

REPORT ON PROCEEDINGS BEFORE

PUBLIC ACCOUNTABILITY COMMITTEE

**APPOINTMENT OF MR JOHN BARILARO AS SENIOR TRADE AND
INVESTMENT COMMISSIONER TO THE AMERICAS**

CORRECTED

At Macquarie Room, Parliament House, Sydney, on Thursday 18 August 2022

The Committee met at 13:30

PRESENT

Ms Cate Faehrmann (Chair)

The Hon. Scott Barrett

The Hon. Scott Farlow

The Hon. John Graham

The Hon. Courtney Houssos

The Hon. Daniel Mookhey

The Hon. Peter Poulos

The Hon. Penny Sharpe

* Please note:

[inaudible] is used when audio words cannot be deciphered.

[audio malfunction] is used when words are lost due to a technical malfunction.

[disorder] is used when members or witnesses speak over one another.

The CHAIR: Welcome to the seventh hearing of the Public Accountability Committee's inquiry into the appointment of Mr John Barilaro as Senior Trade and Investment Commissioner to the Americas. The inquiry is examining the circumstances leading up to the appointment of the various commissioners, including the processes, probity and integrity measures undertaken. I acknowledge the Gadigal people of the Eora nation, the traditional custodians of the lands on which we are meeting today. I pay my respects to Elders past and present and celebrate the diversity of Aboriginal peoples and their ongoing cultures and connections to the lands and waters of New South Wales. I also acknowledge and pay my respects to any Aboriginal and Torres Strait Islander people joining us today.

Today we will be hearing from two witnesses: Dr Marianne Broadbent, managing partner, NGS Global; and the Hon. Warwick Smith, AO, a panel member for the recruitment of the Senior Trade and Investment Commissioner to the Americas. I thank both of them for making the time to give evidence to this important inquiry. Before we commence, I would like to make some brief comments about the procedures for today's hearing. Today's hearing is being broadcast live via the Parliament's website. A transcript of today's hearing will be placed on the Committee's website when it becomes available. In accordance with the broadcasting guidelines, media representatives are reminded that they must take responsibility for what they publish about the Committee's proceedings. While parliamentary privilege applies to witnesses giving evidence today, it does not apply to what witnesses say outside of their evidence at the hearing. I therefore urge witnesses to be careful about comments they may make to the media or to others after they complete their evidence.

Committee hearings are not intended to provide a forum for people to make adverse reflections about others under the protection of parliamentary privilege. In that regard, it is important that witnesses focus on the issues raised by the inquiry terms of reference and avoid naming individuals unnecessarily. All witnesses have a right to procedural fairness according to the procedural fairness resolution adopted by the House in 2018. If witnesses are unable to answer a question today and want more time to respond, they can take a question on notice. Written answers to questions taken on notice are to be provided within 21 days. If witnesses wish to hand up documents, they should do so through the Committee staff. In terms of the audibility of the hearing today, I remind both Committee members and witnesses to please speak into the microphones. Finally, would everyone please turn their mobile phones to silent for the duration of the hearing.

Dr MARIANNE BROADBENT, Managing Partner, NGS Global, sworn and examined

The CHAIR: I now welcome our first witness. Dr Broadbent, could you please state your name, your position title and the capacity in which you are appearing today?

MARIANNE BROADBENT: Thank you. I'm Dr Marianne Broadbent. I am a managing partner of NGS Global. I was the lead search consultant for the executive search and recruitment of all of the senior trade and investment commissioners.

The CHAIR: Thank you very much. Would you like to start by making a short opening statement?

MARIANNE BROADBENT: Yes, thank you very much, I would.

The CHAIR: Thanks so much. Proceed.

MARIANNE BROADBENT: As I mentioned, my name is Marianne Broadbent. I'm a managing partner of NGS Global. I'd like to make an opening statement that outlines the processes NGS Global supports and make some comments in relation to specific issues that the Committee has been addressing. I have also provided a confidential statement for the purposes of the Committee, to provide further background. NGS Global is a top-tier executive search and leadership advisory firm. Our partner team have led high-level executive searches to the public, private, education and not-for-profit sectors for over 15 years. These partners have been engaged to undertake multiple appointments for departmental secretaries, commissioners, CEOs and senior executive search services across all jurisdictions in Australia.

Over the past four years I have personally managed dozens of successful executive searches, including those for board chairs, board members, CEOs and C-level executives across, again, public, private, education and profit sectors. As indicated, I was the lead executive search consultant appointed by NSW Treasury and then Investment NSW to work with them on the six senior trade and investment commissioner appointments, five of which are completed and in place. I would note that our work is always undertaken with the highest level of sensitivity and confidentiality. First, I would like to clarify processes. The parameters and processes for recruitment are established by the hiring agency—in this case, NSW Treasury and Investment NSW—using designated New South Wales public service processes. The hiring agency selects and appoints a panel, who are the assessors for the appointment. The recruitment agency, through the appointed executive search consultant, is there to support the hiring agency.

As part of the process, we provide written comments from the screening interviews of candidates to the panel members. The panel members then decide whom they wish to take forward to short list and interview as part of the selection process. When the selection panel interviews candidates, the search consultant is there as an adviser and as a scribe. It's the panel members who are the assessors. The panel usually comes to a view about those they regard as appointable and then request that reference checks are undertaken. If there's any uncertainty, the panel usually again meets to discuss the recommendations. In relation to selection reports, the usual practice is that following the panel meeting and reference checks, the search consultant prepares a draft selection report and provides this to the chair for review. Following the chair's review and any additions or edits, the usual practice is for this report to be provided to the other panel members by the chair or circulated to all panel members at the chair's request.

As indicated in the Department of Premier and Cabinet report, the timing of the first draft selection report for the STIC Americas round two was the same as for the previous four processes and is standard practice. It was the same timing as for the STIC Americas round one, for which Ms Brown was also the chair. On 15 June I received an email from the Investment NSW HR lead with a selection panel report marked "final". NGS was asked to arrange for panel members to sign this final report as a matter of urgency that afternoon, and we did that. At this time, I did not realise that this was the only version of the selection panel report sighted by all panel members. In her testimony to this inquiry on 5 August, panel member Kathrina Lo referred to feeling like she was used by the hiring agency. By this, Ms Lo meant Investment NSW, not NGS Global as has been reported, as we perform the role described above. The DPC report clarifies this too, on page 39. I mention this as there have been some assumptions in the media that Ms Lo was referring to NGS Global, and I have certainly confirmed with her that that is not the case.

The process for the agent general—there have been some public comments on an email exchange that NGS had with Investment NSW on 19 April 2021 in relation to the agent general appointment process. The Investment NSW officer asked me if she could use an NGS candidate brief as the narrative for documentation that I understood was to be used in departmental briefings. That NGS candidate brief to which she referred was a screening report prepared in February 2021, prior to the panel meeting. It was not the selection report following that meeting. Thus, I commented that if she wished to use the narrative from the screening report in any briefs she

was circulating, it needed to be updated and reflect fully the panel's view and exclude parts that were not relevant. Perhaps inadvisably, I used the term "massaging" to describe that process.

Finally, I think it's important to clarify that at no stage did the panel chair or other members of Investment NSW indicate any dissatisfaction with the work of NGS Global. In fact, on many occasions, quite the reverse—thanking us for our commitment, support, professionalism, candidate care, and our patience and perseverance with various stops and starts in the process of the recruitment for these roles. Thank you.

The CHAIR: Thank you very much, Dr Broadbent. I understand we're getting copies of your opening statement for members.

MARIANNE BROADBENT: Yes, I have provided them to the Committee.

The CHAIR: Thanks very much. We will proceed to questions now from the Opposition. Mr Mookhey?

The Hon. DANIEL MOOKHEY: Thank you, Chair, and thank you Dr Broadbent for your presence. I have pronounced your name correctly, have I not?

MARIANNE BROADBENT: Or Marianne. I'm fine with either.

The Hon. DANIEL MOOKHEY: We might call you Dr Broadbent, if that's okay. Can I establish some preliminary facts here? I refer to the statement that you've provided to the Committee. NGS Global was retained by the NSW Treasury to assist with the executive search as it applies to the Senior Trade and Investment Commissioner positions. Is that correct?

MARIANNE BROADBENT: Yes.

The Hon. DANIEL MOOKHEY: I will refer to them as the STIC positions, if you don't mind.

MARIANNE BROADBENT: Yes, that's fine.

The Hon. DANIEL MOOKHEY: When were you retained by the NSW Treasury?

MARIANNE BROADBENT: It was in December 2019. Officially I think the contract was signed in late November 2019.

The Hon. DANIEL MOOKHEY: Are you a member of the prequalified panel?

MARIANNE BROADBENT: Yes, we are. We're a member of the Talent Acquisition Scheme and have been for many, many years.

The Hon. DANIEL MOOKHEY: Was that contract put to that scheme, and were you asked to bid accordingly?

MARIANNE BROADBENT: We were asked to bid and we did—

The Hon. DANIEL MOOKHEY: But put to that scheme?

MARIANNE BROADBENT: Through that scheme, yes.

The Hon. DANIEL MOOKHEY: It was a tender through that scheme?

MARIANNE BROADBENT: It was a tender through that—that's my understanding, yes.

The Hon. DANIEL MOOKHEY: From December 2019 until April 2021 you were assisting the NSW Treasury with the appointment of the STIC positions for agent general in London, the STIC position in Tokyo—

MARIANNE BROADBENT: Yes.

The Hon. DANIEL MOOKHEY: Was there a third one?

MARIANNE BROADBENT: The other roles that then started were the STIC in India and Middle East, and the STIC in ASEAN-Singapore.

The Hon. DANIEL MOOKHEY: Okay. Upon the formation of Investment NSW that process transfers to them, is that correct?

MARIANNE BROADBENT: That's correct, yes.

The Hon. DANIEL MOOKHEY: And then your contract transfers as well?

MARIANNE BROADBENT: My understanding is that initially the contract we had already signed was honoured, and then later on Investment NSW asked us or made a proposal to undertake the STIC Americas and the STIC China.

The Hon. DANIEL MOOKHEY: That was basically a direct arrangement reached between Investment NSW and NGS Global?

MARIANNE BROADBENT: Yes, and that is what departments are able to do if you're on the Talent Acquisition Scheme.

The Hon. DANIEL MOOKHEY: Yes, there's no suggestion otherwise. I'm now going to concentrate, if you don't mind, on the agent general. We're looking to establish some basic facts here. I think in your opening statement you made reference to the work that you did for the NSW Treasury at the time. Just to be clear here, at the time you were working directly with Deputy Secretary Jenny West?

MARIANNE BROADBENT: Deputy Secretary West and Secretary Mike Pratt.

The Hon. DANIEL MOOKHEY: They were the two people that you were working with?

MARIANNE BROADBENT: Yes.

The Hon. DANIEL MOOKHEY: Can I just establish some base facts around the agent general process? There was a process run in 2020, correct?

MARIANNE BROADBENT: Yes.

The Hon. DANIEL MOOKHEY: That process was interrupted because of COVID. Is that correct?

MARIANNE BROADBENT: Yes, that's correct.

The Hon. DANIEL MOOKHEY: Can we just get the dates of that process, if you don't mind?

MARIANNE BROADBENT: That process started in, as I said, December 2019. It went through to, I think, early March, then because there was no travel allowed it was decided that it would be timely to halt that process because it would be difficult for someone to actually take up that role. There was a decision then to put those on hold for that period of time.

The Hon. DANIEL MOOKHEY: From that December 2019 to early March period there were advertisements placed, correct?

MARIANNE BROADBENT: There were, yes.

The Hon. DANIEL MOOKHEY: They were placed in *The Economist*, the *Financial Times*, the *Financial Review* and other publications, correct?

MARIANNE BROADBENT: They were.

The Hon. DANIEL MOOKHEY: And then they were also placed on the I work for NSW site?

MARIANNE BROADBENT: Yes.

The Hon. DANIEL MOOKHEY: Were they placed anywhere else?

MARIANNE BROADBENT: That's my recollection of them being placed. The advertisements in the local press were handled by Treasury and the Government, as is appropriate, and those for the international roles were handled by us.

The Hon. DANIEL MOOKHEY: Just on that process, that would have led to the development of those longlists, correct?

MARIANNE BROADBENT: Yes. We call it a client progress report.

The Hon. DANIEL MOOKHEY: Okay. We'll refer to that as a longlist, if you don't mind, but I understand what you're talking to.

MARIANNE BROADBENT: But there's also the search process going on concurrently—

The Hon. DANIEL MOOKHEY: In parallel.

MARIANNE BROADBENT: —which is where we are outreaching.

The Hon. DANIEL MOOKHEY: In that December 2019 to early March process did you ever reach the stage of a short list?

MARIANNE BROADBENT: I believe we did.

The Hon. DANIEL MOOKHEY: Were there any interviews held in that period between December 2019 and early March?

MARIANNE BROADBENT: There were some interviews held in February and March because there was some pressure, initially, to have those roles completed prior to, as I understand it, a potential travel for the then Premier.

The Hon. DANIEL MOOKHEY: There was a view that Premier Berejiklian at the time was likely to travel to one of these jurisdictions?

MARIANNE BROADBENT: Yes.

The Hon. DANIEL MOOKHEY: Which one?

MARIANNE BROADBENT: I think London.

The Hon. DANIEL MOOKHEY: And there was a view, therefore, that the roles should be in place to allow the agent general to assist the Premier in her visit?

MARIANNE BROADBENT: That's right—well, that as part of Global NSW, this was the process that the Government wanted in order to have placements made.

The Hon. DANIEL MOOKHEY: At the conclusion of that process in between December and March, did we ever reach the status where a selection panel has met and decided on a preferred candidate?

MARIANNE BROADBENT: A selection panel met and then put things on hold. There were some candidates who we then advised that the process was incomplete and that it would be taken up later in the year.

The Hon. DANIEL MOOKHEY: I might pause there for any colleagues who have any questions before we move forward to the other events that take place in 2020. As there are none, let's move forward. COVID occurs—

MARIANNE BROADBENT: I'm just looking for my time line.

The Hon. DANIEL MOOKHEY: Take your time, Dr Broadbent.

MARIANNE BROADBENT: I actually think I haven't brought it with me. I will be replying as best I can.

The Hon. DANIEL MOOKHEY: Thank you, Dr Broadbent. If you do need to take any specific details on notice I'm sure we won't object. The process resumes sometime in 2020 when conditions under the pandemic allow, is that correct?

MARIANNE BROADBENT: That's right.

The Hon. DANIEL MOOKHEY: When did that happen?

MARIANNE BROADBENT: It was later in the year. I believe it was November/December, again of 2020.

The Hon. DANIEL MOOKHEY: Was there a repeated call for advertisements?

MARIANNE BROADBENT: There was.

The Hon. DANIEL MOOKHEY: The job was readvertised?

MARIANNE BROADBENT: Yes.

The Hon. DANIEL MOOKHEY: Do you know when it was readvertised?

MARIANNE BROADBENT: I believe it was readvertised—and I might have to take this on notice—prior to Christmas. I'm not entirely sure that it was readvertised.

The Hon. DANIEL MOOKHEY: Okay. But the other aspect of what a search firm does, which is to test your own contacts and talent pools, is occurring concurrently. Is that correct?

MARIANNE BROADBENT: Yes.

The Hon. DANIEL MOOKHEY: Were the people who applied at the first instance invited to reapply?

MARIANNE BROADBENT: Yes, they were.

The Hon. DANIEL MOOKHEY: Did any of them do so?

MARIANNE BROADBENT: Some did.

The Hon. DANIEL MOOKHEY: At this point in time, when that process was called for applications, when did applications close for the second?

MARIANNE BROADBENT: I would have to take that on notice.

The Hon. DANIEL MOOKHEY: Did Mr Stephen Cartwright apply in that process?

MARIANNE BROADBENT: Initially, I believe he did not.

The Hon. DANIEL MOOKHEY: We'll just stay in the 2020 events, if you don't mind?

MARIANNE BROADBENT: Right.

The Hon. DANIEL MOOKHEY: We'll get to 2021 a bit later. But, just to be clear, at no point in 2020 did Mr Stephen Cartwright apply for the job of agent general in London?

MARIANNE BROADBENT: I believe that's the case.

The Hon. DANIEL MOOKHEY: There is a process that takes place in 2020. That leads to the development of a short list. Is that correct?

MARIANNE BROADBENT: Correct.

The Hon. DANIEL MOOKHEY: That short list included, what, four people?

MARIANNE BROADBENT: I believe so.

The Hon. DANIEL MOOKHEY: There's going to be one person who I'm not going to name. But there was a person who it was decided, at that point, was a preferred candidate who withdrew later from that process, correct?

MARIANNE BROADBENT: There was, yes.

The Hon. DANIEL MOOKHEY: And then there was a second person in that process—for want of a better term, the "runner-up"—who becomes the preferred candidate as a result of that person's withdrawal, correct?

MARIANNE BROADBENT: That's a construction of it, yes. Sometimes someone withdraws from a process. The second candidate was also regarded as highly appointable.

The Hon. DANIEL MOOKHEY: The second candidate was "regarded as highly appointable". That's what you said?

MARIANNE BROADBENT: It was very suitable for appointment.

The Hon. DANIEL MOOKHEY: That second candidate who was decided to become "highly appointable" was Mr Paul Webster. Is that correct?

MARIANNE BROADBENT: Yes.

The Hon. DANIEL MOOKHEY: Mr Paul Webster ends up being appointed as the Trade and Investment Commissioner, where I believe he is still currently serving. That's your understanding too?

MARIANNE BROADBENT: He's been appointed the Trade and Investment Commissioner for Europe and he reports to Stephen Cartwright because the agent general covers UK, Israel and Europe.

The Hon. DANIEL MOOKHEY: Just to be very clear—

The Hon. JOHN GRAHAM: Just be clear, that's slightly different—not one of these senior trade—

MARIANNE BROADBENT: It's a Trade and Investment Commissioner. It's the next level.

The Hon. JOHN GRAHAM: Yes, and that's the distinction.

MARIANNE BROADBENT: Yes.

The Hon. DANIEL MOOKHEY: It's been characterised to us as, effectively, the 2IC. Is that fair?

MARIANNE BROADBENT: That would be how I would characterise it, yes.

The Hon. DANIEL MOOKHEY: Let's just be clear here: By the end of 2020 Mr Paul Webster is regarded as the preferred candidate for the agent general position to London. Is that fair?

MARIANNE BROADBENT: I think in early 2021.

The Hon. DANIEL MOOKHEY: Okay, early 2021. We are talking January or February?

MARIANNE BROADBENT: Yes.

The Hon. DANIEL MOOKHEY: In January and February Mr Webster is the preferred candidate?

MARIANNE BROADBENT: Yes.

The Hon. DANIEL MOOKHEY: At what point does Mr Cartwright apply?

MARIANNE BROADBENT: My recollection is that he applies in February.

The Hon. DANIEL MOOKHEY: Can you take us through how that took place?

MARIANNE BROADBENT: My understanding is that I received advice that there was to be another candidate considered. I received that advice from the secretary of NSW Treasury at the time, that that candidate was Mr Stephen Cartwright, and we were asked to keep things open so that Mr Cartwright could be considered.

The Hon. DANIEL MOOKHEY: Okay. Do you recall—let me unpack that a little bit. You got a phone call in February from the Secretary of NSW Treasury. Is that correct?

MARIANNE BROADBENT: No. It was actually at a meeting that we had. I think we were at one of the other panel meetings.

The Hon. DANIEL MOOKHEY: Okay.

MARIANNE BROADBENT: And I was advised—again, my recollection—that there was another candidate that we were asked to meet as part of the screening process.

The Hon. DANIEL MOOKHEY: Okay. So there's a meeting of another panel. Is that the Japan panel?

MARIANNE BROADBENT: I expect it was at the time.

The Hon. DANIEL MOOKHEY: Yes. So Mike Pratt, who was the Secretary of the NSW Treasury at the time, correct?

MARIANNE BROADBENT: Yes.

The Hon. DANIEL MOOKHEY: He was a member of that panel?

MARIANNE BROADBENT: Yes.

The Hon. DANIEL MOOKHEY: You and he have a conversation at that meeting. We'll be able to establish, I think, when that meeting took place.

MARIANNE BROADBENT: Yes.

The Hon. DANIEL MOOKHEY: I'm sure someone upstairs is doing that. He advised you that there was to be another candidate for the agent general role?

MARIANNE BROADBENT: Yes.

The Hon. DANIEL MOOKHEY: And that candidate was Mr Stephen Cartwright?

MARIANNE BROADBENT: That's right.

The Hon. DANIEL MOOKHEY: And what were you instructed to do?

MARIANNE BROADBENT: To treat him as a candidate, which meant that we were asked to meet with him for a screening interview, which we did.

The Hon. DANIEL MOOKHEY: Okay. We will get to that part of it. But did Mr Pratt indicate to you that he had had any conversations with Mr Cartwright at the time?

MARIANNE BROADBENT: I don't recall him saying that he had conversations.

The Hon. DANIEL MOOKHEY: Okay. Did he give you any explanation as to how he managed to source Mr Cartwright as a candidate for this job?

MARIANNE BROADBENT: Not at the time, no.

The Hon. DANIEL MOOKHEY: At any point?

MARIANNE BROADBENT: No.

The Hon. DANIEL MOOKHEY: At any point did you ascertain how precisely Stephen Cartwright was identified by Mike Pratt as the person for the agent general role?

MARIANNE BROADBENT: I understand that Stephen Cartwright, as has now been released, had a discussion with the then Deputy Premier.

The Hon. DANIEL MOOKHEY: Okay. Let me unpack that. You understand that he had a conversation with the Deputy Premier at the time, Mr John Barilaro?

MARIANNE BROADBENT: I understand that Stephen Cartwright did.

The Hon. DANIEL MOOKHEY: How do you have this understanding?

MARIANNE BROADBENT: At the time that was a conversation that Mr Cartwright had indicated to a number of people, including me.

The Hon. DANIEL MOOKHEY: Okay. So you had a conversation with Mr Cartwright in which Mr Cartwright tells you—

MARIANNE BROADBENT: My conversation with Mr Cartwright related to the screening interview and that he was keen to provide service to New South Wales as part of his next contribution to the State.

The Hon. DANIEL MOOKHEY: Dr Broadbent, we might need to go a bit slowly over this. When you say a "screening interview"—

MARIANNE BROADBENT: Yes.

The Hon. DANIEL MOOKHEY: —are you talking about an interview directly between NGS Global, undertaken by you, and a potential candidate?

MARIANNE BROADBENT: Yes.

The Hon. DANIEL MOOKHEY: And this is a precursor to a panel interview, correct?

MARIANNE BROADBENT: Correct. It's a process where we are asked, as the search committee, to undertake a screening interview so that—we do that with all candidates who could possibly be short-listed. And then we provide that and we provide our written comments as part of that process.

The Hon. DANIEL MOOKHEY: Okay. So you had one of these screening conversations with Stephen Cartwright, as you would with all the other candidates, correct?

MARIANNE BROADBENT: We did, yes.

The Hon. DANIEL MOOKHEY: Do you recall when you had this conversation with Mr Cartwright?

MARIANNE BROADBENT: I believe it was in February.

The Hon. DANIEL MOOKHEY: And this followed after a request from Mr Pratt?

MARIANNE BROADBENT: Yes.

The Hon. JOHN GRAHAM: So how long after would it have been?

MARIANNE BROADBENT: It would've been probably a week after, I expect.

The Hon. DANIEL MOOKHEY: Okay. So we're talking middle—

MARIANNE BROADBENT: We had difficulty scheduling, but we managed to schedule it.

The Hon. DANIEL MOOKHEY: Do you think it may have been around 21 February or thereabouts?

MARIANNE BROADBENT: Somewhere thereabouts.

The Hon. DANIEL MOOKHEY: Okay, thank you. Is this a phone conversation, a Teams meeting or in-person meeting?

MARIANNE BROADBENT: It was a video. A Teams meeting because of COVID at the time.

The Hon. DANIEL MOOKHEY: And it was you and your staff, I presume?

MARIANNE BROADBENT: Yes, it was.

The Hon. DANIEL MOOKHEY: Or was it just you? And in this conversation, what did Mr Cartwright tell you about conversations he had had with the Deputy Premier?

MARIANNE BROADBENT: Just that he was interested to make a contribution to New South Wales and that he had decided that this role was something which he was very, very interested in.

The Hon. DANIEL MOOKHEY: Yes. And he made a reference to the Deputy Premier?

MARIANNE BROADBENT: That's my recollection.

The Hon. DANIEL MOOKHEY: What did he say?

MARIANNE BROADBENT: That it had been suggested to him that he might consider the role.

The Hon. DANIEL MOOKHEY: By the Deputy Premier?

MARIANNE BROADBENT: By the Deputy Premier.

The Hon. DANIEL MOOKHEY: My understanding—

MARIANNE BROADBENT: I'm only sharing this—I would not normally share this. We regard confidentiality of these things very highly.

The Hon. PENNY SHARPE: Yes, sure.

MARIANNE BROADBENT: The only reason that I'm sharing this is because it's come into the public domain. Otherwise I would not be sharing any of that because we regard that level of confidentiality between candidates and us very highly.

The Hon. DANIEL MOOKHEY: I appreciate that, Dr Broadbent. Just to be clear, we do thank you for giving evidence under the Parliamentary Evidence Act. But as a result of that, you have a lawful obligation to answer our questions as well.

MARIANNE BROADBENT: Okay.

The Hon. DANIEL MOOKHEY: But I appreciate the caution that you've shown.

MARIANNE BROADBENT: Thank you.

The Hon. DANIEL MOOKHEY: And I understand the reasons why you have to be cautious as well. But I should assure you as well that you are actually required to answer these questions, so you are not subjected to any criticism yourself, just to be clear. Let's return. Just to be clear here, is it your recollection that Mr Cartwright told you words to the effect of "the Deputy Premier said that I should think about this job"?

MARIANNE BROADBENT: It would be close to that. I can't remember the exact words.

The Hon. DANIEL MOOKHEY: Okay. Do you know when Mr Cartwright spoke to the Deputy Premier?

MARIANNE BROADBENT: No, I do not.

The Hon. DANIEL MOOKHEY: Did Mr Cartwright make references to any other member of the Government?

MARIANNE BROADBENT: Not at the time, no.

The Hon. DANIEL MOOKHEY: Not at that time?

MARIANNE BROADBENT: Not to me, no.

The Hon. DANIEL MOOKHEY: Earlier on you said that you were aware that he had made this point to others—about a reference to a conversation with the Deputy Premier. Do you know who else he may have made mention of that to?

MARIANNE BROADBENT: No, I do not.

The Hon. DANIEL MOOKHEY: Okay. I might pause there.

The Hon. JOHN GRAHAM: Just on that point, again in reference to other members of the Government, are you aware of others that he made those references to?

MARIANNE BROADBENT: No, I do not. No, I'm not.

The Hon. PENNY SHARPE: Did Mr Cartwright ever indicate that he had spoken to other members of the Government in relation to this role?

MARIANNE BROADBENT: He didn't indicate that to me in person, no.

The Hon. PENNY SHARPE: Through any other way?

MARIANNE BROADBENT: Only in the statement that he did make to me that has come into the public domain.

The Hon. PENNY SHARPE: So he did indicate that he had spoken to both the Deputy Premier and the Treasurer at the time?

MARIANNE BROADBENT: That's what he wrote to me, yes.

The Hon. PENNY SHARPE: The Treasurer at the time being Dom Perrottet?

MARIANNE BROADBENT: That's what he wrote to me, yes.

The Hon. DANIEL MOOKHEY: Can I take you to that public domain information? I think you might find it in front of you, Dr Broadbent, a printout of an article that was published this morning by the ABC. It might be in one of the documents that's in front of you. We will get to that shortly, if you don't mind. But there's a screening call that takes place. At this point in time the selection panel has already met and decided that Mr Webster was the preferred candidate, correct?

MARIANNE BROADBENT: That's correct.

The Hon. DANIEL MOOKHEY: And you had provided advice to NSW Treasury to that effect. That's correct?

MARIANNE BROADBENT: It was Treasury who is—

The Hon. DANIEL MOOKHEY: Your client.

MARIANNE BROADBENT: —deciding that he's the preferred candidate.

The Hon. DANIEL MOOKHEY: Yes. So the Treasury had decided that he was the preferred candidate.

MARIANNE BROADBENT: The panel had decided he was the preferred candidate.

The Hon. DANIEL MOOKHEY: Just to be clear, do you recall who the panel members were?

MARIANNE BROADBENT: Mr Pratt, Mr Warwick Smith and I'm not sure—I can't remember. The other would be another secretary. It might well have been Mr Reardon.

The Hon. DANIEL MOOKHEY: Was it Mr Tim Reardon?

MARIANNE BROADBENT: I expect it was.

The Hon. JOHN GRAHAM: Yes.

The Hon. DANIEL MOOKHEY: I believe we also have documents in front of us that suggest it was Mr Tim Reardon, and that's your recollection as well. So the Secretary of the Treasury, the Secretary of the Department of Premier and Cabinet and Mr Smith have decided that he's the preferred candidate, and that view is then related and endorsed by NSW Treasury for at least some period of time?

MARIANNE BROADBENT: I believe that there were discussions going on to proceed with that appointment.

The Hon. DANIEL MOOKHEY: Do you ever recall advising NSW Treasury that Mr Webster was a strong candidate?

MARIANNE BROADBENT: Yes.

The Hon. DANIEL MOOKHEY: Did you do that in multiple instances?

MARIANNE BROADBENT: It was in our initial report. It was what the selection panel decided as well. But it's the selection panel that decides who the candidate is to be appointed.

The Hon. DANIEL MOOKHEY: Okay. So that process—just so I can work out the sequence of events here, Mr Pratt asks you to consider Mr Cartwright some time in February, probably around 15 February or thereabouts?

MARIANNE BROADBENT: About that, yes.

The Hon. DANIEL MOOKHEY: At this point in time Mr Pratt, Mr Reardon and Mr Smith had already agreed that Paul Webster was the preferred candidate?

MARIANNE BROADBENT: There was a draft panel report to that effect.

The Hon. DANIEL MOOKHEY: And did Mr Pratt indicate to you any reasons why he felt it was necessary to set aside that finding in order to proceed with an additional search?

MARIANNE BROADBENT: No, I'm not aware of that.

The Hon. DANIEL MOOKHEY: Okay. And then you have a screening conversation with Mr Cartwright. That's correct?

MARIANNE BROADBENT: Correct.

The Hon. DANIEL MOOKHEY: In which he relates to you that Mr Barilaro notified him of this job and suggested that he should apply. Is that fair?

MARIANNE BROADBENT: That's my recollection.

The Hon. DANIEL MOOKHEY: Did Mr Cartwright ever say words to the effect, "Mr Barilaro said that I should be the person for this job"?

MARIANNE BROADBENT: I don't recall him saying that.

The Hon. DANIEL MOOKHEY: What happens after that, Dr Broadbent?

MARIANNE BROADBENT: What happens after that is there is another panel meeting where the panel interviews Mr Cartwright and has a discussion around who they would then put forward as the preferred candidate.

The Hon. DANIEL MOOKHEY: Did that take place on 30 March?

MARIANNE BROADBENT: That would be about right.

The Hon. DANIEL MOOKHEY: Did that interview process on 30 March consider any other candidate?

MARIANNE BROADBENT: At that stage, I don't believe it did.

The Hon. DANIEL MOOKHEY: So the only reason that panel was reconvened was to consider Mr Cartwright's candidacy?

MARIANNE BROADBENT: I believe that's the case.

The Hon. DANIEL MOOKHEY: And you were asked to assist in that process?

MARIANNE BROADBENT: Yes, I was.

The Hon. DANIEL MOOKHEY: And that process led to the decision to make Stephen Cartwright the preferred candidate at that point in time?

MARIANNE BROADBENT: That's correct.

The Hon. DANIEL MOOKHEY: At that point, did anybody indicate to you what was wrong with Mr Webster?

MARIANNE BROADBENT: Perhaps that he didn't have recent knowledge of New South Wales. That became a factor in a number of the appointments—that familiarity with New South Wales would be helpful. Mr Webster had been living internationally, in the UK and Europe, for many years. He held a similar role, in fact, to a STIC role for the UK Government. He wanted to do for Australia what he had been doing for the UK Government for quite some time.

The Hon. JOHN GRAHAM: Who put that view to you?

MARIANNE BROADBENT: It was my understanding that, in the discussion of the panel, that was seen as something which might well be important.

The Hon. DANIEL MOOKHEY: Was it the same panel?

MARIANNE BROADBENT: Yes, I believe it was.

The Hon. DANIEL MOOKHEY: Just to be very clear, this same panel had agreed that Mr Webster had adequate knowledge of New South Wales to become the first agent general to London upon the position's resumption in February, but six weeks later, after Mr Cartwright is suggested by the Deputy Premier as a

candidate, the panel all of a sudden decides that he doesn't have the same requisite skill and that Mr Cartwright does?

MARIANNE BROADBENT: I think these things are always relative. I think there was consideration that perhaps Mr Webster would have a steeper learning curve in relation to relationships in New South Wales and understanding of New South Wales business. Again, that's my recollection of how this took place.

The Hon. DANIEL MOOKHEY: But only after the Deputy Premier had suggested to Mr Cartwright that he come forward?

MARIANNE BROADBENT: After Mr Cartwright became a candidate.

The Hon. DANIEL MOOKHEY: The Deputy Premier was the trade Minister at the time, correct?

MARIANNE BROADBENT: Correct.

The Hon. DANIEL MOOKHEY: And he was being supported by NSW Treasury. Was that your understanding?

MARIANNE BROADBENT: Treasury was actually our client—NSW Treasury.

The Hon. DANIEL MOOKHEY: Indeed. What we understand now is that he was a part of that cluster and that department was supporting him, so it's possible—

The Hon. JOHN GRAHAM: In his capacity as the trade Minister.

The Hon. DANIEL MOOKHEY: As the trade Minister. That was the department that he had support from. Did anyone from Treasury ever tell you that they were briefing Mr Barilaro about the agent general position in London?

MARIANNE BROADBENT: No, they did not.

The Hon. DANIEL MOOKHEY: Okay. Do you have any idea how Mr Barilaro would come to have the information that Mr Webster was a preferred candidate?

MARIANNE BROADBENT: I don't know that process. Once he becomes the preferred candidate, the process then of any interaction at the political level is taken by the department. It is not taken by us.

The Hon. DANIEL MOOKHEY: With the Chair's indulgence, I have taken the ABC report—or otherwise I will lend it back to you and—

The CHAIR: Yes, I will jump in now with a different round. When I'm done, I'll throw back to you. Dr Broadbent, I wanted to go to the first round of recruitment for the STIC Americas position just briefly. Was it your understanding, from that first recruitment process, that a suitable candidate had been found?

MARIANNE BROADBENT: Yes. I believe there were two suitable candidates found from the first round.

The CHAIR: Were you informed—two suitable candidates were found, and we'll get to the second suitable candidate at some stage soon. But two suitable candidates were found, and they were put forward to the chair—the head of Investment NSW, Amy Brown. Is that correct? Is that who you liaised with?

MARIANNE BROADBENT: The process is that we prepared short-listing recommendations. The panel then discusses these, and then the panel comes to a decision about who they wish to interview. They interviewed, from my recollection, four people. As was the case for nearly all of the STIC appointments, two of those were considered appointable—or "very suitable", in this case—at that time.

The CHAIR: "Very suitable". Does that mean that you get to the situation where you are checking referees for "very suitable" candidates?

MARIANNE BROADBENT: Yes, we checked referees for both of those candidates.

The CHAIR: You did for both. Just to be clear, with public statements that have been made by some that no suitable candidate was found, that was not accurate from what you provided Investment NSW?

MARIANNE BROADBENT: We believed, and I think the panel believed, there were two suitable candidates at that stage as well. I think the Department of Premier and Cabinet inquiry has traversed that with good context as well.

The CHAIR: So you were also notified at some point that a candidate had been identified and offered the position?

MARIANNE BROADBENT: I was advised that there seemed to be a successful candidate after reference checks and that there would then be discussions about that candidate. I should indicate that part of the challenge in these roles is that they don't come with the same conditions as Commonwealth roles. That's important to understand because it means that there tends to be a more elongated process, and we've always had to explain to people that they're paid in local currency, they don't have accommodation, they have to deal with tax issues, their utilities aren't paid for and so on. At that point, my understanding was that Investment NSW was going to commence discussions with that preferred candidate.

The CHAIR: Just to be clear, with regard to the second suitable candidate, that was put forward and they were put into a talent pool, if you like. The talent pool was to be drawn upon for future—

MARIANNE BROADBENT: Yes.

The CHAIR: —similar positions that became available?

MARIANNE BROADBENT: The second candidate was placed, at that stage, into a talent pool, which meant that if there were similar positions, either that person could be appointed directly or that person would be well regarded in any further recruitment.

The CHAIR: That second person ended up applying again—put their application in for the second recruitment round.

MARIANNE BROADBENT: Correct.

The CHAIR: I just wanted to turn to some of Amy Brown's evidence that was provided to this Committee on 3 August. It's in relation to the selection panel report—what has been referred to as the draft selection panel report that you sent to the chair. I understand, in this situation, you sent it to Amy Brown, who was the chair of the selection panel, plus Ms Kylie Bell. Is that correct?

MARIANNE BROADBENT: Yes. And the head of HR for Investment NSW as well, which is also normally the practice.

The CHAIR: Amy Brown told this Committee that that selection report for the second recruitment round, which was sent to her on 15 March by NGS Recruitment by you, I understand—she said that was sent to her in error. What's your reaction to that?

MARIANNE BROADBENT: I was, I think it's fair to say, shocked and surprised by those words that she used. We followed the standard practice that we always had, which was, after reference checks, provide a selection report. We had done the same for Ms Brown after Americas two, and you might note her words in response. She thanked us for that. She didn't say, "This is wrong; I don't want it," or anything like that at all. She thanked us, and then made some other comments that she would seek some informal referees and that the order might change.

The CHAIR: Yes. By "her response", you're referring to the email that she sent you in response—

MARIANNE BROADBENT: Correct.

The CHAIR: —once you sent that through? Just to be clear, for all of the STIC positions, was that the same process that you undertook—

MARIANNE BROADBENT: Yes.

The CHAIR: —that you sent what is called a draft selection report to the chair with your assessment post-referee check?

MARIANNE BROADBENT: Yes. It's usually post-referee check. That was certainly the case in the second round of STIC Americas. That was part of our commitment and requirement, and we did that with the same time line for all the STIC appointments.

The CHAIR: Amy Brown's evidence was:

I never asked them to send me a report. To me, it came out of nowhere.

Again, shocked and surprised at that language?

MARIANNE BROADBENT: Yes, I was, because it was part of the standard process and that was the practice that had been followed all the time previously.

The CHAIR: Where Amy Brown gave that evidence around what happened in the selection panel discussing both Ms Cole, her name has been mentioned in this inquiry as one of the potential suitable candidates,

as well as Mr Barilaro, your understanding of the selection panel discussion on the day of the interview, you've said that you were there almost as a scribe, if you like, recording and getting everything down in terms of the discussion about both applicants. What was your understanding of where the panel was up to at the end of that interview day? Where were they up to with who was considered best for the job, or who were they considering?

MARIANNE BROADBENT: I would think it's fair to say they were both considered strong candidates at the time. The meeting ended because—my recollection is that some people had to leave. There was not what you would normally expect as a considered conversation about the next stages. My report is based on my recollections at the time, and I realise there are other recollections of that. The point of doing then a first draft was, in effect, to test some of that, plus the fact that I understood Ms Brown was having Ms Cole meet a Minister and that had only ever happened previously with the preferred candidate.

The CHAIR: So with the—

The Hon. PENNY SHARPE: Cate, can I just do a very quick follow-on?

The CHAIR: Sure.

The Hon. PENNY SHARPE: You just sort of said that the discussion after that meeting wasn't what normally happened. What was the circumstances of that?

MARIANNE BROADBENT: At the end of—normally, there is some consideration of rankings, well, not rankings but scorings as well. It doesn't always happen and it's part of the challenges of being the scribe, to work through what you think the panel has decided and what reflects their discussion—which, again, it may change based on their further input and reference checks. So that was the process—

The Hon. PENNY SHARPE: It didn't happen in this case?

MARIANNE BROADBENT: Not at that level, no.

The CHAIR: You do say in the statement that you have provided to the Committee that your recollection is that, with her strong international experience, Ms Cole was seen by the panel to be slightly ahead of Mr Barilaro?

MARIANNE BROADBENT: Yes, but I know that other—

The CHAIR: But they were close?

MARIANNE BROADBENT: They were close. Other panel members had a different recollection, as it turned out, and I guess I was doing the best to assess what I believed to be the case at the time. I may have got it wrong, but I did my best to assess it and with the added feature that Ms Cole was going to meet a Minister. And so preparing a draft report is exactly what—one way to do that and then that is for discussion and that is for review of the chair. It is not a final document. First drafts are exactly that—they're first drafts. Then you often have a second draft and then a final. It's not that unusual.

The CHAIR: For the STICs roles though and the recruitment processes that you've undertaken for the others and preparing the draft selection reports, they were all pretty accurate, weren't they?

MARIANNE BROADBENT: There were no issues with any of the other reports, I think it's fair to say.

The CHAIR: No issues with any of the others? In all of your experience writing these draft selection panel reports after consideration by the people on the panel of, say, between a couple of preferred applicants, was this rather unusual how much your interpretation was different to ultimately what Investment NSW changed it to?

MARIANNE BROADBENT: Well, I wouldn't describe it as Investment NSW "changing it to", in that sense. But certainly I would say that it was one of the rare occasions when I was later advised that it didn't necessarily reflect the conclusion the panel reached. But it was a very uncertain conclusion in any case, which I think is clear.

The CHAIR: How did that discussion take place? You sent the draft selection panel report. What happened then? Was it Ms Bell or Ms Brown who contacted you? Did you have a phone conversation about this at any stage?

MARIANNE BROADBENT: No, I did not, and I knew after—I was advised by, I believe, Ms Brown that Ms Cole had met the Minister and, as she indicated in her evidence, that she felt it hadn't gone very well. And then she asked me if I would advise Ms Cole that she was not appointable, she was not successful, and I did that in the middle of the month.

The CHAIR: That response then was just in—because I asked you about the draft selection panel report and the conversations that took place between you and Investment NSW, whether it was Amy Brown or Ms Bell,

about the need to change the report and you responded about the interview with Ms Cole. So just to be clear, are you saying that you didn't have any discussions or hear from either Kylie Bell or Amy Brown until after it was clear Ms Cole's interview with the Minister didn't go well.

MARIANNE BROADBENT: That's my recollection, yes, and I've checked my records. And then because there appeared then to be a hiatus and I was seeking confirmation of what was happening—was Mr Barilaro being appointed, as I did not get any clarification on that—I asked to meet with Amy Brown, which I did face to face as soon as you could travel and things on 26 May. At that meeting Ms Brown advised me that Mr Barilaro was being appointed and asked if I would please change the order of the candidates. Again, there was no comment that I did a bad job in the first place either—could I please change the order of the candidates to reflect that and also ensure that I included comments that Mr Barilaro had a strong reference report. I did that and returned that to her on 28 May, and then did not hear back further until I had a call from Kylie Bell on 8 June and Kylie and I had—and Ms Bell and I had a video call, I believe it was, on 9 June. She indicated that she felt that the panel report needed some further work.

The CHAIR: What date was that, did you say?

MARIANNE BROADBENT: That was 9 June. I offered to do that. In the end, she decided that she would do that, which was fine by me. That is the prerogative of the panel members and she did that. That's my understanding. And that then resulted in the panel report on 15 June.

The CHAIR: So the two months, really, between when you sent the draft selection panel report and then you said after you found out about Ms Cole's interview you were trying to find out more information—

MARIANNE BROADBENT: I was trying to seek clarification. I was just trying to seek clarification—

The CHAIR: —about Mr Barilaro's—

MARIANNE BROADBENT: —of where things were at in the process.

The CHAIR: Did you receive no response to those?

MARIANNE BROADBENT: I don't believe I received a response to that and it was, you know, things were "under discussion". That would have been the most I would have heard, and I was not asked again until 8 June to have a discussion about the selection report.

The CHAIR: The discussion about the selection report, did you—so you were essentially told at that point to make sure the selection panel report, therefore, confirmed that Mr Barilaro was the successful candidate? That's what you needed to do with that?

MARIANNE BROADBENT: That was the request that Amy gave me—Ms Brown gave me—on 26 May, which resulted in the second draft report on the twenty-eighth. And then further work was done on that selection report by, I believe, Ms Bell in June.

The Hon. JOHN GRAHAM: Was that the only time that INSW held the pen for one of these selection reports, or did they do that in relation to other appointments as well?

MARIANNE BROADBENT: I don't recall if they did it previously. There are often minor changes made along the way. That's standard practice.

The CHAIR: Were you concerned about what seemed to be the changing in the ranking, though? You had to essentially upgrade Mr Barilaro in terms of some of the qualities, you know, the capability framework meeting and exceeding, for example. I think technically two of his "meets" became two "exceeds". On what basis does a professional recruitment agency like yours just make such a substantial change to an assessment?

MARIANNE BROADBENT: I would go back to the first report when I had given Ms Cole more "exceeds" than Mr Barilaro. The second report had them at the same level and the third report, which again is the panel's report—it's not our report—had one assessment for Mr Barilaro higher, because that again was the panel chair's view. As I said, I've since found out that that panel report was not sent to the other panel members until 15 June, with a rush to "please sign it."

The CHAIR: Yes. We will move to questions from Mr Graham now.

The Hon. JOHN GRAHAM: I didn't want to cut across. Just to clarify the point you've made, that final report where you've described Mr Barilaro coming up, reflecting the chair's view, was that the only time that the agency was responsible for drafting an entire panel report compared to those other appointments?

MARIANNE BROADBENT: Well, the report belongs to the panel and we provide that service.

The Hon. JOHN GRAHAM: Yes.

MARIANNE BROADBENT: So that's what we do, and on this occasion the client wanted further work on it.

The Hon. JOHN GRAHAM: Yes.

MARIANNE BROADBENT: And in the end, one of the panel members, Ms Bell, decided that she would do that, with my—fine, I said to her that was absolutely fine, she wished to work on that.

The Hon. JOHN GRAHAM: I accept that's within the—you've made that point well. It's within the range of acceptable behaviours. Ultimately it's their report.

MARIANNE BROADBENT: It's their report, not mine.

The Hon. JOHN GRAHAM: I'm simply asking did that occur, that the pen was taken up by a panel member in that way, the penning of the report?

MARIANNE BROADBENT: Not significantly, no.

The Hon. JOHN GRAHAM: Thank you.

The Hon. DANIEL MOOKHEY: Dr Broadbent, we might just return to the agent general. Sorry to jump around between the two, but I think we'll certainly go as far as it will go. Dr Broadbent, I think we were at the point where the selection panel, which I think consisted of Mr Pratt, Mr Reardon, Mr Smith—and was Ms Brown a member of that panel as well?

MARIANNE BROADBENT: Which one—the agent general? No, I don't believe so because at that stage—

The Hon. DANIEL MOOKHEY: Was Ms West, though?

MARIANNE BROADBENT: Pardon?

The Hon. DANIEL MOOKHEY: Ms West was, though. Ms Jenny West.

MARIANNE BROADBENT: Ms West may have been.

The Hon. DANIEL MOOKHEY: Yes, okay. They interviewed Stephen Cartwright on 30 March. That's correct?

MARIANNE BROADBENT: I believe so.

The Hon. DANIEL MOOKHEY: And they interviewed no other candidate. That's correct?

MARIANNE BROADBENT: I believe so.

The Hon. DANIEL MOOKHEY: Were you at that?

MARIANNE BROADBENT: I was.

The Hon. DANIEL MOOKHEY: When you say you believe so, there was only one candidate. Correct?

MARIANNE BROADBENT: Yes.

The Hon. DANIEL MOOKHEY: Yes?

MARIANNE BROADBENT: Because it was a short meeting, relatively short meeting.

The Hon. DANIEL MOOKHEY: And on that day, did they decide that Stephen Cartwright is the preferred candidate?

MARIANNE BROADBENT: I believe they did.

The Hon. DANIEL MOOKHEY: Did they then instruct you to contact Mr Cartwright and inform him that he was the preferred candidate?

MARIANNE BROADBENT: That doesn't happen immediately because it's always subject to reference checks and further discussions. And so I contacted Mr Cartwright to let him know that the interview had gone well and that he was going to the next stage, which is the language that we use. Then I needed—I would do reference checks with him and asked him—explained to him he'd get a template from us to indicate the other referees.

The Hon. PENNY SHARPE: You just said that it was a very short selection interview. Can you just take us through? Was it shorter than the others? Was it—

MARIANNE BROADBENT: No, no. I meant it was—I know it was a late afternoon, so there was only one candidate. That's what I meant by "short". It was not any—

The Hon. DANIEL MOOKHEY: How long was the interview?

MARIANNE BROADBENT: All of these interviews took about 30 to 35 minutes.

The Hon. JOHN GRAHAM: Okay.

MARIANNE BROADBENT: Same length as the other interviews.

The Hon. DANIEL MOOKHEY: Okay. And you contacted him to let him know that he was going to go to the next stage.

MARIANNE BROADBENT: Yes.

The Hon. DANIEL MOOKHEY: Did you do that on the same day?

MARIANNE BROADBENT: I believe I would have, yes. Usually I do.

The Hon. DANIEL MOOKHEY: So that evening. You would have called him that evening?

MARIANNE BROADBENT: That's usually my practice to do that as soon as I can.

The Hon. DANIEL MOOKHEY: Okay. And then did he contact you after that?

MARIANNE BROADBENT: I believe there would have been an exchange of referees around that and then I would have contacted his referees and done those reference checks.

The Hon. DANIEL MOOKHEY: But just to be clear, Dr Broadbent, did he specifically email you the day after?

MARIANNE BROADBENT: I don't recall that.

The Hon. DANIEL MOOKHEY: Do you recall getting an email from him in which he was discussing with you his expectations around remuneration in March last year?

MARIANNE BROADBENT: There were many discussions about expectations for remuneration.

The Hon. DANIEL MOOKHEY: I'm asking you specifically, Dr Broadbent, do you recall getting an email from Mr Cartwright around March 2021 pertaining to Mr Cartwright's expectations around remuneration?

MARIANNE BROADBENT: I believe I would have because I received a number of them.

The Hon. DANIEL MOOKHEY: Okay. How many, by the way, did you receive?

MARIANNE BROADBENT: I don't know. We had discussions about it and then he documented his expectations and he had—the situations with the agent general and under NSW Treasury and the other roles under Treasury were that there was a base salary, but then our advice was that we could say to candidates that there would be some consideration given to the individual circumstances of candidates. That changed once it was clarified that these roles came under the GSE Act, and so there was a ceiling on them.

The Hon. DANIEL MOOKHEY: Well, I think let's not go too far down that rabbit hole of legality because there's a lot of confusing advice about the GSE Act. Did you want to ask anything there?

The Hon. JOHN GRAHAM: Perhaps could you take on notice how many times you were emailed about remuneration.

MARIANNE BROADBENT: I will take that on notice, yes.

The Hon. DANIEL MOOKHEY: But just to be clear here, according to the statement you provided us, there's a period of time in which you are undertaking these conversations with Mr Cartwright and there's a period when you say that Investment NSW then entered into direct negotiations with Mr Cartwright.

MARIANNE BROADBENT: That's correct.

The Hon. DANIEL MOOKHEY: Do you know at what point Investment NSW entered into direct negotiations with Mr Cartwright?

MARIANNE BROADBENT: I can't tell you the exact date but I could probably find out.

The Hon. DANIEL MOOKHEY: Do you know by month? It seems like it was—

MARIANNE BROADBENT: It would've been perhaps a week or two after that.

The Hon. DANIEL MOOKHEY: So April?

MARIANNE BROADBENT: April, I believe, yes.

The Hon. DANIEL MOOKHEY: Okay. So there's a couple of weeks, basically a fortnight or thereabouts in April, in which you're discussing Mr Cartwright's remuneration expectations directly with him?

MARIANNE BROADBENT: I'm going backwards and forwards with Treasury—

The Hon. DANIEL MOOKHEY: Sure.

MARIANNE BROADBENT: —because I'm tasked with what they are willing to have that discussion about.

The Hon. DANIEL MOOKHEY: Okay. Do you mean Treasury? Do you mean Investment NSW was this prepared for?

MARIANNE BROADBENT: Oh, yes, sorry. It changed. It literally—

The Hon. DANIEL MOOKHEY: The next day.

The Hon. PENNY SHARPE: In the middle, yeah.

MARIANNE BROADBENT: —changed in the April.

The Hon. DANIEL MOOKHEY: In fact, you interviewed Mr Cartwright on 30 March and Investment NSW formally, I think, begins on 29 March or 31 March.

MARIANNE BROADBENT: Yes.

The Hon. JOHN GRAHAM: But advice from Treasury continues, doesn't it, post that date? Is that correct?

MARIANNE BROADBENT: I think the whole process didn't initially transfer. I think Ms West continued—

The Hon. JOHN GRAHAM: Yes.

MARIANNE BROADBENT: —discussions.

The Hon. DANIEL MOOKHEY: Until she transferred.

MARIANNE BROADBENT: Until she transferred and brought Ms Brown into the loop to indicate that this was an ongoing discussion that she needed to be aware of.

The Hon. JOHN GRAHAM: Can I ask one specific question, which is you say, "On April 12 I was provided with advice regarding the financial arrangements that would be put in place for the agent general role, subject to final confirmation from Investment NSW." Who conveyed those? Who conveyed that advice to you?

MARIANNE BROADBENT: Ms West.

The Hon. JOHN GRAHAM: At that stage from Treasury?

MARIANNE BROADBENT: At that stage from Treasury, I believe, yes.

The Hon. DANIEL MOOKHEY: Can I just go back to the March interaction about remuneration and specifically a March email. Just again, Dr Broadbent, do you mind just searching your memory? Do you think it's possible that you did get an email from Mr Cartwright around 31 March?

MARIANNE BROADBENT: It's possible I did.

The Hon. DANIEL MOOKHEY: Okay. Can I take you to the story that was published this morning?

MARIANNE BROADBENT: You can.

The Hon. DANIEL MOOKHEY: Okay. It says this, "In a March 2021"—I'm just reading from the first page and from the—one, two, three, four—fifth paragraph:

In a March 2021 email to the government-appointed recruitment agent, Mr Cartwright claims then-treasurer Dominic Perrotet agreed that key expenses over and above the lucrative salary would be "taken care of", after the issue was raised with him by then-deputy premier and trade minister Mr Barilaro.

Do you see that paragraph in the story?

MARIANNE BROADBENT: I believe I did.

The Hon. DANIEL MOOKHEY: It's in front of you. It's in the bundle of documents.

MARIANNE BROADBENT: Oh, that one.

The Hon. DANIEL MOOKHEY: You may wish to read along.

MARIANNE BROADBENT: Right.

The Hon. DANIEL MOOKHEY: You can see it's the fifth paragraph down?

MARIANNE BROADBENT: Yes

The Hon. DANIEL MOOKHEY: Did you recall receiving an email from Mr Cartwright in which he said the then Treasurer Dominic Perrottet agreed that key expenses over and above the lucrative salary would be taken care of?

MARIANNE BROADBENT: I did receive that, and I'm confirming that because Investment NSW asked me to provide them with any evidence, early on, that was the basis for Mr Cartwright's request. And after some difficult discussions and negotiations, some by phone, then I provided that email to Ms West in strict confidence.

The Hon. DANIEL MOOKHEY: Okay. Sorry, I'm going to now pause the rest of the questioning about this article and just talk to you about that. Ms West at this point is at Investment NSW?

MARIANNE BROADBENT: Pardon?

The Hon. DANIEL MOOKHEY: Ms West is at Investment NSW at this point?

MARIANNE BROADBENT: She would have just transferred across, I believe.

The Hon. DANIEL MOOKHEY: Yes. And so at the point where presumably she takes over direct negotiations with Mr Cartwright, she makes an inquiry with you as to the nature of the conversations you had?

MARIANNE BROADBENT: Well, I had made representations to Ms West on the basis of Mr Cartwright's request. So I had—

The Hon. DANIEL MOOKHEY: What was Mr Cartwright's request?

MARIANNE BROADBENT: Mr Cartwright's request was for a significantly higher salary, which he had clarified—a salary more in line with what he had received previously.

The Hon. DANIEL MOOKHEY: You get an email in March 2021 in which he puts this in writing, correct?

MARIANNE BROADBENT: Correct.

The Hon. DANIEL MOOKHEY: You then have conversations with Mr Cartwright, correct?

MARIANNE BROADBENT: I had ongoing conversations with Mr Cartwright, and I also indicated to him that I was making representations and discussions on his behalf. I had, early on in the process, clarified with him what might or might not be possible in the role. I do wish to clarify that because, in other evidence, Ms Brown indicated that I must have told him that there was a higher salary. My conveying to Mr Cartwright was initially the same as all other candidates—that it was a set salary of \$450,000, although, early on, that some consideration would be given to particular circumstances. Then through that process, there was a discussion within what was Treasury and became Investment NSW about the possible remuneration for the agent general role, seeing as how it was seen as something which was seen differently to the other roles—differently in the sense that perhaps it was more high profile than the other roles. Again, that's my understanding from the outside.

The Hon. DANIEL MOOKHEY: That's helpful context, Dr Broadbent. But just specifically, when you are making representations on Mr Cartwright's behalf to the Treasury, as you were discussing it with Mr Cartwright, in any of those conversations, did he make reference to an agreement he had with the Deputy Premier?

MARIANNE BROADBENT: I should say that perhaps "making representations" is not the right phrase because my client is Treasury or Investment NSW.

The Hon. DANIEL MOOKHEY: But when you were relaying his position to them.

MARIANNE BROADBENT: I relayed his position. At the time I wasn't sure exactly where the details came from. But he did convey that that was his understanding. He understood it would be possible for his salary to be matched.

The Hon. DANIEL MOOKHEY: Thank you. We will now refer to it as you were understanding his position to relay to your client.

MARIANNE BROADBENT: Yes.

The Hon. DANIEL MOOKHEY: Did he, in explaining his position to you, make reference to an agreement he had with Mr Barilaro?

MARIANNE BROADBENT: I don't know about any agreement. I don't know that he used those words.

The Hon. DANIEL MOOKHEY: What words did he use?

MARIANNE BROADBENT: Other than he'd had a discussion is my understanding. He'd had a discussion around that and, again, that was what he put in writing—that his understanding was that a higher salary would be available to him.

The Hon. DANIEL MOOKHEY: Did he put in writing to you that the Deputy Premier and the Treasurer had reached an agreement that the cost of suitable family accommodation would be taken care of by the New South Wales Government?

MARIANNE BROADBENT: I believe there were words to that effect. I do not know the veracity of that, though.

The Hon. JOHN GRAHAM: Taken care of by the New South Wales Government outside of the salary package?

MARIANNE BROADBENT: Yes, because it's usually looked at as a total remuneration.

The Hon. JOHN GRAHAM: When you say he was talking about matching his salary, if you can just confirm, that's his salary at the time that was a package of over \$800,000. That's what he'd been on for some years?

MARIANNE BROADBENT: He was not receiving that salary at the time. He had left Business NSW.

The Hon. DANIEL MOOKHEY: Just to be clear here, I'm going to put to you the full quote that has been published and just see if this accords with your recollection. Did Mr Cartwright in an email to you say:

Apart from improving the base salary package (he mentioned low 5's) he indicated (privately of course) that he and the Treasurer had reached an agreement that the cost of suitable family accommodation (including cleaning etc) in an inner suburb of London could be taken care of by the NSW govt outside of the Salary package.

MARIANNE BROADBENT: I believe he did put those words in writing to me. And it's on record.

The Hon. DANIEL MOOKHEY: Right. And so just to be clear here as well, did you understand from that that Mr Cartwright certainly felt like he previously had a conversation with the Deputy Premier in which the specific details of his remuneration were discussed?

MARIANNE BROADBENT: I wouldn't want to speculate what he had.

The Hon. DANIEL MOOKHEY: I'm not asking you to speculate, Dr Broadbent. I'm asking you, did you conclude from that communication that Mr Cartwright was of the belief that he had a discussion with the Deputy Premier about his remuneration package?

MARIANNE BROADBENT: I thought that perhaps that had taken place but, again, I had no evidence of the veracity of that.

The Hon. DANIEL MOOKHEY: Yes. You, of course, kept this communication from Mr Cartwright confidential?

MARIANNE BROADBENT: I did.

The Hon. DANIEL MOOKHEY: And then at some point Ms West starts to make inquiries with you about what Mr Cartwright's salary expectations were?

MARIANNE BROADBENT: And for evidence of that, yes.

The Hon. DANIEL MOOKHEY: And in seeking evidence of that, you say that that led to some interchange with the Treasury in which you had to consider whether you had an obligation to keep it confidential?

MARIANNE BROADBENT: Yes, and I was asked to please provide it because that was a communication about remuneration and what was the basis for that.

The Hon. DANIEL MOOKHEY: So your client effectively asked you to pass on the email?

MARIANNE BROADBENT: Yes.

The Hon. DANIEL MOOKHEY: And you passed on the email?

MARIANNE BROADBENT: I did, in confidence.

The Hon. DANIEL MOOKHEY: Okay.

MARIANNE BROADBENT: I hesitate to say "again".

The Hon. JOHN GRAHAM: Understood.

The Hon. DANIEL MOOKHEY: And that's because you obviously undertake to keep the privacy of people's—

MARIANNE BROADBENT: Absolutely.

The Hon. DANIEL MOOKHEY: Do you recall when you provided this to Investment NSW?

MARIANNE BROADBENT: I do have it here. You probably have it as well.

The Hon. DANIEL MOOKHEY: Do you wish to table it?

MARIANNE BROADBENT: No.

The Hon. DANIEL MOOKHEY: Can we ask you to table it?

MARIANNE BROADBENT: If I'm required to table it.

The Hon. DANIEL MOOKHEY: I am going to ask you to table it.

MARIANNE BROADBENT: Right.

The CHAIR: Thank you, Dr Broadbent. If you could pass that up and we will get it formally tabled.

MARIANNE BROADBENT: Actually, I don't have the physical copy with me, but I can provide it.

The Hon. DANIEL MOOKHEY: Okay.

The Hon. SCOTT FARLOW: The witness can take it on notice, perhaps.

The Hon. DANIEL MOOKHEY: Yes. I ask you to provide it on notice if you don't mind.

MARIANNE BROADBENT: Sure.

The Hon. DANIEL MOOKHEY: Or perhaps earlier than that, if possible, as well. In respect to this particular email that you receive in March, did Mr Cartwright say to you that he was fielding other offers and wanted the process concluded quickly?

MARIANNE BROADBENT: I believe that was in that email, yes.

The Hon. DANIEL MOOKHEY: Did he also say:

I don't want to directly disclose my discussions etc or be accused of being unrealistic or playing hardball in the negotiations, but my participation in the process to date has been shaped by these expectations and I can't hold off other offers for too much longer so I need a degree of certainty on this role asap.

MARIANNE BROADBENT: I believe that was in the email, yes.

The Hon. DANIEL MOOKHEY: Was there any other material information in the email you think we should be aware of?

MARIANNE BROADBENT: Not that I can recall.

The Hon. DANIEL MOOKHEY: I might just pause for 30 seconds and allow my colleagues to ask—

The Hon. JOHN GRAHAM: I just want to return to that statement we were talking about where Ms West, on 12 April, provided advice regarding the financial arrangements that would be put in place for the agent general role subject to final confirmation. At that stage, on 12 April, advised by Treasury, what were those financial arrangements?

MARIANNE BROADBENT: I do have that. I can read through that, if you like?

The Hon. JOHN GRAHAM: Yes, thank you.

MARIANNE BROADBENT: I will have to find it.

The Hon. JOHN GRAHAM: Do you want to table those, perhaps, if they're lengthy?

MARIANNE BROADBENT: No, they're not too lengthy. Again, this is subject to final confirmation at this stage. This was in an email sent to me by Ms West. "Salary and super package of \$600,000. Significant contribution to accommodation. Understanding that a well-located three-bedroom residence is required. Appropriate temporary accommodation until longer term arrangements are located. Significant contribution to school fees for dependent children. Reasonable location expenses. Reasonable travel between the UK and Sydney as required." And that was following discussions with Investment NSW and NSW Treasury.

The Hon. JOHN GRAHAM: So that's the position on 12 April?

MARIANNE BROADBENT: Yes, 12 April.

The Hon. JOHN GRAHAM: Thank you.

The CHAIR: Dr Broadbent, I will go back to the Americas role. Specifically, when John Barilaro pulled out of the recruitment process at a particular time—I understand maybe it was around 23 February. So the interviews hadn't taken place, but he had put his application in and, I think, contacted you at that time, via email, to say he had withdrawn from the process. What did you do at that time? Can you remember who you notified and what you did?

MARIANNE BROADBENT: I would have advised Investment NSW that he had withdrawn. And then my recollection is a short while later he decided to come back into the candidate pool.

The CHAIR: So you would have advised Ms Brown that Mr Barilaro had told you that he was withdrawing?

MARIANNE BROADBENT: I believe I would have done that.

The CHAIR: Did he provide in the email to you the reason why he was withdrawing?

MARIANNE BROADBENT: I don't recall the reason he was withdrawing, no. I don't believe he said that.

The CHAIR: He didn't state the reason why?

MARIANNE BROADBENT: No.

The CHAIR: Then when he came back two days later, did he say why he was throwing his hat in the ring again after withdrawing two days earlier?

MARIANNE BROADBENT: I don't recollect that—the detail of that at the time.

The CHAIR: What was your reaction to Mr Barilaro, after withdrawing from such a senior role recruitment process, coming back two days later and saying, "Oh, hang on. No, I want to be considered." Were you concerned?

MARIANNE BROADBENT: I just accepted that. I didn't read anything into it one way or the other. It happens from time to time.

The CHAIR: It does. In situations where a trade commissioner is needing diplomacy skills and a steady disposition, you didn't think that somebody being so shaky—applying, withdrawing, applying again—was in any way concerning?

MARIANNE BROADBENT: I would not want to put that construction on it, because I don't know what the situation was.

The CHAIR: When he then said two days later he was back, you sent off an email, I assume, once again to Ms Brown, telling her that Mr Barilaro was once again back in the race?

MARIANNE BROADBENT: I believe that's what I would have done. I don't recall exactly the details at the time.

The CHAIR: It was roughly a 48-hour period between those two—

MARIANNE BROADBENT: It was a short period, yes.

The Hon. SCOTT FARLOW: Is that something that you often see in processes, that a candidate will withdraw and come back in?

MARIANNE BROADBENT: It's not every day, but it certainly does happen. I had it earlier this year in another recruitment—nothing to do with public service—where a candidate rethought and decided that he would—that person would apply for a role. Sometimes when people decide that, "Well, I'm going to withdraw," then they realise, "Okay, well, that's not something I'm now going to do," and then they come to realise perhaps it is something that they're passionate about.

The Hon. JOHN GRAHAM: Sorry to jump around on you again, but we're returning to that 12 April advice from Treasury. Are you aware whether that advice, when it was provided to you, had been either advised or had that position been consulted with the Deputy Premier's office?

MARIANNE BROADBENT: I don't know.

The Hon. JOHN GRAHAM: Or the Deputy Premier?

MARIANNE BROADBENT: I do not know that, no.

The Hon. JOHN GRAHAM: Given it was Treasury advice, are you aware if it had been advised or had that position been consulted with the Treasurer's office, or the Treasurer?

MARIANNE BROADBENT: I do not know.

The Hon. JOHN GRAHAM: Thank you.

MARIANNE BROADBENT: I mean, the information that I got says, "after discussions with Investment NSW and NSW Treasury officials".

The Hon. JOHN GRAHAM: Yes, thank you.

The Hon. DANIEL MOOKHEY: Dr Broadbent, you make clear that Investment NSW takes over the direct negotiations. I think we have established that takes place towards middle to late April. Is that correct?

MARIANNE BROADBENT: Yes.

The Hon. DANIEL MOOKHEY: What further role does NGS Global have in the agent general process after that?

MARIANNE BROADBENT: The only involvement then was continuing to talk with the second place candidate because there was a strong view that the panel was keen to perhaps appoint him in a role as an investment commissioner. So my role was to continue to engage with that candidate, which I did.

The Hon. DANIEL MOOKHEY: Can I concentrate then on the period of time in which you are responsible for negotiating—not negotiating necessarily, but coming to understand Mr Cartwright's expectations in order to relay it to your client, about remuneration. We established that there is an email on 31 March, which I appreciate you undertaking to provide to us on notice. Afterwards, you said that there were numerous emails, and you say you will take on notice how many. How frequently were they arriving? Was it every day, every two days?

MARIANNE BROADBENT: Every few days, I think, at the time. There was that and there were discussions because I think the candidate wanted it resolved.

The Hon. DANIEL MOOKHEY: ASAP, according to the email that we had reported. So you were speaking to him on a daily basis?

MARIANNE BROADBENT: As I said, I think every couple of days.

The Hon. DANIEL MOOKHEY: Were they usually calls you initiated or he initiated?

MARIANNE BROADBENT: Either.

The Hon. DANIEL MOOKHEY: He, of course, at this point, is based in New South Wales, correct?

MARIANNE BROADBENT: Yes.

The Hon. DANIEL MOOKHEY: And he, at this point, has ceased service for Business NSW. Is that your understanding?

MARIANNE BROADBENT: Yes, he has. Yes.

The Hon. DANIEL MOOKHEY: Again, I just want to stress that Business NSW is an organisation that is not at all involved in this process?

MARIANNE BROADBENT: No, not at all involved.

The Hon. DANIEL MOOKHEY: Again, as I've said before, they are a highly reputable organisation. They're not at all involved and there's no implications on their behalf—just to be clear here. But can I also just say, when you had these conversations with him, was he making reference to conversations he'd had with the Deputy Premier?

MARIANNE BROADBENT: Not specifically, at that stage. Just that that was his expectation, which he had made clear initially in terms of his interest in the position, did relate to—it needed to be provided appropriate financial and other support.

The Hon. DANIEL MOOKHEY: Did he make reference to an understanding that he felt the Deputy Premier had with the Treasurer?

MARIANNE BROADBENT: No, I don't recall that at all.

The Hon. DANIEL MOOKHEY: Other than in that email?

MARIANNE BROADBENT: Other than that email.

The Hon. DANIEL MOOKHEY: Okay, fair enough. The nature of the negotiations you were having, was it about the base salary and the additional aspects of his package?

MARIANNE BROADBENT: It was about the total package, basically.

The Hon. DANIEL MOOKHEY: Was it his expectation that his base salary should be around \$800,000 a year?

MARIANNE BROADBENT: His expectation was that it should be more than what was officially on offer.

The Hon. DANIEL MOOKHEY: So Ms Brown told us that he had an expectation of around \$800,000 a year; is that your understanding—or at least comparable to his existing arrangement?

MARIANNE BROADBENT: The phrasing, I believe, was comparable to the previous arrangement that he had had.

The Hon. DANIEL MOOKHEY: Okay. Just to be clear, did he make specific reference to that \$800,000 request?

MARIANNE BROADBENT: Yes, he did.

The Hon. DANIEL MOOKHEY: So he was asking, at some point in these discussions, for a salary around \$800,000 a year?

MARIANNE BROADBENT: He was indicating that that was what he had been on. One often has these conversations with candidates, including particularly when bringing candidates from the private sector into the public sector and our job is to set their expectations.

The Hon. DANIEL MOOKHEY: To be fair to Mr Cartwright, there is nothing wrong with asking, is there?

MARIANNE BROADBENT: There is only one time you can usually ask, and that's at the beginning.

The Hon. DANIEL MOOKHEY: Indeed. By the end of your interactions with Mr Cartwright, had his expectations substantially moved down?

MARIANNE BROADBENT: I think part of the reason that I suggested to Investment NSW that they needed to deal directly with him is that he did see me as the intermediary and not the decision-maker, which was correct. And so I felt things could possibly move along more quickly if Investment NSW dealt with him directly because he was aware that I was not the person making the final decisions about his package and I was conveying things to him.

The Hon. PENNY SHARPE: Did you believe that he thought that the people making the final decision in relation to his remuneration was not even Investment NSW but indeed the Deputy Premier or the Treasurer?

MARIANNE BROADBENT: I don't know that, no.

The Hon. PENNY SHARPE: Did he ever indicate to you that he was speaking directly to either of those people?

MARIANNE BROADBENT: Not after that email, no, I don't think.

The Hon. DANIEL MOOKHEY: Sorry, it just occurred to me, Dr Broadbent, but the selection panel that met on 30 March, did anybody put in a conflict of interest declaration?

MARIANNE BROADBENT: I don't recall.

The Hon. DANIEL MOOKHEY: Did anybody make any disclosures whatsoever?

MARIANNE BROADBENT: I believe people did indicate that they knew Mr Cartwright professionally through his role.

The Hon. DANIEL MOOKHEY: Did anybody declare to you that they had had previous discussions with Mr Cartwright specifically about the agent general position?

MARIANNE BROADBENT: I don't recall that, no.

The Hon. DANIEL MOOKHEY: Did anybody declare to you that they had any discussion with Mr Cartwright about his future employment in the New South Wales Government?

MARIANNE BROADBENT: I don't recall that. I don't recall such a—I mean, I don't recall that it was raised.

The Hon. DANIEL MOOKHEY: You would have recorded it yourself. You were the people keeping the paperwork, were you not?

MARIANNE BROADBENT: Yes.

The Hon. DANIEL MOOKHEY: There is no paperwork that you have access to which records the declaration made by Mr Pratt, Mr Smith, Mr Reardon or Ms West?

MARIANNE BROADBENT: There is usually—the declaration is separate and that is handled often by the department and there may have been—the most there would have been, I believe, which is quite normal, is that some of the panel would have known Mr Cartwright.

The Hon. DANIEL MOOKHEY: Sure. But I'm asking very specifically, other than a professional association, which to be fair lots of people would have had with Mr Cartwright as the CEO of Business NSW: Specifically did any panel member make a declaration to the effect that they had met informally with Mr Cartwright to discuss his interest in the—

MARIANNE BROADBENT: I don't recall that.

The Hon. DANIEL MOOKHEY: Okay, thank you. And so just going back again in time to March to April, I did appreciate very much, Dr Broadbent, the context you gave but I'm not sure you answered my question, which was by the time that you transferred responsibility directly to Investment NSW, had Mr Cartwright's expectations of a salary of circa \$800,000 shifted downward?

MARIANNE BROADBENT: I don't know. I don't believe—there was further discussion then around, ongoing discussion around, the actual status of the roles concurrent with this. That was another factor.

The Hon. DANIEL MOOKHEY: So, that's around the salary expectations. Clearly, the other aspects of his remuneration package were subject to some discussion as well, correct?

MARIANNE BROADBENT: Yes, they were.

The Hon. DANIEL MOOKHEY: They were cost-of-living allowance, was it?

MARIANNE BROADBENT: Well, eventually what was decided, because the role did come under the GSE Act, was that the approach that Investment NSW took, and has taken for the other roles, is that there will be the payment of a difference in cost of living between living in Sydney and living in that city.

The Hon. DANIEL MOOKHEY: Sure. Was it the case that Mr Cartwright was also seeking—how many discussions did you have about the suitable family accommodation?

MARIANNE BROADBENT: I don't recall but probably two or three.

The Hon. DANIEL MOOKHEY: What about school fees?

MARIANNE BROADBENT: That was also requested, yes.

The Hon. DANIEL MOOKHEY: In addition to the cost-of-living allowance and in addition to—

MARIANNE BROADBENT: Yes, and I think to be fair and understand, these are all things that are normal part of other Commonwealth agency and many State agency and comparable roles.

The Hon. DANIEL MOOKHEY: No doubt. Again, no-one can begrudge Mr Cartwright for seeking this. Was Mr Webster, when he was the preferred candidate, making similar requests?

MARIANNE BROADBENT: No, he was not.

The Hon. DANIEL MOOKHEY: In respect to any of the other STIC commissioners that have been interviewed or appointed for the Japan role or the ASEAN role, was any such request being made?

MARIANNE BROADBENT: There has been a cost-of-living arrangement for the roles. As far as I'm aware, that cost-of-living arrangement includes some of those factors but there was certainly a ceiling on that.

The Hon. DANIEL MOOKHEY: But just to be very clear here, Mr Webster, did you ever enter into direct—I guess the term you used, did you ever progress him to the next stage in which these conversations would have commenced?

MARIANNE BROADBENT: Those conversations had started. Mr Webster was already living in the UK and was comfortable with the arrangements.

The Hon. DANIEL MOOKHEY: So just to be clear here, Mr Webster is established as a preferred candidate late 2020, early 2021—that's fair?

MARIANNE BROADBENT: Yes.

The Hon. DANIEL MOOKHEY: You have progressed to the next stage with him—that's fair?

MARIANNE BROADBENT: That's fair.

The Hon. DANIEL MOOKHEY: In which you start to discuss his remuneration expectations?

MARIANNE BROADBENT: Yes.

The Hon. DANIEL MOOKHEY: And his additional allowances, conditions?

MARIANNE BROADBENT: Yes.

The Hon. DANIEL MOOKHEY: How far down that process did you get?

MARIANNE BROADBENT: Really, it was just the articulation of the base salary with super, that was the sum total of discussions. And then that was put on hold and Mr Webster understood that there was some uncertainty going forward.

The Hon. DANIEL MOOKHEY: When Mr Pratt then speaks to you circa—I've been advised it may have been around 10 February—

MARIANNE BROADBENT: Yes.

The Hon. DANIEL MOOKHEY: —at the Japan panel meeting in which he indicates to you that Mr Cartwright's a candidate or should be considered, do you then call Mr Webster up and say, "Hey, there's a new candidate here"?

MARIANNE BROADBENT: I have had ongoing conversations with Mr Webster to say that there is another candidate that's come into the process and I've asked him to be patient while we go through that. He was aware of that.

The Hon. DANIEL MOOKHEY: At the time he's told this, though, he's having conversations with you about remuneration because he thinks he's the preferred candidate, yet that all comes to a halt because Mr Cartwright has now been recommended into the process, correct?

MARIANNE BROADBENT: Correct. And I continued to have conversations with Mr Webster who was, I believe, very understanding of the situation.

The Hon. DANIEL MOOKHEY: He sounds like a saint, Dr Broadbent, in the way in which he's reacting to these turns of events.

MARIANNE BROADBENT: He was—that could be a word, yes.

The Hon. DANIEL MOOKHEY: Or he's saintly in his forbearance.

MARIANNE BROADBENT: He was very understanding of the situation and he understood, and he understood that perhaps he didn't have some of the immediate connections in New South Wales. He was keen to continue in the process. And eventually I came back to him and said, "Look, I think the situation is that there may be an additional role and that will in fact report to the agent general." He was interested in that.

The Hon. DANIEL MOOKHEY: Dr Broadbent, the summary seems to be this: Mr Webster is selected for the job. His expectations around salary are far more in keeping with what people would expect from the public sector—and to be clear here, he would still be highly remunerated by public sector standards as well. Mr Cartwright enters the process late. Mr Webster is told to stand aside. Mr Cartwright demands substantially more. He invokes the name of the Deputy Premier and some agreement with the Treasurer, and then we enter into a period of protracted and heightened salary negotiations that last for some months. Because, as we've learnt through this inquiry, his package isn't resolved until July. Is that a fair summation of what's taken place here?

MARIANNE BROADBENT: I think it's a summation. I'm not sure I would characterise it all that way and I think it's a matter of how far down the process Mr Webster was as well. Certainly, he was advised he was the preferred candidate.

The Hon. JOHN GRAHAM: When was the additional role that Mr Webster filled created?

MARIANNE BROADBENT: After I believe the process for the agent general appointment was coming to a conclusion. Investment NSW then identified that they would be keen to have Mr Webster taking—the division was that he would focus on Europe and the Agent general would focus on the UK. And so that then proceeded with a new role that Investment NSW created for him because they were going to have—my understanding is—some of those roles in any case, and they perhaps advanced this role because they had a candidate that they were keen on. I should also make a comment in relation to Mr Webster. Mr Webster was not in the public sector at that time, though he was consulting to the UK Government, amongst many other governments.

The Hon. JOHN GRAHAM: But it sounds like the creation of that role was just one more thing that smoothed the way for Stephen Cartwright to then be appointed to this other role. Do you have a perspective on that?

MARIANNE BROADBENT: I don't know that it smoothed the way. It meant that Investment NSW and the State of New South Wales got two good candidates—I think that was the view of the panel—who had complementary experience and skills.

The Hon. SCOTT FARLOW: I just wanted to pick up on that point. In terms of the Trade and Investment Commissioner role, that was created on the back of the agent general. But that's a role which has been replicated in other Senior Trade and Investment Commissioner roles as well, hasn't it—that there's a trade investment that's attached to it as well?

MARIANNE BROADBENT: I believe it has been, yes.

The Hon. SCOTT FARLOW: So it's not unique to the London and Europe role, is it?

MARIANNE BROADBENT: I believe that that was certainly the planning that Investment NSW had, particularly for such a big region.

The Hon. SCOTT FARLOW: Yes, indeed. I just wanted to pick up—back to the draft selection report. Now, you've told the Committee and in the confidential advice you provided us as well that that is a standard process, is that right, that you usually would provide?

MARIANNE BROADBENT: Yes.

The Hon. SCOTT FARLOW: So the evidence that Ms Brown gave this Committee that it came out of the blue effectively or was a surprise—was that provided in other processes as well that were running concurrently to the Americas one or that had happened before?

MARIANNE BROADBENT: Absolutely—provided exactly in the same time frame. As soon as reference checks were done, the selection report was drafted and provided to the chair.

The Hon. SCOTT FARLOW: Did you receive any response from Ms Brown or anyone else in terms of the receipt of that draft selection report?

MARIANNE BROADBENT: Yes. That's been in other proceedings. She thanked me for it and then indicated that there might be some change in order and she was seeking informal referees.

The Hon. SCOTT FARLOW: With respect to the draft selection report, are there normally changes that occur between the draft and the final selection report?

MARIANNE BROADBENT: It's not unusual.

The Hon. SCOTT FARLOW: How does that usually occur? Does that usually occur through direct feedback after the draft is received or does that occur through panel meetings or the like?

MARIANNE BROADBENT: It's usually a combination of that. Usually there is—if there is any uncertainty, particularly at the end of a process, the end of a panel meeting, then there is usually a further panel meeting or further discussion of the selection report by all panel members.

The Hon. SCOTT FARLOW: Now, we've received evidence before, and I think you touched upon it today as well, in terms of some of the criticisms that that initial draft report was—I think the term used was "wildly inaccurate" to what actually occurred in that draft panel. I'm just wondering if that was conveyed to you at any point in time?

MARIANNE BROADBENT: No, never. The first I heard of it was in Ms Brown's evidence.

The Hon. SCOTT FARLOW: Okay. So there was nothing that was relayed to you at any point in time that that was inaccurate and there needed to be any changes made to that?

MARIANNE BROADBENT: The only conversation—the only feedback I ever recall from that is in fact the response that she gave and then the further discussion on 26 May, which was a very civilised, professional meeting. She asked me, "Let's do coffee", which I did, and she asked me—

The Hon. SCOTT FARLOW: When you can come back to New South Wales?

MARIANNE BROADBENT: Pardon?

The Hon. SCOTT FARLOW: When you can come back to New South Wales?

MARIANNE BROADBENT: You want me to come back to New South Wales, yes. I'm New South Wales born and bred, I should say.

The Hon. SCOTT FARLOW: That's good to hear.

MARIANNE BROADBENT: Yes, I know New South Wales very well. I have family here. That conversation was also very civilised and it was—I had a very good relationship with Ms Brown at that stage. I had no reason to think there was any overly negative criticism about that report. I understand that it might not have reflected what three of the panel members thought. But that was my best recollection at the time.

The Hon. SCOTT FARLOW: Just to that point, in terms of the panel members and their thoughts, in providing that draft report, would your expectation usually be that the other panel members would be provided with that draft report as well for their comments? Or just the lead panel member?

MARIANNE BROADBENT: No, I put in the email to Ms Brown that I hadn't sent it to Ms Lo or Mr Smith because I wanted her to see it first and to make any suggestions or recommendations, because, again, that's usual in the process. Often a board chair wants to manage that process with their key stakeholders, who are the other members of the panel, and they will often then forward it themselves. As I said, I didn't know that she didn't do that with any—other than the 15 June.

The Hon. SCOTT FARLOW: Just following, in terms of those reports—so the first draft report, you provided. The second report—there was a revision that you outlined I think to the Committee where it was reflected that Mr Barilaro and Ms Cole were on the same level. Then, when it came to the third and final report by the agency, the third and final report—that you had no interaction in changing anything on that report. That was all done by the agency. Is that correct?

MARIANNE BROADBENT: It was done by the agency after the second draft report.

The Hon. SCOTT FARLOW: Okay, after the second draft report. Now, returning to the first round of the Americas STIC position, did you provide copies of candidate reports? I think you outlined before that your contacts then were the Treasury secretary, Mr Pratt, and deputy secretary, Jenny West. Is that correct?

MARIANNE BROADBENT: In the first round of the Americas—

The Hon. SCOTT FARLOW: Yes, the first round of the STIC Americas.

MARIANNE BROADBENT: —that was in Investment NSW then.

The Hon. SCOTT FARLOW: It was Investment NSW, was it—that time?

MARIANNE BROADBENT: Yes.

The Hon. SCOTT FARLOW: But you were still dealing with Ms West, was it, at that point?

MARIANNE BROADBENT: I was dealing with Ms West initially in that selection process and then she called me to say that she was thinking of applying herself. I advised her she needed to make that decision very quickly and she needed to let people know and that she needed to immediately recuse herself as well.

The Hon. SCOTT FARLOW: So in terms of the candidate reports that occurred—do you have a date recollection as to when that conversation occurred with Ms West?

MARIANNE BROADBENT: Yes, I believe it was probably 1 May. I would further say that Ms West had not seen any candidate reports at that stage. All she had seen was what we call a first client progress report, which simply states who are the engaged candidates, who are the candidates we are approaching and who are the candidates who've applied and we've decided—our recommendation is that they not proceed.

The Hon. SCOTT FARLOW: I take it after 1 May there were no further reports that you provided Ms West?

MARIANNE BROADBENT: That's right, yes.

The Hon. SCOTT FARLOW: On the basis of those first draft reports that you provided her, do you think that that could've given her any unfair advantage in that process at all?

MARIANNE BROADBENT: I wouldn't like to comment on that. She was aware of some of the candidates. She was also actively sourcing—she was highly engaged as a source herself. So she would've known who some of those candidates were.

The Hon. SCOTT BARRETT: I'm just going to go back to that selection panel as well. You mentioned it wasn't unusual to have differing views leaving one of those selection panels between the draft and the final report. You also mentioned that people had to leave that meeting early—I think that sort of thing?

MARIANNE BROADBENT: My recollection is that—and this relates to the conversation I had with Ms Brown about Mr Fitzpatrick as well—some people, I believe, had to leave the meeting. There was a decision that there were two preferred candidates. But there was no discussion about how they would provide comments about the focus capabilities at that stage.

The Hon. SCOTT BARRETT: So normally at the end of one of those meetings, I'd imagine you with a pen would take a bit of a temperature check of what everyone thought, which would mean you're more likely to get that final report aligned with what everyone else—

MARIANNE BROADBENT: Usually the chair does that.

The Hon. SCOTT BARRETT: And in this case that didn't really happen?

MARIANNE BROADBENT: It happened to the extent that both Ms Cole and Mr Barilaro were seen as strong candidates and that they would both go to reference checks.

The Hon. SCOTT BARRETT: Dr Broadbent, you drew our attention early on to, I guess, people picking up where you've used the term "massaging". And that sort of blew out of proportion in a way.

MARIANNE BROADBENT: Completely.

The Hon. SCOTT BARRETT: Have there been other instances throughout this inquiry where things that have been reported were exaggerated or there was a bit of a gulf between what was reported and what actually happened?

MARIANNE BROADBENT: Possibly, but it was more in my view in some of Ms Brown's evidence.

The Hon. SCOTT BARRETT: In that evidence in itself has there been—as a partner of NGS Global are you concerned about reputation damage to your organisation?

MARIANNE BROADBENT: I think one of the issues that I had with some of that evidence related to how Mr Fitzpatrick was treated and, as is clear in the DPC report, I several times sought to provide further advice about that. The first was that Mr Fitzpatrick should've been interviewed by the second selection committee because it was a different committee and a different process. Ms Brown decided not to do that. Secondly, then at the time of preparing the report, I asked about how Mr Fitzpatrick was to be treated and she advised he was not appointable. I asked about him being in the talent pool and she said, "No, he's not appointable." I did not have any basis for that, but I was asked to indicate that in the selection report.

The Hon. SCOTT BARRETT: As a recruiter, looking at it now, do you think there's been significant reputation damage done to a few people throughout this process?

MARIANNE BROADBENT: I think the process has been very difficult for a lot of people, and I particularly feel for the candidates whose interest in these things has been exposed. It makes it very difficult then for really good people who want to come into a process if it's not confidential and if their interest can be exposed in the way that it is. That, I think, is very regrettable, and it may well impact the quality of candidates who might be attracted to working in government. That's an area I've done a lot of work in and am very proud of it. I find that we have increasing interest in people working in government or for purpose organisations, and it's been fantastic. You will see that in the other appointees to the other STIC roles—all really high-quality people who have really interesting careers and who have all, I might say, as has Mr Webster, given up considerable financial remuneration in order to take a role in the service of New South Wales.

The Hon. SCOTT FARLOW: I want to return to the process, in a sense, and the issue of ministerial appointments. In your confidential submission, you also outlined that it was put to you there was a pause in the process in September 2021 because of some consideration of it becoming a ministerial appointment. You also outlined that towards the end of 2021 that Investment NSW advised you that the appointments for the Americas and greater China were proceeding as previously—that is, that they would be public service rather than ministerial appointments. Could you just outline how that was advised to you and who advised that?

MARIANNE BROADBENT: It would have been by phone. I was advised initially, and that is in the public domain, of Ms Brown indicating that there was a pause because it was now being considered that they could be ministerial appointments. That then proceeded to halt the process, and then I was advised later—by phone, I believe, again—that we could recommence. We had reached the stage of short-listing. We had provided short list recommendations report for the China role, but the panel had not met to decide on that. We had to basically go back to the market because a number of those candidates had taken other roles. But with the Americas process, we were advised that that was going to be a new process and we were starting again.

The Hon. SCOTT FARLOW: So you were under no doubt at all that this was a public service process—

MARIANNE BROADBENT: At that stage.

The Hon. SCOTT FARLOW: —at least by the end of 2021?

MARIANNE BROADBENT: By the end of 2021 it became—

The Hon. SCOTT FARLOW: And you never proceeded with any expectation after that that this would be changed?

MARIANNE BROADBENT: No.

The Hon. SCOTT FARLOW: Just going back to the client progress report, what level of detail would you have in a client progress report?

MARIANNE BROADBENT: We would have the name, the title, the last three roles of the candidate, their LinkedIn profile, if they had one, and any date at which we were interviewing the candidate. There would not usually be any evaluative comments.

The Hon. SCOTT FARLOW: In this instance, with Ms West as your contact at that point, would you provide any copies of questions or likely questions you would ask?

MARIANNE BROADBENT: No questions, no CVs. Nothing like that was provided at that stage. The questions and the CVs are provided at the—certainly the CVs are provided at the short-listing stage, which was much later.

The CHAIR: That's the end of questions. Thank you very much, Dr Broadbent.

MARIANNE BROADBENT: Could I make a short statement?

The CHAIR: Yes, you can.

MARIANNE BROADBENT: I'd particularly like to thank the many public servants and the many others in the community who have reached out to me and highly supported the work that I've been doing. I've received numerous phone calls, SMSs—all sorts of things like that—and I'm very heartened by that. I really appreciate them reaching out, because they know the quality and nature of the work that we do. Secondly, I would like to really thank our team. They have worked very diligently, too, in the sense that Investment NSW did not seem to have very good record keeping. We're actually the ones that provided to Investment NSW a lot of the documentations—not the emails, but the other documentations to which you've had access. They wanted them in several different forms and ways, and that has taken quite a bit of time. But I'm pleased to say that we do keep very good records, so we were able to provide all of those documents to which the Committee has access. Finally,

I thank the Committee for the opportunity to answer questions and will come back to you with those that are questions on notice.

The CHAIR: Thank you very much, Dr Broadbent.

The Hon. JOHN GRAHAM: Can I put one issue to you, just to get your view? The Committee's got to make a decision about the publication of the statement you provided. I think it's fair to say we have found your evidence very forthright and very specific today, so I do want to thank you for that. In general, we have decided to publish almost all of the material that's been put to the Committee, and that's the general approach we would like to take. It would also avoid us having to recall you if we want to put to you any of what I would describe as the secondary details that are in this statement you've provided. However, we're open to any guidance you want to provide to us at this point before we make that decision.

MARIANNE BROADBENT: My strong preference is that that's not published in full. It's the sort of detail we would not normally provide. I have provided it to the Committee on the basis of the need to understand the full context of many issues, plus the fact that some evidence has been given that I believe is incorrect or incomplete. So my request is that the nine-page document not be produced as such. I'm very comfortable with you asking questions on the basis of it today because I felt that it was important that you understand more of that context.

The Hon. JOHN GRAHAM: Alright, the Committee will make a decision about that after this.

The CHAIR: Yes, we've heard from Dr Broadbent now. Thank you very much, Dr Broadbent. As you indicated, you have taken some questions on notice, and the secretariat will be in touch with you about that. You may receive some additional questions from the Committee in terms of supplementary questions, as well, which the secretariat will notify you of. Once again, thank you so much. We really appreciate you making the time and being a witness to this important inquiry.

MARIANNE BROADBENT: Thank you very much.

The CHAIR: The Committee will now break and we will be back at 3.30 p.m..

(The witness withdrew.)

(Short adjournment)

The Hon. WARWICK SMITH, AO, Panel Member for the Senior Trade and Investment Commissioner to the Americas recruitment, sworn and examined

The CHAIR: We will now commence our next session with the Hon. Warwick Smith, AO. Would you like to make a short opening statement for the Committee?

WARWICK SMITH: Thank you for the opportunity to say a few words quickly. Thank you for inviting me to give evidence today. I am one of the independent members of the selection panels for the senior trade and investment commissioner roles and have been involved for some time. I was asked to be on the selection panels, given my wide experience in international relations, trade and business over many years and for at least two decades. I am a member of the Business Council of Australia and chair of the Business Council of Australia's global engagement and security committee for the last nearly four years.

I was previously the chairman of the Australia-China Council for over eight years and was the founding chair of the National Foundation for Australia-China Relations. I am on a number of other boards, and I think someone might have circulated that background. I have assisted with the promotion of trade and investment in Australia in other capacities, such as at a Federal level with Austrade for many years. My role on selection panels was a voluntary one, and it arises from my commitment to the promotion of trade and investment in New South Wales and Australia. I am happy to assist the inquiry today.

The CHAIR: Thank you very much. We will proceed to questions from the Opposition. We will start with Mr Graham.

The Hon. JOHN GRAHAM: Thank you for your appearance today, Mr Smith. I might firstly ask you, you served as the independent panel member on both sets of selection panels for the Americas position. That's correct, isn't it?

WARWICK SMITH: Can I make sure I get your name? Mr Graham?

The Hon. JOHN GRAHAM: Yes.

WARWICK SMITH: Yes, I served on the first panel for the Americas, the second panel for the Americas, the panel for China, the panel for the Middle East, the panel for the United Kingdom, and the panel for Japan. So all of them as an independent member.

The Hon. JOHN GRAHAM: Yes.

WARWICK SMITH: Voluntarily, unpaid—just to be clear.

The CHAIR: That's a lot of work.

The Hon. PENNY SHARPE: We know.

The Hon. JOHN GRAHAM: That independent member, the Head inquiry sets out quite clearly, is defined as independent of the hiring agency, and you clearly met that criteria.

WARWICK SMITH: So the hiring agency being the State and sometimes the terminology "and also NGS", but I don't have anything to do with NGS other than see them in the context of these matters. The hiring agency, I have subsequently been placed on the board by the State Government called the Investment Attraction Council, which has myself and a range of other business leaders on it. It has been going for a little while and you will know about those. That, again, is voluntary.

The Hon. JOHN GRAHAM: It would be fair to say that you are a well-regarded member of the business and investment and trade community over time, as you have outlined.

WARWICK SMITH: Mr Graham, please read that into the record again. Yes, well regarded is my own view. But, anyway, that's up to others, isn't it?

The Hon. JOHN GRAHAM: I certainly think that's a view that has been put to Committee members.

WARWICK SMITH: That's very generous. Thank you.

The Hon. JOHN GRAHAM: It's also true you served previously as a Federal member of Parliament.

WARWICK SMITH: Yes, I was in Canberra for nearly 17 years, but I left that role 24 years ago and changed my—I mean, I moved here to the mainland, and I don't mind you people. You're not too bad.

The Hon. JOHN GRAHAM: Welcome.

WARWICK SMITH: But I have been 34 years getting used to you. I was in Tasmania and then I became a businessperson. I worked for the Macquarie Bank for 10 years, and then to ANZ and then also as a continuing senior executive in a range of areas, particularly around Australian Capital Equity, which owns Channel Seven and Boral, and a range of other things, which you will have been circulated.

The Hon. JOHN GRAHAM: In the Head report, as a result of the DPC inquiry—have you had a chance to look through that report?

WARWICK SMITH: I only got it yesterday. I read it last night in anticipation of this meeting, so I have had the chance to look at that.

The Hon. JOHN GRAHAM: The report at page 47 reports about the opportunities that the two independent members of the panel had at various aspects and the fact they had very little involvement in some aspects of the process here. I will just briefly detail them. That's the fact that you had no involvement or knowledge of these things: that you were asked to sign the report after the job had been offered and contract negotiations had been concluded; you were not told about the nature and extent of the discussions between Ms Brown and Minister Ayres or the views the Minister expressed; the nature and extent of the informal reference checking; how those checks had factored into Ms Brown's thinking about the relative rankings; you were not shown earlier drafts of the selection panel report; or that Ms Cole had met with Minister Ayres. All these things are on the record in the DPC report. Do you agree with those observations?

WARWICK SMITH: Two things to say: I certainly agree with everything that I read in Graeme Head's report and with all of those observations. Furthermore, I make the point that in terms of process, obviously, I am not involved in the process. My involvement was to turn up, to listen, to make comment on the day, which were collected and collated and put into reports. But the second STC arrangements were, as you saw and as you read, somewhat different to what had transpired previously and all other activity.

The Hon. JOHN GRAHAM: Do you have concerns, given that you were not told about each of those things that Mr Head has detailed in his report, that you want to put on the record?

WARWICK SMITH: Yes, I do. I reflected that to my other independent colleague on the panel—that's the second panel, recording that I was on both panels—that we were both bypassed. That's my view—bypassed, and I wasn't happy about it.

The Hon. JOHN GRAHAM: One of the views that has been put out publicly, unattributed, is that panel members might have felt used. Did you feel used in this process in any way?

WARWICK SMITH: Well, I am no stranger to politics, even though I have been distanced from it for some time, and I just want to assure you I don't feel the urge to go back again, even though it's a lovely building.

The Hon. JOHN GRAHAM: We're relieved to hear that.

WARWICK SMITH: But, yes, you have to say that having been through all the other processes—and it was fairly engaging—when you're thinking they would come back, and then to get a note one day that says, "Please sign here", nearly two months after you had had the interview, anyway, it seemed to me to be used or being taken for granted. There's two ways to look at this. I am not un-used to, in the commercial world or the political world, not be fully consulted on every aspect of particular issues, and I wasn't involved in detail in the process, but there are elements of these processes. You are dealing with people's futures, you are dealing with the State's futures, and there is a requirement for fairness, and openness and transparency, which has really been the hallmark of most of these processes to successfully get the right people in the right place in accord with what is a very good strategy—enhance the capability of New South Wales to sell services and product and bring investments.

The Hon. JOHN GRAHAM: For these important roles.

WARWICK SMITH: Yes, these are important roles. It was an important strategy.

The Hon. JOHN GRAHAM: In relation to those standards of fairness, openness and transparency, would you agree that they failed in this particular instance?

WARWICK SMITH: Certainly it's not just me saying it, is it? An independent person has come to that conclusion. I don't know Mr Graeme Head well. I have had the occasional reason to see him over many years on different issues. I was very keen to read his report when it came out, and it articulates far more clearly than what I could, with a deeper capacity and time for forensic consideration that should be embraced, and I thought that I would agree with that. I agreed also with Kathrina Lo, who I had never met before until the day I sat in the panel, who came separately, by a different route with different responsibilities in our community, to the same conclusion.

The Hon. JOHN GRAHAM: Kathrina Lo put a stronger position, in some ways. This reported in the Head report:

Ms Lo in particular has indicated that she would not have completed the process by signing off the selection report had these things been disclosed to her—

that is, the six or so matters that were not disclosed either to her or to you. Can I put that to you? Knowing what you know now, would you have signed off that selection report had those things been disclosed?

WARWICK SMITH: No, I wouldn't have, and I think I would have said that. And I said that to Kathrina Lo, that I 100 per cent agree with her. I had the additional caveat, however, that when I wrote back to the people who sent me this thing to sign on the day—I think I was offshore somewhere, doing it on the run, and didn't go back and have a look at it, just signed it. But I did say I signed it on the understanding that I am only considering those that appeared before me on that panel, because I had a view from the first panel that there was a candidate who was strong and who could have done the role, went into consideration and could have been also considered, got very strong international capabilities, which these roles require. So I only did it with that caveat based on that consideration. So I did have a reservation, on two counts.

The Hon. JOHN GRAHAM: Yes, and I think my colleague might come back to that specific point. I just want ask you also: Multiple times, this has been described as being at arm's length from government—that Ministers have not taken an interest in these roles. In your time on the panel and your travels, what is your view about the level of interest that Ministers took in who was being appointed to these roles?

WARWICK SMITH: In the ones we're specifically talking about—this one, the STIC second panel—I had no knowledge that there was this deep interest that has subsequently been revealed by the then trade Minister. Over time I've travelled with, I think, four Premiers as a volunteer, a businessperson, business counsel and other things to all of their offshore trade missions and so on. The last trade mission that the current Premier and the trade Minister took, they didn't take any businesspeople, which is the first time in nearly 10 years. My sense is that they do take some interest; I mean, these are significant positions, really.

The Hon. JOHN GRAHAM: Correct.

WARWICK SMITH: Did either of them—the current Premier or the current trade Minister—talk to me, text me or in any way be in touch with me about any of these roles? The answer is no, they didn't, particularly the Premier. He did talk to me when he was Treasurer, when he was responsible for trade, about the broader strategy. I spent some time with him about the strategy and the desperate need to upgrade New South Wales' presence in international markets and to build a much more deeper, competent capability in Sydney to service those people; and that those people should be possessed of strong international experience, strategic capability; and that you probably wouldn't find it easily, so, therefore, you want a robust system of assessment and a robust system of recruitment. Certainly they all agreed with that focus, that strategy, and to go forward with it. And it took some time because COVID intervened and selection processes were stopped and started.

The Hon. JOHN GRAHAM: But you're saying in all that time discussing the set-up of these roles and the importance of them—

WARWICK SMITH: We didn't talk about individuals.

The Hon. JOHN GRAHAM: You talked about the structure, but at no point in discussions with Dom Perrottet—

WARWICK SMITH: No.

The Hon. JOHN GRAHAM: —did the discussion turn to who might be—

WARWICK SMITH: Individuals, yes. And I stress, just in case it's in somebody's mind, I did not apply. I never applied. I did get offered New York once by the previous Government, but I'm too young to go offshore. I've got more to do here.

The Hon. JOHN GRAHAM: Thank you for that assurance.

WARWICK SMITH: So I was not involved on an individual, personal basis. I was just there in my broader capacity.

The Hon. JOHN GRAHAM: Yes. Those discussions did not happen with you.

WARWICK SMITH: No.

The Hon. JOHN GRAHAM: Did you hear of other expressions of interest or discussions about individuals by Ministers in this Government?

WARWICK SMITH: Not really, no. I don't recall anything specific—

The Hon. JOHN GRAHAM: What do you mean by "not really"?

WARWICK SMITH: I don't recall anyone saying to me, "This person should be our person in New York or China" or so on.

The Hon. JOHN GRAHAM: There have been a range of names floated publicly. In some ways I apologise to these candidates, but all of these names have been floated publicly—people like Chikarovski, Goward, McKay, Barilaro. Remo Nogarotto's name came up at one point. You're saying none of that speculation made it to your ears?

WARWICK SMITH: None of that came to me. But I do know that from subsequent events, from Jodi McKay, Pru Goward and Chikarovski, they were all encouraged to apply; they've told me. I didn't know about Remo Nogarotto. None of the others. Sometimes the recruiters ask me, mainly because I'm federally focused, who might be a good person for Australia in China—as a recent one, for example—in Japan, and so on. Sometimes I'm asked to consider names. I was one of the panel for Austrade prior to them doing a global review of Austrade's activities, which is probably in the list of things that I've done.

The Hon. JOHN GRAHAM: So when you look at the—Graeme Head came to this conclusion, that it was not fair to characterise this process as having been at arm's length. Do you agree with that conclusion that Mr Head reached?

WARWICK SMITH: As I said, I agree with his report, yes.

The Hon. JOHN GRAHAM: Thank you.

The Hon. DANIEL MOOKHEY: Mr Smith, I might just—a few more questions about the STIC Americas position, if you don't mind. I just wanted to cover off a few other details of the Head report, just so your position is clear and on the record. The Head report says that you had no discussions about the STIC Americas role with panel members after the interviews, and you did not re-engage with the process until you were provided with the final selection panel report to sign two days prior to the announcement of Mr Barilaro's appointment. That's on page 41 of the report. That's correct, isn't it?

WARWICK SMITH: Yes. Are we talking about the second report?

The Hon. DANIEL MOOKHEY: Yes.

WARWICK SMITH: We had the interview, which Barilaro was part of, and the other people were there. From that day until I received the—it was nearly two and a half months, three months. Like, no contact at all, which actually surprised me a little bit. It won't surprise you, as someone who's an experienced former person in public life, that there was some element of surprise to have the self-described Crocodile Dundee of Queanbeyan want to go to New York. My sense is that I didn't hear from anybody until the day I'm told to sign it and asked to sign it, and not even by the Government—by the recruiter. I found that quite extraordinary, to be honest with you. I'm just expressing a personal view.

The Hon. DANIEL MOOKHEY: Sure. Can we just table the document, the tender bundle, titled "W. Smith" at the top, if you don't mind? Provide it to the witness. Thank you very much. Mr Smith, if you can go to page 32 of that bundle, if you don't mind? There's only really one detail I wanted to ask you about. Are you there?

WARWICK SMITH: Yes, sorry.

The Hon. DANIEL MOOKHEY: Okay. See, this is the exchange in which you're asked to approve the report. Starting from the bottom, you receive an email from a person at NGS Global on 15 June 2022 at 12.52 p.m. Melbourne time. It says:

Dear Warwick,

I have just been sent this file from Investment NSW today asking for panel confirmation of agreement for this final version by all panel members. If it is possible to have an email back as soon as possible confirming the same (they are requesting today if possible), I will add this emailed confirmation ...

Do you see that?

WARWICK SMITH: Yes.

The Hon. DANIEL MOOKHEY: And then you can see—you said you were offshore at the time?

WARWICK SMITH: Look, I'd have to check my diary. I think I was—

The Hon. DANIEL MOOKHEY: Do you know where you were?

WARWICK SMITH: —in Dubai.

The Hon. DANIEL MOOKHEY: Sorry?

WARWICK SMITH: In Dubai.

The Hon. DANIEL MOOKHEY: In Dubai. Okay.

WARWICK SMITH: Yes. I'll check the calendar, but I said the candidates were those that were interviewed for the role.

The Hon. DANIEL MOOKHEY: Presumably if you're in Dubai, you're a couple of hours behind. So it's probably four in the morning or thereabouts where you are, or perhaps even earlier—maybe about six in the morning, Dubai time, when you get this email. And then, you do turn it around within three and a half hours. Do you see that at the top? You reply at 4.46 p.m. Melbourne time, I believe. Is that your understanding, that it was about four hours?

WARWICK SMITH: I'd have to check my calendar, but the main thing is that I responded.

The Hon. DANIEL MOOKHEY: You did.

WARWICK SMITH: Yes.

The Hon. DANIEL MOOKHEY: And, Mr Smith, I congratulate you on the promptness of your response.

WARWICK SMITH: I'm generally pretty good.

The Hon. DANIEL MOOKHEY: You are. But you say in your email, "Thanks for chat" to the person. Did you actually speak to this person that day?

WARWICK SMITH: Look, I don't recall. But if I said I did, I might have. I might have rung to say, "I'm very surprised."

The Hon. DANIEL MOOKHEY: Okay. And you expressed your surprise out of the blue of receiving this?

WARWICK SMITH: Yes.

The Hon. DANIEL MOOKHEY: But at this point you weren't aware that Mr Barilaro was to be announced two days later, were you?

WARWICK SMITH: No. And as I subsequently read, he already had the job before I was even asked to sign this.

The Hon. DANIEL MOOKHEY: How did you feel when you learned that he already had the job before you were asked to sign this?

WARWICK SMITH: I think I have already expressed that—surprise.

The Hon. DANIEL MOOKHEY: Would you have expected to be asked to sign or endorse the report before Investment NSW had endorsed the candidate?

WARWICK SMITH: Normal process was that they would respect independent panel members and the panel and give them a chance to have any further say or input.

The Hon. DANIEL MOOKHEY: Did you feel disrespected?

WARWICK SMITH: Clearly.

The Hon. DANIEL MOOKHEY: The point that you made to Mr Head, which is the same point that you made to us, is referenced in that email. The exact words you use are "I agree that J. Barilaro is the preferred candidate of those the panel interviewed for a role in New York." You were referring there to the exclusion of Mr Fitzpatrick, were you not?

WARWICK SMITH: Yes, I was. I went through the first process and he was a very good candidate and fitted well the sense of what I thought the original strategy and the continuing strategy was: to elevate New South Wales presence and the international market with people of deep capacity that could really add to investment opportunity and trade growth.

The Hon. DANIEL MOOKHEY: You were the only member of the second panel who was on the first panel, correct?

WARWICK SMITH: Yes, that's right. That even made me more concerned. I had a sense of being isolated.

The Hon. PENNY SHARPE: Yes, you knew a lot. You were obviously on the first panel and recommended Jenny West for that role and signed off on that quite happily.

WARWICK SMITH: We recommended Ms West and Mr Fitzpatrick equally to be considered.

The Hon. PENNY SHARPE: This is what I'm trying to unpack. Was it ever explained to you what happened to Jenny West and why she was no longer the preferred candidate?

WARWICK SMITH: I never had it fully explained to me by anyone. Jenny West was capable and could do the job. She had a deep understanding because she had been building the strategy. She had been hired by the then Treasurer and his department to build the strategy. She had a deep understanding of what had to be done in New South Wales and she had worked in some areas—not a deep CV—offshore. So she could do the job. She came for a consideration from circumstances that weren't made aware to me as to why she applied, but she was capable of doing it. Whoever they bring before the panel, we assess them and give responses to it. I gave that response on the basis that she was strong on New South Wales, strategy and New York. All locations are equal in importance, but New York is a particularly important one because of the dimension of the market. She could do that. I understood that she was off and going and then it turned around that she wasn't.

The Hon. PENNY SHARPE: But the circumstances for how that occurred were never really explained to you.

WARWICK SMITH: No. I don't really have a view.

The Hon. PENNY SHARPE: I have one more question. There was this change around 27 September and there was this issue around them becoming ministerial appointments and then obviously Jenny West was unwound, but then India and Asia were continued through that process. Why or how that happened was never discussed with you?

WARWICK SMITH: No, it was not raised at any of the other panels—the Middle East, India, Singapore and then, subsequently, China. I think you would probably come to it, but I think London all went according to the normal way I would expect things to happen.

The CHAIR: I will proceed with the same line of questioning, Mr Smith. With the first recruitment process, you are saying that the panel put forward Mr Fitzpatrick and Ms West as both suitable candidates for the role. Were you involved in the decision ultimately to appoint Ms West? Did the panel reconvene to make that decision?

WARWICK SMITH: Not that I recall, no.

The CHAIR: Did you receive a draft selection panel report for the first recruitment round?

WARWICK SMITH: We do the thing and then they send something saying, "Do you agree with this?" I believe I did. To be honest with you, I don't take notes to walk away with and I don't keep all the material. I make my observations on the day and give it to the panel, and they put it in and come back with it. If they want subsequent feeling or to check referees or to be a referee, as has occurred sometimes in the past—what do you think of this?—that would be the normal way. She would have the paper trail, which would be more accurate.

The CHAIR: Yes. But you are the witness today, so we are trying to get your evidence on it. I want to know about the difference between the first recruitment round and the second recruitment round, from your point of view and the involvement of the panel. You had more involvement in the first recruitment round in that your views were considered. Just talk us through what you perceive as the main differences between those two rounds.

WARWICK SMITH: In the second interview panel, if you are an independent person, you then get consulted or discussed with until you got asked to "sign here" 2½ months later.

The CHAIR: Just to be clear, that was after the contract was already offered.

WARWICK SMITH: That's what I understand from Graeme Head's report, which I think is the definitive assessment of the chronology and the time lines, so far.

The CHAIR: Yes, that's the chronology. I think Ms Lo also confirmed that Mr Barilaro had signed the contract before you had signed off on the selection report that was sent to you that you had several hours to sign off on.

WARWICK SMITH: Yes.

The CHAIR: Can I just ask about the email that Mr Mookhey was referring to earlier where you were asked by the executive officer of NGS Global to sign off on the final selection panel report? Where you say that you agree that J. Barilaro is the preferred candidate of those the panel interviewed for a role in New York, above that you say, "Thanks for chat," and then the executive officer's name, who doesn't need to be mentioned. So you picked up the phone and had a conversation with somebody at NGS Global when you received the selection panel report?

WARWICK SMITH: I think I might have done. I just don't recall. If I have said it in there, I probably did, even if I was onshore or offshore. I was surprised to receive it and get the hurry up to turn it around on the day after such a long period. Be that as it may, my thought was that you could only make comment about those that you interviewed. The other thing that I would say is that I have had a long time to see NGS. If they were of the view that it should be sent to a panel and it was time to sign, I would follow them. I have found them to be possessed with high levels of integrity and capability in all the different things that I have done with them, State-wise and federally. Whilst I was surprised, I felt no reason why I would be not able to sign but making the clear distinction between, "I am signing on those who were physically in the room and interviewed", and Mr Fitzpatrick wasn't. I think Graeme Head describes it well. His candidacy was orphaned. He was the first time up and was good enough to do it; the second time he was able to apply but was never interviewed and I don't know why.

The CHAIR: The first time you had seen a selection panel report several months later, almost three months after the interview—

WARWICK SMITH: I don't remember the exact time, but it was certainly a long time.

The CHAIR: You didn't think to call Investment NSW, like Amy Brown or Kylie Bell? I understand you are more engaged with them. Is that correct? Your call to the recruitment agency, to NGS—

WARWICK SMITH: They were the ones who sent me the letter and asked me to sign. I'm assuming they are acting on behalf of those officers. Those officers hadn't been in touch with me about this issue since we had the last panel. Amy and Kylie were both on the panel.

The CHAIR: It doesn't sound like you were very happy to be asked to sign this selection panel report.

WARWICK SMITH: No, I wasn't happy.

The CHAIR: And you said to NGS recruitment that you weren't happy.

WARWICK SMITH: Yes, I wasn't happy. But I signed it. I only signed it because that was the recommendation that they had received and that NGS had provided to me. I did it with a caveat that I was only signing on the basis of those that appeared before me. I thought another candidate should have been considered who was capable of doing it.

The CHAIR: Did you let anybody else know your concerns at the time?

WARWICK SMITH: At the time, no. It was up to them to pass it on, not up to me. No-one from the State Government got in touch with me on any of this, and still haven't.

The CHAIR: Let's be clear in terms of Kathrina Lo's evidence to this inquiry in relation to Mr Fitzpatrick not being considered in the selection panel. She told the Committee that it was at the suggestion of the chair originally—so the suggestion of Ms Amy Brown—that the panel agreed not to reinterview Mr Fitzpatrick. You being the only person, plus Amy, I think, who had interviewed him previously—or was it just you?

WARWICK SMITH: I don't remember saying, "I agree, just dump this person." I don't agree with that. I don't agree I ever said that or intimated that. It was a decision of the chair; it wasn't a decision for me. They make the decision who comes before the panel. If they didn't want them there, that's a matter for them. But I felt, given that he'd had a prior interview, and he had formally reapplied, that he was clearly still interested and he meets that broad criteria of capability that would be good for the State to consider. And the State didn't consider—that's a matter for them, not a matter for me. I just passed the observation.

The CHAIR: The first recruitment process, just to be clear—you were on there, and Ms Brown was on the panel, for the first one?

WARWICK SMITH: Yes.

The CHAIR: So it was you and Ms Brown who had interviewed Mr Fitzpatrick in the past. Did you have assurances at any time by Ms Brown that Mr Fitzpatrick's credentials and qualifications and essentially the

first recruitment process, that first interview, would be given equal consideration with other people being interviewed? Can you recall that?

WARWICK SMITH: Chair, I don't recall having been told that. But it's implicit in how the process works. They do their reference checks before, as they come in, and they do their reference checks on the process. So I leave that—that's part of process of which I am not part of. I look at the CV that is provided, see the people and talk with them—some of them being online, obviously, being awkward to do some of them over that period. But as to whether or not they are suitable to go forward, or if there's something in the CV that they don't wish to share with the panel that might come up later or through other researches, that would be a matter for process. And I can only pass an observation on what I see before me, which I did.

The CHAIR: When did you, just in a general sense, start sitting on selection panels for the public service as an independent panel member?

WARWICK SMITH: This current round of the strategy goes back to probably 2019? It might've been earlier. All the prior premiers—it was O'Farrell, Baird and Berejiklian. One way or another I was involved, voluntarily, on trade issues—partly because I did so much in trade, globally, over a long period of time. I think I even did something with previous Premier Iemma and Keneally. You have to go back. I can't remember. It is, I guess, a passion. Trade enhancement, trade engagement is a passion. I volunteer for the Business Council now and sit on their board to do this role—to articulate and do a lot with Austrade and DFAT and Federal security agencies, which have a strong interface with a lot of things we do to understand the dilemmas and the opportunities and so on with regard to trade, both in services and product and merchandise trade.

The CHAIR: How was the appointment—can you remember who approached you from government? How was that originally done, in terms of somebody approaching you saying, "We need an independent—"

WARWICK SMITH: Yes, I do remember. It was during the period that this first strategy was put up by the then Treasurer and his secretary, who had come from—I think he was called the services commissioner, had come in to be secretary of Treasury.

The CHAIR: Dominic Perrottet—when you are saying "then Treasurer"?

WARWICK SMITH: Yes. He was the Minister. Treasury had taken on the trade portfolio and had been reshaping it to have these types of upgraded roles and upgraded secretariat. And then, a little later on, for reasons I've got no idea about, it swapped over and went back to Premier Berejiklian. And then, of course, there was a change, and then it went to Minister Ayres who, back some years, had been a trade Minister. All of those issues I'm not involved in, wasn't asked about it, not consulted about it. But I was asked by the Secretary of the then Treasury to consider going on to these panels. And they were going to set up a board and so on, which subsequently, I think, has now been set up—where I now sit. They call it an attraction board, which sits under—

The CHAIR: What is the official name of that committee or board?

WARWICK SMITH: I think it is New South Wales financial attraction board.

The CHAIR: Attraction?

WARWICK SMITH: Financial attraction board, yes—something like that. And it reports—has a chairman. Geoff what's his name. He runs—

The Hon. DANIEL MOOKHEY: Geoff Roberts?

WARWICK SMITH: Yes. Geoff Roberts. And then the secretary of the department is Amy Brown, and it reported to Stuart Ayres.

The CHAIR: At the time, it was Amy Brown who contacted you—

WARWICK SMITH: No.

The CHAIR: Sorry, I am just trying to get clear.

WARWICK SMITH: This was before her. This was—

The CHAIR: Okay. Who was—

The Hon. SCOTT FARLOW: Secretary Pratt.

WARWICK SMITH: This was Secretary Pratt. That's him, yes.

The CHAIR: Secretary Pratt, under then Treasurer Perrottet.

WARWICK SMITH: That's right.

The CHAIR: You had a history and a working relationship with Secretary Pratt, or with then Treasurer Perrottet, to be approached.

WARWICK SMITH: I really didn't know Michael Pratt, and I still don't really know him. And Perrottet—I could hardly say I know him. I was just recognised by their departments and their trade people over a long period of time as someone who interfaced and participated with Premiers and trade on a voluntary basis to assist and develop. And all the time that I was doing my banking career, particularly, I was always involved and engaged, so I think I was on everybody's list to chat to. Fundamentally, Chair, my big focus was north Asia: China, Korea and Japan, wherein lie a lot of our trade opportunities, both to retention of that trade and also building out our presence in that market in a competitive way with the other States. Particularly New South Wales—we're a little bit behind Queensland and we're a little bit behind in Victoria in terms of market presence. That was a thing that drove me. New South Wales is the sixth largest economy in the Asian vertical and so it's a hugely significant economy and it's so diversified that it needs to do well—and it can do better. That was what was driving it, and Pratt was quite receptive to that. He had been a banker and he'd worked in Asia, so he was nice and receptive to my ideas, really.

The CHAIR: I want to get your understanding of the way in which being on the selection panel for these roles—the way in which the exemption from the GSE Regulation in terms of section 10A where the senior trade roles are exempt from merit selection, if you like, which is what we've heard a couple of times. When you're assessing, therefore, the candidates for these senior trade roles, were you diligently assessing them against the public sector capability framework? Were you scoring them against various capabilities? How did you go about it? What we were told is that actually you didn't really have to mark them against merit according to the public sector capability framework.

WARWICK SMITH: I didn't follow the public service process. I was not in the panel to do that. I was in it because I know, and continue to know, about trade and opportunity and the type of people that you need to be effective in the marketplace. It was the process within government that would have to determine it. They would set down their strategies, their parameters, and I would look at those things. But I didn't refer to section 10 once.

The CHAIR: You weren't assessing against a set of criteria during interviews?

WARWICK SMITH: No. We had set questions that NGS had worked with, for example, and made sure those criteria were part of it. And we'd set the questions so that we covered the field. But then I would also add in my, sort of, assessment of what I thought the capability was: the presence, the demeanour and track record, all of those things which don't always get captured in an Act. That was part of the attraction of trying to uplift the capability in the field by going for the higher capable person. And so that was my role. Their role, they were in charge of process. They were in charge of process and I don't comment about it, didn't interfere with it, but then I did see that there was a variation in that last piece.

The CHAIR: Thank you. I'm done with questions. To the Opposition.

The Hon. DANIEL MOOKHEY: Mr Smith, I might just pick up on one of the questions that the Chair asked. You were approached—was it by Mr Pratt directly—to serve in this role?

WARWICK SMITH: To be honest, I think it might have been, because I think I might have asked to go and see him in his role as Treasury secretary about my pet hobby horse of wanting to—you've got a new trade Minister, now's the time. Treasury is a more powerful—I think you're shadow Treasurer, you know what I'm saying—it has more capability to perhaps make things happen.

The Hon. DANIEL MOOKHEY: Allegedly.

WARWICK SMITH: You may find out one day. What this was about was trying to get this to move.

The Hon. DANIEL MOOKHEY: You had a meeting with Mr Pratt—

WARWICK SMITH: I didn't ask him for a job, but by telling him politely what I thought he should do, you can tell I'd tell you what I think—

The Hon. DANIEL MOOKHEY: This was presumably sometime towards late 2019?

WARWICK SMITH: Yes, probably. It was sort of before COVID.

The Hon. DANIEL MOOKHEY: The first two roles that are recruited are the Agent General for the United Kingdom and the STIC commissioner in Tokyo, correct?

WARWICK SMITH: Yes. I think Tokyo was probably the first.

The Hon. DANIEL MOOKHEY: We've ascertained earlier today that a process around the Agent General commences in early 2020, that is then suspended as a result of the COVID pandemic. That accords with your recollection?

WARWICK SMITH: Yes. There was a delay, yes.

The Hon. DANIEL MOOKHEY: Then the process resumes sometime in the third quarter of 2020, then the selection panel convenes, settles upon one particular candidate, who then withdraws and then goes towards the other candidate who was capable of appointment. Is that your understanding too?

WARWICK SMITH: Yes, I think—the opposite to truncated is elongated. So, it was an elongated process and I think other candidates and other people were put to the committee.

The Hon. DANIEL MOOKHEY: We have established that by the end of late 2020, early 2021, the selection panel has interviewed a variety of candidates and chosen Mr Paul Webster as your preferred candidate. Does that accord with your recollections?

WARWICK SMITH: Yes. He was good. He was already in the United Kingdom, so of those that were in front of us he was probably a good run-up start, if you know what I mean. There had been no Agent General from New South Wales for 30 years.

The Hon. DANIEL MOOKHEY: Indeed. Then we learned as well earlier today that conversations with Mr Webster progressed to the point of details around his salary, as well as his other entitlements. I presume you weren't engaged at that level?

WARWICK SMITH: No. I don't go near the process or near the money. I know that sometimes those things are contentious, particularly if you're going to bring people from business into the Government, it's a different atmosphere, a different process. But that's never been part of the remit that I was involved in.

The Hon. DANIEL MOOKHEY: We then learn that after the panel has already decided that Mr Webster is your preferred candidate, in the aftermath of a meeting which takes place for, I believe it was the Tokyo position, secretary Pratt informs the recruiter that Mr Stephen Cartwright is a person who is now a candidate for the role. You were on the Japan panel, were you?

WARWICK SMITH: Yes.

The Hon. DANIEL MOOKHEY: Do you by any chance recall when that meeting took place?

WARWICK SMITH: Look, I am sorry, I don't. I mean, I didn't—I can go back and get the department to give me some dates.

The Hon. DANIEL MOOKHEY: That's okay, I think we can find out elsewhere.

WARWICK SMITH: Basically, Japan was a good process and it ended up being a very good candidate and from the marketplace.

The Hon. DANIEL MOOKHEY: Indeed. Did you have any conversations in or around that time in which secretary Pratt expressed to you any dissatisfaction with Paul Webster as a candidate for the UK job?

WARWICK SMITH: Not that I recall, no.

The Hon. DANIEL MOOKHEY: Were you aware that Mr Pratt had recommended Stephen Cartwright to the recruiter as a person who should enter the process?

WARWICK SMITH: No, I wasn't, no. But Cartwright's quite good. I've seen him in the past, and—

The Hon. DANIEL MOOKHEY: We'll get to that. At this point were you given any explanation at all from anybody as to why Mr Webster was not a suitable person to go forward?

WARWICK SMITH: Not that I recall, no. I mean, I do recall later conversations where Cartwright was there and how do we attract and keep Webster, because he's particularly strong in Europe, and you would be losing a good person I think, was the view of some of us. And that—

The Hon. DANIEL MOOKHEY: The panel reconvenes on 30 March to interview Stephen Cartwright, that's correct?

WARWICK SMITH: I take you on the date, yes, but it did have Cartwright in front of it, yes.

The Hon. DANIEL MOOKHEY: He was the only person on that day who you interviewed, correct?

WARWICK SMITH: I would have to take your word, but I don't recall.

The Hon. DANIEL MOOKHEY: Do you recall interviewing anybody else?

WARWICK SMITH: I don't recall there being others. There were others that were originally in the mix.

The Hon. DANIEL MOOKHEY: Between 10 to 15 February, to 30 March, presumably someone contacted you to say the panel needs to reconvene to consider Mr Cartwright?

WARWICK SMITH: Yes. They would do that through my office. Where they need me, they go to my office and then it's scheduled—and thank you very much for accommodating my timetable today, Madam Chair, it's appreciated.

The Hon. DANIEL MOOKHEY: At this point the panel consisted of you, Ms West as a representative of the New South Wales Treasury and soon Investment NSW, Mr Tim Reardon and Mr Mike Pratt. That's correct?

WARWICK SMITH: Yes. I did a few interviews with—Reardon was in Premier and Cabinet and Pratt was the Treasury secretary, and I forget who else was there.

The Hon. DANIEL MOOKHEY: At that meeting on the thirtieth, did anybody give you a reason as to why all of a sudden you had all been reconvened to consider Mr Cartwright's candidacy?

WARWICK SMITH: I don't recall, but other than the fact that he was regarded as potentially a good candidate who met the sense of—what you needed for the Agent General was a real gravitas really and deep commercial capability. He sort of fitted the bill, so I imagine that's why they brought him in.

The Hon. DANIEL MOOKHEY: But no-one actually told you what the error was with Mr Webster, or how Mr Cartwright managed to enter that process?

WARWICK SMITH: I don't know how he entered the process, but then quite often, even though there's cut-off times, extra people come in and some people go out. What I'm concerned about is you get quality candidates in front of us.

The Hon. DANIEL MOOKHEY: Did you have a relationship with Mr Cartwright yourself, by any chance?

WARWICK SMITH: I know Cartwright from his time at the business council because he was there for a long time. I spent a bit of time with him on the prospect of opening an office in Dalian in China.

The Hon. DANIEL MOOKHEY: Did you ever have discussions about his future career options after he left Business NSW?

WARWICK SMITH: I think he was still at Business NSW when he talked with me, but that was in the context of my China meetings.

The Hon. DANIEL MOOKHEY: Did he seek advice from you about his future career prospects?

WARWICK SMITH: Yes, a lot of people do.

The Hon. DANIEL MOOKHEY: And did he?

WARWICK SMITH: I can't recall. He came with somebody else to see me, so I don't think I would have done an intimate one—

The Hon. DANIEL MOOKHEY: Did he discuss with you at all his interest in potentially serving in the New South Wales Government at all?

WARWICK SMITH: I think it would've been—yes, I think it was raised that, you know, New South Wales, he was thinking of leaving there and going into government, but not specifically about any particular role. We had other people that from time to time I'd seen, ex lawyers and accountants and so on, that were always urged to go and talk to particular secretaries about what their prospects might be.

The Hon. DANIEL MOOKHEY: Do you recall when particularly he was seeking your career advice, just when in time?

WARWICK SMITH: It would have been the time that he was seeing me about wanting to open an office in Dalian.

The Hon. DANIEL MOOKHEY: Who was wanting to open an office in Dalian?

WARWICK SMITH: His organisation.

The Hon. DANIEL MOOKHEY: When was that?

WARWICK SMITH: Look, I didn't think you'd be asking this. I'd have to go back and check, but it was, it would probably be before this process was underway. It would have been pre-COVID.

The Hon. DANIEL MOOKHEY: Your recollection—

WARWICK SMITH: Just to be clear, I'm quite keen to see that business open an office in China. At that stage we were a little more hopeful about outcomes in Dalian.

The Hon. DANIEL MOOKHEY: What business are you referring to?

WARWICK SMITH: Dalian. We were going to open an office that linked to shipping and subsequently, it's only just recently, a new shipping line's opened up out of Dalian into China and they were going to link and try to build out there linkages for mid-level business out of New South Wales. It was a fairly good strategy and I was going to help through connectivity to work out how that might happen.

The Hon. DANIEL MOOKHEY: Pre-COVID Mr Cartwright was the CEO of Business NSW. Was that the basis upon which you were meeting with him?

WARWICK SMITH: Yes. And he had some people in there—

The Hon. DANIEL MOOKHEY: Did you recall having any meeting with him in 2020 in which he was seeking your career advice?

WARWICK SMITH: I don't recall it but I can always have a look.

The Hon. DANIEL MOOKHEY: Could you on notice? Do you mind?

WARWICK SMITH: Not at all.

The Hon. DANIEL MOOKHEY: Do you specifically recall a conversation or a time you had a coffee with Mr Cartwright in which he was seeking your advice about the appropriate remuneration standards of high level government appointments?

WARWICK SMITH: It could've been in that—if we had a conversation he would've raised money.

The Hon. DANIEL MOOKHEY: Do you recall specifically providing him with advice that would benchmark expectations according to other similar roles, for example, the New Zealand High Commissioner and how that person is remunerated?

WARWICK SMITH: No, I don't recall that. I wouldn't have any idea what they were remunerated.

The Hon. DANIEL MOOKHEY: Just be clear—

WARWICK SMITH: I don't follow government rem. All I know is that you're dedicated in what you do and the community doesn't appreciate you to the full extent that they might.

The Hon. DANIEL MOOKHEY: Indeed. For what it's worth, as shadow Treasurer, I've had some acquaintance with Government remuneration these days.

WARWICK SMITH: That's going to land on your desk one day probably.

The Hon. DANIEL MOOKHEY: Indeed. Can I just ask you, Mr Smith, again: Do you recall specifically having a discussion—so I think we can establish that there was some discussion in 2020 with Mr Cartwright.

WARWICK SMITH: I don't know. I'd have to—you ask a question. I'm quite happy to be obliging and check and find out. We keep records of most meetings that take place.

The Hon. DANIEL MOOKHEY: Well, I guess I'm putting to you that there was a discussion in 2020 in which—

WARWICK SMITH: I do a lot of—I don't remember him because he wasn't what you call a close colleague or a friend or anything.

The Hon. DANIEL MOOKHEY: No. Of course, I accept that, Mr Smith. But you recall having some discussion with him in which, amongst other items, you were discussing or he was asking your advice as to what would be the appropriate levels of remuneration for a person who would serve in a trade commissioner role?

WARWICK SMITH: Well, I don't recall, but if he was talking to me about the context of China and leaving and, you know, what would the marketplace—what would he do after, I don't know, how many years he was there, 10 or 15 years or something. Where does he build another career? Well, the options were: There's

government; there's market; there's banks—I'm a specialist on banks; consulting firms and so on. I give a lot of advice to a lot of people, and I don't recall.

The Hon. DANIEL MOOKHEY: Mr Smith, I'm not suggesting that you providing advice to any person is at all inappropriate. It's legitimate.

WARWICK SMITH: I'm quite happy to do it, but I run a roaring trade assisting people.

The Hon. DANIEL MOOKHEY: Indeed. But in respect to this particular conversation that you may have had with Mr Cartwright, at that point did he indicate to you an interest in working in a role for the New South Wales Government? Or you can't recall?

WARWICK SMITH: I don't recall, but I wasn't working for the New South Wales Government in any way so I'm not recruiting for them.

The Hon. DANIEL MOOKHEY: Prior to him lodging his candidacy, did he seek your advice again at all?

WARWICK SMITH: Not that I recall, no.

The Hon. DANIEL MOOKHEY: Did you have any conversations with him as a candidate independently of the panel?

WARWICK SMITH: Not that I recall, no.

The Hon. DANIEL MOOKHEY: Insofar as any disclosures to the panel, did you have to make any disclosures to the panel prior to you agreeing to interview him on 30 March?

WARWICK SMITH: I don't believe I did, but I don't believe I needed to. There were other candidates that I knew that I declared an interest or a conflict or a relationship. Normally, if you're a businessman and a banker, you understand conflicts of interest and that personal relationships should be disclosed. It's a matter of course. It's generally a first item of an agenda for meetings—any conflicts. I'm quite practised at that. I knew the guy that went to Japan—but not well. He once had been in one of my broader teams at Macquarie Bank. You declare those things. But Cartwright was not a personal colleague, not a professional business colleague, but he had the prospect of being very helpful with regard to building out a China basis for mid-level businesses, which would've been good and timely. So I was very encouraging if he followed up and had chats—and I'll check.

You know, that would've been one of those normal issues and the prospect of the range of things that someone like him could do would be quite broad. Then, when he came before us, his track record was quite strong in business, which was an item of key focus for doing the role. Then London takes on a sort of significance because New South Wales was going back into that area and it was clear that—I think it was in part of the criteria: No politicians for London again, which personally I find a bit sad really because I think some former parliamentarians can do good work in these sorts of roles and do it very successfully. Many have. Many continue to do so. But it was felt that you needed someone with a strong commercial capability.

The Hon. DANIEL MOOKHEY: Just again, did you actually agree on the thirtieth that Mr Cartwright's candidacy should progress?

WARWICK SMITH: Yes. If he was coming before us, I would be keen. Then, when he did come, I rated him highly.

The Hon. DANIEL MOOKHEY: At no point did you ever conclude that Mr Webster was incapable of doing the role.

WARWICK SMITH: My sense is that Webster could've done the role. I would've been happy for him doing the role, but if there was a better candidate they should be considered. Then when you had both of them sitting there, the penny dropped. You could have both of them sitting there, one doing Europe and one doing the UK and Israel and you had the benefit of both and you covered the market. What happened in the UK is that, once they pulled out of Europe, there was some vacant space that needed to be filled. How do you actually in a Brexit environment cover that ground successfully? There are some thoughts about that within the Austrade model as well so it wasn't as though I came to these views—it wasn't just a virgin thought. Working through that thought process, my feeling was that you had a very strong presence and capability in Cartwright and a very strong technical capability of someone who'd long been in the UK. He wasn't from New South Wales. He might've been originally but there's many, many years. So we could capture both of those capabilities. That would be a win-win for New South Wales.

The Hon. DANIEL MOOKHEY: I might just pick up from the Americas line of questioning if you don't mind. I will just take you through some documents and just get your reaction so we can have it please if you don't mind. Do you have that tender bundle in front of you?

WARWICK SMITH: This one here?

The Hon. DANIEL MOOKHEY: Yes.

WARWICK SMITH: Yes.

The Hon. DANIEL MOOKHEY: Do you mind turning to page 12?

WARWICK SMITH: Sure.

The Hon. DANIEL MOOKHEY: We'll start at the bottom—you can see there's a highlighted section. This is a correspondence that Dr Broadbent sends to Ms Brown, in which she is sending the draft selection panel report and references to her. You can see that at the top Dr Broadbent says:

Amy and Kylie – we weren't sure if you wanted Kathrina and Warwick included at this stage, but happy to forward on if appropriate.

Attached is the draft Selection Panel Report for the Americas role – was not sure how you want to do this, but have done what we thought was in line at the time.

Then, if you just turn to pages 9 and 10, you can see that that's the actual draft report that's the attachment as well. Can I just confirm you never saw this report?

WARWICK SMITH: The only report I saw was the one that they sent to me on the day they wanted me to sign it. That's as far as I can recall without reading it carefully.

The Hon. DANIEL MOOKHEY: I just wanted to get that confirmed from you that you hadn't seen it. If you go to page 11, you can see Secretary Brown's—it is Secretary Brown at this point in time—reply, in which she goes:

Thanks for preparing a draft selection report. I've sourced a couple of informal referees for the candidates, which I'll share with the group as they're likely to change ...

Just to be clear, you weren't aware that there was an informal reference process?

WARWICK SMITH: No, it wouldn't be out of the ordinary to seek and see other referees come in above and beyond what might be provided by a candidate. In fact, it's probably not bad practice to seek broader and wider. So I didn't see that. I didn't know that but it wouldn't strike me as being odd. In fact, I'd find it good due diligence.

The Hon. DANIEL MOOKHEY: You weren't aware one of the informal referees was Minister Ayres.

WARWICK SMITH: Sorry?

The Hon. DANIEL MOOKHEY: You were not aware one of the informal referees for Mr Barilaro was Minister Ayres.

WARWICK SMITH: Was I aware of that? No.

The Hon. DANIEL MOOKHEY: Yes.

WARWICK SMITH: I was not aware of that until just now.

The Hon. DANIEL MOOKHEY: This has been subject to some commentary in the Head review. But, just to be clear, until this point in time you weren't aware that Minister Ayres was one of the informal references for Mr Barilaro.

WARWICK SMITH: An informal referee or a—

The Hon. DANIEL MOOKHEY: Informal.

WARWICK SMITH: I suppose they're colleagues. They'd say nice things, wouldn't they?

The Hon. DANIEL MOOKHEY: But you weren't aware of that until this point.

WARWICK SMITH: No.

The Hon. DANIEL MOOKHEY: Fair enough. We might just now go forward if you don't mind to page 18. This is the next version of the selection report that we've learnt this morning is prepared following some conversations between Secretary Brown and Dr Broadbent. Firstly, I presume you haven't seen this either?

WARWICK SMITH: I don't believe so.

The Hon. DANIEL MOOKHEY: Yes. To be fair, there's no evidence to suggest that it was sent to you. But it says, "The panel came to the view that, following a review of references that John had relevant capabilities." And then early up there—you won't be able to see this but you'll just have to take me at my word. The immediate sentence above it—you might be able to make it out—says that the specific reference that he refers to is the Australian Ambassador to the United States, who at the time is Mr Arthur Sinodinos and then consul general, who at the time was Premier Nick Greiner. Was it the case that the references that came from Mr Sinodinos, former Premier Barry O'Farrell and Secretary Barnes—did the panel think that they were the tipping factor?

WARWICK SMITH: I don't know. I know Barnes but not well. I know O'Farrell very well and I know Sinodinos pretty well. They are good referees, really. They're good referees, but I wouldn't say they were the tipping point. It's going to be performance on the day on the panel.

The Hon. DANIEL MOOKHEY: So the issue is it says here that the panel came to the view "following the review of references".

WARWICK SMITH: Solid.

The Hon. DANIEL MOOKHEY: It says here quite explicitly, "The panel came to the view that, following a review of references that John had relevant capabilities and experience for the role." So this report attributes to the panel, collectively, that collectively you all concluded that Mr O'Farrell's reference, Mr Sinodinos's reference and Mr Barnes's reference were effectively the reason why Mr Barilaro should be preferred over Ms Cole. It doesn't seem like the panel ever had a collective discussion about this. Is that fair?

WARWICK SMITH: I think they are three very good referees. If I could get them to write nice things about me, I would ask them. But I can't be sure they would.

The Hon. SCOTT FARLOW: You've got John Graham's word. That's good enough.

WARWICK SMITH: My sense is, through you, Chair, to the panel member, that they were good referees but, in the end vis-a-vis Ms Cole, that I thought we'd ended up where there were two candidates that should be considered equally and that was Cole and Barilaro.

The Hon. DANIEL MOOKHEY: But just to be clear here, the panel never collectively came to the view that the references were the deciding factor.

WARWICK SMITH: I don't think any panel that I've ever sat on would just say, "This is the best person based on the strength of referees." You just don't do that. You have a bigger responsibility against section 10 criteria. Then there is the broader criteria that the independent person like me might bring. I might have a different view about O'Farrell or about Sinodinos. And certainly over a long 30-year association, I've had many different views with both of them about many things. I'm not going to make a decision just based on referees. I just would not do that ever.

The Hon. DANIEL MOOKHEY: Okay, but this report said that you did.

WARWICK SMITH: I didn't write the report, did I?

The Hon. DANIEL MOOKHEY: Just to be clear, that's why I'm asking you.

WARWICK SMITH: There you go. You've got your answer. I didn't write the report and I wasn't asked about it.

The Hon. DANIEL MOOKHEY: Just also to be clear here, if you don't mind just turning to page 44 of that tender bundle.

WARWICK SMITH: Sure. Okay.

The Hon. DANIEL MOOKHEY: This is the actual final report which you were asked to endorse in the circumstances in which I think we've already described. But you can see, as well—

The Hon. JOHN GRAHAM: This is the one that Mr Head says you have seen, unlike the others.

WARWICK SMITH: Yes. This was the very last one from STIC panel that came to me 2½ months after the hearing—after the panel meeting.

The Hon. JOHN GRAHAM: Correct.

WARWICK SMITH: And it basically says according to NGS they want it signed today. And I signed it saying—when I looked at it and it had no Fitzpatrick on there, I said in my note, "Happy to support this on the basis of those that came before the panel."

The Hon. DANIEL MOOKHEY: You have written that. That has been precise and clear, Mr Smith.

WARWICK SMITH: That's precise.

The Hon. DANIEL MOOKHEY: You are. Again, I'm only asking you—

WARWICK SMITH: I'm completely precise and open and honest, because I saw this man—panel one—who could have done the job. He could have done the job. Maybe if others who were looking at it, who had to make the final decision, which wasn't me, considered the broader context, you wouldn't be here today, would you? You would have according to the broad-based strategy put a very senior person in there and had business capability into that role. That's what was expected by people like me. In every other process that was entered into on this strategy that was formulated back in 2019, that's what happened. But not on this occasion.

The Hon. JOHN GRAHAM: Can I just put that to you very directly, Mr Smith? Faced with a choice of Mr Barilaro or Mr Fitzpatrick, looking at it now, who would you have chosen?

WARWICK SMITH: Well, in retrospect, I probably wouldn't have signed, knowing what we subsequently saw.

The Hon. JOHN GRAHAM: And you've made that clear.

WARWICK SMITH: Therefore, Fitzpatrick was orphaned and probably should have been considered. He was in the first panel, but they made a different decision—their decision, not my decision. If you're asking me what I thought and what I think today, knowing what I know, hearing what I've heard and just being fair, what a mess!

The Hon. JOHN GRAHAM: I agree with that but I'm asking a specific question. Knowing what you know, sitting here today, who would you have chosen—Fitzpatrick or Barilaro?

WARWICK SMITH: I think Fitzpatrick. I thought, it's about capability and was politically sensible to choose someone in accord with a broad-based strategy that the Treasurer himself, when he was Treasurer, had set up.

The Hon. JOHN GRAHAM: Thank you.

The Hon. DANIEL MOOKHEY: I only have one or two more questions left, I think. Firstly, do you feel like Mr Fitzpatrick was disrespected?

WARWICK SMITH: Sorry, he was?

The Hon. DANIEL MOOKHEY: Disrespected.

WARWICK SMITH: No. I feel sympathy with him and I feel as though I'm in the same rowing boat as him.

The Hon. DANIEL MOOKHEY: Disrespected.

WARWICK SMITH: I'm not that sensitive. I've been around.

The Hon. DANIEL MOOKHEY: Indeed. The only other questions I had—and this is only to close out the line of questioning, Mr Smith—in the final report, again, reference is made to the reliance on the referees as being the factor, as well. It's fair to say that's not an accurate view of the panels.

WARWICK SMITH: It's not determinate. It's certainly influential. There's no doubt about that. They're eminent. I've seen the work in the past of Gary Barnes going way back to when he was in the Northern Territory Government. I was Minister there once a long time ago. They're very capable and astute people, the three of them. So they were influential. But, as I said earlier quite forcefully, you don't make a decision just on the referees. You might for some jobs at some levels, but this was a very substantial position, which required careful consideration of referees and other aspects. They are certainly taken into account. It would have been disrespectful not to have taken them into account. But to say that was determinant, even though it might have been written in there, it's something that I wouldn't have written.

The Hon. DANIEL MOOKHEY: The Head review just says you had no discussion about the STICs Americas role with panel members after the interviews. There was never any discussion after February. Correct?

WARWICK SMITH: Not that I recall, no—and/or with the department people. I've known the department people for a good while. Some of them go back a long way. They're really, really capable and they work very, very hard in elevating trade and investment in New South Wales. You've got to say that, a bit like the people gathered in this room, they're dedicated to broad-based community uplift on behalf of the State. So I do my bit to be of assistance.

The Hon. DANIEL MOOKHEY: Some of us are, Mr Smith. Some of us in this room are.

WARWICK SMITH: I won't go on. Take a collective pat on the back when it's offered. You'll learn that.

The Hon. JOHN GRAHAM: I think you're being clear on this, Mr Smith, but I just do want to revisit it. In your time, over the period we've discussed, did any Minister or did any Minister's office speak to you about candidates for these roles? Did anyone say to you, "This person would be good for one of these jobs"?

WARWICK SMITH: Not that I recall in the sense that, "Warwick, you're a panel member. This guy would be really good. He's going to come before you and smile benignly," or what have you. I never had anything like that. There was a trade Minister, a member of the upper House—he's not in the House any more—who I thought was a really good trade Minister in the National Party. I have forgotten his name now.

The Hon. DANIEL MOOKHEY: Niall Blair.

The Hon. PENNY SHARPE: Niall Blair.

The Hon. JOHN GRAHAM: A well-regarded member of the House.

WARWICK SMITH: Yes, he was. He was a very good trade Minister too. He really worked hard at it. We talked about Warwick Smith's pet hobby—bring it up, elevate and who were the sort of people that you would want. I think over dinner one night, with a couple of other colleagues, we had that chat. So names were thrown around. But when you advertise, you put NGS on the case and they go seek it out, it becomes far more formalised. People have to put pen to paper and put an application in, and that becomes the biting moment. It doesn't always happen that they actually put it in. If you want to direct your Minister's mind or secretary's mind or a recruiter's mind to some potential people, you do that. But as for "This person is there. They're really the best. You need to support them", I didn't have those interfaces with anybody. Look, those people know me. I can be prickly.

The Hon. DANIEL MOOKHEY: In a similar vein, did you have any conversations about specific candidates with Secretary Pratt or Secretary Brown outside the panel processes?

WARWICK SMITH: I don't know Secretary Brown very well. I think she's capable, but no.

The Hon. PENNY SHARPE: Thank you for coming today. I have listened very carefully to your reflections on this process. I'm interested, though—from your perspective and your experience, do you think that politicians or ex-politicians are the right fit for these jobs? It sounds to me that very much you think that businesspeople with a lot of international experience are the right people. At the end of all of this, is it your preference that you actually have businesspeople rather than politicians in these roles?

WARWICK SMITH: Again, I left the Federal Parliament 24 years ago and went in as a very young person and stayed there 15, 17 years, on and off. My sense is that the political life is a life that can be a great contributor in the business world and for communities in a post-political environment. It always depends on the individual. You never would have it—in my view—a blanket no.

The Hon. PENNY SHARPE: No, and I'm absolutely not asking you that. That's not what I'm putting to you.

WARWICK SMITH: Some jobs in politics are more deeply immersed in the intricacies of running businesses and so on, and lifting States might have more appropriateness than some others, and then it might depend on what they do in a post-political life. But to just come out of political life and be rescued straight into a job that you may not fully be appropriate for is not a good thing because it then diminishes those roles and it diminishes the political process and those that participate in politics. But there have been some great political people that have gone into roles internationally and domestically and into consul general roles and governors roles and so on and have all done well. Not everyone does, but many do.

Going the other way, business going into politics, there have been more singular celebrated failures on that path than it has on the other direction. So my sense—through you, Madam Chair, to the member who asked the question—is that you need to maintain flexibility and look for capability. It's a bit like section 10. You're looking at capability, appropriateness, qualification, and if they tick a lot of those boxes and they meet the broader criteria of whatever the strategy is, then, yes, you would say yes. I mean, names—Will Hodgman, a Premier of Tasmania, is in Singapore, first class; Gray, a former Federal member, is in Ireland and doing a great job; O'Farrell is in India.

The Hon. PENNY SHARPE: But they are ambassadorial roles. I suppose it's really this issue about the trade roles in particular.

WARWICK SMITH: Yes, trade roles as well.

The Hon. PENNY SHARPE: They were very much set up with the job description of having very clear criteria that I think we now can argue that particularly Mr Barilaro didn't meet.

WARWICK SMITH: I will come to that in half a second, just to preface it by saying I have seen more in the Federal area where people have gone into similar type roles in consulates and trade roles in the US, and we have had five or six—Chicago, San Francisco, Texas. A whole range of former Federal politicians have done those roles, Liberal and Labor, and I have been involved in some of the processes of selection. They have all done well, and it's sometimes really important to make sure that the staff support is strong.

In terms of the former member for Queanbeyan, look—well, he interviewed well. He could have done okay, but there were others that had deeper international experience and offshore experience that was deep and capable, met criteria, were personable, could have engaged. But then you've got a former Premier who sits in Austrade office in New York right now. It would have been novel, I suppose, having a Premier and a former Deputy Premier each side of Sixth Avenue.

You make your choice. I'm not asked to make that choice. I was asked to make some recommendations, and I recommended two in the first panel. I would have recommended—there were recommended—two, possibly three if he had been given an interview on the second panel, and then those that make the decision need to make the decision and the confusion about who was to make the decision only muddies the waters even further. So if you're like me, you think, "Well, you can only do what you can do." And that's what I did—with open mind, transparency and quite capable of articulating, saying things as I see them. And I do.

The CHAIR: Thank you. I think that's the end of questions from the Opposition and crossbench. I think the Government has a few questions.

The Hon. SCOTT FARLOW: Thank you very much, Mr Smith, for being here with us this afternoon. I think you acquitted yourself admirably today in terms of your role in the process. But just wanting to turn to—

The Hon. DANIEL MOOKHEY: In case you need a reference.

WARWICK SMITH: Sorry, I missed the interjection.

The Hon. DANIEL MOOKHEY: In case you need a reference, Mr Farlow and Mr Graham will give you one.

The Hon. SCOTT FARLOW: I want to turn now to the positions themselves. You've talked about this being your hobbyhorse, so to speak, in terms of the importance of the positions or the importance of trade.

WARWICK SMITH: Yes.

The Hon. SCOTT FARLOW: You mentioned in your evidence that you thought that New South Wales was behind the eight ball when it came to Queensland and Victoria on the trade front. Do you think these positions are important?

WARWICK SMITH: I really, in long experience, believe that New South Wales was always underdone in the field as to physical presence, as to the depth of the staff support for the people that were in Japan and Korea and the Philippines. All those markets are very important to us, let alone China. I ran China for ANZ. I ran Thailand for ANZ. I was busy up there with Macquarie. I'm still busy in North Asia. New South Wales, for its size, was totally underdone. I'm just hoping all this foci doesn't throw away what—and make the plea that this was a very good strategy. This was a strategy that had long been delayed. We had changes in Premiers a little bit more quickly than would ordinarily take place. We went from O'Farrell to Baird to Berejiklian to Perrottet. It's only being surpassed by the number of times we've had different Prime Ministers in recent times.

My sense is that this is really, really important that they run and that they conjunctionally are in markets and backfill some of the work that Austrade does, that the diplomatic corps does, and that our overall presence is really important. The fundamental point that I always argue is that a country like ours that is built on trade and relies on trade needs to never ever relax both its presentation on services opportunity, attraction of investment and merchandise trade—70 per cent of our wool, much of it from New South Wales, leaves this country now in unprocessed form in containers to five specific cities in China, worth nearly \$5 billion a year. These are important issues in the merchandise trade. I'm talking about gas, iron ore and coal.

These are very important matters and New South Wales can't afford to be, because of the diversity of its economy, left behind. You've got nine universities in the Sydney Basin. The spread of the student intake prior to COVID was weighed heavily towards the Chinese. We need to diversify. How do we diversify? We need to be in markets, we need to have relationships, we need to have cultural exchanges. It's all a complex matrix and it's best done by people who are committed, and there are a lot of good people who I have seen. The people we have mentioned today in the department are really committed. They need resources, they need to be rewarded and we

need to have an elevation of commitment from government. That is what I have argued for quite a long time. These roles were and are and continue to be really important.

Those selected who are in place, some of them will take a while to adjust—especially if you're coming out of business, it's a bit of a shock to come into the bureaucracy issues and a different mindset and so on. But that interface and that mixing is really good for potential outcomes. People don't always get the jobs they want, but that happens. Accidents and bad process—you call it out, you fix it, you get on with it and you build a much more vibrant and bigger economy that focuses on trade, which is the fundamental cornerstone of the Australian growth story, not just New South Wales. And the size and proportion—you know, we are not just an iron ore State. We have much more to us. Therefore the diversity and capability sets, you need to be in markets and new markets and the digitisation of the world that's taking place and what comes out—anyway, I can rave on forever. I used to bore people—

The Hon. SCOTT FARLOW: I'm sure you can. I might ask you to rave on a little bit more, Mr Smith. It is often suggested that this role could be done by Austrade, that a State representative can be housed in an Austrade office. What's your view in terms of that compared to Investment NSW as the sole representative?

WARWICK SMITH: Look, I did the review that's on that list. If they distributed that CV, you saw that I did a major overview of Austrade along with a whole range of other Federal departments over the last 10 years. Embedding doesn't always work—embedding within an Austrade office. But I was in Indonesia recently at the invitation of the Prime Minister to go to his first visit to Jakarta. They are embedded there—the New South Wales people are embedded there with Austrade. That worked quite well—probably a little bit more elevation over time. Some markets it works well, other markets it doesn't. In London, apart from Queensland, I think they all share Australia House, partly because you get a better rent deal. All of those things come into it. You know, where were they going to go in the US? I think they were going to go and share with Greiner in Austrade. Those things are worked out on a case-by-case basis.

You've got to remember, they come with different perspectives; a State person comes with a different perspective. We're trying to actually pitch to a Japanese company to get them to open up an office here. We could probably do it far more quickly and far more focused as you are coming out of the Treasurer's office and you can talk about what benefits we might be able to bring that you can't necessarily get if you're an Austrade person because they don't run that sort of capability—it could be payroll, it could be land tax, it could be all sorts of things. I see there is a complementary role, but it's the collective effort that I've always argued is in the benefit for the nation. The State that lags doesn't have a presence, doesn't take it seriously, will get the result that you expect to see, and that is an underperformance and an underinvestment, and that's letting our community down when you are a trade nation. That's the pitch.

The Hon. SCOTT FARLOW: Thank you very much, Mr Smith.

The CHAIR: Great, excellent. That is the end of our hearing today and the end of the session with you, Mr Smith. I really appreciate you making the time to come this afternoon to give your evidence. The Committee really appreciates it. The secretariat will be in touch if you did take any questions on notice or we need any clarification.

WARWICK SMITH: I think there was one.

The CHAIR: Yes, that's right. We will be in touch with you regarding that. Thank you again. That is the end of today's hearing.

WARWICK SMITH: You're welcome. It's nice to be back in the Parliament—temporarily.

The Hon. SCOTT FARLOW: Thank you for joining us.

The CHAIR: Thanks, Mr Smith. It's clearly something you're very comfortable with.

(The witness withdrew.)

The Committee adjourned at 16:54.