with how to navigate an employment process along the way. It is a really good basis. So, as the secretary was saying, it is an important part of how as a sector we are trying to address this, but there is definitely more to be done.

Ms ABIGAIL BOYD: My last question on this was in relation to integration with the Federal JobSeeker process to ensure that job providers are matching disabled jobseekers with New South Wales public sector jobs. Is that being done?

Mr REARDON: Could you try to give a bit more detail on that?

Ms ABIGAIL BOYD: Yes, sorry. I understand that under the Federal JobSeeker process, job providers are not currently matching New South Wales public sector jobs with people with disability.

Mr REARDON: If we are not, again, I take on board what you are saying.

Ms ABIGAIL BOYD: Thank you, that is great.

Mr REARDON: The only other thing I would say at a national level—and I think we have said it before—the National Disability Insurance Scheme offers a whole range of avenues as well that we are trying to explore, but the comments you have made we will pick up.

Ms ABIGAIL BOYD: Thank you.

Mr REARDON: I have one question that I took on notice that I can help with.

Ms ABIGAIL BOYD: Yes.

Mr REARDON: You asked about the New South Wales list of Parliamentary Secretaries as of 15 February 2021 when the Hon. Taylor Martin was added to the list. We have updated that date to 15 February 2021.

Ms ABIGAIL BOYD: Thank you, so it brings it to 18.

Mr REARDON: I can table that if you wish.

Ms ABIGAIL BOYD: It is alright, it is fine. I think that brings it to 18.

Mr REARDON: I think it might be one more, but I will table it and let you go through them.

Ms ABIGAIL BOYD: Sure, thank you. Do we have some recent data on the reoffending rates for domestic violence offences under the Premier's Priorities?

Mr REARDON: If okay, Ms Cruickshank has a lot of detail on that. So are you okay if she takes us through that?

Ms ABIGAIL BOYD: Yes, please.

Ms CRUICKSHANK: I do. Just let me find that for you.

Mr REARDON: I think I have got them here. Have you got them?

Ms CRUICKSHANK: Yes, I do. Here we go. Just by way of context, if it is okay, I might just explain one thing. I know a number of the Premier's Priorities have come up in other estimates hearings this week. Just so everybody is aware, the owners, if you like, of the policies that underpin each of the priorities sit very much with the clusters. Our role in the PIU is to help those clusters continue to maintain a focus on those priorities. I give that as a little bit of a caveat. Sorry, your specific question?

Ms ABIGAIL BOYD: The specific question was: What is the latest data on meeting that target for reoffending rates?

Ms CRUICKSHANK: The latest data that I have—and I am not sure, I think this is probably on the website—is that in the 12 months to June 2020, 1,797 offenders had reoffended within 12 months.

Ms ABIGAIL BOYD: What is that as a percentage? The Premier's priority was to reduce the number of domestic violence reoffenders by 25 per cent by 2023.

Ms CRUICKSHANK: Correct.

Ms ABIGAIL BOYD: Are you able to give me that data as a percentage figure?

Ms CRUICKSHANK: I am actually not very good at maths.

Mr REARDON: Take it on notice.

Ms CRUICKSHANK: I will have to take it on notice.

Mr REARDON: Taken on notice and we will—

Ms ABIGAIL BOYD: Thank you.

Ms CRUICKSHANK: I am just looking at the baseline and what our target is, and it is heading downwards but there is more to be done. But I will take on notice the percentage itself.

Ms ABIGAIL BOYD: Thank you, that is very useful.

The Hon. MARK LATHAM: Ms Cruickshank, continuing the earlier issue, you mentioned that you regarded Daryl Maguire as a "random" and "annoying" MP, but in the end it was a very difficult issue to resolve to keep him off this delegation and ultimately—I am sure from your perspective—to ensure that his financial interests did not become mixed up in the public duties of the Premier's office or any other aspect of the Government. So in the end, how was it resolved?

Ms CRUICKSHANK: So Mr Latham, again I would say that I am a little nervous about responding to something that is still ongoing, but what I will say is this: Part of the premise of your question I do not think is fair to put to me—the bit about the financial interests—because I was not aware of that part of it.

The Hon. MARK LATHAM: But you are now.

Ms CRUICKSHANK: I know, but you asked me about what I did. In terms of at the time, it actually was not that complex. I need to be careful in my language here, but to be quite honest he was told he was not going to go so he did not go. So it actually was not very complex to organise, it was just an annoying, frustrating 24 to 48 hours before he accepted that he was not going to be going to China.

The Hon. MARK LATHAM: Right. But in the transcript, when Berejiklian is coaching Maguire on how to deal with you and your professional integrity she says:

Yeah and then well you, you need to—yeah but, you can't make them think that you're gonna go regardless. Just say well if you fix it I won't need to go.

Is that what Maguire said in the end: that if it is fixed by Niall Blair and others, he will not need to go?

Ms CRUICKSHANK: No, I did not have that conversation with Mr Maguire.

The Hon. MARK LATHAM: So he did not take up coaching from his girlfriend, Berejiklian?

Ms CRUICKSHANK: I am not going to comment on that, Mr Latham.

The Hon. NATALIE WARD: Wow.

The Hon. MARK LATHAM: Well, it is there on the transcript. You must now regard this as a shocking abuse of office?

Ms CRUICKSHANK: Again, I am not going to make comments or cast aspersions on anybody other than to say that I know what I did, and what I did was ensure that there was not going to be an MP, frankly, causing an annoyance to a Minister who was doing an important trade mission for the benefit of New South Wales.

The Hon. MARK LATHAM: But you never regarded this, even now, as an abuse of office by the Premier?

Ms CRUICKSHANK: I am not going to make any comment about what anybody else has done.

The Hon. MARK LATHAM: Coming to the second matter you mentioned in the documentation, you will notice in the material that Mr Searle tabled earlier on, which I think the Premier refused to read, provision of information to the ICAC. This is the ministerial advisor employed in the office of the Minister for education and formerly planning. It reads under the material prepared by Karen Smith, general counsel, dated 23 July 2018:

Legal Branch has consulted with the Premier's Office (S. Cruickshank and M. Crocker) in preparing this brief.

What was the nature of that consultation and why did you need to be involved?

Ms CRUICKSHANK: I am actually very glad you have asked me this question, Mr Latham, because I was quite concerned when I read the transcript from a couple of days ago. There seems to be some kind of misinformation in your mind about the nature of the consultation as it is referred to in the brief. I can be very clear on this because I actually have a very clear recollection of it. I received a phone call from DPC legal. I think it was Karen Smith, I cannot swear but I think it was. She phoned me and she said, "I need to let you know we have just received"—and I think it was only one at that stage—"a report through another office that they are concerned about something they have observed related to Daryl Maguire." I said, "Oh God" or something to that effect.

She said, "I think it would be a good idea if what we did was set up an arms-length process" and I said, "That sounds excellent. We should definitely do that." She said, "We will set up an arms-length process, which means that anybody who has anything that they are concerned about as it relates to"—at that stage it was Dasha, I think—"the Dasha inquiry can come forward and no-one else will have to know that they have come forward. We, DPC, will take on the responsibility of receiving all of the complaints and we will automatically forward them on to ICAC." I think Mr Reardon referred to this earlier today as well in terms of when DPC receives anything, they will pass it straight on. So then I said, "Great—"

The Hon. MARK LATHAM: But—

Ms CRUICKSHANK: Sorry, I just want to clarify one thing because this is where there seems to be something that has been misinformed. I then went to a chiefs' meeting—I cannot remember if it was the same day or the day after—and I made very clear to all the chiefs of staff that this independent arms-length process was being set up. I said to all the chiefs, "Please tell your staff that if they have anything on this fellow, they should come forward and they will go to DPC legal, and DPC legal will take a reference and a record of it and will then pass all information onto ICAC." I spoke at great length for probably for about 10 minutes of what is typically a 30-minute chiefs' meeting, to say, "Every chief of staff in this room has a responsibility to make sure that their own team members know that if they think they saw or heard anything, they need to come forward." That is what happened, so there seems to be some kind of misnomer that, in fact, all referrals came to the Premier's office first. That is completely untrue.

The consultation—and I can only guess because I obviously did not author the brief—that is referred to is because Karen, or whoever it was who rang from DPC legal, spoke with both me and Matt Crocker to

recommend this process. In other words, we were consulted on setting up the process, not on the details of what had come forward. As I say, my recollection is that at the time the process was outlined to us, and which I endorsed and said it was a good idea to go ahead with this, there had actually been only one person who had come to them, because that is what triggered DPC legal to approach the office and say, "We recommend you do this."

The Hon. MARK LATHAM: Thank you very much. That is not inconsistent with the content of the questions I have been asking or the information I have received from others inside the Government you formerly served as chief of staff to the Premier. Who was the other office that raised the concern about Daryl Maguire?

Ms CRUICKSHANK: I do not know which one it was that DPC legal was referring to when they phoned me to say, "We've had a report." I do not know which was which, but I have obviously seen the brief, I think. I think I am looking at it.

Mr REARDON: I have it.

Ms CRUICKSHANK: You have the briefs?

Mr REARDON: I might just make a comment. Mr Latham, you asked about a matter and you asked whether we, over lunch, could look at it. I assume this is—

The Hon. MARK LATHAM: I will come to that later, Mr Reardon.

Mr REARDON: I assume this is a matter because you were about to refer—

The Hon. MARK LATHAM: [Audio malfunction] the other office.

Mr REARDON: We are about to refer to briefs. I just want to make a comment: If we have remitted information provided to us as Premier and Cabinet to the ICAC under section 11, and you are going to ask us about other officers and other names, as Premier and Cabinet I am not going to reference matters that might be there. Whether they have been received to this House under Standing Order 52s, I am still not going to discuss the individuals who may be in briefs. We remitted information to the ICAC in a timely fashion—I think it was quite fast—with Karen Smith as my general counsel at that time, who is now the Crown Solicitor.

I think there was a follow-up briefing from Karen to the Premier's office indicating, as you have just heard from Ms Cruickshank, that a matter has been referred without detail. My current general counsel at that time did a follow-up briefing to me with the details that we sent to the ICAC and also the people who had provided the advice or wanted to make the issues known. We just got that across to ICAC. The only reason I am making a comment is because you are about to ask about another office and I do not think as Premier and Cabinet we want to talk about individuals. They are matters for ICAC.

The Hon. MARK LATHAM: Well, I did ask about another office. What you are saying, as the head of the Premier's department, Mr Reardon, is in question from a parliamentarian at a budget estimates about the very serious issue of a report of corruption concerning a Government MP and a parliamentarian, you are refusing to answer questions to this budget estimates. Is that what you are saying?

Mr REARDON: No. I just answered the question, Mr Latham.

The Hon. NATALIE WARD: Point of order: That was not his evidence at all.

The CHAIR: Sorry, Mr Reardon, I will just take the point of order.

The Hon. MARK LATHAM: I regard that as a disgrace. [audio malfunction]

The CHAIR: Mr Latham, I know it is tricky to hear. I have a point of order I need to deal with.

The Hon. NATALIE WARD: I take the point, Chair, that I do not believe that that was the witness' evidence. I ask that members do not try to reiterate what they are saying in a different way and that Mr Reardon be able to answer the question as he wants to. If Mr Latham does not like the content, that is a different position, but he is not able to direct witnesses as to what their evidence is.

The CHAIR: As I have said many times today, the questions can be asked—

The Hon. MARK LATHAM: To the point of order: I did not ask Mr Reardon that question. I asked it to Ms Sarah Cruickshank. I just put on the record my concern that in a question at budget estimates, Mr Reardon is refusing to answer the question that is clearly in the public interest—

The Hon. NATALIE WARD: No, he is not. He is not refusing.

The Hon. MARK LATHAM: —of this report of corruption concerning an MP that was referred on or not even referred on, that was mentioned to the general counsel, Karen Smith, in July 2018. I put that on the record and, as I say, I will be taking it up further in the Chamber.

The CHAIR: He was speaking to the point of order, which he is entitled to do. I will deal with the point of order. As I have said many times before, Mr Latham or any other member is entitled to ask questions as they wish and you are entitled to answer them as you wish. In terms of the point of order, you are entitled to answer these questions as you wish. Mr Latham has asked to put his point of view on the record and he has done that. In fact, he is now out of time.

We resolved earlier this morning that if there was a request for a comfort break it would be dealt with at that time or at an appropriate time. This is an appropriate time. I propose, in line with the resolution, that we break for 10 minutes and then come back to resume proceedings. We also resolved this morning that that means there is an allowance for another 10 minutes at the end of the session, if needed.

(Short adjournment)

The CHAIR: Welcome back, everybody. Before we start the Opposition's time, the Auditor-General wanted to clarify some answers from earlier.

Ms CRAWFORD: Thank you, Chair. It was in relation to a question asked by Mr Mookhey in relation to icare. This will not be exact, but I think the question was, "Was the Workers Compensation Nominal Insurer overcharged?" I answered yes. I should have answered that there was a risk that the Nominal Insurer had been overcharged. We were unable to ascertain that because of poor documentation in relation to the methodology used. We raised that matter, therefore, as a high-risk finding to the icare board.

The CHAIR: Thank you.

The Hon. ADAM SEARLE: Mr Reardon, we were having a discussion earlier about the process by which you verified the return from the Premier's ministerial office. I think we might have proceeded on a misunderstanding. I was not making any suggestions about a lack of due diligence on your part or DPC's. I was more trying to understand who from DPC had interacted with the Premier's office about those documents. Do you know?

Mr REARDON: Sure. It would either be my general counsel or a representative of the Office of the General Counsel. There are very few people who would actually do that. They would have more than likely liaised with the chief of staff or the representative of the chief of staff of a Minister or the Premier's office, depending on the nature of the issue.

The Hon. ADAM SEARLE: Could I invite you to go beyond the "more than likely" and actually take on notice who liaised with whom in relation to this particular return—that is, the documents?

Mr REARDON: Ultimately, the return would come back to me because I would have a letter to go to—I will just finish. The formalisation of that—thinking about it again, the attestations basically will have any agency and normally the agency head will have a chief of staff from a Minister or the Premier's office, or the representative of that. I understand, on the matter we are talking about—if we are specifically talking about the Stronger Communities Fund further order of 20 October 2020—

The Hon. ADAM SEARLE: Yes.

Mr REARDON: —that that was remitted back from the Premier's office, who would have said what documents they had or had not found. I also understand that those attestations are here. You have those attestations?

The Hon. JOHN GRAHAM: Yes.

The Hon. ADAM SEARLE: Sure. But, for all I know, the chief of staff might have also given the attestation on the basis of whatever he or she was told. So I just wanted to try to find out in this particular instance who spoke to whom, what was the chain and what was the process that led to the information coming back to the upper House.

Mr REARDON: I will take on notice for my general counsel to provide any further information, if she can.

The Hon. ADAM SEARLE: That would be most useful. In relation to questions that were being asked of the Premier earlier in relation to those briefings, I think I gave you four documents. There were the two briefings

to the Premier—one in relation to each disclosure made by the ministerial staff members—and then there were two other briefings that were briefings to you, Mr Reardon, as I understood it, from Ms Boyd in relation to those two matters as well.

Mr REARDON: Can I just—sorry.

The Hon. ADAM SEARLE: I was going to say that as I understand the briefings to you, the advice to you from Ms Boyd was that you had a legal obligation under section 11 of the ICAC Act to refer these matters to the ICAC, and you acted very swiftly on that advice. That is correct, is it not?

Mr REARDON: Whether she did or did not provide the advice to provide information under section 11 to the ICAC, as secretaries we know to do that fairly swiftly regardless of the issue. If I am just clear, because I do not know if you have documents here—I think you are referring to the same thing that Mr Latham is raising.

The Hon. ADAM SEARLE: Yes. I am referring to the documents that I handed up to you and to the Premier in the morning session.

Mr REARDON: I do not have them, so I am referring to some documents—we might be talking about the same thing—that I believe have come over here under standing order.

The Hon. ADAM SEARLE: Yes.

Mr REARDON: If they are the documents relating to Ms Karen Smith—

The Hon. ADAM SEARLE: They are.

Mr REARDON: —when she was general counsel in 2018—

The Hon. ADAM SEARLE: The two briefings to the Premier were from Ms Smith.

Mr REARDON: Yes.

The Hon. ADAM SEARLE: The two briefings to you were from Ms Boyd.

Mr REARDON: Yes.

The Hon. ADAM SEARLE: We are talking about the same documents, I think—if they are the documents you have there.

Mr REARDON: They are the documents I have here, that I have copies of because—the only reason I have them here is because they were brought over here under Standing Order 52, so I have them.

The Hon. ADAM SEARLE: They were, and they were found by the arbiter and the House not to be privileged.

Mr REARDON: That is fine. I just have my own copies.

The Hon. ADAM SEARLE: So there is no issue about that.

The Hon. TREVOR KHAN: Subject to the two.

The Hon. ADAM SEARLE: We are not discussing the two.

Mr REARDON: Sorry, can I just get clarity on—

The Hon. TREVOR KHAN: Fifteen documents were produced. There were two—one of them was document No. 2; the other was, I think—

The Hon. ADAM SEARLE: Document No. 7.

The Hon. TREVOR KHAN: —document No. 7—that the arbiter indicated should remain privileged and have remained so.

The Hon. ADAM SEARLE: Yes. These are not those documents.

Mr REARDON: All I am clarifying is that we are talking about the same documents. That was all.

The Hon. ADAM SEARLE: Correct.

Mr REARDON: I believe we are.

The Hon. ADAM SEARLE: In the briefs to you from Ms Boyd—albeit you probably did not need to be told this—there is a sort of a bold heading: "As secretary of DPC, you are under a legal obligation to report certain matters", and they included the two disclosures that had been made by ministerial staff.

Mr REARDON: I think, from Ms Boyd's briefing, she just advised that under section 11 this is what we will do. So that is fine.

The Hon. ADAM SEARLE: Sure, but the important thing is it is responsive to the section 11 obligation.

Mr REARDON: Yes. It is more about getting on with—when we have a matter, we expeditiously get it to that integrity agency. For secretaries and senior people, that is what we do, duty bound, rather quickly.

The Hon. ADAM SEARLE: Yes. Just on that, in relation to one of those matters—it was the matter, I think, that Mr Latham was asking Ms Cruickshank about, which was the United World Enterprises [UWE] matter involving Mr Maguire raising—I think this is the evidence that came out in Mr Cull's briefing note and, I think, also in Mr Cull's evidence to the ICAC. This is all on the public record, which was to the effect that there seemed to be some dispute between the company UWE and an overseas majority owner. The precise nature of that dispute was not really understood but, nevertheless, it was something that Mr Maguire was certainly agitating.

Mr REARDON: Are you asking me this question, Mr Searle?

The Hon. ADAM SEARLE: I am. This was a matter that, of course, DPC felt should be passed on to the ICAC, and it was. But in September 2017, the year before—and we heard this at ICAC—Mr Maguire told Ms Berejiklian, the Premier, about the same matter: the UWE matter and the difficulties he was having and the possibility that he might have to go to China to sort it all out. From the telephone exchange, she did not express any surprise. She did not ask what it was all about. I think we can comfortably proceed on the assumption that she knew what he was talking about. Was she not under the same section 11 obligation that you were to refer that matter to ICAC either at the time Mr Maguire told her or certainly when Mr Maguire came to prominence at ICAC? Why, then, was her obligation to section 11 not engaged?

Mr REARDON: I will not speculate on behalf of another person, no matter who that is—particularly when it comes to proceedings such as an integrity agency. A couple of comments: You assume that I know any of the first entities you described—the nature of international relations. I know none of that, basically.

The Hon. ADAM SEARLE: I think they are in the briefing that you received.

Mr REARDON: I understand. So I received to give that to the appropriate integrity agency. Do I go into the details of those things? No, I do not. I am asked to actually—my general counsel says, "We need to provide this, under section 11, to the integrity agency." That is what we do. But there is more than one of these things that actually gets referred to that agency. I normally just try to get on with doing it, based on the advice from general counsel. If I need any clarifications, I will seek them off her, but normally we get on with it. The time frames you talked about in 2017, I just would not know; I was not even here in the current role, so I could not comment or have any advice on that.

I will just go back to what I said: we basically have Karen Smith advising, I believe, a Premier's office that there has been a—to note that we have received some information off a couple of individuals and we are passing that on. I also understand that my passing it on, as secretary, does that on behalf of myself, the department and the Minister accountable. In doing that, we wanted them to note it in case there were—if it went through two different lines of inquiry, we had already done that on behalf of the department because that is when it had been raised. The nature of the people involved—Karen thought that she should note it to the Premier's office. That is what she did. But the more formal and detailed information about the individuals and the information that they wanted to hand over came to me from Kate Boyd.

The Hon. ADAM SEARLE: I understand. You are the secretary of DPC, you are the head of the public service and, obviously, you are the cluster secretary for the Premier's agencies. What role do you have in making sure that not only the public servants who work in your agencies fulfil their obligations under the ICAC Act, what role, if any, do you have in making sure that the Premier and her staff also abide by their obligations?

Mr REARDON: Without repeating everything we discussed this morning, we assist with the *Ministerial Handbook*, the *Ministers' Office Handbook*, the Ministerial Code of Conduct, where our advice is sought in terms of updating and keeping those contemporary. So we provide that. We provide training then to officers across the ministerial offices. If there is any renewal after a State general election or any reshuffle, we go and brief and provide that training. We do that fairly proactively. We try to keep the DPC circulars up to date. If some need to be archived we archive them. We give advice on records management and that is what we do to provide that

advice. At the end of the day on most of the matters around declarations, conflicts, bullying and harassment policies, they then become the accountability under the Members of Parliament (Staff) Act for the political level to care for their staff, care for their people. So that is what they do. If we are asked for advice from time to time in terms of updated training, that is what we do. The State Archives and Records Authority review recommended that we further look at training and clarity in the *Ministers' Office Handbook* around records management. We are now doing that, as was pointed out this morning.

The Hon. ADAM SEARLE: Thank you for that. I am interested in and understanding, given your role, do you have any function in ensuring that the Premier is aware of her obligations and is cautioned or advised that maybe based on what is known that she might have an obligation under the ICAC Act? Is that any part of your role to make sure that your Minister adheres to the law?

Mr REARDON: We provide the advice, as I pointed out, ministerial code of conduct, the *Ministers' Office Handbook*. At the end of the day you provide that training and those briefings. As I said, we do, after a State general election or a reshuffle at any other time and there is a new Minister, provide that guidance and then it is an individual accountability for people to comply.

The Hon. JOHN GRAHAM: In relation to a section 11 referral from the Premier's office, is it the practice at the moment that they will go direct to ICAC, or would they go via DPC and via the secretary?

Mr REARDON: I think it depends on the nature of the matter. The key principle is to get the information to the ICAC in a very timely fashion. I believe on the nature, and based on the fact that these are under standing orders, so they are on the parliamentary website, the things we were talking about earlier from 2018, those matters were in relation to, if they were advisers that we should note that to the Premier's office, and I believe that is the advice of Karen Smith at the time. But, a reference, if someone has a suspicion of corrupt conduct or any other misconduct, then they should get it to the ICAC in a timely fashion. That is the key principle. For that matter, as Ms Cruickshank pointed out, and I was not involved in those discussions, but just to repeat, if she and if Karen Smith, as General Counsel at the time, agreed that if there were matters in relation to this that we could assist with in getting it through to ICAC in a timely fashion, Premier and Cabinet volunteered that role and that is what was done.

The Hon. ADAM SEARLE: Thank you for that. In 2018 Mr Maguire, we all know, we heard, was caught on tape in Operation Dasha discussing obtaining a commission on a development proposal with Country Garden involved with Canterbury council. This was widely regarded as a bad thing and in the fallout he resigns from Parliament. In the ICAC inquiry we heard evidence, and again this is a matter of public record, that Mr Maguire and the Premier discussed him doing another very similar thing in 2014. He obtained a \$5,000 commission, again dealing with another developer, again apparently working in relation to Government business. How is that matter in 2014 not so similar to what Mr Maguire was later pinged for in 2018?

Mr REARDON: You are asking me things, Mr Searle, which are—

The Hon. ADAM SEARLE: This is a matter of public record.

Mr REARDON: No, you are asking me to speculate on something from 2014.

The Hon. ADAM SEARLE: I am not asking you to speculate.

Mr REARDON: I cannot.

The Hon. ADAM SEARLE: Mr Reardon, if you just listen to the question. You are the chief executive of the Premier's agency. You know, because you have read it in the newspapers and you have heard it, the Premier was aware in 2014 of Mr Maguire taking a developer commission, very similar to what he had to resign from Parliament about. When you became aware of that in 2018, what advice was given to the Premier about what obligations she might have arising from that?

Mr REARDON: You assume how I spend my time, and I can assure you I do not spend my time trawling through media on every bit and piece that might be there.

The Hon. ADAM SEARLE: Well, this was very—

Mr REARDON: Sorry, I am answering your question. A matter in 2014 I would not have gone into much detail on.

The Hon. ADAM SEARLE: Sorry, we are talking about 2018 when it became public knowledge.

Mr REARDON: No, but you referenced something in 2014 as well—

The Hon. ADAM SEARLE: It happened in 2014.

Mr REARDON: —and whether I brought that forward to 2018. There are proceedings ongoing, and normally when there are proceedings ongoing, particularly with an integrity agency, I try to make it my business to let them get on with their job.

The Hon. ADAM SEARLE: Yes, but did you advise the Premier that she should refer that matter, which then became public knowledge in 2018, to the ICAC?

Mr REARDON: I am not here to advise anyone what they should refer. I go back to what I said, we assist with the *Ministerial Handbook*, the *Ministers' Office Handbook*, the code of conduct and any other document we might be asked for assistance with. We provide training. Then it is individual accountability to serve under those instruments.

The Hon. ADAM SEARLE: Despite all the things that came to light in the ICAC proceedings last year, that disclosed quite clearly the various things involved with Mr Maguire's business dealings that the Premier was aware of, as the head of her agency you did not think it was your role to give her cautionary advice that, based on all those things that she knew, she might have an obligation to disclose them to the ICAC?

Mr REARDON: I look after the department, the Premier looks after people under the Members of Parliament (Staff) Act and that is a separation where we would like to leave it. We provide advice when we need to, but we try to make sure that departmental people across the entire public service do the right thing and that is where I spend my time. No, I will not spend my time on individually advising people over and over again on things—

The Hon. ADAM SEARLE: Well, your Minister.

Mr REARDON: —particularly when they relate to matters that an integrity agency is looking at. That is a matter for the integrity agency.

The Hon. ADAM SEARLE: Sure, but it is also important to uphold the integrity of the public sector and the role of the Premier.

Mr REARDON: We provide advice to uphold the integrity of the public service. And if you are asking about the public service and not political level, we spend a lot of time with our own training. I am happy to furnish you with the documents that we do on that for declarations, code of conduct, conflict of interest, bullying and harassment, and any other matter where we provide training to our own people. We have fairly extensive policies.

The Hon. JOHN GRAHAM: Mr Reardon, you are the key public service adviser, there will be personal staff advising but you are the key public service adviser to your Minister, the Premier, on these matters of integrity. I am very surprised to hear you would not provide that advice to her. You provided no formal or informal advice on whether or not matters should be referred?

Mr REARDON: If you are talking about 2018, we have indicated that, we have noted that we have referred information to the integrity agency, if that is your point. We did that.

The Hon. ADAM SEARLE: No. Mr Graham's point was that you have discharged your obligation, you became aware of certain matters, you referred them on. But you did not think it was part of your role to advise the Premier, for whom you are the key public sector adviser, that she might have to look to her own obligations based on what you knew?

Mr REARDON: I repeat what I said: I think we do that on an ongoing basis. That is why we provide training to those officers. And if there is ever a new Minister that is when we provide it, but we do that on an ongoing basis. I do not accept that we do not. We do that on an ongoing basis.

The Hon. ADAM SEARLE: I was not suggesting that you do not. I was asking you whether in relation to all of these things—

Mr REARDON: You are asking me in relation to a specific proceeding. I am not going to speculate on a specific proceeding, either here or at any other time. We will provide ongoing advice. If after, for example, a review of any one of the documents that we hold, say within our broader cluster, the State Records Act and that authority—they have been asked to do a review. They have done a review of records management and they have given a recommendation that Premier and Cabinet should now get on, update where relevant the *Ministers' Office Handbook*. That is where we will spend our time in doing that, on the keeping or disposal of documents and copies and all that sort of stuff. We will do that, and we will do that on an ongoing basis. If we have circulars out there

that public servants are complying with, DPC circulars that relate to last century or even beyond 10 years, we will review those. We will archive those if we need to. We just try to keep all of it as contemporary as possible.

The Hon. ADAM SEARLE: But you did not provide the Premier with any advice that she should refer to the ICAC the matters which are now a matter of public record that she new about Mr Maguire's business dealings? You did not suggest that she should at least have a think about whether she had an obligation?

Mr REARDON: We provide ongoing training to all of those officers.

The Hon. ADAM SEARLE: Fair enough.

The Hon. JOHN GRAHAM: I just want to tie that down. Ongoing training but no specific advice about a referral? Ongoing training, accepted, but no specific advice about what the Premier should refer or any suggestion that she should seek to examine what she should refer?

Mr REARDON: I think that anyone who is involved in any process with an integrity agency will seek advice and it can be legal advice, but I leave that as a matter for the individual. That is up to the individual.

The Hon. MARK LATHAM: Just to continue with Sarah Cruickshank and the matter she raised earlier on, the process by which Karen Smith phoned her to say, "We've just got a report from another office, another unnamed office concerning Darryl Maguire." Sarah, this must have been quite a big thing for the Chief of Staff of the Premier—

The Hon. NATALIE WARD: Point of order: I am sorry, Mr Latham, I will be very brief. I ask that we extend courtesy to witnesses and address them as Ms Cruickshank or Mr Reardon. The courtesy has been extended to you, Mr Latham. I think on a number of occasions you referred to the witness by her first name. I ask that we extend some professional courtesy.

The Hon. MARK LATHAM: Well I love it when people call me Mark, but is there a problem in calling you Sarah, Sarah?

The Hon. NATALIE WARD: We are not in the pub, Mr Latham. I think some courtesy would be really appropriate.

The CHAIR: I think it is more of a comment, I do not know that there is any procedural obligation to do so but it is up to Mr Latham—

The Hon. NATALIE WARD: Actually procedural fairness, paragraph 19.

The CHAIR: It is up to Mr Latham in terms of how he addresses a witness. It is a fair point and Mr Latham can note it.

The Hon. MARK LATHAM: Ms Cruickshank, you were speaking earlier on about the process by which Ms Karen Smith advised you of this matter raised in another office concerning Daryl Maguire. This must have been quite a big thing, given the raging controversy about Maguire's resignation from the Liberal Party, from the bench in the Parliament. What did you tell your boss about it?

Ms CRUICKSHANK: That is a very good question. I do not quite recall. I think I probably would have said, "I've had a phone call"—but I cannot guarantee I did this, to be honest—"from DPC" and just so you know, this is the process I'm setting up. DPC are going to run it. We won't have anything to do with it and I'm going to tell chiefs of staff and make sure that all their teams know to provide whatever." But I do not actually recall the conversation. I could have not told her that at the time and then when the brief came up I might have stuck my head around the door and said, "The background to this brief is this is the process that we have set up." But I really do not know exactly when I spoke to her about it.

The Hon. MARK LATHAM: Those of us in politics would expect there would logically be a conversation of that kind between the chief of staff and the head of the—"

Ms CRUICKSHANK: Yes, and I mean it did happen. It was all quite fast. Again I do not have it in front of me. But my suspicion is probably that brief arrived within 24 hours, if not less to be honest.

The Hon. MARK LATHAM: What did the Premier say in reply?

Ms CRUICKSHANK: My recollection was that she just said "That sounds good" or something like that. There was no discussion about it because, as actually she referred to earlier this morning in a different context, she—what is the word—she trusted me as a chief of staff to do what chiefs of staff are supposed to do with other chiefs of staff. I did not routinely brief her on what we would talk about at chiefs' meetings at all. So she just, I

suspect, would have just said to me, "Oh yes, okay, that sounds good" or "thanks for that". No detailed conversation about it.

The Hon. MARK LATHAM: You said you were going on to the chief of staff meeting to raise the obvious point: "Any other concerns about Maguire, then please let us know and we will forward them on to ICAC?"

Ms CRUICKSHANK: No, no. Just to be very clear, I did not say "let us", the Premier's office, "know". I said, "Chiefs, please tell your team members they should go direct to DPC. There is an independent arms-length process being set up. Please tell your staff that no matter what they have seen or heard or whatever they think, they should feel confident to be able to go and do that and we want them to do that." It was not through the Premier's office.

The Hon. MARK LATHAM: When DPC lodged it, it went back and consulted with you and Mr Crocker?

Ms CRUICKSHANK: No, they did not. Sorry if I was not clear before. I thought that I had outlined. I do not actually recall having seen this brief before today but I believe the reference in here that says "Legal branch has consulted with the Premier's office" and has me and Matt Crocker mentioned refers to the fact that the consultation was Karen Smith, or whoever from DPC Legal, phoning me to say, "We recommend this process be set up". It certainly was not consultation on individuals and although I did not get to answer your question before, I actually do not believe I was ever advised who the individuals were. I can probably take an educated guess, given what had gone on with the ICAC hearings because obviously one of them preceded my own testimony. So I can take a guess that that person may have been one of them but I do not believe I was ever formally advised who the people themselves were and I think, to be honest, that would have been contrary to the whole notion of an arms-length process where people can feel they can come forward anonymously and give information direct to DPC so DPC can pass it on to ICAC.

The Hon. MARK LATHAM: You were acting quickly and efficiently as the chief of staff to get this process underway. And you have got the feeling from the conversation with the Premier you have got the green light to go to the chiefs of staff meeting—

Ms CRUICKSHANK: I am not sure I told the Premier before I went to the chiefs of staff meeting. I just cannot be sure of that. I may well have only told about the process when the brief arrived to explain because otherwise, I suspect, she may have thought, "Where has this brief come from? What is it about?"

The Hon. MARK LATHAM: A brief went back to the Premier ultimately?

Ms CRUICKSHANK: I think you furnished that—or someone has furnished a copy of a brief that was sent from DPC for noting up to the Premier.

The Hon. ADAM SEARLE: I did that.

Mr REARDON: I believe we are referring to the same piece of information. Otherwise we would be happy to look at something else but I understood we were talking about the same thing.

The Hon. ADAM SEARLE: It is the same information.

Ms CRUICKSHANK: Correct.

The Hon. MARK LATHAM: Sarah Cruickshank, these matters were are talking about, they were alive matters of impropriety?

Ms CRUICKSHANK: Well, I think it is a matter of historical record or factual record, or whatever you want to say, that there had clearly been an Operation Dasher hearing—I want to get this right—where a member of Parliament went from being a witness to that hearing to becoming a person of interest. You will know better than me then the process. I cannot remember the chronology of when he left and whatever.

The Hon. ADAM SEARLE: It was 15 August 2018.

Ms CRUICKSHANK: I cannot remember. That was when I went and advised—there were some staffers who obviously had been hearing what was going on in the press, who obviously felt that they had things to contribute to that inquiry and that was why this process was set up.

The Hon. MARK LATHAM: That was said at the chiefs of staff meeting—the staffers felt they had other matters to contribute?

Ms CRUICKSHANK: No. I went to the chiefs of staff and said, "I have been advised that at least one person has come forward. I think this is what we should do. This is what I have agreed with DPC. All of you chiefs"—so if you can imagine that has 20 people sitting around a table—"have a responsibility to go back to your staff and make sure that they feel they are supported, comfortable, encouraged, whatever, to utilise this process as they see fit."

The Hon. MARK LATHAM: Did you get any immediate feedback at the meeting:?

Ms CRUICKSHANK: Yes. I do not know that every chief spoke but a number of chiefs said, "Yes, that sounds good and we will make sure we do it." Nobody offered—

The Hon. MARK LATHAM: Did they raise matters of concern about Daryl Maguire at the meeting?

Ms CRUICKSHANK: No. I think it would be fair to say—and this is a personal observation—that many of the people in this room have at different times been political staffers and/or before they became members of Parliament and most people were quite outraged at what they had heard and what had seemed to transpire from Dasher. You should not assume there was any sense in the room that anyone would do anything other than pile on with every bit of evidence they thought they might have had. That was the tone of the discussion.

The Hon. MARK LATHAM: Absolutely, staffers who work hard are naturally disappointed when members of Parliament betray that trust with acts of corruption or cover up corruption. That is absolutely true. Following the meeting, did you report back to the Premier on what had been said at the meeting and the sense of cooperation that came out of the meeting?

Ms CRUICKSHANK: I do not think so but, as I said before, what I am not sure of is the chronology. I do not know if I took the phone call from DPC Legal and on the same day went to the chiefs of staff meeting or if I took the phone call the day before and the chiefs was the day after and then the brief arrived. But somewhere within that same kind of, whatever, 24, 48 hours, I would have had a conversation with the Premier, but not multiple ones. I would have said to her either "I am about to tell chiefs that they should do this" or alternatively "I have told chiefs and, by the way, that is the background to this brief, DPS are sending it up for noting." I just do not remember the chronology, I am sorry.

The Hon. MARK LATHAM: Perhaps you can take that on notice.

Ms CRUICKSHANK: I do not actually think I can because I do not know that I can do any better than my recollection.

The Hon. MARK LATHAM: Did you make preparation on these matters for these estimates?

Ms CRUICKSHANK: No, I am not like that. Sorry, for these estimates?

The Hon. MARK LATHAM: Yes.

Ms CRUICKSHANK: Not on this matter, no.

The Hon. MARK LATHAM: Maybe you can take it on notice by going away and having a think about it, maybe over the weekend. Sometimes things pop into your head how to make preparation for this budgets estimates on this line of questioning. So it would be helpful to the Committee if you could take it on notice and any further information could be furnished accordingly.

The Hon. NATALIE WARD: Point of order: It is a matter for the witness to answer the question as she chooses. The member may not direct her to take a note of it.

The CHAIR: In fact, your 10 minutes has finished but you get another 10 minutes because you are here. In relation to the point of order, I will repeat what I have said. The question is fine. The witness can choose how she wishes to answer it.

The Hon. MARK LATHAM: Thank you, Chair, and thank you Sarah Cruickshank. The Premier earlier today said that "If these were alive matters it would not have been appropriate for me to be advised." Do you agree with that assessment?

Ms CRUICKSHANK: I do not want to put words into the Premier's mouth. I cannot speak for what she meant by that. My observation of this morning's hearings, if I am recalling it correctly—which I may not be now; it is a long day—

The Hon. TREVOR KHAN: It was a long time ago now.

Ms CRUICKSHANK: —is she probably would have been saying it would not have been appropriate to have been briefed on the detail of whatever the allegations were, but I do not believe she was. I believe she was given a brief for noting that individuals had provided information and that information was going to ICAC. That is not the same as being briefed on the details, if that makes sense. I think that was how I observed the discussion earlier this morning.

The Hon. MARK LATHAM: We do know from the ICAC transcripts and some of the interrogation of the Premier on 12 October that one of the positions she often took in relation to Daryl Maguire-type matters was to say, "I don't need to know that." I think that was what she was meaning, wasn't it, when she said if these were alive matters it would not have been appropriate for her to be advised? That was her default position on Maguire: to know a fair bit but then to say, "I don't need to know that."

Ms CRUICKSHANK: I am sorry, Mr Latham, I just cannot speculate or comment on what she meant or did not mean. I am sorry, I just cannot.

The Hon. MARK LATHAM: Do you think it is even more inappropriate given that the Premier had a close personal relationship with Maguire, who was the subject of this particular process we are talking about?

Ms CRUICKSHANK: I think my difficulty now with these questions is you are quite often referring to what is my opinion. I do not think opinion is legitimate, coming from me. All I can do is answer factually what I did, and that is what I have done all throughout this afternoon and what I did throughout the hearings. I am not willing to speculate and I am certainly not going to offer an opinion.

The Hon. MARK LATHAM: Well, Sarah Cruickshank, I am asking for your professional assessment of the ethical dimensions here. Mr Reardon said the staff are trained a lot in ethics. It is part of the job, we have been told. What is your professional ethical assessment of the question of how appropriate it was for this process to unfold involving the Premier's office, the chief of staff and the Premier, given that Gladys Berejiklian was in a close personal relationship with Daryl Maguire?

Ms CRUICKSHANK: I think the problem with all of this is it has a benefit of hindsight attached to it, which simply was not the reality that I was operating in at the time. I cannot and I am not going to offer comment on it. I am trying to be as helpful as I can, Mr Latham, but I cannot do something as you bring together two, three, four or five years or whatever it is—in some cases back to 2014—of events. I just cannot offer—that was not the reality that I was living and it is not the circumstances that I was dealing with. Therefore, I used my moral compass and my integrity, based on what I knew at the time, and I acted accordingly. That is all I can offer, I am sorry.

The Hon. MARK LATHAM: I am asking about July 2018, that is true. But if I can take you to your ICAC evidence, where you said that if you had known Maguire was seeking that directorship at UWE you would have referred it to ICAC. You made—

Ms CRUICKSHANK: Yes.

The Hon. MARK LATHAM: You gave them that ethical assessment, so I am asking for one here.

Ms CRUICKSHANK: If you want me just to repeat what I said to ICAC then, yes, obviously if I had known that someone was seeking to get a commercial benefit from something they were doing under the guise of parliamentary business—and was going to make money out of it—clearly I would have thought that that was a matter that should be referred to ICAC. But I was not in possession of any of that information. As I said before, all I thought I was dealing with was an overenthusiastic local MP who, for someone like me, was—I am sorry to sound rude—pretty annoying. He was trying to get in the way of what did matter to me, which was official business of how we actually promote New South Wales in a very important market to us, being China, and I had a trade Minister who was about to go overseas to do it. That was the frame I was applying to all of this. So yes, as I said to ICAC, had I known something different I would have done something different—but I did not know.

The Hon. MARK LATHAM: This is a mirror-image frame now, is it not, that if you had known that at the chiefs of staff meeting you were calling on information to come forward on improprieties concerning your boss' boyfriend you would not have been doing that. You would have recused yourself from your process, would you not?

Ms CRUICKSHANK: Well, no, it is not—I will take you up on one thing: I was not inserting myself in a process; I was doing the exact opposite. I was creating a situation that ensured there was an arms-length process—and I am happy to say it was on the advice from DPC. It was very good advice. We put forward a completely arms-length independent process that meant I was completely recusing myself, regardless of what I did and did not know at that point in time. I was recusing myself and any ministerial office from this and saying,

"Here is an official process, and all of you—all and sundry—should come forward and put whatever you want forward because it is quite clear there are significant concerns about this individual." No, I cannot accept the premise that I somehow acted with a conflict of interest in hindsight because subsequent information has been revealed—about other people, I might add, not myself. It is not the case. I set up an independent process—

The Hon. MARK LATHAM: I am not asking you about the Premier's conflict of interest. But can I ask you this: Is it true to say that if you had not taken the initiative to convene the meeting of the chiefs of staff and made your 10-minute presentation on this that the Charlie Cull and Daniel Hill referrals to ICAC would never have occurred?

Ms CRUICKSHANK: I cannot speculate on that. In fact, if anything I would say no, I suspect they probably still would have, for the simple reason that at least one individual—and my assumption is it might have been one of them, but I do not know—had already reached out because that is what triggered the call from DPC to me. But the other thing I would come back to—I know people make light of this—is that Mr Reardon mentioned at length the amount of training that people are given.

I will add an extra piece: It is a part of your contract as a staffer. There are modules that you have to do and be trained in about your responsibilities. If you believe you observe criminal behaviour you are supposed to refer it to ICAC or the police, depending on what it is. That is made very clear to people. No, I do not think it is fair to say that had I not gone and taken the advice from DPC and set up this independent process that, therefore, no information would come to light. I suspect information still would have come to light because I actually have a fair amount of confidence in all of my previous ministerial colleagues. I think they behave with the utmost integrity and I think they still would have done it. I just wanted to make sure I was doing the—

The Hon. MARK LATHAM: Why did you need—

Ms CRUICKSHANK: I beg your pardon?

The Hon. MARK LATHAM: Why did you need to make your 10-minute presentation at the chiefs of staff meeting?

Ms CRUICKSHANK: Because I take seriously that I needed to, as the chief of staff—how do I say this? As the chief of the chiefs of staff, I take very seriously that I need to make sure people feel that they have an environment in which they can do what they need to do. I will put it a different way: If I had gone along to the first chiefs of staff meeting after all of this had happened and had actually said nothing about it, I would say I would have been derelict in my duty as a chief of staff.

The Hon. MARK LATHAM: Can I say to you that, having spoken to someone in a ministerial office who was involved in one of these matters that came forward, their account is that the word came back that Sarah Cruickshank had said at the meeting of the chiefs of staff, "We should lodge these" and that was the sole reason in this matter that it went forward? It was fundamental, was it not?

Ms CRUICKSHANK: Do you know what? I do not know. I cannot necessarily accept that, but I will take that as a compliment if that is what someone said.

The Hon. MARK LATHAM: They listened to you and they did what you said. It went back to this office, and the person I have spoken to said that was the catalyst for one of these referrals we are talking about going forward to the ICAC—

Ms CRUICKSHANK: That is a good thing. I am glad.

The Hon. MARK LATHAM: That is good. No, you were doing your job. But I am just asking in the circumstance where the Premier was in a close personal relationship with Daryl Maguire—and obviously for police and DPP officers we would not want any involvement of someone in a close personal relationship collecting allegations of impropriety against their partner—if you had known of the close personal relationship you would have recused yourself from any involvement? It would have been further arms-length—handled, for instance, out of the office of the Deputy Premier?

Ms CRUICKSHANK: I think it is a matter for public record that I did not know, so therefore that is a hypothetical you are putting to me.

The Hon. MARK LATHAM: But if you did know, just as—

Ms CRUICKSHANK: I am not going to do the hypothetical.

The Hon. MARK LATHAM: But if you did know about UWE and you reached a certain conclusion, what is your conclusion on this matter?

Ms CRUICKSHANK: I am not going to deal with what is a hypothetical. It is a matter of public record that I did not know about that and everything I have said this afternoon outlines what I did as what I believe to have been the right thing to do in my capacity as chief of staff to the Premier.

The Hon. MARK LATHAM: Okay. Can I just ask about one of the things you mentioned earlier on? I will go to the transcript, but I am pretty sure when you were talking about the arms-length process you said "we" were doing it. I inferred from that, given you were working for the Premier at the time, that the "we" was the office of the Premier. Was that just a slip of the tongue? Were you confusing—?

Ms CRUICKSHANK: No, I think it is a slip of the tongue. I suspect the "we" might have referred to the fact I did say that I recall getting the phone call from—I believe it was Karen Smith, but certainly DPC legal—with my colleague Matt Crocker in the room with me. I had Karen on speakerphone. We had the conversation that this was the process. I think that is what I was referring to with "we". I certainly did not—

The Hon. MARK LATHAM: [audio malfunction]

Ms CRUICKSHANK: Mr Latham, may I just confirm one thing: I certainly did not, if this is what you are suggesting, go to the Premier and say, "Here's an idea. Do you agree we should do this? Are you okay with me doing this?" As I said before, I am not even sure that I went to her before I went to the chiefs' meeting. At some point I either advised her that I was about to go to the chiefs' meeting to say this or I advised her that I had already done that and, by the way, here is the brief from the Department of Premier and Cabinet [DPC] outlining that this is the process.

The CHAIR: We will have to come back to this. It is the Opposition's turn.

The Hon. MARK LATHAM: You said earlier that she said, "That sounds good." But, thank you, Chair.

Ms CRUICKSHANK: I said I think she did. I do not actually recall the conversation but I would imagine that is what she would have said.

The Hon. MARK LATHAM: Thank you.

The CHAIR: The Opposition?

The Hon. ADAM SEARLE: Thank you, Madam Chair. Mr Reardon, the Ministerial Code of Conduct, which is annexed to the ICAC or which is part of the ICAC regulation, the Premier is the guardian of the ministerial code, is that not right? Ministers and Parliamentary Secretaries are meant to make certain disclosures to the Premier about certain matters. And it is also the case, is it not, that DPC provides the administrative support to the Premier to support the Premier in exercising that function?

Mr REARDON: So to your first question, the Ministerial Code of Conduct and the *Ministers' Office Handbook* and the *Ministerial Handbook* itself are all instruments that we provide some advice or drafting on from time to time and they are updated. But those instruments are held at a political level. I was just looking through the Members of Parliament Staff [MOPS] Act. I might just take on notice the actual specific owner, only for the fact that the MOPS Act covers both this House and the ministerial, and there are two: the Premier has the ministerial component and this House has another component, I think the Presiding Officer.

The Hon. ADAM SEARLE: Sure, but for present purposes we are only talking about the ministerial code. I will only be talking about the ministerial code. The DPC provides the Premier of the day with the administrative support needed to carry out the Premier's functions under the code?

Mr REARDON: We would provide the code itself and we would provide training and briefings on it. Individuals are then expected to abide by the *Ministers' Office Handbook*, the code of conduct. Other questions have been raised about records management, air travel.

The Hon. ADAM SEARLE: Sure. But, for example, in relation to a number of calls for papers, I think there are two that related to producing copies of rulings sought by Ministers or Parliamentary Secretaries in various return, a lot of correspondence from DPC was returned as part of that. It appeared to me that your agency played an instrumental role in helping the Premier discharge his or her functions under the code, that is, to make sure that Parliamentary Secretaries and Ministers actually made their disclosures to the Premier and where they did not, they were chased up administratively. That is the case, is it not?

Mr REARDON: Just firstly, the owner of the code is the Premier—so just to be clear.

The Hon. ADAM SEARLE: Yes.

Mr REARDON: You have to give me a bit more detail but if your point is that, as I call it, ongoing training, ongoing assistance and advice, it is around ensuring that proactively the Office of General Counsel in Premier and Cabinet very proactively looks for disclosures, declarations and reminders to ensure that that is done, if that is the nature of your question.

The Hon. ADAM SEARLE: It was. And the register of Ministers' interests, that is also maintained by DPC for the Premier?

Mr REARDON: I will take that on notice exactly where it lands but I believe it is our information and communications technology [ICT] system housing what is basically documents that are at political level. So the owners of the documents under the MOPS Act and the *Ministers' Office Handbook*, we house it on our ICT system. That would be how I would describe it.

The Hon. ADAM SEARLE: Okay. When Mr Maguire's various business dealings became public knowledge both in 2018 and more extensively last year at the ICAC, he disclosed—it was disclosed a number of activities of a business nature that he was engaged in. What steps did you or DPC take both in 2018 and 2019 to go back to the register to see whether or not Mr Maguire had disclosed any of these interests or matters?

Mr REARDON: I would have to take that on notice. We maintain the register on behalf of the Premier through our Office of General Counsel at Premier and Cabinet, but I will take on notice about any actions the General Counsel has done. All I would say is that the General Counsel—both Kate Boyd, the current General Counsel, and Karen Smith, the previous General Counsel—were very proactive on that register.

The Hon. ADAM SEARLE: Okay. So what is the sort of level of supervision? I know you have said in relation to an earlier exchange we had that essentially it is a matter for individuals to disclose what they need to disclose. But what level of supervision does DPC or the Premier in a practical sense have in relation to the code to actually make sure that Ministers, and in this case Parliamentary Secretaries, actually discharge their legal obligation under the—

Mr REARDON: I would not say the word "supervision" is an appropriate word. I would simply say that we outline what the requirements are as a Minister when it comes to any of the *Ministers' Office Handbook* and the *Ministerial Handbook* and the code of conduct. We would outline exactly what the requirements are across a whole range of areas in that *Ministers' Office Handbook* in particular and the code of conduct. It is then upon the individual, you know, up to the individual to comply. So supervising—we proactively remind, without a doubt; but "supervision" is probably not an appropriate word, I don't believe.

The Hon. ADAM SEARLE: Okay. So after the Premier's evidence to ICAC—

Mr REARDON: We can only know what we know.

The Hon. ADAM SEARLE: I understand you can only know what you know, but last year of course we all learnt a great deal more through the evidence.

Mr REARDON: We can only know what we know in terms of reminding, being proactive, and outlining what the requirements are.

The hon. ADAM SEARLE: True, but just wait for my question. In the wake of the last year's ICAC hearings where we learnt not only more about Mr Maguire's doings but about what the Premier knew at the time she was told things in 2014, and she was told things in 2017, all these things are matters of public record because we have heard the phone conversations between Mr Maguire and the Premier. Now, given that that was all squarely on the public record—and I would be very surprised if Mr Maguire had actually made any of those disclosures to the Premier under the code—what steps, if any, did you take as head of DPC to again maybe remind the Premier about the need to make sure that things are disclosed? Mr Maguire was telling her things that she would have known he had not disclosed to her formally and she did not do anything about requiring those disclosures.

Mr REARDON: My expectation is that the Office of General Counsel and the General Counsel herself would do ongoing reminders, ongoing updates. If they find any discrepancies that they believe need to be dealt with, they will remind a Minister on an ongoing basis, on this matter or any other matter.

The Hon. ADAM SEARLE: Okay. Can you please take on notice what concrete steps in fact were taken in the wake of last year's ICAC evidence to pursue these matters to make sure that all of these disclosures that were required were being made?

Mr REARDON: I will take on notice what the General Counsel has been doing over the years and anything in the last months. Absolutely.

The Hon. ADAM SEARLE: All right. Ms Cruickshank, I think you said in relation to earlier evidence—I think this was in relation to the discretionary fund—that disclosures only had to be made by Ministers where there was a personal pecuniary impact. Is that it?

Ms CRUICKSHANK: As I understand it, I think the words might be—I might have them somewhere here—"confer a private benefit".

The Hon. ADAM SEARLE: Yes, a private benefit, or, indeed, there is the conflict of interest provisions too.

Ms CRUICKSHANK: Sorry, Mr Searle, what was that?

The Hon. ADAM SEARLE: My question is this: If a member of Parliament was going to ask the Premier to release funds from the discretionary fund and if that person was an immediate family member as defined under the code, would that not trigger the Premier's obligation to make a disclosure that in fact this involved an immediate family member as defined?

Ms CRUICKSHANK: Can I be honest? I am not the right person to ask about this.

The Hon. ADAM SEARLE: Maybe I will ask Mr Reardon then.

Ms CRUICKSHANK: I am sorry, Mr Shoebridge is not here so I cannot crack my joke, but as has been pointed out, I am not a lawyer, so I am sorry I cannot—

The Hon. ADAM SEARLE: Well, that is not a criticism.

Ms CRUICKSHANK: I know, but he took issue with it in another forum.

The Hon. JOHN GRAHAM: We will pass it on, too.

Ms CRUICKSHANK: Thanks!

The Hon. ADAM SEARLE: If a member of Parliament is approaching the Premier and asking the Premier to allocate funds from the discretionary fund and that would have the effect of conferring a benefit on an immediate family member, as defined under the code, would that not require the Premier to disclose, "This involved an immediate family member."

Mr REARDON: I will simply say what I am advised. Under clause 6 of the code of conduct:

A Minister, in the exercise or performance of their official functions, must not act ... improperly for their private benefit or for the private benefit of any other person.

Under clause 11 of the code:

private benefit means any financial or other advantage to a person (other than the State of New South Wales or a department or other government agency representing the State)

It does not include a benefit that—

... comprises merely the hope or expectation that the manner in which a particular matter is dealt with will enhance a person's or party's popular standing.

Beyond that, anything you ask me more specifically I will need to take on notice, Mr Searle.

The Hon. ADAM SEARLE: Okay. The definitions part of the code defines "family member" in relation to a Minister. I understand that would include the Premier. It extends to "any other person with whom the Minister is in an intimate personal relationship". The term "intimate personal relationship" is not defined in the code, so we have to assume that it is just the ordinary English language meaning of those words. Is that not correct?

Mr REARDON: Yes, look, Mr Searle, welcome to the jungle here. I am getting into bush lawyer territory, and I am not willing to do that, so I will take it on notice. I just do not have an answer.

The Hon. ADAM SEARLE: Okay.

Ms CRUICKSHANK: May I add one extra thing, though, Mr Searle?

The Hon. ADAM SEARLE: Please.

Ms CRUICKSHANK: I am just reflecting on your question. From the point of view of the Premier's Discretionary Fund, it is hard to imagine there would ever be a recipient of a discretionary fund that was an individual, that is, a family member. That is just not the nature of everything I have ever seen in a Premier's Discretionary Fund. The recipients are community groups like netball associations, Little Athletics and things like that, and then it will be some of the major not-for-profits like Lifeline, the Red Cross et cetera. I cannot see that there is a personal, private benefit of anyone from the way the Premier's Discretionary Fund operates.

The Hon. ADAM SEARLE: But if there is a political benefit conferred by the granting of money, that may assist an MP retaining their seat, therefore gaining a financial advantage?

Ms CRUICKSHANK: With the caveat of, again, I am not a lawyer, I think you could probably characterise every decision that every government makes as potentially having a political benefit. So I do not think you could apply a different set of rules to the Premier's Discretionary Fund over anything else because every local MP and/or Minister in any government seeks to be re-elected.

The Hon. ADAM SEARLE: Okay. Mr Reardon, under the code the Premier is the guardian. Disclosures have to be made to the Premier. To whom is the Premier required to make disclosures? Is it to you?

Mr REARDON: I will take it on notice. I would have to seek advice from my general counsel.

The Hon. ADAM SEARLE: Okay, please do. Mr Schmidt, I might just return to you briefly. Your evidence was cut off mid-stream in terms of my question to you about the resourcing impacts for your organisation. You had gone to a certain degree in terms of what you saw as the exigencies being placed on your organisation by the lack of funding certainty. Was there anything that you had not said that you need to put on the record and inform me?

Mr SCHMIDT: Thank you, Mr Searle. I might just continue in that vein because it is relevant to the budget bids we are putting in. I touched upon the funding for staff, which expires on 30 June. In that context I should note that, based on the efficiency dividends currently advised to the commission, if they were applied just to staffing in the coming financial year, that would be 11 positions that would be required to be lost out of the organisation on top of the people whose funding would run out. This year, with the efficiency dividends, we were able to absorb that through some of our operating costs. Our BAU funding, because of our project and protected funding, is only approximately 20 per cent of the entire budget, so we cannot continue to do that. We have to have some operating expenditure.

If those efficiency dividends carry forward—and also I understand that further efficiency dividends may be in the pipeline. There will be a dividend for agencies in respect of a component of the Digital Restart Fund and also savings in respect of contractor efficiencies. Treasury is very keen for agencies to move away from contract hires to employing permanent staff, and I could not agree with them more. I would love to have funding to have permanent staff going forward, but the thought of having an efficiency dividend in respect to that on top of it sounds a bit bizarre. The State general election: For reasons best known to the Treasury, the amount allocated for the forward years for the State general election in 2023 were not based on the actual cost of running the 2019 election; they are based on the 2015 election.

The Hon. ADAM SEARLE: What?

Mr SCHMIDT: So there is a \$23 million difference already in the forward estimates for the cost of running the State general election in 2019. Of course, those costs will escalate, so we have put in a bid to say that is an anomaly or perhaps an error that needs to be sorted out. It is relevant for the coming financial year because a couple of million dollars of that are to engage people who actually do a core part of the preparation for the State general election. We have a bid in for the tablets that are used on election day to mark off people who are making absentee or declaration votes. The current ones we have got are ageing and non-operative. They will see us through local government but they must be replaced. So there is a significant amount of money for that.

The challenge is—as I said at the outset of my first answer, I cannot wait for engagement on the new funding model arising out of the Public Accountability Committee and the Auditor-General report. I have been pushing this, I have been beating this drum since I took on this role. The challenge we face for the current financial year is the black box will still apply. What I mean by that is we are engaging to the best we can. I have met with officers from DPC. At that meeting, Minister Harwin's office was represented and the chief of staff discussed, I am told, with the Treasurer's chief of staff, and subsequently an executive director from Treasury has been put on our case. I met with her and some Treasury officials on Tuesday to go through in a very similar fashion to what I am saying here. But, of course, the process still remains that once it goes out of our mouths, out of our

submissions, it goes into the process within Treasury, and it disappears from line of sight. So, no change in that at the moment.

I keep coming back to the point of this concept of fighting for a seat at the table when it comes to the bids. The sort of matters that we are putting forward are not where we would like this. They are desirable. They are things which we fundamentally believe are vital to maintain the capability of the organisation to deliver what the people of New South Wales expect, what obligations the Parliament has put on me to deliver fair and effective elections, and what you, as members of Parliament, and the Government, as the elected government of the day, would expect me to do. The threats to being able to do that continue, and they are not fanciful. I will just give one example. As you can see, I can talk under wet cement on this.

Ms CRUICKSHANK: Keep going.

The Hon. ADAM SEARLE: I am not interrupting you.

Mr SCHMIDT: Things do break. Before the Joint Standing Committee on Electoral Matters [JSCEM], one of the points of criticism from some of the parties was the problems we had with early voting. You may recall that our systems went down and were interrupted, and there was a delay in getting backups in place to enable people to continue with their voting. That was foreseeable. What I mean by that was there were two elements that came together, unfortunately. There were the ageing systems that actually run the electoral data, which had outages, but we knew that that could happen, so you have a backup. The backup was—we had an option. We had laptops in the polling places. We could either put the data, the rolls, on each of those laptops or we could have it on memory sticks and put it in if something did go wrong. We would have used the cybersecurity money to do proper assessments about what is the correct thing to do. What I mean by that is the electoral roll is recognised by the national security agencies as the jewel in the crown of Australian datasets because it is comprehensive and current for all adults in Australia.

We were not confident that we could put it on the laptops. If something went wrong and the laptops were stolen or misplaced, people could break into those laptops and they would have a complete set of electoral roll data. One of the discussions we had with Treasury in the lead-up to the election was about security guards. I wanted more money to pay for security guards, and there was pushback from Treasury saying, "Why? Why do you need to engage security guards?" I still engaged them, using other money trying to move things around, but I did not get that bid from Treasury. A week before pre-poll opened, one of our early voting centres was broken into and all the electronic equipment was stolen. If the roll had been on the laptops, there was a risk that it could have been accessed and made publicly available. Looking at this challenge from a cybersecurity perspective, the answer is to make the laptops more secure, and we are doing that now for the local government elections and going forward. We could have had the data on the laptop, outage for the system back to head office, open your laptop, there it goes. What we had to do was use the memory sticks. We had not had an opportunity to test it adequately, and it took far longer to actually load the data and let people back in through the door.

The Hon. JOHN GRAHAM: Mr Schmidt, I am going to interrupt you at that point but only to ask this question, although I am going to ask you to take it on notice. On that cybersecurity point, can you tell us on notice, just give us some sense of the advice you might have got in your discussions with the Australian Electoral Commission or with some of those Federal security agencies you have talked about or with your international counterparts about some of the risks that you are worried about? Obviously, do so appropriately—so be sensitive to what you do and do not want in the public domain—but if you could give us some of that information, I think that would be very helpful, perhaps on notice though.

Mr SCHMIDT: Could I suggest a slightly alternative approach with your indulgence?

The Hon. JOHN GRAHAM: Absolutely.

Mr SCHMIDT: Arising out of the Public Accountability Committee report, there is a recommendation that the issue of funding for State general elections, including integrity and threats, goes to the JSCEM for a further hearing. There are a number of cyber issues et cetera that I would like to explore more fully in that forum and perhaps in camera.

The Hon. JOHN GRAHAM: In fact, I have given notice of exactly that motion in the House. I am asking for this information so the House might properly consider exactly your proposal. If you were able to provide some information on notice, that would be helpful.

Mr SCHMIDT: As you can see, I am a bit sensitive about exposing some of these in a broader forum, but put the question on notice and we will see what we can come back to assist in the deliberation.

The CHAIR: Are you going to provide the answer on notice? It is just for the records of the meeting.

Mr SCHMIDT: I will take the question on notice and see what I can provide with the caveats that we have talked about to the extent that I feel it a reasonable thing to do.

The Hon. MARK LATHAM: If I could come to Mr Reardon and that commitment prior to the lunch break to review the papers as to what advice he gave the Premier and what feedback was returned to him, that is the question of the referrals from Hill, Cull and anyone else to ICAC.

Mr REARDON: Mr Latham, if your point is there were two briefings that were referred in a previous hearing by Karen Smith when she was head of the Office of the General Counsel in the Department of Premier and Cabinet and then there were two further briefings provided directly to me, I am assuming that is what you are talking about. The first two briefings were to indicate to the Premier's office to note that Premier and Cabinet and me as the head of the agency were going to provide referrals to the integrity agency. I understand that we put in that advice under section 11 of the ICAC Act: Ministers and the principal officer of a public authority have a duty to report to the ICAC any matter that the Minister or principal officer suspects on reasonable grounds concerns or may concern corrupt conduct. Ministers may comply with this obligation by reporting the matter to the ICAC or to the head of any agency responsible to the Minister.

The point being, we made noting of it to the Premier's office to indicate that Karen Smith had put in place the arrangement that you just had described here by Ms Cruickshank; that Premier and Cabinet, if we received anything, would on behalf of those people bringing that information forward on-forward it expeditiously to the integrity agency. One brief was around the notings to the Premier's office; the other brief was from Kate Boyd, my now current general counsel, to advise that we were to put the information directly to the integrity agency and letters attached to do exactly that. That was done twice for two different matters and I think they are the things that you asked me to look at just before lunch.

The Hon. MARK LATHAM: Sarah Cruickshank, just to come back to the chronology that was examined earlier on, we got to the point where you had the meeting of the chiefs of staff. The information was forwarded on to DPC that sends it on to ICAC. There are DPC briefings onto the Premier that we have just discussed with Mr Reardon. What happened subsequent to that? What feedback did you get from the Premier about, for example, how well you had handled this particular matter? It must have been a relief that this was cleared off as a political problem in the run-up to a State election. Did you get feedback from the Premier that it was well handled, Sarah Cruickshank?

Ms CRUICKSHANK: No, I think I would not have expected it either, to be honest. It is just part and parcel of my job as a chief of staff.

The Hon. MARK LATHAM: Subsequently, were there any further declarations to ICAC that came through with a time delay?

Ms CRUICKSHANK: I do not know because I was not part of the process by which staff were encouraged to go and report. All I did was accept the advice that it would be a good idea to set up that process. I did not have any further involvement.

The Hon. MARK LATHAM: Did any ministerial staff, knowing your role—head of the Premier's office—at any stage bump into you in Parliament, ring you up, text you, "I have heard there is something going on about if we know something about Maguire, we need to put it in." Did you get any of that sort of feedback, clarification, from other staffers about what they needed to do?

Ms CRUICKSHANK: Not that I recall, but that was the function of the chiefs meeting. I told all the chiefs that this was what the process would be and I encouraged them to tell their staff accordingly. I do not recall anybody saying to me, "By the way, I have lobbed something in." But I am not sure if anybody else said to me, "I have passed it on" and "I think there will be someone who will." I do not have any recollection of that. I do not think anybody did. I think it pretty much concluded when I made sure there was an independent arms-length process in place and I was confident everybody knew about that because my vehicle of communicating that was through chiefs of staff and, as we all know, the whole instigator behind setting up this process was the fact a staff member I believe—I think it was one, not two—had gone to DPC in the first instance and had said they wanted to know what to do to report something. So, no, I do not think we revisited it. I was very comfortable that the process had been set up and it was completely appropriate for me to have no more involvement in it.

The Hon. MARK LATHAM: So at this point, the matter ends, to the best of your recollection. I have worked in a leader's office. My chief of staff was Bruce Hawker, working under him for Bob Carr, and we all know in political offices the battlefield stories that are told and so forth at the end of the day or just reflecting on

things that happened. Was there subsequent conversation with the Premier along the lines of, "Jeez, we dodged a bullet with that Daryl Maguire type matter. Imagine if he had gone on the delegation to Shanghai with Niall Blair. Imagine the trouble we would be in now. We dodged a bullet." Was that sort of thing ever said?

Ms CRUICKSHANK: No.

The Hon. MARK LATHAM: No war stories or reflections?

Ms CRUICKSHANK: No.

The Hon. MARK LATHAM: Because the Shanghai matter that has now come to light was only nine months earlier, wasn't it? No reflections on that?

Ms CRUICKSHANK: No, because, as I think I made clear in my evidence to ICAC and I definitely have said it this afternoon, I dealt with it as an annoying issue that needed to be resolved and it was my right as chief of staff to resolve it accordingly, and I made clear—and I could not remember if I had spoken to Daryl or simply passed the message back through Charlie Cull, and I said that at ICAC too. I still to this day do not remember if I spoke to Daryl directly or if I sent it through Charlie, but he was given the firm decision that, "No, you are not going." So that was the end of it, and I did not reflect on it afterwards because, as you would know from your previous roles both working as a staffer and also as a member of Parliament and Leader of the Opposition, these things come up all the time. Not necessarily of a criminal nature, but certainly things come up where members of Parliament are at varying degrees of being irritating to leaders' offices and so you do not really think much of it; you just move onto the next issue. So, no.

The Hon. MARK LATHAM: The next annoyance; no, that is very true.

Ms CRUICKSHANK: So glad you agree with me.

The Hon. TREVOR KHAN: I feel a bit left out of this.

The Hon. MARK LATHAM: Well, you know, but I—

Ms CRUICKSHANK: I should say on the record, I actually 100 per cent value and respect the contribution of anybody who puts themselves forward for election as a member of Parliament or a member of the upper House. I would not want anybody to think I am disparaging them.

The Hon. TREVOR KHAN: No, no.

The Hon. NATALIE WARD: It was implied.

Ms CRUICKSHANK: You just deal with this.

The Hon. MARK LATHAM: We deserved medals back in the day, but, anyway, that is history too. If I can come to the question, Sarah Cruickshank, of pecuniary interest returns because mention was made of the Premier's responsibility to monitor and have control and exposure of conflicts of interest at an Executive Government level. What was the process for the Premier examining the pecuniary interest returns of various members of the Executive Government?

Ms CRUICKSHANK: I actually do not know. I would have to take that on notice. I do not know. My understanding—but I qualify all of this with, I will have to take it on notice and come back to you—was it was the responsibility of Ministers to put forward their interests and, I think I am right in saying, DPC manages that register. But it is very much the responsibility is on the shoulder of the Minister to do so, but maybe Mr Reardon can clarify.

Mr REARDON: Mr Latham, we had just talked about it previously. The register is managed by Premier and Cabinet through the Office of the General Counsel. The accountability rests with the individual to declare what they need to declare through to the Premier, but we maintain the register. We are fairly proactive in reminding people of the register. Any discrepancies or anything else that we believe we need to deal with we try to deal with with various Ministers' offices, but we maintain it on behalf of the Premier.

The Hon. MARK LATHAM: Sure, but Sarah Cruickshank, as chief of staff to the Premier, you were not all that familiar with the contents of the NSW Ministerial Code of Conduct?

Ms CRUICKSHANK: I was familiar with it but I was not responsible for enforcing it. The responsibility, as Mr Reardon said, sits primarily with Ministers themselves.

The Hon. MARK LATHAM: Well, let me assure you that back in the day in Bob Carr's office we knew all this backwards. That was the job description. But that is a different side of the political fence.

Ms CRUICKSHANK: I am happy to take it is a failing on my part.

The Hon. MARK LATHAM: No, no, wait till you try opposition; you will need to know every single word.

The Hon. ADAM SEARLE: Mr Reardon, staff grievances in ministerial offices, without going into any details about particular instances, can you tell the Committee how many grievances have been raised by ministerial staff over the past four years? What is the process by which those grievances are dealt with?

Mr REARDON: No, I cannot tell you how many grievances in ministerial offices—

The Hon. ADAM SEARLE: Can you take it on notice?

Mr REARDON: Matters under the Members of Parliament (Staff) Act are matters for the ministerial offices or chiefs of staff in dealing with those matters and they have their own *Ministers' Office Handbook* and their own policy and procedures to deal with those matters. Based on the confidentiality of a lot of those matters, they may not be matters that I can provide any more advice on.

The Hon. ADAM SEARLE: I was not seeking information about any particular matter.

Mr REARDON: Even if the numbers were quite small because—we were asked sort of similar at departmental level last week—of the sensitive nature of those matters I am not sure if I could take much on notice, to be quite frank. The Members of Parliament (Staff) Act means that policies and procedures are put in place in the Ministers' offices. The chief of staff is there to deal with grievances and I think there is specific wording in either the MOPS Act itself or the handbook.

The Hon. ADAM SEARLE: Yes, but ministerial staff, are they not technically employees of the Premier's department any longer?

Mr REARDON: No, they are under the Members of Parliament (Staff) Act.

The Hon. ADAM SEARLE: Okay. So I just want to make sure that I am asking the right—

Mr REARDON: If there is a departmental liaison officer they can remain with me. If there is a secondment, for example, such as Ms Cruickshank, who is a departmental employee who then went to become a staffer and back into our organisation through another recruitment process into a role right now—but MOPS Act staff are under that Act.

The Hon. ADAM SEARLE: So any grievance in any of the ministerial office workplaces, that would have to be dealt with within those offices and no external department agency would have any visibility over that or any oversight to make sure that things—

Mr REARDON: I will just make a comment and then I will hand over to Ms Cruickshank. We would provide assistance where we could on anything, as we should. We have an area under our chief people officer who basically support the Ministers' offices for their information and communications technology, for transport arrangements and a whole range of other matters for the day-to-day management for Ministers to do their work and staff to do their work. The specifics of the policies and guidelines are under the MOPS Act, and therefore in the *Ministers' Office Handbook*, to outline grievance procedures, et cetera. Beyond that, I might hand over to Ms Cruickshank to make a comment.

Ms CRUICKSHANK: The only thing I would add the secretary has touched on already. Certainly, in my capacity in my previous role, I would encourage other chiefs who came to me and said they were handling difficulties in their office, depending on what the difficulty was, I would always remind them that there was a contact within DPC HR who was available to help them work through what the processes were and—I mean, it just depends what the issue was. Again, to vouch for my current colleagues, HR within DPC are very good at providing guidance and support for people who, I do not think it would surprise anyone to know, perhaps their first level of training is not around beyond employee relations and issues things like that. So there is support available. So, yes, the matters were usually dealt with in the offices themselves, but there was guidance available from DPC if chiefs of staff wanted to get that or, for that matter, for anybody else in offices had a grievance they could go direct to DPC to ask for advice.

The Hon. ADAM SEARLE: So who would know how many grievances have been raised? Is that information kept anywhere?

Ms CRUICKSHANK: I think we would have to take that on notice. My guess is that it would be.

Mr REARDON: Yes, we would have to take it on notice.

The Hon. ADAM SEARLE: I think you said that it would be the responsibility of the chief of staff in a Minister's office to handle any grievance with the assistance of DPC. Is that what you are saying?

Ms CRUICKSHANK: If they chose to ask for assistance from DPC.

Mr REARDON: Can I just clarify on that? There are policies and procedures outlined under the *Ministers' Office Handbook* for Ministers' offices to deal with these matters and matters are to be raised with the chief of staff—I think it is that wording. There is also wording, "if the matter relates to the chief of staff", for alternate pathways—

The Hon. ADAM SEARLE: I was going to ask that question. What is the process when the matter does relate—

Mr REARDON: The specific wording is there. I will quite literally be reading out the specific wording.

The Hon. ADAM SEARLE: I am happy for you to take it on notice.

Mr REARDON: If I can get it before we finish, I will.

The Hon. JOHN GRAHAM: I might turn, Mr Reardon, just to those questions about the Wagga Wagga regional conservatorium of music. I tabled a document before—I might just give it to you. I am happy if you look at it or not. Essentially, my concern is that the Premier is at odds with the department and with the correspondence here. She says she did not approve, in her view, the stage two reservation for the Riverina Conservatorium of Music. Chris Hanger gave advice to say that the Premier approved this. This letter that the Treasurer signed says, "The Premier and I have agreed to this reservation." Can you shed any light on why the Premier thinks one thing but the departmental advice and the correspondence says the other?

Mr REARDON: No, I cannot shed any further light on it.

The Hon. JOHN GRAHAM: Could you take it on notice? What is the approval process?

Mr REARDON: I can take on notice if I can assist with what Mr Chris Hanger's advice may have been to the parliamentary hearings, but I am not sure what exactly I am taking on notice.

The Hon. JOHN GRAHAM: Well, I want you to take on notice what the approval process is for this project. The Premier is saying that the evidence is wrong from the department. So I would like you to clarify—

Mr REARDON: Which department?

The Hon. JOHN GRAHAM: I have told you that it is the—

Mr REARDON: I think the advice was that the accountability lay with the Office of Local Government. And I will repeat that, from what I understand of that, the Department of Premier and Cabinet had not been involved in that specific program—like many other programs. So we had not been involved in that specific one.

The Hon. JOHN GRAHAM: Let me turn to the second. The Treasurer is here in writing saying the Premier approved it. The Premier is saying that she did not. So I am inviting you to, on notice, let us know who approved this and whether the Premier was involved in the approval or not.

Mr REARDON: I will take it on notice, Mr Graham. I just do not have any more detail myself.

The Hon. JOHN GRAHAM: Yes, I am happy about that—as long as you are prepared to take that on notice. It is unusual, though. The Premier has not signed this letter at all. It is on the Premier's letterhead—"the Premier and I have approved this"—but the Premier does not sign. Have you seen something like that before? It is quite an unusual approval.

Mr REARDON: I would not see the vast bulk of a Premier's correspondence, quite frankly. How they are sent out individually or collectively on a letter—I would barely see a letter from the Premier, unless she sent me one.

The Hon. JOHN GRAHAM: So if something like this happens—and it appears to be some kind of breakdown with the Premier's letterhead being used but the Premier does not sign; very unusual—that is a matter for the Premier's office, not necessarily for DPC?

Mr REARDON: If this relates to the fund that you were talking about, yes, there is no documentation on this matter within the department. It was an Office of Local Government program. But the letters that the Premier has out of her office, as I said, I have little to no involvement in.

The Hon. JOHN GRAHAM: Alright, thank you. I just want to turn to those meetings about the Cawdor property—this is the Country Garden Maguire property—and the route of the Outer Sydney Orbital. We have talked about a number of meetings chaired by the Premier in the Premier's office between April and 22 June 2018. Ministers have given evidence about who was in the room. Were there any departmental officials present at those meetings convened by the Premier?

Mr REARDON: So, if I just clarify: The Outer Sydney Orbital being the M9 relating to several corridors—and I will repeat—that came out of the Greater Sydney Region Plan from the Greater Sydney Commission and Future Transport 2056, laying out the mass transit requirements of Sydney over the next 40 years. Within that corridor preservation for Greater Western Sydney as they relate to, for example, the M12 to serve the Western Sydney Airport, the M9 north-south—

The Hon. JOHN GRAHAM: I know the context, I am asking about two or three specific meetings.

Mr REARDON: I just want to make sure I have got that right.

The Hon. JOHN GRAHAM: Correct.

Mr REARDON: And then where I think we left it before lunch was that those matters lead to the need to reserve corridors to actually build the infrastructure at a later date, depending on when the demand requires it.

The Hon. JOHN GRAHAM: All I am asking is at those two or maybe three meetings between April and 22 June that we know about that Ministers have given evidence about, were departmental officials present? Perhaps you might want to take that on notice.

Mr REARDON: I will take it on notice, but I will say that participation in some meetings—and the reason I was giving you that background was to say that on those corridors, I was certainly involved in discussions on those. So there was myself as a departmental officer. Whether there were others there, I will take that on notice.

The Hon. JOHN GRAHAM: So were you present at these meetings?

Mr REARDON: I do not know on those dates—I will take that on notice. But certainly I was involved in discussions about these corridors, which is why I actually stated what corridors they were.

The Hon. JOHN GRAHAM: Yes, absolutely. Can you also taken on notice: Was a record kept of what was discussed at those meetings and who was present?

Mr REARDON: Yes, I will take that on notice.

The Hon. JOHN GRAHAM: Thank you. I will turn to the matter of the ministerial order by the transport Minister. I have not had the benefit of examining the transcript of your discussions with Mr Mookhey over the course of estimates, so I am not trying to traverse the same area he was.

The Hon. TREVOR KHAN: Yes, that would be dangerous.

The Hon. JOHN GRAHAM: Yes, exactly.

The Hon. ADAM SEARLE: But for whom?

The Hon. JOHN GRAHAM: But I do want to put this question to you, as the head of a public service: This Minister has made a ministerial order to his department, which is probably illegal. It is probably outside their powers to deliver on it. He certainly thinks it is still in force. Do you have any views about whether that ministerial order is still in force? That is, does the department of transport still have to chop down these trees 40 metres each side of every highway in New South Wales or is it not in force? Do you have any information you can give us about that?

Mr REARDON: Thanks, Mr Graham. I do not have anything more than I said previously. I am not going to bush-lawyer on this about the enforcement or otherwise. As I said, what Act it may have been provided in terms of the ministerial direction—that is under a whole range of Acts. As you know, in the State Owned Corporations Act—amongst many others where we can actually give a direction—it is no small thing for that to occur, therefore I do not want to speculate on something I do not know that much about. As I said, early last year the then Transport Secretary, Rodd Staples, I recall mentioning it with me. If he had discussions between himself and the Planning, Industry and Environment Secretary, they may have done that. But I do not have anything more to add, nor do I have any speculation on it.

The Hon. JOHN GRAHAM: Could you perhaps take on notice whether you believe that order is still in force?

Mr REARDON: I think that is a matter for the Transport cluster.

The Hon. JOHN GRAHAM: We might take that up elsewhere, I think. It may well come up at Transport.

Mr REARDON: In a previous life I would have taken it on notice.

The Hon. JOHN GRAHAM: I am comfortable raising that at Transport. I will finish on these two issues, one is the—in relation to your evidence about section 11 referrals by heads of department, and this view has been put to me by other heads of departments: These are just routine. If you are in your role or running an agency, you are doing this swiftly, routinely and you have a process in place, and it is more frequent than you would like. That is a fair characterisation, isn't it?

Mr REARDON: I would concur with the way you outlined that. I will not speculate on the "more frequent", but we all know how to do these things.

The Hon. JOHN GRAHAM: Finally, in your evidence about when you became aware of the Premier's close personal relationship and therefore potentially the conflict of interest—put that aside—I want to clarify the evidence you gave. Because I think you said—but I was surprised so I want to clarify this—that you did not hear from the Premier or the Premier's office. You heard from your own team and you heard on that morning when the Premier was giving evidence—that is, I think, 12 October 2020—some way into that evidence. Is that correct?

Mr REARDON: I would be quite precise on this. I was chairing a meeting that morning, so I was not involved in reviewing and watching these things online or anything like that.

The Hon. JOHN GRAHAM: Yes, exactly.

Mr REARDON: I was actually getting on with I think it was a board meeting that I was chairing. That is what I did. I may have been given a text or a note to say, "There is a hearing. Are you observing it?" I was not. It would have been mid-morning or late morning, I cannot remember the specifics, but I know that I was sitting at my desk and my general counsel came and sat down and advised me of the type of evidence. That is when I found out.

The Hon. JOHN GRAHAM: Feel free not to answer this but I have to say that to me that sounds a little bit dysfunctional that you are not hearing about that from the Premier or the Premier's office in relation to that.

Mr REARDON: Is that a comment?

The Hon. JOHN GRAHAM: That is a comment.

The Hon. NATALIE WARD: Yes.

The Hon. JOHN GRAHAM: I am inviting you not to respond, I think, to that.

The Hon. NATALIE WARD: Stonewall.

Mr REARDON: If it was a question, I was just trying to comply with my duties here. If that was just a comment and there was no question, I will just take it as a comment.

The Hon. JOHN GRAHAM: Do you have any view on that comment?

The Hon. ADAM SEARLE: Now, that was a question.

Mr REARDON: No.

The Hon. NATALIE WARD: I disagree.

The Hon. JOHN GRAHAM: I think I will leave it there.

The Hon. ADAM SEARLE: Mr Reardon, in relation to the management of the Ministerial Code of Conduct, are you able to tell us how many rulings have been sought by the Premier each year over the last four years? I am happy for you to take it on notice.

Mr REARDON: No, I would not. If I can take it on notice, I can.

The Hon. ADAM SEARLE: Thank you. Also, could you please take on notice how many rulings have been made by the Premier under the code year by year and how many rulings have been revoked?

Mr REARDON: Could you just clarify what you mean by rulings under the code?

The Hon. ADAM SEARLE: So under the ministerial code—

Mr REARDON: So if you were talking about the pecuniary interest register that we house and manage for the Premier, is that what you mean?

The Hon. ADAM SEARLE: Yes, when there are potential conflicts or there are issues under the code, there is a process by which—

Mr REARDON: Just so I am clear, though, it is the interest register?

The Hon. ADAM SEARLE: It is the interest register.

Mr REARDON: If I can provide anything, I will take it on notice. But I do not know—I would have to take advice off my general counsel about what I could provide because it would disclose personal matters.

The Hon. ADAM SEARLE: I am not asking for any names or any details, I am just asking—if you can—to take on notice how many rulings—

Mr REARDON: The number?

The Hon. ADAM SEARLE: Yes, the number of rulings that have been sought each year, the number of rulings that have been made each year over the past four years and how many rulings have been changed or revoked—if, in fact, that information is kept.

Mr REARDON: If I can provide anything, I shall.

The Hon. ADAM SEARLE: Thank you. In the most recent budget, the Government flagged—

The Hon. TREVOR KHAN: Good God, are we asking a budget question?

The Hon. NATALIE WARD: Oh my goodness!

The Hon. ADAM SEARLE: —changes to the development of a new parental leave policy for the public sector.

The Hon. NATALIE WARD: What page?

The Hon. TREVOR KHAN: Deary me!

The Hon. ADAM SEARLE: When and how will the updated policy be implemented? Are you able to inform us of that?

Mr REARDON: I apologise, I missed the first half.

The Hon. TREVOR KHAN: My fault.

The Hon. NATALIE WARD: It has been a long day, sorry.

The Hon. ADAM SEARLE: It was in relation to the new parental leave policy that the Government announced at the time of the budget. Has DPC been involved in the development of the new parental leave policy for the New South Wales public sector? I wanted to get some details about how that has been rolled out.

Mr REARDON: My chief people officer is here with me. She is not a witness. She would probably burn a hole in the back of my head if I do not know this, but I will take it on notice. I will give you as much information as I can through both my chief people officer and the Public Service Commissioner.

The Hon. ADAM SEARLE: Thank you. Does DPC currently have a contract on foot with Delivery Associates?

Mr REARDON: If that relates to Premier's Priorities, you asked the same question last year. We certainly did then but Ms Cruickshank—

The Hon. ADAM SEARLE: This is about Deliverology, isn't it?

Ms CRUICKSHANK: Yes, it is.

Mr REARDON: Ms Cruickshank basically has accountability for the Premier's Implementation Unit so I will hand to her, if that is okay.

The Hon. ADAM SEARLE: How fortunate that she is here.

Ms CRUICKSHANK: So the question was do we have a—

The Hon. ADAM SEARLE: Yes, do you have—

Ms CRUICKSHANK: We have engaged them for work. I have got the 19-20 figures, if that is helpful for you. Is that what you are after?

The Hon. ADAM SEARLE: Yes, please.

Ms CRUICKSHANK: So we paid them a total of \$255,000 for a range of different services that included the setting up of the new priorities—and apologies, I am reading because I had not started in the role when this happened.

The Hon. ADAM SEARLE: That is okay. This is not a gotcha moment. I am interested in the information.

Ms CRUICKSHANK: We engaged them to support the set-up of the new priorities, which, as you know, run from 2019 to 2023; to also run a couple of sessions because, as you would appreciate, often when you start work on Premier's Priorities there are then staff changes within different agencies that you are working with, so it is always worth doing retraining sessions, not just of my own team but also those that are in other agencies; also to do a check-in at the end of the first year of the priorities just to see how they were tracking; and to—how would you say this—I guess, get some extra creative thinking going about what else we could do to energise certain priorities, given we were one year down and there was a handful that we wanted to keep sort of turning the dial on. So yes, they have been engaged. I think the other thing I would say, in case you are interested, is it is not a perpetual contract; they get brought in and out as we need them at certain points in time.

The Hon. ADAM SEARLE: Is there a 2020-21 contract in place for them?

Ms CRUICKSHANK: I am happy to take on notice as to whether there is a standing contract.

The Hon. ADAM SEARLE: Please.

Ms CRUICKSHANK: We have engaged them once so far.

The Hon. ADAM SEARLE: Can you tell us who in DPC was responsible for awarding the contract to Delivery Associates or, otherwise, how the process came to be that they were awarded that contract?

Ms CRUICKSHANK: I will have to take that on notice. I suspect it may predate this current set of priorities, but I will check that for you.

The Hon. ADAM SEARLE: Did Delivery Associates provide a report or any other documentation as a result of their work and, if so, and again on notice, if you can please provide a copy to the Committee?

Ms CRUICKSHANK: Yes, I will look at that.

Mr REARDON: Chair, I was asked a question previously about the *Ministers' Office Handbook* and grievances, dealing with grievances. Do you want me to just deal with that?

The Hon. ADAM SEARLE: Please.

Mr REARDON: It is in attachment L of the *Ministers' Office Handbook* under "Raising a grievance". I will not read out the three paragraphs but I will point you to those on page 75 of 84. We can extract that if we need to as a response, if you wish, or I can just refer you to that location.

The Hon. ADAM SEARLE: If you could just refer me to the location that would be useful.

The CHAIR: Thank you very much for your attendance and your evidence today. We really do appreciate your time. The secretariat will be in touch in terms of questions that were taken on notice and any supplementary questions.

(The witnesses withdrew.)

The Committee proceeded to deliberate.