

REPORT ON PROCEEDINGS BEFORE

PUBLIC ACCOUNTABILITY COMMITTEE

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

CORRECTED

At Macquarie Room, Parliament House, Sydney on Wednesday 2 November 2022

The Committee met at 8:00 am

PRESENT

Ms Cate Faehrmann (Chair)

The Hon. John Graham

The Hon. Scott Farlow

The Hon. Daniel Mookhey

The Hon. Penny Sharpe

PRESENT VIA VIDEOCONFERENCE

The Hon. Peter Poulos

The CHAIR: Welcome to the ninth hearing of the Public Accountability Committee 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 respect 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 respect to any Aboriginal and Torres Strait Islander people joining us today. Today we will hear from one witness, Mr Stephen Cartwright, Agent General to the United Kingdom, and Senior Trade and Investment Commissioner Europe and Israel, Investment NSW. I thank Mr Cartwright for making the time to give evidence to this important inquiry.

Before we commence, I will 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, the House has authorised the filming, broadcasting and photography of committee proceedings by representatives of media organisations from any position in the room, and by any member of the public from any position in the audience. Any person filming or photographing proceedings must take responsibility for the proper use of that material. This is detailed in the broadcasting resolution, a copy of which is available from the secretariat.

While parliamentary privilege applies in New South Wales to witnesses giving evidence today, it does not apply to what witnesses say outside of their evidence at the hearing. Therefore, I urge witnesses to be careful about comments they may make to the media or to others after they complete their evidence. 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. Finally, would everyone please turn their mobile phones to silent for the duration of the hearing.

Mr STEPHEN CARTWRIGHT, OAM, Agent General UK, Senior Trade and Investment Commissioner Europe and Israel, Investment NSW, before the Committee via videoconference, affirmed and examined

The CHAIR: I welcome our witness. Mr Cartwright, I understand you have a statement to make. At the outset, I thank you for making the time to appear today at what I understand is 9.00 p.m. Tuesday your time. That is why all members are here bright and early at 8.00 a.m. on Wednesday to hear from you, which in the end was a compromise. Thank you. I invite you to make your opening statement; I understand a copy will be made available to us shortly.

STEPHEN CARTWRIGHT: Yes, there should be somebody from the department able to provide a copy, Chair. I would like to thank the Committee for the opportunity to make this statement to the inquiry. Like the Committee, I share a strong desire to ensure that an accurate account of the facts surrounding my appointment is established. I would ask the Committee's indulgence to allow me to take a little longer than the usual period that's allowed to read a statement because it details important facts in chronological order, which will be helpful to the Committee. I would also point out that, as a public servant, I have been prevented until now by the terms of my employment from making any public statements to either clarify factual matters and/or to protect my reputation. I am therefore grateful for the opportunity to assist with the Committee's investigations. Before presenting the chronology of my appointment, I would like to make some brief opening remarks about the merit of my selection for the role of Agent General to the United Kingdom.

I am not, nor have I ever been, a member of, affiliated with, or associated in any way, with any political party, other than indirectly when I was a member of the miners union when I worked in underground coalmines for five years during the 1980s. My career, prior to my current role, has been in the private sector, as both an employee and as a successful entrepreneur and business owner, and I would estimate that my personal and business contributions to the New South Wales Government have been in excess of A\$30 million in payroll tax and stamp duties. I have over 20 years experience as a chief executive officer of large and complex private, public and not-for-profit organisations with overseas operations, including an ASX-listed firm with operations in the UK.

Prior to commencing in my current role, I had never worked for any government, other than as a member or chairman of a government advisory board. My prior executive and board roles necessitated the development of professional relationships with politicians—local, State and Federal—across the whole political spectrum, as well as with their staff and with senior public servants. In my role as the CEO of the NSW Business Chamber from July 2009 onwards, I regularly engaged with senior public servants, as well as with Premiers, Treasurers, Ministers, shadow Ministers and members of the crossbench. This direct engagement, especially during the recent challenges of the New South Wales bushfires, floods and the COVID pandemic, enabled me to work with and assist government to navigate these difficult circumstances.

Whilst CEO of the NSW Business Chamber, I also successfully built an international trade consultancy to help New South Wales small to medium enterprises secure customers offshore. I built this trade support capability because Austrade is not really set up to provide this type of dedicated trade support, and because back then the New South Wales Government had no such dedicated offshore trade staff to assist them. This firm provided direct advice, support and export documentation services to New South Wales companies exporting to all parts of the world, including the UK, Europe and Israel, but it also employed dedicated specialist trade staff in Sydney and Shanghai working as a single team to help New South Wales SMEs find new customers in China when that country was a booming market for New South Wales exporters. This onshore/offshore trade model has now been adopted by Investment NSW, and it is the operating model which is now being successfully rolled out around the world.

I have also been a member of a number of boards with an international trade dimension, including as chairman of a fast-growing software company that expanded into the US and as Chairman of the New South Wales Government International Education Advisory Board. I was also the vice-president of the peak global business organisation, the International Chamber of Commerce, WCF, which is headquartered in Paris, from 2018 to 2020. I led successful business trade missions to China and Japan and led Australian delegations to international business conventions in Mexico, Qatar, US, China, Italy and Brazil. My employment background, successful business history, international trade experience and strong commitment to the State of New South Wales are, in my view, the reasons for my selection by the independent panel as the successful candidate for the UK agent general role. The evidence provided to this inquiry by respected independent panel members, Mr Tim Reardon, Mr Mike Pratt and Mr Warwick Smith, is that my selection as the best candidate for the agent general role was based purely on merit.

The chronologies which I will now provide, which I hope will assist the Committee, are based on my best recollections and on records that I hold. In terms of the recruitment process, after I completed my term as the CEO of the NSW Business Chamber in September 2020, I took a sabbatical over the spring/summer months before commencing the search for my next leadership role in February 2021. However, in December 2020, I was approached by New South Wales Minister, the Hon. Dr Geoff Lee, and asked if I would consider taking on the role of Chairman of New South Wales TAFE. The Minister was well aware that I had a keen interest in improving VET outcomes in New South Wales, that I understood the policy settings associated with this challenge and that I had practical experience as well, with the NSW Business Chamber operating a group training company and managing 40,000 apprentices under the largest Federal Government apprenticeship support program in the nation.

The Minister was also aware that I had recently completed my term as the Chairman of the New South Wales Government's International Education Advisory Board. I was very interested in this important TAFE chairmanship role, and discussions concerning my possible appointment continued through January, February and into March. Ultimately, I was unable to accept the TAFE chairmanship role due to my application for the role as the New South Wales agent general to London. On 17 February 2021 I attended a coffee meeting, which had been requested by the then Deputy Premier, John Barilaro. The Deputy Premier had asked me if I could introduce him to a board member from the NSW Business Chamber. After that board member left us, the Deputy Premier asked me if I might be interested in the UK agent general role. I was taken by complete surprise by his question because I had not heard much about the role since it was announced by Premier Berejiklian back in 2019 as part of the Global NSW strategy announcement.

During this conversation, the Deputy Premier asked me what package I had been on at the chamber. I told him that my base was about \$650,000 and that for the past few years, my annual bonuses had been about \$150,000. That is a total of about \$800,000. The Deputy Premier then said that the New South Wales Government would probably be offering a base in the low fives—that is, just above \$500,000—plus the usual support for offshore trade roles, such as the payment of rent and school fees. That is the same as for Austrade and for some of the other States. He said that the Government was keen to attract high-calibre people from the private sector who understood business and trade, who were passionate about New South Wales and who knew how to get business deals done.

I said that the role sounded interesting but that I needed to discuss it with my wife, as it was a very significant decision for our family to move to the other side of the world—especially with children still at school and elderly parents to consider—so I said that I would let him know as quickly as possible. We agreed to meet again the next day. On 18 February 2021 I met with the Deputy Premier in his office in Parliament House and I told him that I was interested in the role. He then made it clear during the meeting that he would immediately let the external recruiter know of my interest, that there was an established independent recruitment process to be followed and that he would not have any further involvement in the process. I was comfortable with this and I never once contacted him, spoke to him or heard from him again during the five-month recruitment process. Indeed, other than my conversations with Minister Lee concerning the chairmanship of TAFE, I did not contact, speak to or hear from any other politician during the five-month recruitment process.

On 19 February 2021 I had a previously postponed coffee catch-up with Treasury Secretary Mike Pratt to seek his advice on my broader career opportunities. I had served under Mr Pratt on the advisory board of Service NSW for four years and held him in very high regard, so I was seeking his advice on career options that I was considering. During this discussion I did ask him about the UK agent general role, as it was a role within Treasury. Mr Pratt gave me some general information about the role and about the Global NSW project and he encouraged me to "throw my hat in the ring" for the UK agent general role, as he thought I would be a "great candidate". I did briefly discuss some of my challenges, such as my children's schooling and my elderly parents, but he indicated that these were matters that could likely be resolved.

On 20 February 2021 I was contacted by Dr Marianne Broadbent from NGS Global, who explained that her firm was recruiting several international roles for Treasury and that she had been given my name by the New South Wales Government as a potential applicant for the UK agent general role. Dr Broadbent sent me an information pack on the role, which pleasingly showed that the role would report directly to Treasury Secretary Mike Pratt, but concerningly showed that the salary package on offer was \$450,000. On the assumption that this base would be complemented with support for rent and school fees, as per my earlier discussion with the Deputy Premier, I sent Dr Broadbent my application letter and my CV on 22 February 2021.

On 25 February 2021 I had an initial Zoom interview with Dr Broadbent to discuss my suitability for the role. I can only assume that the interview went well because I was later advised by Dr Broadbent that I would be progressing to a formal panel interview in March. On 30 March 2021 I attended a panel interview at 52 Martin Place. The panel comprised Mr Mike Pratt, Mr Tim Reardon, Mr Warwick Smith and Ms Jenny West. Later that same day I received a follow-up email from Dr Broadbent saying that the panel interview had gone very well and

that the Government would be progressing to the reference-checking stage of the process. She flagged that Ms Jenny West from Investment NSW would set up a time with me to discuss the role in greater detail.

On 31 March 2021 I emailed Dr Broadbent to share with her, in confidence, the details of the initial conversation that I'd had with the Deputy Premier back in February concerning the probable size and structure of a package for the UK agent general role and I asked for her guidance on how best to raise this with Ms West because I wasn't sure if that information had found its way to her or not. In the email I asked Dr Broadbent for her help because I didn't "want to be accused of being unrealistic or playing hardball in the negotiations". Later that morning Dr Broadbent emailed me to say that I should be "assured that those who interviewed [me] yesterday were aware of [my] situation" and that this subject matter was the "thrust of the post-interview discussion". Later that day, I received an email from Ms West, asking me to set up a date for another Zoom call. On 1 April we had that call to discuss the role in more detail. On 14 April 2021 I contacted Ms West to seek an update on progress. Some hours later, I was sent an email from Dr Broadbent, which read as follows:

Stephen - following discussions with Investment NSW and NSW Treasury officials, we understand that the following arrangements will be put in place (subject to final confirmation from Investment NSW at this stage):

- Salary + Super package of \$600k
- Significant contribution to accommodation, understanding that a well-located three bedroom residence is required
- Appropriate temporary accommodation till longer term arrangements are located
- Significant contribution to school fees for dependent children
- Reasonable relocation expenses
- Reasonable travel between the UK and Sydney as required

I replied to Dr Broadbent by email later that same day. I said that, subject to a few clarifications, I was happy with the offer. There was then a long period of no contact from anyone. But about four weeks later, in early May, I received a phone call from Dr Broadbent, during which I noticed a difference in her tone. She said that the earlier offer, made to me in her email on 14 April, had now been withdrawn, that the offer was reduced to a flat amount of \$600,000, and that I could take it or leave it. I asked her what had changed since 14 April, but Dr Broadbent said there was nothing to discuss, it was a last and final offer. I explained to Dr Broadbent that she had no cause to be short with me as I had never made any demands, and I pointed out that the withdrawn offer was the one that she had sent to me on behalf of her client. I said that, despite the strangeness of the situation, I was open to considering the reduced amount and would discuss it with my wife. I asked for the new offer to be sent to me in an email. A day or so later, I advised Dr Broadbent that I was prepared to continue with the process.

On 19 May 2021 I met Ms Amy Brown for the first time, via a Zoom call. By this date the salary package being discussed was already agreed at \$600,000, all inclusive. Accordingly, insofar as Ms Brown may have given evidence to the Committee that I demanded that she agree to a package of \$800,000 and, further, that I made various alleged threats to her about escalating my demands for such a package to the Minister, Deputy Premier or Premier, these claims are inconsistent with the chronology which shows that, by the time we first met, a package of that size was beyond anyone's contemplation, including my own.

On 2 June 2021 Ms Jenny West sent me an email containing a table created by Deloitte, which showed the agreed \$600,000 base package, with a once-off \$60,000 relocation allowance. On 21 June 2021 I received another email from Ms West, apologising for the ongoing delay in the start for the UK agent general role. She told me that everything had to be approved by Cabinet and that due to other more urgent matters the approval could not be put on the Cabinet agenda until 19 July, almost one month later, after which it had to be signed off by the New South Wales Governor, thus delaying my start date until 26 July.

On or around 5 July 2021, I received a phone call from Ms West, asking me for a favour. She asked if I would be okay with breaking up the agreed \$600,000 base salary into two parts: \$487,000 base and \$113,000 allowance. She explained that, if I agreed to do this favour for Investment NSW, then they would not need to make a special application to the remuneration tribunal because my base would fit within the appropriate public sector band. This was the third version of the offered package, but I was happy to help out my new employer if I could, so I told Ms West that, so long as I still got the agreed \$600,000 in my pay packet each month, then I didn't really mind how it was categorised. Ms West said that she understood and that she was very grateful for my assistance.

On 8 July 2021 I received drafts of my employment contract and relocation letter for my review. I was pleased to finally have received these drafts, as they were originally supposed to be sent to me in the week commencing 28 June. On 11 July 2021 I sent an email to Ms West and set out all of my questions and concerns with the drafts. It was clear to me that much of the draft contract contained boilerplate text used in standard employment contracts for public servants working in New South Wales, so I responded with a considerable

number of questions and requested amendments. I was aware that I was one of the first senior executives to be hired to head up an offshore hub, so I assumed that some modifications to the standard clauses would be required.

Not knowing who had the authority to approve such modifications I indicated to Ms West that I was happy to discuss my concerns or requests with Amy, Tim or the Premier, if that was what was required, but I finished by making it clear that I was happy to leave it to Ms West to decide what would work best in the circumstances. In the end, all matters were resolved and on 23 July 2021 I signed my employment contract. On 26 July 2021 I commenced employment with Investment NSW. Now just finishing by touching on matters that occurred after my employment commenced. When I commenced in my new role I was four layers down in the public service, despite my original job description saying I would be reporting directly to the Treasury secretary and despite the fact that my employment contract specified very clearly under the heading "Key Relationships" that I was to:

... consult with the Premier, the Treasurer, the Deputy Premier and the Office of the Minister to provide insights, accurate information and timely responses to key issues.

When I started in my new role, I was reporting to Ms West, who was reporting to the CEO of Investment NSW, Ms Brown, who was reporting to the secretary of Premier and Cabinet, Mr Reardon. I was concerned about my ability to fulfil my obligations to consult with senior Ministers, especially once I was posted to London, where big investment opportunities might be confidential and time sensitive. However, early in my time with the Government I had a one-on-one meeting with Minister Ayres. He gave me his mobile phone number and told me that I could reach out to him directly if I ever needed to. I promised that I would only do so as a last resort, but I was grateful for this show of support and access by the Minister.

Several weeks after I started in my new role I received my first pay slip. I immediately contacted HR because the base salary had been paid but not the allowance, and there was a \$10,000 per month difference. I assumed that the allowance would be paid separately. However, the head of HR said that my contract was clear that the allowance was not to be paid until I was in the United Kingdom. Given that it had been agreed that I would not move to the United Kingdom until January 2022 due to, first of all, a requirement to wait several months until my role was approved by the UK Government; secondly, border closures due to COVID; and thirdly, the requirement for my children to finish the school year, I was facing a shortfall of about \$56,000 compared to what I had agreed to when I was asked by Ms West to do the agency a favour and split the \$600,000 base package into two parts.

I assumed the error in my pay was just a case of miscommunication so I escalated this to Ms West, who was the person who had asked me for the favour, but she said that regardless of what had been agreed to there was nothing she could do about it because the employment contract was clear. I made it clear to Ms West that this was not an acceptable outcome. However, in an attempt to find a way forward I suggested that if we couldn't get the contract fixed to reflect the deal she asked me to do, I could instead fly to the UK in October after my appointment had been officially approved by the UK Government to set up the office, recruit staff, meet with key contacts and investors and generally commence building the UK-EU capability but that I would then need to return toward the end of the year to pack up the house and move my family.

Ms West advised me that I could choose to do that or choose not to do that; it was totally up to me. But if I chose to go to the UK in October then my flights, accommodation and meals in the UK and my two weeks in quarantine when I returned would all be at my own expense—a cost I estimated to be around \$30,000, which I was unwilling to incur. Discussions on the allowance payment issue went backwards and forwards for weeks, and then on 23 October 2021 I decided to escalate the matter. I sent a long email to Ms Brown providing her with the complete background to the problem and I requested her support to find a solution that was equitable. I pointed out that, at Ms West's request, I had agreed to help out the agency by splitting my salary package but that I was now facing a loss of \$56,000 in return for my help. I explained that I was already incurring UK expenses associated with my move and I requested that I should at least be able to book these against the UK allowance.

Ms Brown, in an email back to me, rejected my request for any consideration and said that she had just spent the day in budget estimates, where it was made clear that the issue of offshore expenses would be subject to ongoing scrutiny by the upper House. She said that she was sorry that it wasn't the answer I was looking for. I replied to her with another email on 27 October 2021 and I explained that I was keen to get her advice on the next steps available to me to have the issue resolved. I said that I was happy to discuss it with the Public Service Commissioner, Kathrina Lo, who had offered to help with any issues I had relating to working in the public service, or Secretary Coutts-Trotter, as he was Ms Brown's boss, or even the Minister or the Premier, because the outcome was simply not what I had agreed to and it needed someone with sufficient authority to fix it.

The next day, Ms Brown and I met in the office at 52 Martin Place to continue our discussion on the matter, along with the agency's general counsel, Mr Chris Carr, who had dialled in on the phone. It was clear that

Ms Brown wanted me to just accept her position and to drop the issue. She admonished me for requesting, in my email the previous day, that we take the matter to her boss or higher, suggesting that by requesting this I was acting in bad faith. I denied that I was acting in bad faith and responded by saying that asking me to agree to something to help out the agency and then reneging on that deal was actually a better example of an act of bad faith. In the end, Ms Brown refused to escalate the matter, and I simply had to accept the loss. I did not take it any further with her boss or any Minister. I have had to accept that I am now \$56,000 out of pocket.

Ms Brown travelled to London for a work matter between 7 to 11 February this year. I was pleased when I found out that she was coming, as I wanted to show her how the office was only half furnished and to seek her help to get approval for some desks, because we had been told by head office that there was no budget for furniture, and to introduce her to some of her new staff that had recently joined us, including Mr Paul Webster, who was joining as the trade and investment commissioner for the region and who was keen to meet her.

I also wanted to meet with Ms Brown whilst she was in London to discuss a number of other issues, including my earlier request to have my rent paid directly by the Government, that is, deducted from my UK allowance, as this is the way that some of the other State governments provide accommodation for their agents general in London, and the same way that Austrade provides accommodation for their senior trade staff in London. I made it clear, when I met Ms Brown at Heathrow Airport on her arrival, that we needed to meet, but I got no response during the whole week and no meeting ever occurred. On 14 February 2022 I received an email from Ms Kylie Bell which read:

Good news. I had a quick debrief with Amy on a few things this morning and she is comfortable with us amending your package to pay the accommodation directly—

and—

If you wanted to go after that apartment today when you wake up go for it.

However, final confirmation of this approved change was never received, and the issue of my rent support bounced around inside head office for another month or so. I urgently needed to find a permanent home to rent as I had been living in a small hotel room away from my family for months. The cost of this hotel room was covered by my relocation expenses for the first three months, but that allowance was about to expire, so I needed to find a home.

In the end, because of the prevarication, I sent a message to Minister Ayres, as he had invited me to do, if ever I needed to, to explain what other States and Austrade were doing in terms of rental support, and to ask for his help to have the matter resolved. Soon after I had sent this message to the Minister, I heard that a report had been created by Ms Kylie Bell which benchmarked NSW against Austrade and the other States and, as a result of that report, I was then advised by Ms Brown, in a letter dated 8 June 2022, that my request for direct rent payment had been granted. I signed the variation to my employment contract on 16 June 2022 and moved into a small two-bedroom flat immediately. I thank the Committee for allowing me to make this opening statement.

The CHAIR: Thank you very much, Mr Cartwright. We will go straight to questions from the Opposition.

The Hon. DANIEL MOOKHEY: Welcome, Mr Cartwright. I seek confirmation that you can hear me.

STEPHEN CARTWRIGHT: Yes, I can, Mr Mookhey. Thank you. I was just having a drink of water.

The Hon. DANIEL MOOKHEY: Can I first thank you for taking the opportunity to join us at this late hour in London. It really is appreciated. Also, can I say thank you for preparing such an extensive opening statement. It has been quite helpful in that respect. Can I just ask, at first instance, to the best of your recollection, the opening statement that you have given is a complete account of events as you see them?

STEPHEN CARTWRIGHT: It's a complete account of what I believe to be the most relevant and most pertinent of the events. There were a lot of things that occurred during the time period that I covered, and that would have taken 50 pages of statement to cover every small matter that occurred. But I tried to, I think, select the key facts that I believe are matters that are being considered by the Committee.

The Hon. DANIEL MOOKHEY: Thank you, Mr Cartwright. Again, I very much appreciate the thoroughness of your preparation ahead of your appearance this morning our time and evening yours. Can I just start with some preliminary questions? You were the CEO of Business NSW for how long?

STEPHEN CARTWRIGHT: I was the CEO from July 2009 until September 2020.

The Hon. DANIEL MOOKHEY: Is there any particular reason why you ceased to be the CEO in September 2020?

STEPHEN CARTWRIGHT: I resigned my position because, after 11 years, I felt that it was time for a change.

The Hon. DANIEL MOOKHEY: Fair enough, Mr Cartwright. Just to be clear here, Business NSW remains one of the most respected organisations in the State when it comes to the business view. I just want to be clear about that. You say in your opening statement that in the course of your service as CEO of Business NSW you effectively did develop relationships with various political figures. I understood that correctly?

STEPHEN CARTWRIGHT: Yes, that's right.

The Hon. DANIEL MOOKHEY: And that included the current Premier?

STEPHEN CARTWRIGHT: Yes.

The Hon. DANIEL MOOKHEY: And that included the former Deputy Premier?

STEPHEN CARTWRIGHT: Yes.

The Hon. DANIEL MOOKHEY: Did you develop a personal friendship with any of those two?

STEPHEN CARTWRIGHT: No. I don't have any personal friendships with any politicians.

The Hon. DANIEL MOOKHEY: But you did, for example, have access to the Premier's—the then Treasurer's—phone number in time to send him a birthday message in September 2021?

STEPHEN CARTWRIGHT: I had mobile phone numbers given to me by many people in government and in the public service and in the shadow ministry and crossbench, because it was deemed that it was a way of being able to reach out and make contact in relation to matters that were going on.

The Hon. DANIEL MOOKHEY: There is nothing inappropriate with that, Mr Cartwright. But it is the case that you did, for example, have a sufficient relationship to the point where you were sending birthday messages to the now Premier last year, just as he was becoming Premier, didn't you?

STEPHEN CARTWRIGHT: I did wish him happy birthday and I finished that message by telling him I was looking forward to getting over to London to start my role as the agent general.

The Hon. DANIEL MOOKHEY: You did. Just one issue in respect to your service with Business NSW, in the 2019 State election campaign you did authorise an extensive advertising campaign directed against the Labor Party, didn't you?

STEPHEN CARTWRIGHT: No, I did not.

The Hon. DANIEL MOOKHEY: In that advertising campaign, you drew attention to a Labor policy that you felt was not in the interests of business, though.

STEPHEN CARTWRIGHT: No. Let me be clear about this, Mr Mookhey, the NSW Business Chamber is an apolitical organisation, and fiercely apolitical. It has been for almost 200 years since it was first started when New South Wales was a small colony. The position that the NSW Business Chamber takes in relation to any particular policy—be that a Government policy, an Opposition policy or a crossbench policy—is determined by peak policy committees of the members. They determine the chamber's position on those matters. Any political campaigning is done in accordance with campaign regulations in New South Wales. There is an appointed executive who is responsible for authorising all campaign material, and that was never me. That was somebody else in the organisation.

The board of directors of the NSW Business Chamber signs off on the campaign funding, understanding what that campaign funding is to be used for. So it's not right to say that I authorised it—I didn't. It was my job, as the CEO, to explain the terms of what the members were concerned about. Towards the end of the pre-election period before every election—when I was the CEO, at least—we put out a scorecard which looked at the policies that we wanted the Government and the Opposition to endorse before the election and we then let the voters decide how they would interpret that scorecard that was put out.

The Hon. DANIEL MOOKHEY: Thank you, Mr Cartwright. I won't push it much further than that. Can we now turn to your interest in the agent general's role? You say that you did not become interested in the agent general's role until you were approached by former Deputy Premier John Barilaro on or about 17 February 2021. Did I understand that correctly?

STEPHEN CARTWRIGHT: Yes.

The Hon. DANIEL MOOKHEY: That was the first time that you were notified that there was this role available that you might be an appropriate candidate for?

STEPHEN CARTWRIGHT: Yes. I'd heard about the role when Premier Berejiklian announced it back in 2019, but it came as a complete surprise to me when the Deputy Premier said to me during that coffee meeting, "Would I be interested?" It came out of left field for me.

The Hon. DANIEL MOOKHEY: Just to be clear, prior to that meeting which took place on 17 February, you did not have any conversations with Mr Barilaro before that?

STEPHEN CARTWRIGHT: That's exactly right.

The Hon. DANIEL MOOKHEY: And you didn't have any conversations with Treasurer Perrottet?

STEPHEN CARTWRIGHT: No, I never discussed it with Treasurer Perrottet.

The Hon. DANIEL MOOKHEY: And you didn't have any discussions with Secretary Pratt as of 17 February 2021?

STEPHEN CARTWRIGHT: As of that date, no.

The Hon. DANIEL MOOKHEY: Do you by any chance happen to have the documents that have been provided to you?

STEPHEN CARTWRIGHT: I just had them all printed out and the last ones have just been handed to me.

The Hon. DANIEL MOOKHEY: Do you mind turning to page 8 of the tender bundle?

STEPHEN CARTWRIGHT: Yes.

The Hon. DANIEL MOOKHEY: Your best recollection of your conversation with the Deputy Premier at the meeting on 17 February 2021 is that he said the Deputy Premier would be probably offering a base in the low fives. Is that what he said?

STEPHEN CARTWRIGHT: Yes. I think, to be fair, Mr Mookhey, he might have said the Government would be looking at that kind of package. He wasn't definitive. He was sort of saying, "This is what we're thinking".

The Hon. DANIEL MOOKHEY: Did he say to you that the current package on offer was not attracting the right calibre of candidate?

STEPHEN CARTWRIGHT: What he said was that the Government felt that in order to get somebody of sufficient gravitas, they probably needed to move more towards the kind of package that was more common for senior trade roles in places like London.

The Hon. DANIEL MOOKHEY: Just to be clear here, did he actually say to you that the current package was not attracting the right calibre of candidate?

STEPHEN CARTWRIGHT: That could be my way of framing what he said, but he certainly indicated that the Government was of a view that they may need to improve the package in order to get the right calibre of candidate.

The Hon. DANIEL MOOKHEY: Did he, at this meeting on 17 February 2021, tell you that he and Treasurer Perrottet had reached an agreement that the cost of suitable family accommodation, including cleaning, in an inner suburb of London could be taken care of by the New South Wales Government outside of the salary package?

STEPHEN CARTWRIGHT: This is a long time ago. I know that I wrote an email to Dr Broadbent, which I've no doubt you will take me to in a moment. But my memory of exactly what was said during that coffee meeting is a little hazy because it was so long ago and because, to be honest, at that point in time, I didn't know much about the agent general role. So I can't help you in terms of my memory.

The Hon. DANIEL MOOKHEY: But did he make reference to a private agreement he had reached with Treasurer Perrottet?

STEPHEN CARTWRIGHT: He didn't say a private agreement he had reached with Treasurer Perrottet. He was talking about the fact that—I think he said, "We have looked at it". To be fair, it was a role in Treasury, so it may have been my assumption about who he was talking to, but it was clear that it was a position that he felt was supported by other Ministers.

The Hon. DANIEL MOOKHEY: Did he also suggest that, given you have kids in school here and elderly parents who recently moved to Sydney, you should propose how you believed you can make it all work?

For example, did he indicate that he understood that you can't move kids until the end of the school year, so you would need to travel back and forth?

STEPHEN CARTWRIGHT: We were having a coffee for another reason, and when he raised the possibility of me being interested in the agent general role, I was just saying, "Okay, that's interesting. But that means moving to London. And if that means moving to London, what does that mean in terms of the fact that I have kids at school? What does that mean in terms of the fact that our elderly parents have just moved up from Victoria to Sydney?" We were just freewheeling about things that may or may not ultimately be decisive in terms of my ability to take the role and move to London. So it was that kind of conversation.

The Hon. DANIEL MOOKHEY: You were freewheeling.

STEPHEN CARTWRIGHT: Yes.

The Hon. DANIEL MOOKHEY: It was a freewheeling conversation. Just to be clear, Mr Cartwright, because we are going to have to talk about this at some length, there's no reflection on you in respect to your desire to provide education to your kids. That's a desire everyone can understand as well. So I just want to be clear about that. You were freewheeling. Were his parting words "You come back and tell us how it can be made to work for you"?

STEPHEN CARTWRIGHT: It was something like that. He was basically indicating that at the moment there didn't seem to be a hard and fast view on what the components of the package would be. Therefore, I got the impression that it could be moulded to suit my circumstances as opposed to perhaps someone else's circumstances where the components might be different. It felt to me like it was still up in the air as to which components could be put into the package and therefore to make it work for somebody's individual circumstances. That's the impression I got.

The Hon. DANIEL MOOKHEY: But it is fair to say that effectively Mr Barilaro invited you to apply, certainly gave you the impression that he had the authority to help determine the remuneration package and encouraged you to define precisely what your needs would be in order for you to fulfil this role?

STEPHEN CARTWRIGHT: He invited me to come back to let him know if I was interested, which we did the next day and we were discussing the various matters that would influence whether I could ultimately move to London and he did indicate that I should let them know, as in I guess through the recruitment process, what those challenges were and how they may be dealt with in a package.

The Hon. DANIEL MOOKHEY: Mr Cartwright, you are not being complete in your account of this conversation, are you?

STEPHEN CARTWRIGHT: Yes, as far as I can remember.

The Hon. DANIEL MOOKHEY: And you did make a record of the conversation that you emailed to Dr Broadbent, which is far more thorough and complete than the account you have given us, didn't you?

STEPHEN CARTWRIGHT: I've referenced before, Mr Mookhey, that I did send an email about six weeks later to Dr Broadbent, and—

The Hon. DANIEL MOOKHEY: Let's turn to that. Do you mind turning to page 8 of the tender bundle?

STEPHEN CARTWRIGHT: Yes.

The Hon. DANIEL MOOKHEY: If you go down to the bottom of the page you can see there is a highlighted section. You can see it quite clearly.

STEPHEN CARTWRIGHT: Yes.

The Hon. DANIEL MOOKHEY: It states:

When the Deputy Premier first asked me to consider the role back in early Feb, he and I had a very open and frank discussion about my circumstances (i.e. I have been on a package of over \$800k for some years and have made financial commitments accordingly) and about his view that the current package on offer was not attracting the right calibre of candidate. Apart from improving the base 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 ... in an inner suburb of London could be taken care of by the NSW Govt outside of the salary package.

Let me be very clear here, Mr Cartwright: He did tell you that he had a private arrangement with the Treasurer, didn't he?

STEPHEN CARTWRIGHT: I think I said to you a moment ago that sitting here now that, you know, in November 2022 my memory of that coffee meeting now is a lot more faded, but I did indicate to you when you asked me the question the first time that I did send an email and that's what the email says.

The Hon. DANIEL MOOKHEY: Indeed. Now, having seen this email again, I am hoping it may have refreshed your memory. Did Mr Barilaro discuss with you the conversations he was having with Mr Perrottet about offering a private arrangement in order to facilitate your entry into the process?

STEPHEN CARTWRIGHT: The only help I can give you on that question is what's in the email, Mr Mookhey, because I don't remember that being said, because it was so long ago.

The Hon. DANIEL MOOKHEY: Thank you, Mr Cartwright, that is actually helpful. Your view is effectively the communication you sent on 31 March was a proper reflection of the conversation that you had had with Mr Barilaro. You weren't misleading Dr Broadbent or trying to over-egg it or encourage her, or verbal the Deputy Premier. You were being genuine when you provided this account of the conversation to Dr Broadbent on 31 March 2021, weren't you?

STEPHEN CARTWRIGHT: It would have been my intention to try to reflect the conversation that I had had with the Deputy Premier at the time.

The Hon. DANIEL MOOKHEY: Thank you, Mr Cartwright, that is helpful. As I put to you before, his parting words were, "You come back and tell us how it can be made to work for you."

STEPHEN CARTWRIGHT: Yes, well, that's right. It was about the different components of the package that would reflect different circumstances for different candidates.

The Hon. JOHN GRAHAM: Mr Cartwright, in that email that is actually enclosed in quotation marks.

STEPHEN CARTWRIGHT: Yes.

The Hon. JOHN GRAHAM: That is a direct quotation. Do you agree with that?

STEPHEN CARTWRIGHT: Yes, I do.

The Hon. DANIEL MOOKHEY: To be fair to you, Mr Cartwright, you do disclose to Dr Broadbent that you had received an offer from, who we now understand to be Dr Lee as the Minister for Skills at the time, to be the chairperson of TAFE NSW. You were being accurate and honest in this account in the email you were providing, weren't you?

STEPHEN CARTWRIGHT: Yes.

The Hon. DANIEL MOOKHEY: I ask my colleagues if they have any other questions on this? No. Can we now turn to your conversations with Mr Pratt. You say that the first time you had a conversation with Mr Pratt was around 19 February. In paragraph 8 on page 4 of your opening statement you say that that was the first time you had a conversation with Secretary Pratt.

STEPHEN CARTWRIGHT: About the agent general role, yes.

The Hon. DANIEL MOOKHEY: Did you have any conversations with him about other matters in the month leading up to or the months leading up to that conversation?

STEPHEN CARTWRIGHT: Yes, about other matters.

The Hon. DANIEL MOOKHEY: About other matters. And that did not canvass it?

STEPHEN CARTWRIGHT: No.

The Hon. DANIEL MOOKHEY: You're saying that the first time that Mr Pratt said to you that you might be a great candidate was when you had a conversation with him on 19 February 2021?

STEPHEN CARTWRIGHT: That's correct.

The Hon. DANIEL MOOKHEY: Just quickly, Mr Cartwright, the day before you met with Mr Pratt, you met again with the Deputy Premier in his Parliament office?

STEPHEN CARTWRIGHT: Yes, that's right.

The Hon. DANIEL MOOKHEY: To be clear, you had a coffee with Mr Barilaro on 17 February, you then saw him on 18 February, and then you met with the secretary, Mr Pratt, on 19 February.

STEPHEN CARTWRIGHT: The meeting on 19 February was supposed to happen on 12 February, but Mr Pratt had to cancel at the last moment—I suspect because of COVID—and we had to move it a week. It was originally to be 12 February.

The Hon. DANIEL MOOKHEY: On 18 February in the meeting with the Deputy Premier, when you said to the Deputy Premier that you would be interested in the role, you're absolutely adamant he said that he would let the external recruiter know?

STEPHEN CARTWRIGHT: He said he would let the external recruiter know or put me into the recruitment process. It was something like that.

The Hon. DANIEL MOOKHEY: But he took responsibility for informing others that you have an interest?

STEPHEN CARTWRIGHT: Yes. He said, "Now that I know you're interested, I will put you into the process and I will have nothing more to do with it."

The Hon. DANIEL MOOKHEY: I want to give you another opportunity just to clarify this point, Mr Cartwright. You are absolutely adamant that you didn't have any conversations with Mike Pratt prior to 19 February about your interest in the role?

STEPHEN CARTWRIGHT: Absolutely, because, as I said, when I had coffee with the Deputy Premier, his request as to whether I was interested in the role came out of left field. It wasn't something I had even contemplated.

The Hon. DANIEL MOOKHEY: Mr Cartwright, the problem we have is that your account doesn't accord with the evidence that Dr Broadbent has given us. Dr Broadbent told us that Mike Pratt informed her of your interest at a meeting of the Japan selection panel, which took place on 10 February 2021. We went through this with Dr Broadbent. It's on page 26 of the transcript, which I think has been provided to you as well. She makes it clear that the first time she hears about your interest is in the aftermath of an interview that takes place on 10 February in which Mr Pratt grabs her afterwards and effectively says, "You need to reopen the process to put Stephen Cartwright in." So I'm struggling to understand how either Dr Broadbent is wrong or you are, because it's quite clear from the chronology that has been given to us that you entered the process earlier in February than the date you're giving us, according to the evidence that Dr Broadbent has given. Do you wish to respond?

STEPHEN CARTWRIGHT: My recollection of the transcript was that Dr Broadbent was less than certain about when that conversation with Mr Pratt occurred, but I can't help you in relation to Dr Broadbent's evidence because I know for certain that the first time that I had any idea about the agent general role was 17 February. I went home to my wife after that coffee with the Deputy Premier and said, "You're never going to believe this," because my wife had lived in London for six years when she was younger in an executive capacity, and I went home to her and said, "You are never going to believe what just happened." So I am crystal clear on the first time that I became aware of the agent general role and my interest in being involved in it was 17 February, and, with all due respect to Dr Broadbent, I suspect she is wrong in her dates.

The Hon. DANIEL MOOKHEY: I now take you to page 3 of the tender bundle.

STEPHEN CARTWRIGHT: Sure.

The Hon. DANIEL MOOKHEY: To be fair to you, Mr Cartwright, this isn't inconsistent with your evidence that you're giving. You can see down the bottom there on the page of the email, on Friday 22 January 2021 you are emailing Mr Pratt's EA in order to establish the meeting, which eventually takes place on 19 February. But you see there in the second paragraph it says:

Secondly, Mike suggested that he and I should grab a coffee soon to discuss my plans for 2021 and beyond ...

I presume that's a reference to some form of a phone conversation or a meeting or text message or some form of communication with Mr Pratt which was taking place around that period of time.

STEPHEN CARTWRIGHT: We had a coffee after I finished with the NSW Business Chamber, so I'm guessing October, November. We were discussing another role that I was interested in at the time. It was a different role, a CEO role, but wasn't in the New South Wales Government. I was just looking for his thoughts on whether he thought that would be a good role for me, whether I'd be a good fit for the role. We agreed, when we had that coffee meeting, that we'd catch up again early in the new year, when I thought I'd then start to get more serious about looking for what I was going to do next, after the Christmas holidays. We'd get together again and I'd pick his brains on any other opportunities that he might or I might know about. So I was just reaching out, saying "Hey. We agreed to do this, and it would be good to catch up."

The Hon. DANIEL MOOKHEY: Basically, there was a pattern of conduct and communication that was taking place with the secretary of the Treasury over a period of roughly four months, between October or September 2020 to February 2021. It prompts you to seek the meeting that Mr Pratt flagged. Is it possible that, actually, in the course of one of those communications prior to 10 February, you did actually indicate or Mr Pratt did indicate to you an interest in the agent general's role?

STEPHEN CARTWRIGHT: No, it's not possible at all, because 17 February was the first time that I even thought about the role. I'm absolutely emphatic about that, Mr Mookhey, because it came out of left field. Therefore, it had never entered my consciousness that it was even a remote possibility, until it was put to me in that meeting.

The Hon. JOHN GRAHAM: Mr Cartwright, when you met with Mr Pratt eventually, two days later, on 19 February—you say in your statement:

During this discussion, I did ask him about the UK Agent General role ...

Was Mr Pratt aware on 19 February of your interest that you'd already conveyed to Minister Barilaro? Or was he unaware when you raised it?

STEPHEN CARTWRIGHT: No. I told him what had happened on 17 and 18 February. I told him that it had been raised with me by the Deputy Premier, that I'd gone back to the Deputy Premier the following day and said, "Yes, I am interested" and that he'd said, "Okay. I'll put you into the process", and I told Mr Pratt that on the nineteenth.

The Hon. JOHN GRAHAM: You're clear about that in your statement. My question is a different one: Was Mr Pratt aware of that? Or was this the first Mr Pratt was hearing of your interest in the role, on 19 February?

STEPHEN CARTWRIGHT: It seemed to me that the first that he had heard that I was interested was when I told him.

The Hon. PENNY SHARPE: Can I just follow up with that? Thank you, Mr Cartwright. It might have been the first time that he heard it. Did he give you the impression, though, that there had been discussions in relation to your name being considered for that role? Slightly different.

STEPHEN CARTWRIGHT: No, he didn't. No. When I asked him, I said, "I see that it's a role in Treasury. Could you tell me a bit more about it?" He was very forthcoming. He said, "I think you'd be a good candidate. You should throw your hat in the ring." It was as simple as that.

The Hon. DANIEL MOOKHEY: Mr Barilaro never told you, at this point in time, that Paul Webster was already the final preferred candidate?

STEPHEN CARTWRIGHT: No.

The Hon. DANIEL MOOKHEY: He never mentioned to you that advertisements and applications had closed?

STEPHEN CARTWRIGHT: No.

The Hon. DANIEL MOOKHEY: He never mentioned to you that his office was seeking to arrange a meeting with Mr Webster, almost contemporaneously to the time they were talking to you about this?

STEPHEN CARTWRIGHT: He couldn't have, because he didn't tell me anything about Mr Webster.

The Hon. DANIEL MOOKHEY: I'm giving you the opportunity to be abundantly clear about this, Mr Cartwright, because it is clear to us that, apparently, days before Mr Barilaro is offering you an opportunity to apply for the role, his office is accessing information about who is the preferred candidate—and it's not you. But no mention is ever made of the fact that the selection panel had already met, had agreed that Mr Webster—the recommendations were given, no?

STEPHEN CARTWRIGHT: No, I didn't know anything about Mr Webster until much later on.

The Hon. DANIEL MOOKHEY: On 19 February, when Mr Pratt apparently says to you that you would be a great candidate, did Mr Pratt disclose to you that he had already instructed Ms West to make an offer to Mr Webster or at least to proceed with Mr Webster's application?

STEPHEN CARTWRIGHT: No.

The Hon. DANIEL MOOKHEY: He never said words to the effect of "Stephen, you're a great candidate but we've already found this person who has been agreed to"?

STEPHEN CARTWRIGHT: No.

The Hon. DANIEL MOOKHEY: He never said to you, "Gee, the applications have already closed. It's too late. I'm sorry. You would have been great"? No?

STEPHEN CARTWRIGHT: If he had said that, Mr Mookhey, I would have said, "Okay, thank you", and moved on with my life.

The Hon. DANIEL MOOKHEY: Mr Cartwright, I expect that you may not be in a position to clarify this, but can you understand the questions that are raised here? To distil it to its core, it looks to us like the public service arrives at Mr Webster as the preferred candidate and then, for whatever reason, the Deputy Premier involves himself with apparently some form of a discussion with the Treasurer to unilaterally decide that Mr Webster is not an appropriate candidate and therefore they had to search for someone else and, far from searching for someone else, they basically just offered you the job.

STEPHEN CARTWRIGHT: Well, I reject the fact that they offered me a job. They said that I could enter the process. But I'll put to you, Mr Mookhey, that I was a private sector individual who'd been invited to apply for a role. I applied for the role and anything that was going on in the background was absolutely not known to me. So I can't help you in your inquiry in that regard.

The Hon. DANIEL MOOKHEY: Mr Cartwright, to be fair to you, if the Deputy Premier suggests to you that you should apply, it's reasonable for you to assume that the applications are—but I just want to be clear here: Neither the Deputy Premier nor Mr Pratt had disclosed to you that Paul Webster was already chosen at this point in time?

STEPHEN CARTWRIGHT: No.

The Hon. DANIEL MOOKHEY: And, specifically, Mr Pratt never disclosed to you that he had already issued instructions to Ms West to proceed with Mr Webster's appointment?

STEPHEN CARTWRIGHT: If he'd said that, I would have said, "Well, that means that I can't apply because you've already chosen who's going to have the job". It doesn't make any sense that he would have said that to me and then I went ahead and applied for the role.

The Hon. JOHN GRAHAM: Just referring back to your recollection of those discussions with the Deputy Premier, you indicated in writing your recollection on 31 March that the Deputy Premier and the Treasurer had reached an agreement that the cost of suitable family accommodation could be taken care of by the New South Wales Government outside of the salary package—your recollection at the time. Given you've now told us that the only discussions you had with the Deputy Premier were on those two dates, 17 February and 18 February, if your statement is accurate, that agreement, that private discussion must have occurred before 18 February, before your final discussion with John Barilaro. Would you agree with that?

STEPHEN CARTWRIGHT: That would be a logical conclusion, but can I just clarify one point for you that you've raised in your question. When I say "outside the salary package", what I'm referring to there is that Dr Broadbent had sent me an information pack on the role. And in the information pack on the role, it stipulated a salary package of \$450,000 or \$430,000—something around that. When I say "outside the salary package", I mean these would be components that would supplement or complement. I'm not talking about something that's done on the side. I'm simply saying that, along with a base salary—whatever that base salary may happen to be—there would be other components like rent and school fees, for example, which is very typical for offshore trade roles. This is what Austrade does. This is what the other States do. When I say "outside the salary package", I want to make it clear there's nothing sinister implied in that. This is simply saying outside of the base salary, there would be other components. I just want to make that clear—

The Hon. JOHN GRAHAM: Understood.

STEPHEN CARTWRIGHT: —because I fear that that might have been misinterpreted.

The Hon. PENNY SHARPE: Mr Cartwright, you are aware, though, that the \$450,000 package is what all of the other senior trade and investment commission roles are working within?

When you draw the comparison between other Austrade roles, they're actually quite different to the way in which these roles are paid within New South Wales. You are aware of that?

STEPHEN CARTWRIGHT: Yes.

The Hon. PENNY SHARPE: So when you received that information from Ms Broadbent, was it your view that, well, that must be the total package?

STEPHEN CARTWRIGHT: No. When I received the pack, given what had been put to me by the Deputy Premier, I had thought that either it was an old information pack—in other words, it was from a previous time and they were still using it—or the stipulated salary amount was then to be complemented with components that suited each individual candidate's circumstances.

The Hon. PENNY SHARPE: So you don't—

STEPHEN CARTWRIGHT: So I thought, "That's fine". Sorry.

The Hon. PENNY SHARPE: No, that's okay. Sorry to interrupt you. There was never a conversation with the public servants as you started to negotiate around this position that this was the limit of how much money you would be able to be paid, given that those are the rules under which these salary determinations were made for these roles in New South Wales?

STEPHEN CARTWRIGHT: No, because as I said in my statement, on 14 April—this email we're referring to at the moment is 31 March. On 14 April, without me asking for anything specific, I received an offer with a base salary level that was higher than what was in the information pack and higher than what was mentioned by the Deputy Premier. The information pack said 450, the Deputy Premier said low 500s. I received an offer with a base of 600 and substantial contribution for rent, and substantial contribution to school fees. I didn't ask for any of this; this is what was sent to me. The public servants involved—I don't know who they were or where they were getting their instructions from, but clearly they didn't believe that what was in the information pack was limiting to them because, out of nowhere, they sent me that offer.

The Hon. PENNY SHARPE: Which was subsequently withdrawn, though.

STEPHEN CARTWRIGHT: Yes it was, absolutely. But it's an indicator that at that point in time, these were the components of a package that were being discussed and it was put to me without my requesting it.

The Hon. PENNY SHARPE: I've just got one final question. When you started to embark on this process, did you ever make inquiries about the salary arrangements for the other senior trade and investment commissioner roles in New South Wales, or did you seek to benchmark based on Austrade?

STEPHEN CARTWRIGHT: I never made any inquiries about them because I don't think at that stage anyone had actually been employed. I was one of the first.

The Hon. PENNY SHARPE: Yes, I'm aware of that.

STEPHEN CARTWRIGHT: So I wasn't particularly surprised that there was a degree of feeling our way along, if you like, because New South Wales hadn't had an agent general for 30 years and hadn't had offshore senior trade and investment commissioners. It wasn't surprising to me that there was a level to which this was sort of being created, if you like, because I was probably the first in line to have these discussions.

The Hon. PENNY SHARPE: Thank you.

The Hon. JOHN GRAHAM: I just want to return to those dates, Mr Cartwright, just to give you the opportunity to put any views on the record.

STEPHEN CARTWRIGHT: Sure.

The Hon. JOHN GRAHAM: You had the two meetings with the Deputy Premier. At the first, on the seventeenth, you communicated your circumstances in a freewheeling discussion and you were relatively up-front about what the pressures were on you. You met again on the eighteenth. In one of those two meetings the Deputy Premier indicated he would have a private discussion with the Treasurer. They'd reached an agreement about the fact that suitable family accommodation could be accommodated in London. That would have been at the second discussion, looking at that time line? Can you recall if it was on 17 or 18 February that he indicated that to you?

STEPHEN CARTWRIGHT: No, this was on the seventeenth while we were having coffee—while I was talking about my children and elderly parents, and not being able to move the kids. It was during that that he said, "Well, we"—meaning the Government—"are open to those kinds of components." It was in the vein of that kind of freewheeling conversation that we had that conversation. I noticed, by the way, in the Deputy Premier's evidence to this inquiry—I looked at the transcript this morning and I noticed that he did say that it was a general topic of conversation amongst Ministers as to securing the right people for these roles and so on and so forth. So, whilst I say—certainly, he didn't indicate it was a private conversation with the Treasurer. I got the impression that it was quite out in the open in terms of the conversations that were going on.

The Hon. JOHN GRAHAM: Well, Mr Cartwright, in your recollection at the time—these are not notes to yourself; these are notes as part of a negotiation about what you'll be paid. You represent to NGS Global that this is the view of the Deputy Premier and the Treasurer. Why did you do that?

STEPHEN CARTWRIGHT: I represented it's what the Deputy Premier said to me. I can't attest to the veracity of whether it happened or not.

The Hon. DANIEL MOOKHEY: But, to be fair here, Mr Cartwright, on page 9 of the bundle, your recollection is quite clear as of at least 31 March 2021. You say that the Deputy Premier "indicated" and, then you say:

(privately of course) that he and the Treasurer had reached an agreement ...

Now, I accept your point that there were general discussions happening with Ministers, but it's quite clear here that apparently Mr Barilaro told you that he had a private arrangement with the Treasurer and, in fact, the fact that you indicate "(privately of course)" strongly suggests that it was the intent of the Deputy Premier not to create a scenario in which his conduct could be scrutinised in respect to this, and neither could the then Treasurer's conduct be scrutinised in this. It's not like you're saying, "Oh, well, the Deputy Premier told me they had a general discussion." You're saying quite clearly the Deputy Premier told you that he had a private arrangement with the Treasurer to cover the cost of suitable family accommodation in a suburb of London outside the salary package. Just also to be fair, before I give you an opportunity to respond, you say down the bottom in the penultimate paragraph:

... I don't want to directly disclose my discussions with the DP etc, or be accused of being unrealistic or playing hard ball ... but my participation in the process to date has been shaped by these expectations ...

To be clear here, Deputy Premier Barilaro's indication to you that he could effectively arrange some special treatment for the UK agent general, if that's what was required, was something that you relied on.

STEPHEN CARTWRIGHT: So, two issues, Mr Mookhey. First of all the words that are used in my email, which said, "he indicated (privately of course)"—that's a reference to an earlier statement that I made in the email which says, "Please, this is a confidential communication between myself and Dr Broadbent". The "(privately of course)" means "Please keep this private between us, Dr Broadbent." It doesn't mean it was a private conversation between the Deputy Premier and the Treasurer. I guarantee you that's what it means because I wrote it.

The Hon. DANIEL MOOKHEY: But, Mr Cartwright, I accept that you say that now, but you're saying at the time, "he indicated (privately of course) that he and the Treasurer had reached an agreement". Your words are crystal clear.

STEPHEN CARTWRIGHT: I'm saying "privately" as in between Dr Broadbent and myself because earlier in the email I said I'd like to keep this confidential for the time being, or for the moment, or something. This obviously was a confidential discussion at the very beginning of a recruitment process with a recruiter and I have to say, Mr Mookhey, having built one of the largest recruitment companies in Australia myself, I'm a little horrified that these private and confidential discussions with senior executives are being broadcast through the media as a result of this inquiry.

The Hon. JOHN GRAHAM: Well, these are very unusual circumstances, Mr Cartwright. That's why that is occurring.

The Hon. DANIEL MOOKHEY: Mr Cartwright, you are one of New South Wales' highest paid public servants and so it matters for us as to how precisely your arrangement was struck. To be clear here, like you say actually on the page earlier, which I took you to before, that you "had a very open and frank discussion" about your circumstances and you say, "(i.e. I have been on a package of over \$800k for some years and have made financial commitments accordingly) and about his view".

STEPHEN CARTWRIGHT: Yes.

The Hon. DANIEL MOOKHEY: Again, no-one begrudges you from obviously pursuing what you considered to be in your interests, but to be clear here, what you're saying to us now is just becoming remarkably inconsistent with what you were communicating to Dr Broadbent on 31 March 2021.

STEPHEN CARTWRIGHT: No. I disagree with that, Mr Mookhey. I'm simply trying to help you understand, as the author of the email, what I had intended by using those words.

The Hon. DANIEL MOOKHEY: Fair enough. But to be fair, throughout this entire process your expectations around salary were, in fact, set by the initial conversation you had with the Deputy Premier.

STEPHEN CARTWRIGHT: Yes, they were, on the basis that if Dr Broadbent had said to me, "Mr Cartwright, the 450,000 or 430,000 is all there is", then I would have politely said, "Thank you", and gone on my way.

The CHAIR: Mr Cartwright, you met with the Deputy Premier on 17 February. Why was it so urgent for you to come back immediately, the next day, to discuss everything with him? Did he indicate to you that this was urgent and if you were going to accept the role, if you wanted the role, you needed to act quickly? You said you needed to discuss it with your wife and you said it was the first time that you'd heard about the role, yet suddenly you had a meeting with the Deputy Premier in his parliamentary office the next day.

STEPHEN CARTWRIGHT: I think the urgency was probably more from my perspective because I was having other conversations about other opportunities, and if this was a real opportunity then I wanted to test that as quickly as possible.

The CHAIR: And so the Deputy Premier made himself available for you to come into his office and discuss this with him the next day?

STEPHEN CARTWRIGHT: That's right. It wasn't a long meeting.

The CHAIR: So you hadn't heard of the role. Also at that meeting on the seventeenth, did you raise with him first the issue of what the salary would be? Can you recall?

STEPHEN CARTWRIGHT: No. As I put in my statement to you at the beginning, he first asked me what I had been on at the NSW Business Chamber. I fear this is where this myth that somehow I was asking, requesting or demanding \$800,000 a year that's been splashed all over the media—it never happened. I never asked for that amount of money. I was asked by both the Deputy Premier and later by Dr Broadbent what I had been on in my previous roles, and I shared that with them, but I never once said, "This is what I need in order to accept that role." In fact, I knew that wouldn't be the case working in the public service. He asked me what I had been on at the chamber. I told him. He then said, "Well, this is what we're thinking about." I said, "Okay. I need to go and discuss it with my wife," and I committed to get back to him as soon as possible. I wasn't making a commitment to take the job, or to take the offer. I was simply committing to come back and say whether I was interested or not, which was fairly easy to do. I went home. I had a conversation with my wife. She said, "Sounds like it could be a good opportunity." I came back and said, "I'm interested." It's not a big commitment to say you're interested in a role.

The CHAIR: To say that to the Deputy Premier, though, you made a time to come in and meet with him in person, as opposed to just giving him a call and saying, "I'm interested. What do I do next?"

STEPHEN CARTWRIGHT: I thought he deserved that level of respect.

The CHAIR: You don't think that that gives you some favour within what is supposed to be a selection process based on merit, that the following day you went in again to meet with the Deputy Premier in person? Was that, do you think, to influence in any way you actually getting the role?

STEPHEN CARTWRIGHT: No. I was simply paying the Deputy Premier the respect that he deserved.

The CHAIR: So just a phone call saying, "I'm interested. Where do I go now?"—I don't see how that would be disrespectful in terms of a proper selection process.

STEPHEN CARTWRIGHT: I just felt that this was a conversation that should be had face to face. Maybe I'm a little old-fashioned, Chair.

The CHAIR: I think I'll leave that. When did you find out that Paul Webster had been identified as the preferred candidate for the role?

STEPHEN CARTWRIGHT: I don't think I ever found that out until, maybe, this inquiry. My first awareness of Mr Webster came much later when it was indicated to me that he had applied for the agent general role but may well end up being my trade and investment commissioner for this region, at which point I was very excited about the opportunity because he's a high-quality executive.

The CHAIR: Mr Cartwright, you said in your opening statement that your selection as the best candidate was based purely on merit.

STEPHEN CARTWRIGHT: Yes.

The CHAIR: You would be aware now that, in fact, you didn't rate as highly as the other candidates who went through the same recruitment process that you did. You are aware of that?

STEPHEN CARTWRIGHT: I found the evidence on that in this inquiry to be very unclear. I have no doubt that the selection panel rated me as the best candidate for the role. I have no question about that.

The CHAIR: Why is that? Why do you have no question about that?

STEPHEN CARTWRIGHT: Because I was selected. The independent panel obviously chose me as the most suitable candidate.

The CHAIR: You don't think that has anything to do with the fact that the Deputy Premier offered you the role, and you went into the Deputy Premier's office the next day and met with him personally and said you were interested in the role? You don't think that that had anything to do with the fact that you were offered the position?

STEPHEN CARTWRIGHT: I don't think it had anything to do with me being offered the position because the quality of the individuals who sat on that panel would never allow themselves to be influenced that way.

The CHAIR: In your diagnostic baseline assessment, which all candidates have to be rated against, you didn't score above "Competent" for any of the 16 criteria in that assessment, yet others did. For example, one candidate rated nine, "Highly Competent". I will ask again, you don't think that the Deputy Premier suggesting that you would—the Deputy Premier asked you if you might be interested in the UK agent general role. You considered it. You went back to him and personally met with him the next day. What did he say to you in that meeting? Did he give you an indication then that, if you applied, you'd be very much in the running to get that role or that it would be yours if you applied for it? What did he infer in that meeting?

STEPHEN CARTWRIGHT: No. I put it in my statement to you what he said, which is, "Thank you for letting me know that you're interested. I will now put you into the independent process and I will have nothing further to do with it."

The CHAIR: So the meeting lasted 30 seconds, did it?

STEPHEN CARTWRIGHT: The meeting wasn't very long. Maybe it was 15 minutes at the most.

The CHAIR: Mr Cartwright, just once more, it does seem that this is a classic example of a jobs for the boys scenario, don't you think? It is a jobs for mates scenario. This is a classic example of what people are incredibly frustrated with in this State.

STEPHEN CARTWRIGHT: I find that totally unacceptable to characterise my appointment to this role as somehow tainted by that accusation. My qualifications for this role are unable to be challenged. I have no visibility of how Dr Broadbent went about her criteria that she looked at for candidates. But I'm crystal clear that three highly impressive, senior, independent panel members decided that I was the most suitable person for this role, based on merit. Given my background, I don't think there's any way that my appointment can be categorised as "jobs for mates" because I don't have any politicians that are mates, I've never been part of any political party, and I got this job because of my background, my experience and my capability. I totally reject that assertion. In fact, I'm offended by it.

The CHAIR: Yet you have led the business chamber, which was mentioned at the beginning of this hearing by the Opposition, which ran a very high-profile campaign against Labor at the last election, including in particular marginal seats where it was very tight between Labor and the Government. Plus, as the Opposition has also stated, you have had direct contact with the Premier, sending text messages for birthdays and what have you. You have had a relationship with the Premier.

The Hon. SCOTT FARLOW: Daniel's just upset he didn't get a birthday text message.

STEPHEN CARTWRIGHT: So could I put this into some context? The business chamber's campaign was something that happened in the lead-up to every election. It wasn't a specific campaign in the lead-up to the 2019 election. In fact, our most vigorous campaign was in the lead-up to the 2011 State election because the New South Wales economy had just been rated the worst performing economy in the country. The role of the peak business organisation is to suggest that perhaps we can do better. We ran pre-election campaigns in every election during my period as CEO and prior to that.

There was nothing specific about the 2019 election, no matter how members of this Committee want to characterise it, that was an attack on Labor. It was to highlight that there was a particular policy—that being the threshold for small business having to pay payroll tax—where it had been legislated that that was to go to \$1 million and Labor was taking a policy to the election where it was going to reverse that change. In some of those marginal seats towards the Queensland border, small businesses were moving across the border where they had a much higher payroll tax threshold. This is not good for business in New South Wales.

So what the NSW Business Chamber did, because of the way that its members felt about this particular policy, was that it educated the voting communities to say, "These are the competing policies of the major parties that are running in the next State election. We will never tell you how to vote. We will never side with one side or the other. We are an apolitical organisation. You make up your own mind on this issue." That was the extent of the pre-election campaign. To suggest that, years later, something like a role as important as the agent general role, which was selected by an independent selection panel, was somehow payback for that is offensive and I totally reject it. It diminishes the importance of this role and it diminishes the fact that I am highly qualified to do this role and I find it offensive.

The Hon. DANIEL MOOKHEY: We are wanting to move forward to the other events which we have to look into, but when you say you were chosen by an independent selection panel, knowing what you know now, do you accept that that panel was reconvened to consider your candidacy?

STEPHEN CARTWRIGHT: Again, I've read all the transcripts, I've read all the written statements that have been submitted and the follow-up answers that have been submitted by the three members of that panel, and I can't determine whether that's an accurate statement or not, Mr Mookhey, because those statements that have been submitted seem to suggest that the process was an ongoing process, so I'm unable to help you with it.

The Hon. DANIEL MOOKHEY: But you accept that when the panel reconvened on 30 March, the only person they interviewed that day was you?

STEPHEN CARTWRIGHT: I understand that now but I didn't know that at the time.

The Hon. DANIEL MOOKHEY: And you accept that, from 19 February, there wasn't any repeated attempt at public advertisement that gave other people the opportunity to make an application late?

STEPHEN CARTWRIGHT: I can't help you with any firsthand knowledge of that, but that's what has been said.

The Hon. DANIEL MOOKHEY: Following up from what the Chair said, you might not be responsible for this but you seem to be the beneficiary of the direct personal interests of the Deputy Premier and the then Treasurer that effectively led to the end of Mr Webster's candidacy and your substitution.

STEPHEN CARTWRIGHT: I can't help you with that because I didn't know anything about Mr Webster's candidacy and I don't believe that simply having been referred into the process by the Deputy Premier and never having discussed it with the Treasurer at all, I don't believe that that tainted or supported my application. I believe that I was appointed based on merit.

The Hon. DANIEL MOOKHEY: Mr Cartwright, again, you might not be in a position to assist us with this, but the evidence that is in front of us is that you are the only person of the many applicants to this role who was allowed to apply late, who had two meetings with the Deputy Premier and then had a meeting with the Treasury secretary, all before your candidacy was considered by a selection panel. Do you understand how that creates the perception that you got special treatment and no-one else had a level playing field to compete fairly for this job?

STEPHEN CARTWRIGHT: I struggle to understand that because I said to you earlier that I built one of the largest recruitment firms in Australia. And one thing I know when you are recruiting senior executives—and I've employed a lot of senior executives over the years—is that one of the best sources of potential quality candidates for any vacancy is the client themselves. The client operates in the industry that they're in. The client sees a lot of people in their networks. It's always something that a good recruiter will do, is say, "Do you know anybody in your network that might fit this particular job vacancy?" And it's very common for people to come free from another role—present themselves in the process. And it's very, very common in executive recruitment for candidates to come in later than other candidates, particularly when, as Dr Broadbent said, there was no closing date on the applications.

The Hon. DANIEL MOOKHEY: Mr Cartwright, moving on, after it was effectively indicated that you'd become the preferred candidate around 31 March, did you have any conversations with Mr Pratt afterwards as you were negotiating the terms of your engagement?

STEPHEN CARTWRIGHT: Not to the best of my recollection, no.

The Hon. DANIEL MOOKHEY: Just to be clear, you don't have any recollection of having any contact with Mr Pratt around late April 2022?

STEPHEN CARTWRIGHT: No, I don't.

The Hon. DANIEL MOOKHEY: Can I just take you to page 18 of the tender bundle?

STEPHEN CARTWRIGHT: Yes.

The Hon. DANIEL MOOKHEY: You can see here that Mr Pratt is emailing Ms West asking for an update as to "where we are at with Stephen Cartwright"?

STEPHEN CARTWRIGHT: Yes.

The Hon. DANIEL MOOKHEY: And you can see that Ms West's response above is, "We got legal advice and will have to get an exemption for London given package." Do you see that?

STEPHEN CARTWRIGHT: Yes.

The Hon. DANIEL MOOKHEY: And there's nothing that you can recall that would have prompted Mr Pratt to send that email?

STEPHEN CARTWRIGHT: No.

The Hon. DANIEL MOOKHEY: Can you just go forward to page 17?

STEPHEN CARTWRIGHT: Yes.

The Hon. DANIEL MOOKHEY: You can see here, on April 12, you're seeking an update. To be fair to you, you disclosed earlier that you were because you were being offered other jobs at the time. You didn't make any attempt to see or contact Mr Pratt between you sending this email to Ms West and Mr Pratt's response 10 days later?

STEPHEN CARTWRIGHT: No, not that I can recall.

The Hon. DANIEL MOOKHEY: Fair enough. We might need to take a break a bit earlier before we start the next line of questioning. But there is one more question that I will ask. Let me just find the appropriate page reference, if you don't mind. If you were to turn to page—actually, we might return to that afterwards.

The CHAIR: It's 9.27 a.m. here. Mr Cartwright, we'll go to our scheduled break, which was due to be in three minutes. We'll come back again at 9.40 a.m. our time, whatever that is your time. We'll see you in about 13 minutes.

STEPHEN CARTWRIGHT: Thank you.

(Short adjournment)

The CHAIR: We'll proceed with questions from the Opposition, the Hon. Daniel Mookhey, to kick things off.

The Hon. DANIEL MOOKHEY: We'll move forward now to what I am going to describe as the events surrounding the negotiation of the contract that you eventually enter into, if that's okay.

STEPHEN CARTWRIGHT: Yes.

The Hon. DANIEL MOOKHEY: First things first, I will take you to page 7 of the tender bundle. Where we left off before the break was at least an acknowledgment that the conversation you had with the Deputy Premier on 17 and 18 February did set your expectations around the remuneration and other conditions that would allow you to enter into an engagement with the New South Wales Government. I just want to show you one thing as we develop the line of question. Just working through this email chain, which we have discussed, your email to Dr Broadbent we've covered from page 8 to 9 of the tender bundle.

STEPHEN CARTWRIGHT: Yes.

The Hon. DANIEL MOOKHEY: That accords with your statement in terms of the events that you outlined as well. But you can see here, working up the page on page 8, that Dr Broadbent forwards your email to Ms West and says:

Jenny – see below from Stephen confirming my comments yesterday.

I presume you can see that?

STEPHEN CARTWRIGHT: This is on page 8, yes.

The Hon. DANIEL MOOKHEY: Yes. Working up to page 7, you can see that what Ms West does is forward it to Michael Pratt and Tim Reardon, who are the secretary of Treasury and the secretary of DPC. You can see that?

STEPHEN CARTWRIGHT: Yes.

The Hon. DANIEL MOOKHEY: And then you can see Mr Pratt's response. He says:

Thanks Jenny, please sit down with Stephen and get clarity on his requirements, then draft a package together for us to review. As discussed last night I do not believe his expectations (that I am aware of) are unreasonable in these circumstances ...

Do you see that?

STEPHEN CARTWRIGHT: Yes.

The Hon. DANIEL MOOKHEY: And then, above, Ms West replies:

Mike

Understood. I am catching up with Stephen tomorrow morning and will come back.

Do you see that?

STEPHEN CARTWRIGHT: Yes.

The Hon. DANIEL MOOKHEY: Did you catch up with Ms West the next morning?

STEPHEN CARTWRIGHT: On 1 April, yes. I remember we did because we had to get it in before Easter.

The Hon. DANIEL MOOKHEY: Did you have any further discussions around your expectation around remuneration?

STEPHEN CARTWRIGHT: We probably did. I don't remember the content of that discussion at all. I know we had a Teams call, but I don't remember what we talked about. I can only imagine we did.

The Hon. DANIEL MOOKHEY: The only reason I ask is because the day before you were seeking advice from Dr Broadbent as to how to canvass your discussions with the Deputy Premier without directly disclosing them. Did you resolve how you would conduct yourself in that conversation with Ms West?

STEPHEN CARTWRIGHT: No, because Dr Broadbent didn't give me any advice in that regard. I would have still been relatively careful in my conversation with Ms West.

The Hon. DANIEL MOOKHEY: What do you mean by "careful"?

STEPHEN CARTWRIGHT: In the sense that, as I said in the email to Dr Broadbent, I was trying not to come across as hard to get on with or as playing hardball in the negotiations. I was open to hearing what the Government was proposing in terms of how a package could be put together. I was probably doing more listening than talking in the sense of asking questions of Ms West, like, "How does this work in the Government? How do these things fit together," and being as conciliatory as I possibly could. I was trying, as I said in the email, not to come across as difficult or hard to get on with.

The Hon. DANIEL MOOKHEY: Fair enough. Before I move on from that particular meeting with Ms West, did you disclose to Ms West that you were in discussions with the Deputy Premier or you had had discussions with the Deputy Premier around remuneration conditions?

STEPHEN CARTWRIGHT: I said to you earlier that I can't remember what we talked about, but I don't think I did at that stage. That, to me, is reinforced by the fact that Dr Broadbent, in her evidence, said that ultimately she had to send that email of mine to them in order for them to become aware of it. I don't recall that I disclosed it to Ms West.

The Hon. DANIEL MOOKHEY: Fair enough. Let's just move forward in time now. We can go through this relatively quickly, Mr Cartwright, if you don't mind, until we get to some of the more interesting matters. You say in your opening statement, on page 5 and paragraph 15, that on 14 April 2021 you contacted Ms West to seek an update on progress, and some hours later you were sent an email from Dr Broadbent, which read as follows. And then you've described the email.

STEPHEN CARTWRIGHT: Yes.

The Hon. DANIEL MOOKHEY: Is it possible that you got that email a bit earlier than that?

STEPHEN CARTWRIGHT: No. That email definitely came on the fourteenth. It is possible—

The Hon. DANIEL MOOKHEY: Can I take you to page 13 of the tender bundle? Not much turns on this, Mr Cartwright.

STEPHEN CARTWRIGHT: Sorry, go ahead.

The Hon. DANIEL MOOKHEY: You can see down the bottom.

STEPHEN CARTWRIGHT: Yes.

The Hon. DANIEL MOOKHEY: Dr Broadbent is sending you an email on 12 April 2021.

The Hon. JOHN GRAHAM: Monday 12 April at 1.13 p.m.

STEPHEN CARTWRIGHT: Yes.

The Hon. DANIEL MOOKHEY: Two days prior. You can see Dr Broadbent to you, cc'ed to Ms West. That's the first discrepancy between what you say in your opening statement and what the documents show. The second discrepancy is that you say that, apparently, Dr Broadbent informed you about a significant contribution to accommodation, understanding that a well-located three-bedroom residence is required. I can't see reference to that in this email. What I do say is—actually, I do. That's my mistake, Mr Cartwright. It's in the second dot point as well. It's fair to say that, again, not much turns on it other than the fact that you got it a bit earlier than we thought, right?

STEPHEN CARTWRIGHT: That's confusing because I'm certain that I double-checked all of these dates with my records, and I had it as the fourteenth. But, as you say, I'm not sure that anything changes between the twelfth—

The Hon. DANIEL MOOKHEY: Other than the fact that, if you go up the page, apparently not only did you get an email but also you spoke with Dr Broadbent. And she read this out to you—according to Dr Broadbent and Ms West—and you apparently sounded very happy with the progress. So the issue is that there was actually—what else was discussed in that conversation?

STEPHEN CARTWRIGHT: I don't remember, but I will say to you that if she read out the email that you're referring to at 1.13 p.m. on 12 April, why would I not be happy with that?

The Hon. DANIEL MOOKHEY: To be fair, that's a fair point. But then if we go forward to page 15, not only do you have a conversation with Ms Broadbent but you reply on 12 April, not on 14 April. And the only condition that you seem to indicate in response is that you expect that "travel to and from London is in a business class seat", and you say, "Subject to understanding what 'significant contribution' means, then I am comfortable with the package as you have outlined it."

STEPHEN CARTWRIGHT: Yes. That's right.

The Hon. DANIEL MOOKHEY: Is that what you mean in paragraph 16 when you say, "I replied to Dr Broadbent by email later that same day, and I said that subject to a few clarifications, I was happy with the offer"?

STEPHEN CARTWRIGHT: Yes, that's what I mean.

The Hon. DANIEL MOOKHEY: What did you understand a "significant contribution" to mean?

STEPHEN CARTWRIGHT: I had no idea. "Significant contribution" to me means more than 50 per cent.

The Hon. DANIEL MOOKHEY: Fifty per cent of what?

STEPHEN CARTWRIGHT: Whatever the rent is and whatever the school fees are. The rent would be for a three-bedroom home in an inner suburb of London and the school fees would be whatever it was that was an appropriate school for the kids. That's why I wrote back and said that I really need to understand what "significant contribution" means. Is it half? Is it three-quarters? I didn't really know. But subject to that, I felt the offer was where we needed to go.

The Hon. DANIEL MOOKHEY: Fair enough. But to be clear here, part of the reasons perhaps that might shed light on your conduct later in this series of events is that you're told that there'd be a salary plus a super package of \$600,000; a significant contribution to accommodation, understanding that a well-located three-bedroom residence is required; appropriate temporary accommodation until longer-term arrangements are located; a significant contribution to school fees; reasonable relocation expenses; and reasonable travel between the UK and US as required. They were your initial expectations, correct?

STEPHEN CARTWRIGHT: UK and Sydney as required. Yes.

The Hon. DANIEL MOOKHEY: Yes. And—

STEPHEN CARTWRIGHT: Sorry, could I stop you there?

The Hon. DANIEL MOOKHEY: Yes.

STEPHEN CARTWRIGHT: They weren't my expectations; this was the offer that was put to me.

The Hon. DANIEL MOOKHEY: But you reflect the fact that according to this email, Dr Broadbent apparently had discussions with Investment NSW and NSW Treasury officials, "We understand the following arrangements will be put in place." Do you understand how perhaps your initial conversations with the Deputy Premier then informed the conduct of NSW Treasury and Investment NSW to provide such an offer to you?

STEPHEN CARTWRIGHT: I suspect that my communication with Dr Broadbent about what was said to me in the initial stages, which then allowed Dr Broadbent to understand my personal circumstances—that is, needing a home for a family and needing to put my kids into schools in London—I suspect that did shape the response in terms of the offer because I was very pleased that the Government had tried to accommodate those needs in what was being offered to me.

The Hon. DANIEL MOOKHEY: Do you accept, either then or now, that the package that was then offered to you that did reflect, as you just put it, your disclosure of your requirements to Dr Broadbent, was well and truly above what was being considered for any of the other STIC arrangements, which would also have similar requirements for people to relocate, alter family arrangements, find suitable accommodation? Do you accept the fact that no other STIC commissioner was being offered anything like this, or has been offered anything like this?

STEPHEN CARTWRIGHT: Well, I haven't been offered anything like this.

The Hon. JOHN GRAHAM: What do you mean by that, Mr Cartwright? This is the offer that was originally made to you.

The CHAIR: Are you there, Mr Cartwright? Your video has just gone off. Can I check whether you can still hear us? We may have just lost connection with you. You are back. Can you hear us okay?

STEPHEN CARTWRIGHT: Back again. Yes, I can. The answer to my question, Mr Mookhey, was I can only assess those things knowing what I know today, but I wasn't eventually offered anything like this either.

The Hon. DANIEL MOOKHEY: Eventually.

The Hon. JOHN GRAHAM: I do want to press you on that distinction you are drawing between what you were offered and your expectations. Your expectations were in line with this initial offer—not unreasonably I would say, Mr Cartwright—because of the discussions you'd had with the Deputy Premier. You clearly outline that in your email, that those expectations about accommodation, about an inner suburb of London, were shaped by that discussion, weren't they? That's a fair recollection of your record of that discussion?

STEPHEN CARTWRIGHT: Yes. I will say this: I put it in my statement that I had assumed that the job description that was sent to me with a base of \$450,000—\$430,000 or \$450,000, I can't remember which was in there, but around about that—I had expected that would then be the base and then it would be supplemented with the rent and the school fees. The Deputy Premier mentioned a base of low fives, just above \$500,000, so I had accepted when I got the information package, which was well after that, that perhaps the \$450,000 was close enough to what he had been referring to. But I will say to you that I was quite surprised to receive this email, which had a base of \$600,000. It's not for a candidate to say, "Gosh, you're being really generous here. Please don't send me that." If that's what's being offered, then terrific. But I don't want it to be painted that I was somehow slamming my fist on the table saying, "You must give me this package", because that is simply not true.

The Hon. JOHN GRAHAM: Mr Cartwright, I am simply making the point that your expectations were set as you have retailed that on 17 February in that discussion with the Deputy Premier and that agreement between the Deputy Premier and the Treasurer that he relayed to you. Do you agree with that?

STEPHEN CARTWRIGHT: What I would say is that that was what was represented to me, but this offer on 12 April exceeds that representation.

The Hon. DANIEL MOOKHEY: Mr Cartwright, can I take you to pages 11 and 12 of the tender bundle?

STEPHEN CARTWRIGHT: Yes.

The Hon. DANIEL MOOKHEY: We have established that you were actually made the offer on 12 April. Firstly, you can see on page 11 it outlines the STIC proposed arrangements as of 12 April 2021 for the non-agent general position. Have you seen this before?

STEPHEN CARTWRIGHT: No.

The Hon. DANIEL MOOKHEY: Okay. So I presume you were not sent this at the time.

STEPHEN CARTWRIGHT: It's not familiar to me. For example, you can see toward the end of this document—I can't identify where this document came from, but toward the end of this document there's a reference to Deloitte. I can't recall ever seeing that in anything that was sent to me because I remember when Deloitte ultimately got involved in talking to me about the UK employment arrangements, that was the first time I had ever heard that Deloitte were to be involved. So I can't imagine that I did see this.

The Hon. DANIEL MOOKHEY: Okay. Fair enough. If you turn to page 12, you can see the special arrangement that was being configured by government for you, and you can see there are some discrepancies between what you were to be offered and what every other STIC offer was being made—well, was being designed at the time. You can see that only you were getting "a well-located three bedroom residence is required", only you were getting a "significant contribution to school fees", and you were getting a salary and super package about \$150,000 more than every other STIC commissioner. Again, I presume you did not see the document on page 12.

STEPHEN CARTWRIGHT: No.

The Hon. DANIEL MOOKHEY: You might not be in a position to respond to this but it seems clear to us that at the same time you're being made this offer, on the same day, it's at least known to the Government that your arrangements were to be special and separate from other STIC arrangements, and that was being actively contemplated by the Government.

STEPHEN CARTWRIGHT: The only thing I will say to you, if it helps the Committee, is that that is consistent with the way that Austrade arrange their affairs as well for senior trade staff in places like London, where the circumstances of the candidate, that being a person who has children, is given a higher rental capability than somebody who doesn't have children, and similarly with school fees. It's quite common that Austrade do vary their offer for their packages based on the circumstances of the individual candidate, and I do know that Ms West came from Austrade to the New South Wales Government. I'm just speculating, but this may be why there is some discrepancy in that regard.

The Hon. DANIEL MOOKHEY: Okay. Fair enough. Let's just move forward in time. You make the point at page 7 of your statement in paragraph 22 that you received the drafts of your employment contract and a relocation letter for your review. That's a couple of months later—correct?

STEPHEN CARTWRIGHT: Yes.

The Hon. DANIEL MOOKHEY: Okay. Fair enough. What concerns did you have about the draft when you first saw it? Do you recall?

STEPHEN CARTWRIGHT: As I said in my statement, my concern was that the contract appeared to be what I would call a boilerplate public service contract for people who were working in New South Wales and therefore some of the provisions, I felt, were not realistic. I'll give you one example, Mr Mookhey—and I've raised this in the emails that you've seen. For example, it was proposed that if I wanted to terminate the employment, I would give 90 days' notice to the Government. If the Government wanted to terminate my employment, they were proposing to give me 30 days' notice.

I wrote back and said, "Look, I'm moving my family to the other side of the world. I'm having to take a lease on a property, which would be difficult for me to then get out of quickly. Normal private sector practice is that at least whatever the executive is required to give in terms of notice, so does the employer have to give a similar level of notice." I said I just didn't think it was reasonable that I was going to be allowed to be given 30 days' notice and in return the Government expected me to give 90 days' notice. Ultimately, that was conceded, but that's just one example of some of the things that I had to raise. I have to say this, Mr Mookhey. I've hired hundreds of executives. It's not unusual for the executive to come back and say what about this and what about something else in terms of arranging the contract to be acceptable to them. It's absolutely standard.

The Hon. DANIEL MOOKHEY: Mr Cartwright, no-one disputes your ability to quibble and adjust contracts of employment. But you made reference to one of the issues that you felt was perhaps boilerplate or inconsistent, which was the termination clause. Were there any other issues that you had with the draft contract that you can recall?

STEPHEN CARTWRIGHT: There was a provision that said that if I was put on gardening leave I would get my salary. That's why I raised the issue about the fact that it should also include the allowance, because of the artificial way that the \$600,000 had been broken up. I wanted to make sure the contract reflected the fact that, in reality, the allowance and the base were really the same thing; they were just being categorised differently. I also wanted, for example, to raise the issue in terms of relocation. I couldn't get my head around the fact that I could take a container, I could fill it full of furniture, I could put it on a ship to London to furnish a home and the Government was comfortable with me claiming that as part of my relocation allowance. But I couldn't drive

my car into a container, close the door and put that container next to my container of furniture so that I had a car to drive around London. According to the Government that wasn't something that was appropriate to be covered by the taxpayer. I just, for the life of me, couldn't understand the difference between those two things, so I raised that. Ultimately, though, it was rejected.

The Hon. DANIEL MOOKHEY: Let's work through this, Mr Cartwright. You did make the point earlier—did I hear you correctly when you said that you weren't having conversations with Ministers about the contract?

STEPHEN CARTWRIGHT: That's right.

The Hon. DANIEL MOOKHEY: Did you have any conversations with any Minister in the five months from your contact with Mr Barilaro and the time that you signed this contract?

STEPHEN CARTWRIGHT: The only Minister I had any discussion with at all was Minister Lee, to let him know that I wouldn't be able to continue our discussions around TAFE.

The Hon. DANIEL MOOKHEY: So you didn't have any other discussions with the Deputy Premier after 17 February?

STEPHEN CARTWRIGHT: I did not.

The Hon. DANIEL MOOKHEY: You are absolutely adamant about that?

STEPHEN CARTWRIGHT: I cannot recall ever having had a conversation with the Deputy Premier through that period.

The Hon. JOHN GRAHAM: And that five-month period that you refer to is from 18 February, when you had that discussion with the Deputy Premier, through to 26 July 2021, when you commenced your employment?

STEPHEN CARTWRIGHT: That's right.

The Hon. DANIEL MOOKHEY: You didn't have any discussions with the Deputy Premier about when you'd go to the UK or anything like that?

STEPHEN CARTWRIGHT: No. Those discussions, we had, I think, the day that I was being appointed, which was 1 October, but I'd been employed for some months by then.

The Hon. DANIEL MOOKHEY: Do you mind turning to page 28 of the tender bundle? This is a long email chain, so we're going to have to pick it up from various points of it. But you can see that, effectively, it accords with what you said, which is you're sent across a draft contract of employment, for which you then provide feedback. In your opening statement at page 7 at paragraph 23, you say:

On 11 July 2021 I sent an email to Ms West and set out all of my questions and concerns with the drafts.

You can see that on page 28 there is that email reproduced, correct?

STEPHEN CARTWRIGHT: Yes.

The Hon. DANIEL MOOKHEY: Again, you are sure that you didn't have any conversations with the Deputy Premier in the five months after you had your contact on February 18 to the date that my colleague just mentioned?

STEPHEN CARTWRIGHT: I do not recall ever having had a conversation with any politician through that period, other than Dr Lee.

The Hon. DANIEL MOOKHEY: Can you turn to page 29? Go straight down to the bottom to the last highlighted paragraph, which commences with paragraph (f). You see that?

STEPHEN CARTWRIGHT: Yes.

The Hon. DANIEL MOOKHEY: This is what you say in response to Schedule A, Clause 3.2.2:

... in all of my discussions with the Deputy Premier and other senior govt execs over the past 5 months or so, it was accepted that I would travel over to the UK later this year, set up the office and get everything settled and then I would need to come back to Australia to pack up the family and move them over when it was the right time for changing schools etc. I am assuming that this will be a work trip back and that quarantine costs (if it is still hotel by then) will be covered?

The issue I've got, Mr Cartwright, is that you are clearly making some reference to discussions you've been having with the Deputy Premier from 18 February to 26 July. In fact, you're invoking the name of the Deputy Premier in

the very first response you make to the contract that you've been offered, which doesn't accord with what you just said to us.

STEPHEN CARTWRIGHT: What I'm referring to there is the initial discussion that I had with the Deputy Premier and other discussions that I had with other senior government executives over the last five months or so.

The Hon. DANIEL MOOKHEY: The reason why, Mr Cartwright, I struggle to accept that is that you're telling us in your conversation on 18 February with Deputy Premier Barilaro, after you confirm your interest, he apparently tells you that you're going through some form of an independent process. But now you're saying effectively that, not only that, he must have also told you that he would expect that you would win it and you would get over to the UK later this year. Both of these statements can't be true—that apparently Mr Barilaro was telling you that you are to be subjected to an independent process after you confirm your interest to him directly but somehow at the same time he's having conversations with you about when you're going to London.

STEPHEN CARTWRIGHT: No. I completely reject your assertion. It's not right. I will explain to you—

The Hon. DANIEL MOOKHEY: So you did have a discussion? You did have a discussion on 18 February with Mr Barilaro about when precisely you'd be relocating to London?

STEPHEN CARTWRIGHT: No, of course not.

The Hon. DANIEL MOOKHEY: So what are you referring to in schedule f? You say:

... in all of my discussions with the Deputy Premier ... over the past 5 months ... it was accepted that I would travel over to the UK ...

When did you have that conversation with the Deputy Premier?

STEPHEN CARTWRIGHT: I'm happy to answer the question, Mr Mookhey, unless you have another one.

The Hon. DANIEL MOOKHEY: Go ahead, Mr Cartwright.

STEPHEN CARTWRIGHT: Thank you. The term "in all of my discussions with" names more than one person. It names the Deputy Premier to begin with and other senior government executives as well. So "all of my discussions" relate to all of those people.

The Hon. DANIEL MOOKHEY: Who were you having—

STEPHEN CARTWRIGHT: Not all of my discussions—

The Hon. DANIEL MOOKHEY: Which senior government executives are you referring to?

STEPHEN CARTWRIGHT: Well, for example, the conversation that I had with Mr Pratt on 19—

The Hon. DANIEL MOOKHEY: So you did have a conversation with Mr Pratt? On 19 February—sorry, did you say, Mr Cartwright? I didn't mean to cut you off.

STEPHEN CARTWRIGHT: On 19 February, which I've already disclosed in my statement.

The Hon. DANIEL MOOKHEY: So you're having a conversation with Mr Pratt on 19 February about when you'd be relocating to London despite you not actually being chosen for the job at the time?

STEPHEN CARTWRIGHT: No. Well, as I said in my statement, I said to Mr Pratt during that conversation that, if I ultimately was successful in getting this job, there were things like my kids and my elderly parents that I would have to factor in to the timing of when I would be able to go over to the UK. It was a similar conversation to the one I had on 17 February with the Deputy Premier, which is, "I've got to go and talk to my wife because we've got kids at school and the kids don't finish until December". So if I was successful in getting the job it was about trying to—back at that stage—say to the Government, "If you want somebody who can drop everything and go now, then I've got some challenges with that." I was doing it as a matter of transparency. That's what I'm referring to in this clause.

The Hon. DANIEL MOOKHEY: Were the Deputy Premier and Mr Pratt the only senior government executives you were referring to? Was there any other senior government executive you're referring to there?

STEPHEN CARTWRIGHT: From memory, we may have discussed this in the panel interview, but I can't be certain. There's something in my memory that says that it may have been toward the end of the panel interview where I talked about some of those challenges. I can't be sure about that, but there's something in my head that says we may have discussed it briefly.

The Hon. DANIEL MOOKHEY: No problems, Mr Cartwright. You make the point that you were concerned about the termination clause. I think the reason you gave was that there was an inconsistency between when you're meant to give termination notice and when the Government can give you termination notice. Was it actually the case that you were worried about an incoming government terminating you?

STEPHEN CARTWRIGHT: Yes, absolutely, because when you are negotiating an employment contract, Mr Mookhey, what you do is you imagine a worst-case scenario. You're a lawyer by training. You understand that this would be advice that you always give to your clients. You imagine a worst-case scenario and you try to draft a contract that provides you with adequate protection in the event that that worst-case scenario comes to pass. I wanted to make certain that the contract gave me adequate protection in the event that there was a change of government and that government didn't like the colour of my tie or didn't like me and decided that they would rather put someone else in the role. You know, Mr Mookhey, that this happens in these kinds of senior roles when there is a change of government. I wanted to simply make sure that I had adequate protection, as I understand people in the senior executive ranks of the government in New South Wales do have adequate protection.

The Hon. DANIEL MOOKHEY: I'll take you to your feedback in paragraph (iv) on page 29. This is what you said:

There is also the very real political dimension for my job security. The next state election is in March 2023, which would be 20 months into my 36 month tenure. If the people of NSW saw fit to make a change at that time, and the incoming administration decided to terminate me or my role for no reason associated with my performance (but rather because I was seen as aligned with the current government or because they wanted someone else in the role), to be left with 30 days notice and no entitlement to redundancy ... would be unreasonable. I recall discussing this topic with Kate Carnell when she had a 5 year term as the Commonwealth Small Business Ombudsman and it looked as though a Shorten Govt would happen half way through her term (remembering she was a former Liberal Chief Minister), and she told me that her employment contract required the rest of her term to be paid out if it was terminated for no good cause (ie political reasons).

Basically, that was an expression of what you just told us.

STEPHEN CARTWRIGHT: Yes, I wanted to make certain that if I was terminated for no cause I had adequate protection. I don't think that's unreasonable.

The Hon. DANIEL MOOKHEY: Fair enough. The actual form of protection that you were seeking, or you seem to be implying, is that you would like to be paid out for the remainder of your term?

STEPHEN CARTWRIGHT: Look, that also is not unusual. But what I was really seeking was at least adequate notice and adequate redundancy.

The Hon. DANIEL MOOKHEY: Sure. We might pick that one up shortly. The other issue that you flagged was the concerns that you weren't in a position to transport your cars over in a container, correct?

STEPHEN CARTWRIGHT: Yes.

The Hon. DANIEL MOOKHEY: That's on page 30 of this document, you can see, where you say that?

STEPHEN CARTWRIGHT: Yes. I think "cars" is a typo. It was only ever one.

The Hon. DANIEL MOOKHEY: Okay, so you wanted—

The Hon. SCOTT FARLOW: It does say "taking one of our cars".

The Hon. DANIEL MOOKHEY: "One of our cars", to be fair.

STEPHEN CARTWRIGHT: [Disorder] there was one of our—yes.

The Hon. DANIEL MOOKHEY: You did want to take one of your cars?

STEPHEN CARTWRIGHT: Yes.

The Hon. DANIEL MOOKHEY: And this was important to you?

STEPHEN CARTWRIGHT: Well, I knew we couldn't afford to buy another car, so I thought that given that the relocation amount was the relocation amount, it was no difference to the Government whether I was shipping furniture or shipping a car: They both go in a container. Both the costs would be deducted from the relocation amount, and it would make my life a lot easier with a family to have a vehicle over in London. For the life of me, I couldn't understand why that wasn't something that could be covered by the relocation allowance. In the private sector it wouldn't be a second thought, so I was just a bit shocked.

The Hon. DANIEL MOOKHEY: Right. Clearly you didn't have awareness that perhaps in the public sector that might not be a preferred practice. To be fair, in parts of the private sector that would also be resisted as well. But the cars issue was important to you, clearly, because you did persist with it as an issue, didn't you?

STEPHEN CARTWRIGHT: "Car" issue, singular.

The Hon. DANIEL MOOKHEY: The car issue. The issue to do with the transportation of your car to London.

STEPHEN CARTWRIGHT: Mr Mookhey, I said in my statement I'd never worked for government before. I'm coming into these conversations with only private-sector experience. I just couldn't understand the logic. I often struggle if somebody can't present a logical reason for a particular policy and—

The Hon. DANIEL MOOKHEY: Can I ask you: Was the car special? Was it a special car?

STEPHEN CARTWRIGHT: It meant that I—

The Hon. DANIEL MOOKHEY: Or was it just a matter that you didn't want to necessarily incur the cost of acquiring a new vehicle in London?

STEPHEN CARTWRIGHT: Yes. It was just going to make life easier. The Victorian agent general has a car provided, as does the South Australian agent general. But given that I was going to not have a vehicle, I thought that the simplest thing for me to do was to at least have mine taken over there so I could use it.

The Hon. JOHN GRAHAM: And which of the cars would you have taken over?

STEPHEN CARTWRIGHT: The family car.

The Hon. JOHN GRAHAM: Which is?

The Hon. DANIEL MOOKHEY: I'm just trying to understand.

The Hon. JOHN GRAHAM: Which is what sort of car?

STEPHEN CARTWRIGHT: A family car. It's a four-wheel drive.

The Hon. JOHN GRAHAM: I'm the shadow roads Minister, Mr Cartwright. I take an interest in these matters.

The Hon. DANIEL MOOKHEY: We're trying to understand the magnitude of the replacement cost, Mr Cartwright. To be fair, in order to understand perhaps why this particular issue around the car persists for a while, it does turn a bit on what was your expected replacement cost of the vehicle should you have to replace it in the event that you weren't allowed to take it over.

STEPHEN CARTWRIGHT: What it would mean is I would have to sell the car in Australia, buy a new one in the UK, with all the changeover costs and arrangements associated with that, and then at the end of the two-and-a-bit-year term—because of COVID, I ended up coming to the UK with 2½ years left—you can't take a 2½-year lease on a vehicle. So then you have this problem of not having an employment contract that supports a four-year lease or a three-year lease because I was only going to be there for a short period of time, and I thought the sensible solution to all of this problem is to use some of the relocation budget to send my car over. To this day, I don't understand why it's such a big issue.

The Hon. DANIEL MOOKHEY: Okay. Can I take you to page 50 of the tender bundle?

The Hon. JOHN GRAHAM: Just before we do that, can I just confirm that the position you're putting in this email—that is, you would be 20 months into a 36-month tenure if, as you suggest, your contract was paid out at the \$600,000 payment—that would be approximately \$780,000, the remainder of the contract. Does that accord with your understanding?

STEPHEN CARTWRIGHT: No. I wasn't expecting that there would be an agreement to pay out the contract. What I was hoping for was a provision in relation to reasonable notice, which ultimately was agreed to—the 90 days—because at this stage it was still 30 days. So, I was saying, "Look, if I'm on the other side of the world and I've got to sort out a lease and I've got to come home and I've got to relocate everything, I think 30 days is pretty skinny in those circumstances"—and I think most people would agree with that—and I was looking for some sort of redundancy because it was unclear to me whether the redundancy arrangements that apply to all other senior executives who work for the State Government would apply to me or not. It was very unclear.

The Hon. JOHN GRAHAM: Well, Mr Cartwright, in your document you say this

... I would ask for (i) a mutual 90 day notice period and (ii) for the payout of the remaining term of the contract if my employment is terminated without cause as a result of or subsequent to a change of government.

I'm just making the observation, and checking you agree with it, that that amount would be \$780,000, or thereabouts.

STEPHEN CARTWRIGHT: Yes, but it was a negotiation about having some movement and obviously you start with your best position.

The Hon. DANIEL MOOKHEY: Okay. We've just got to cover, close out, these three issues that are raised. If you go to page 50 of the tender bundle, if you don't mind?

STEPHEN CARTWRIGHT: Yes.

The Hon. DANIEL MOOKHEY: If you go down to point 11 of your email reply.

STEPHEN CARTWRIGHT: Yes.

The Hon. DANIEL MOOKHEY: This is correspondence you were sending on 15 July, so this is now a couple of weeks after the first conversations that were had around the negotiation, or after you've received the draft offer.

STEPHEN CARTWRIGHT: Yes.

The Hon. DANIEL MOOKHEY: In fact, it may even be six weeks, actually. No, actually, to be fair it's two weeks. You can see here, to be fair to you, Mr Cartwright, the point you just made to us you make to the public service. You say:

As for relocating our car, I am a little confused as to why this is any different to household furniture. Both go in shipping containers and both are being transported to avoid having to buy expensive replacements for a short term contract. Perhaps we can discuss this afternoon?

Did you have a discussion "this afternoon" about the cars?

STEPHEN CARTWRIGHT: I did, and I was basically told, "It's not happening. Drop it."

The Hon. DANIEL MOOKHEY: Okay. And who was that with?

STEPHEN CARTWRIGHT: That would have been with Mr Carr.

The Hon. DANIEL MOOKHEY: That is General Counsel Carr of Investment NSW?

STEPHEN CARTWRIGHT: That's right.

The Hon. DANIEL MOOKHEY: Fair enough. Can I then take you—

The Hon. JOHN GRAHAM: Mr Cartwright, are you seriously putting the position that you couldn't afford to buy a car, if I think I heard you right when you were giving evidence earlier, given the salary you had been on and given the salary you would be on?

STEPHEN CARTWRIGHT: No. It's more complicated than that. It's about the fact that you can't take out a 2½-year lease on a vehicle whilst at the same time supporting a lease on the vehicle that I had in Sydney, so I would have to extricate myself from the car I was leasing in Sydney, payout a balloon, take out a new lease, and the first thing the leasing company would say to you is, "Let's see your employment contract because you're an Australian and you've moved to the UK", and the employment contract said it finishes in 20 months. So, it's doable, but it's not sensible in any way shape or form.

The Hon. JOHN GRAHAM: Yes, and I appreciate those complications, but I heard your evidence as you didn't think you could afford a car. Can I invite you to reconsider that evidence?

STEPHEN CARTWRIGHT: What I'm saying is it didn't make any—it would have been a financially bad outcome if I'd tried to do that.

The Hon. DANIEL MOOKHEY: So what happened? Did you get a car in the UK?

STEPHEN CARTWRIGHT: I'm living here without a car.

The Hon. DANIEL MOOKHEY: And you still maintain your lease arrangements here, which is what has clearly caused a bit of distress for you, Mr Cartwright?

STEPHEN CARTWRIGHT: Yes.

The Hon. DANIEL MOOKHEY: Can we move now to the Government's response to these requests, if you don't mind?

STEPHEN CARTWRIGHT: Sure.

The Hon. DANIEL MOOKHEY: If you go to page 52, again, this is a reply to a reply to a reply, so I might just need to take you to the key sections. You can see that there's a deviation in the size of the text, to be clear. If you're on page 52 at (iv) you can see in smaller text there's a paragraph that begins with "We believe". Do you see that?

STEPHEN CARTWRIGHT: Yes.

The Hon. DANIEL MOOKHEY: This is in response to your claim for better redundancy should there be a change in government.

STEPHEN CARTWRIGHT: Yes.

The Hon. DANIEL MOOKHEY: You can go down and see that the response that comes from Ms West to you is:

We however, are not building into our arrangements or appointments political carve outs for hypothetical changes in government. This approach is being taken consistently for all senior positions abroad and we won't be deviating from that as it would be inappropriate to do so.

Do you see that?

STEPHEN CARTWRIGHT: I do.

The Hon. DANIEL MOOKHEY: Mr Cartwright, do you understand that you were effectively asking public servants to give you something that they were in no position to give?

STEPHEN CARTWRIGHT: I didn't understand that at the time. I've never worked for government before so I was asking questions about can the contract be changed for this? Can the contract be changed for those things?

The Hon. DANIEL MOOKHEY: Sure.

STEPHEN CARTWRIGHT: In the end it's up to the representative of the Government to tell me what they can and can't do. It's not for me to know those things.

The Hon. DANIEL MOOKHEY: Of course. We'll get to that, Mr Cartwright. We won't go over the entertainment issues. We'll go straight to the issues to do with the cars, which is on page 55.

STEPHEN CARTWRIGHT: Yes.

The Hon. DANIEL MOOKHEY: You can see that Ms West says to you:

We cannot allow this to be included in the relocation amount as it's not considered an appropriate use of taxpayer money.

Do you see that?

STEPHEN CARTWRIGHT: I can.

The Hon. DANIEL MOOKHEY: That's a position that you eventually accept with some disappointment. Is that a fair characterisation?

STEPHEN CARTWRIGHT: That's right, yes.

The Hon. DANIEL MOOKHEY: Mr Cartwright, the reason I'm asking you this is, putting aside the legitimacy of this claim or otherwise, Ms Brown has told us that as you went about seeking this, it meant that the negotiations for you were much more fraught than the negotiations with everybody else, and none of the other STICs were seeking these conditions. Equally, Ms Brown says that this starts to indicate at this point in time—there is some suggestion that that's when you start invoking the name of the Deputy Premier and other senior political figures of the Government. I accept that you reject Ms Brown's evidence in that respect, but do you understand how persistently demanding matters that public servants cannot give you over a period of weeks isn't necessarily conduct that is becoming of a person who becomes agent general?

STEPHEN CARTWRIGHT: No, I completely reject what you're saying. First of all, I don't know this for certain but I'm fairly sure that the other senior trade and investment commissioners don't have schoolchildren to move. Secondly, I don't see anything unusual with this set of discussions around an employment contract with a very senior executive. I see nothing unusual about this at all. When Ms Brown suggested that it was a difficult negotiation, all that led me to believe is that she obviously hasn't done too many of them. I've done hundreds of them, and this is not unusual at all.

The Hon. DANIEL MOOKHEY: So you think the issue here was Ms Brown didn't have the skill or experience in order to navigate claims of this type?

STEPHEN CARTWRIGHT: I'm saying that her perception that this was a difficult negotiation suggested to me that she hasn't done too many executive negotiations because this was not a difficult negotiation at all. This was a frank exchange of some questions that I had about the contract. I was seeking to understand why particular positions were being adopted and trying to have a conversation about the logic behind some of the things I was asking for. In the end I had to just—what amused me, Mr Mookhey, was some suggestion that I was the one playing hardball in the negotiations. That couldn't be further from the truth. I was basically being told no, no, no, no. The hardball was coming from the other side, not from me.

The Hon. DANIEL MOOKHEY: Do you accept that Ms Brown didn't have the legal authority to give you what you were asking for?

STEPHEN CARTWRIGHT: I do now. But I'm a private sector citizen applying for a job, and I think it's reasonable that I say, "What about this? What about these things? Can you explain to me why this is logical and that's not logical?". I don't think there's anything unusual about this at all.

The Hon. DANIEL MOOKHEY: Mr Cartwright, do you accept that, had you prevailed in this negotiation, the outcome for the public would be that we'd be paying you, as agent general, a package which is close to twice what we pay the police commissioner?

STEPHEN CARTWRIGHT: I'm not sure which package you're talking about now, because I had three packages offered to me.

The Hon. DANIEL MOOKHEY: Well, I'm asking you, Mr Cartwright—to be frank, the first two packages, had they been acceded to, would have resulted in you becoming the highest paid public servant in New South Wales by far. Do you accept that?

STEPHEN CARTWRIGHT: The second package that was offered to me, the one that was outlined by Deloitte, provided a salary less than the CEO of Investment NSW.

The Hon. DANIEL MOOKHEY: Not with all the accoutrements. Do you accept that?

STEPHEN CARTWRIGHT: Which were they?

The Hon. DANIEL MOOKHEY: Cost-of-living allowance, rent support, school fees, car transport.

STEPHEN CARTWRIGHT: None of that was in the second offer. It was all gone, all swept away.

The Hon. DANIEL MOOKHEY: Okay, Mr Cartwright. We'll move on. We find ourselves in a scenario where you enter into a contract on 26 July. Then thereabouts, between then and October, for the circumstances which you describe in your opening statement and which I don't plan to spend much time on, you find out that effectively this result, the way in which you're being remunerated isn't consistent with your expectations, mainly because you hadn't yet relocated to the UK but you expected the cost-of-living allowance for the UK to be paid to you automatically. Do you understand that asking for the Government to pay you a cost-of-living allowance for the United Kingdom whilst you were still residing in Sydney might appear to be inappropriate?

STEPHEN CARTWRIGHT: Oh, I think if you took it out of context it might. But I gave you the context in my statement.

The Hon. DANIEL MOOKHEY: Sure.

STEPHEN CARTWRIGHT: That is, that I would send—and I'm happy to go through it again, Mr Mookhey.

The Hon. DANIEL MOOKHEY: No, it's okay. I'll give you the opportunity to respond to that. But you are right to say you did provide extensive evidence of this in your extensive opening statement.

STEPHEN CARTWRIGHT: And it provides the context of me being asked to modify the agreed package that I was offered, that being a straight \$600,000-a-year salary. I was asked to do a favour to Investment NSW to break it up so they didn't have to go to the remuneration tribunal. So it was an artificial construct. It wasn't a UK allowance at all. It was a \$600,000 package that was artificially broken up into two parts. Therefore, it really was something that I had expected because that was part of the agreement I had with Ms West when she asked me to do the favour in the first place. I said, "I'm fine. You can categorise it however you want to categorise it, but at the end of the day I still expect to get paid that amount every month." She said, "Understood. Thank you for your cooperation." And when it turned—

The Hon. JOHN GRAHAM: But do you accept that one of the reasons it was an artificial construct was because of the discussions you'd had with the Deputy Premier, the agreement between the Deputy Premier

and the Treasurer, about the conditions and their willingness to be flexible that had set your expectations? That's why this had to be artificially constructed to fit in with public sector expectations.

STEPHEN CARTWRIGHT: I accept the fact that the ultimate package that was offered to me would have required an application to the remuneration tribunal to approve, and that by breaking it up this way it made life easier for Investment NSW. I can't in any way connect that to my first coffee conversation with the Deputy Premier, which was the only conversation that I had.

The Hon. DANIEL MOOKHEY: You make the point in your opening statement that, in this matter and in other matters to do with your employment, you felt it was necessary to—or at least you were happy to—discuss your concerns with Amy, Tim and the Premier. Why did you think that you had a relationship with Gladys Berejiklian which meant that you could ask her to weigh in on a matter, to be frank, as minor as this in the middle of a pandemic?

STEPHEN CARTWRIGHT: It's a wrong characterisation, with respect, Mr Mookhey. If you read carefully what I said in that email, it was basically saying, "If you don't have the authority to agree to some of these things, I'm happy to have the conversation with somebody in the authority chain who does."

The Hon. DANIEL MOOKHEY: But you mentioned the Premier directly. I'm asking you why did you feel—

STEPHEN CARTWRIGHT: I didn't know how high up you had to go in order to get authority to agree to things.

The Hon. DANIEL MOOKHEY: Sure. Accepting that, that's fine. You didn't know how high you had to go up. But you clearly felt that you had a relationship with Premier Berejiklian which meant that in the middle of a pandemic you could call her up to ask her to weigh in on a remuneration dispute. What I am trying to understand is why did you have that expectation?

STEPHEN CARTWRIGHT: I didn't have the expectation and I didn't suggest any such thing. I said, "If it's necessary, I'm happy to discuss it with anybody in the authority chain who wants me to explain why I'm asking for a particular provision or a particular change or a particular modification." I didn't know who that was. I'm saying I'm happy to talk to whoever it was.

The Hon. DANIEL MOOKHEY: To be clear here—again, I'm not going to push you too much further—do you understand that, regardless of your intentions, name-dropping the Premier and the secretary of DPC in a context like this might appear to be quite threatening to a public servant?

STEPHEN CARTWRIGHT: Never having worked for government before, it may be more obvious to people who are in the public service than it was to a private sector person at the time because in the private sector—remember, I was a CEO of a large company for two decades—if there was a negotiation for a senior executive who was coming in and the person handling that negotiation didn't feel they had the authority, it would not be unusual for that to be escalated further up the authority level to the point where even me, as CEO or even the chairman, might get involved in that conversation to seek to understand what the senior executive needed in terms of agreeing to join. This is not unusual. I know it's been characterised as something that it wasn't. It was simply me saying, "I don't know who in your authority chain has to deal with this, but I'm happy to explain myself."

The Hon. JOHN GRAHAM: It is unusual in the public sector, Mr Cartwright. This is an independent public sector process. I accept one of the reasons you may have been confused is that your first contact with that independent public sector process was not the recruitment firm but the Deputy Premier. I can see why that would have caused some confusion. Do you accept that this is unusual in the public sector, knowing what you know now?

STEPHEN CARTWRIGHT: Yes. Let me say that I had assumed that, given how important the role of the agent general in London, Europe and Israel was, it would make absolute sense that the senior Ministers in the Government would want to make sure that they had the right person and that that person was equipped to do the job. So there was an assumption on my part that there was an active interest from the ministerial level of government in making sure that the person that they sent across to this part of the world represented them properly and, therefore, was a person of sufficient calibre and capability to do the job. So in my mind I conflated the public sector and the ministerial arm of government with all having a vested interest in making sure that this was concluded and the right person was sent. So when you come to these things from the outside, it's not as clear as it perhaps is if you've been raised inside government where you understand the delicacies of these matters.

The Hon. DANIEL MOOKHEY: I appreciate that, Mr Cartwright. To be fair to you, that's not an unreasonable assumption to draw after you'd had a conversation with the Deputy Premier, but let's move forward. We established earlier this year that there were concerns around effectively the fringe benefit tax liability that

would accrue to either you or the State. I'm not going to canvas those matters too much because, to be fair, your evidence in your opening statement on that was very helpful in that respect. But one of the points you do make in your opening statement is that you directly contacted Stuart Ayres about this as well.

Did you say in that message to Stuart Ayres words which included, "All other AGs and Federal Government execs have rent, car and school fees covered by the Government?" Equally, did you say, "The WA Government is paying \$13,000 per month rent. That's more than my entire net salary?" Did you also say, "I have had two offers for CEO roles back in Sydney, but I would rather stay here and deliver for New South Wales. But I can't live here for three years without an apartment that can accommodate my family, at least on school holidays, as the school fees here are twice that of Knox?" Did you say that?

STEPHEN CARTWRIGHT: I did. It was very disturbing to me that the place where my children go to school was allowed to be published in the newspapers.

The Hon. DANIEL MOOKHEY: Again, Mr Cartwright, I respect the fact that as a parent you have an obligation to your children, but do you understand that the way in which you described that conversation with Mr Ayres in your opening statement isn't perhaps the complete picture?

STEPHEN CARTWRIGHT: No, I don't understand that.

The Hon. DANIEL MOOKHEY: Do you also understand that going directly to a Minister in March of this year, which is some time after you've joined the public service, to a reasonable person would be highly inappropriate? I've never come across—

STEPHEN CARTWRIGHT: Two things I'll say to that, Mr Mookhey. The first is the Minister invited me to reach out to him and gave me his mobile number in case I ever needed to, and it got to the point where my relocation allowance had run out. I was desperately trying to secure a property to live in and there was just nothing coming out of my department. One minute they would say, "Yes, we are paying your rent", then it would be, "Oh, hang on a minute, we've changed our mind." I got to a point where I said there's got to be a game breaker here, somewhere. I was given the offer to contact the Minister if ever I needed to, so I thought this is one of those situations.

But I'll add to that, Mr Mookhey, something else, and that is that on 28 September I received an email from Ms Brown which advised me that Cabinet had decided to adopt an alternative approach to the appointment of the agent general involving the drafting of legislation so that the appointments of the agent general and the New South Wales commissioners would be made by the Minister of trade. She then went on to say, "We expect your existing conditions will be grandfathered to this new arrangement, and we are going to have meetings between the CEO of Investment NSW, Minister for trade,"—which was the Minister that I wrote to—"over the coming weeks to work out the legislative arrangements and the transition, and we have a number of those meetings lined up over the next few days—"

The Hon. DANIEL MOOKHEY: Do you mind tabling that email, Mr Cartwright?

STEPHEN CARTWRIGHT: I'll seek approval to do that, which is what I'm instructed to do, Mr Mookhey. I'm instructed that if you call for any documents—

The Hon. DANIEL MOOKHEY: Sure, if you want to take that on notice?

STEPHEN CARTWRIGHT: I'll take it on notice. But let me say to you that I have never received any communication that counteracts this email.

The Hon. DANIEL MOOKHEY: Sure, and that's fair to you, Mr Cartwright.

STEPHEN CARTWRIGHT: On 28 September I was told that within weeks there would be meetings lined up to change our employment arrangements to be that of ministerial appointments.

The Hon. DANIEL MOOKHEY: I appreciate that, Mr Cartwright.

STEPHEN CARTWRIGHT: So you need to put—

The Hon. DANIEL MOOKHEY: I do appreciate that, Mr Cartwright. We have looked at that matter. But I did want to ask you: Did Minister Ayres ever come back to you?

STEPHEN CARTWRIGHT: No.

The Hon. DANIEL MOOKHEY: Did you ever have any discussions with Minister Ayres about your arrangements, whatsoever?

STEPHEN CARTWRIGHT: No.

The Hon. DANIEL MOOKHEY: Did you ever have any discussions with any Minister about salary sacrificing arrangements for rent or school fees this year?

STEPHEN CARTWRIGHT: Not that I recall.

The Hon. DANIEL MOOKHEY: I want to be very clear here, Mr Cartwright. I'm going to ask you again: Did Stuart Ayres come back to you and reply to your email?

STEPHEN CARTWRIGHT: Not that I remember, because I remember the next thing that happened was I was advised there was a benchmarking report produced.

The Hon. DANIEL MOOKHEY: Sure. But I also want to be very clear here. Did Stuart Ayres, or any other Minister, ever say to you that you could reach an arrangement about school fees that are similar to the arrangement that was struck about rent?

STEPHEN CARTWRIGHT: No. Never did any Minister say that to me, no.

The Hon. DANIEL MOOKHEY: Be very clear here. No Minister ever made it very clear to you that school fees could be dealt with the same way as we are dealing with rent?

STEPHEN CARTWRIGHT: Correct.

The Hon. DANIEL MOOKHEY: Absolutely no way?

STEPHEN CARTWRIGHT: No Minister ever did.

The Hon. DANIEL MOOKHEY: Never happened?

STEPHEN CARTWRIGHT: Absolutely not.

The Hon. DANIEL MOOKHEY: Not this year?

STEPHEN CARTWRIGHT: Never happened.

The Hon. DANIEL MOOKHEY: Not from 16 June, thereabouts?

STEPHEN CARTWRIGHT: No.

The Hon. DANIEL MOOKHEY: No conversations?

STEPHEN CARTWRIGHT: No.

The Hon. DANIEL MOOKHEY: Can you turn to page 96 of the tender bundle?

STEPHEN CARTWRIGHT: Yes.

The Hon. DANIEL MOOKHEY: Just let me know when you're there.

STEPHEN CARTWRIGHT: Sorry, what was it—96?

The Hon. DANIEL MOOKHEY: Page 96 of the tender bundle.

STEPHEN CARTWRIGHT: Yes.

The Hon. DANIEL MOOKHEY: You can see this is an email you sent to Amy Brown on 16 June 2022, which is five days before the budget and two days before—or the day before the announcement, I think, of Mr Barilaro's appointment as well. This is what you say in the highlighted section:

The second relates to the specific clause that rules out applying a similar salary sacrifice structure to school fees should my family move to London permanently. You will recall that the Minister was very clear that school fees could be dealt with the same way as we are dealing with the rent, so this clause caused me some concern. However, I have been reassured by Kylie that the Minister did, in fact, approve this, so if my family do permanently relocate we can do another similar variation agreement to cover the fees once the quantum of the fees are known.

Mr Cartwright, this isn't an ancient email; this is from three months ago. It makes it very clear that you were having a discussion with the Minister that made it very clear to you that school fees could be dealt with, with the same arrangement. On top of that, you say you have been reassured by Kylie that the Minister did, in fact, agree to approve this. I take you to page 86 of the tender bundle. This is an email that you sent on 9 June 2022 to Kylie Bell. The subject is contract variation. You can see that you say:

Hi Kylie

I look forward to hearing back from Will on the operative date issue. Also, you and I discussed the opportunity for the school fees to be paid via the same salary sacrifice method as the rent if they moved over and went to school here ... I recall that the Minister agreed to this.

That is the second incidence in which you are invoking the name of a Minister in this respect. Also, to be fair to Ms Bell, if you go to page 92, she replies to your email on 12 June 2022. She says:

However, as agreed, next year if the children are with you in the UK and you require us to pay schooling directly from your base salary as agreed, a new letter will be issued, with specific amounts for fees, and your base salary will further be reduced by the same amount ...

Mr Cartwright, there are a few issues that I want to ask you to respond to. First, it looks as though you misled us. Second, it looks as though you were having repeated discussions with Ministers about school fees. Third, you were invoking the names of those Ministers in these conversations with Kylie Bell. Fourth, the result of that is apparently, "We have struck a secret arrangement with you in which we will repeat the arrangement for school fees that we entered into when it comes to rent." That's what this chain of correspondence seems to indicate. I'm going to invite you to revisit your evidence.

STEPHEN CARTWRIGHT: I don't need to revisit my evidence, Mr Mookhey, because both of the references to what the Minister said were simply things that were relayed to me in relation to my requests.

The Hon. DANIEL MOOKHEY: From whom? Who relayed it to you?

STEPHEN CARTWRIGHT: From memory, it was Kylie Bell.

The Hon. DANIEL MOOKHEY: Sorry, you are telling me that Kylie Bell told you that she had a conversation with the Minister in which they agreed on a salary sacrifice arrangement?

STEPHEN CARTWRIGHT: No, I'm not saying that she had a discussion with the Minister; I'm saying that she advised me that that was the Minister's view on these matters. What concerned me was that we hadn't yet got to the point of figuring out about the school fees. I had raised with Kylie my concern that the draft of the variation to my employment contract made it very specifically clear that the rent issue was the beginning and the end of the entire conversation and no more correspondence would be entered into. I went back to Kylie and I said, "Well, that's not what I understood was the outcome," and she said—

The Hon. DANIEL MOOKHEY: Mr Cartwright, that doesn't seem to be true. In the email that I took you to at first instance, it's you reminding Ms Bell. It says, "You will recall that the Minister was very clear that school fees could be dealt with."

STEPHEN CARTWRIGHT: She would recall that because that's what I was told.

The Hon. DANIEL MOOKHEY: When did Ms Bell tell you that she had some discussion with the Minister? Did she identify which Minister she was having this discussion with?

STEPHEN CARTWRIGHT: She didn't tell me that she had had a discussion with the Minister. I think she was getting her information second hand as well.

The Hon. DANIEL MOOKHEY: Mr Cartwright, I put it to you that your email chain is much more accurate than your evidence that you were in some form of discussion with Ministers, you invoked that when it comes to school fees and you, again, put pressure on public servants to deliver an arrangement that apparently you felt you had with the Minister.

STEPHEN CARTWRIGHT: Mr Mookhey, you are absolutely 100 per cent wrong. I never had any conversation with any Minister about these issues. I was simply reflecting back what I had been told and wanted to understand why what I had been told and what was in the draft variation to the employment contract was different when it came to the future opportunity to have a similar arrangement for school fees. That's all I was seeking to do.

The Hon. DANIEL MOOKHEY: Let me conclude with this: Given that Ms Bell has confirmed as of 12 June that there is some agreement now around your base salary, has it been agreed that, should you find yourself in a situation where you need to meet school fees in the UK if your children decide to go to school there, "We will be reducing your base salary" and "a new letter will be issued, with specific amounts for fees, and your base salary will further be reduced by the same amount and a new letter will be issued confirming the specifics?" Have you entered into this arrangement?

STEPHEN CARTWRIGHT: No, we haven't entered into that arrangement, and there's a conflict, Mr Mookhey, between the specific wording of the contract variation, which says that that won't occur, and this chain of emails.

The Hon. SCOTT FARLOW: Mr Cartwright, turning to some of the points that have been put to you today with respect to Business NSW activities when it came to the last election, that was a campaign around payroll tax; is that correct?

STEPHEN CARTWRIGHT: Yes, that's correct.

The Hon. SCOTT FARLOW: At the time, the proposal from the then Opposition Leader was that the payroll tax increase threshold from \$850,000 to \$1 million would not be pursued if a Labor Government were elected?

STEPHEN CARTWRIGHT: That's correct.

The Hon. SCOTT FARLOW: If a Liberals-National policy was to proceed in the same way, I would take it that Business NSW would wage a campaign against the Liberal and National parties as well; is that correct?

STEPHEN CARTWRIGHT: We did so some years earlier when there was a proposal to lift workers compensation premiums by 12 per cent. That was a position that was being floated by the Liberal and National parties at the time, and the chamber came out vehemently against it because it was going to cost thousands of jobs across the State. That's what being an apolitical organisation means.

The Hon. SCOTT FARLOW: Turning back to your opening statement, you outlined your significant experience in applying for this role and why others sought you out as a potential candidate. One of those items that you discussed in your opening statement was your international trade consultancy. Could you perhaps outline for us some of your experience in negotiating trade and investment for New South Wales in that consultancy role?

STEPHEN CARTWRIGHT: The first thing to understand is that this was a period where the biggest opportunity for exporters in New South Wales was China. It was a very different environment to today. A lot of our emphasis and focus was helping New South Wales SMEs enter the China market, which is a difficult market if you're an SME that has never exported there before. There are cultural issues, there are business structure issues and SMEs feel very intimidated about how to go about that. Austrade is not really set up to hold the hands of SMEs. The State Government had one person in China at the time and they were basically focused on inbound investment only. So I went to the board of the New South Wales chamber and asked for a couple of million dollars to set up a trade facility where we could put expert trade people in Shanghai and expert trade people in Sydney, and hold the hand of the SME from the very beginning right through to the successful conclusion of getting orders and filling those orders.

We helped about 500 businesses through that process. Many of them won new contracts, many of them hired new staff. There was a company in Penrith that had to take on an afternoon shift as a result of the work that we secured for them. It was a highly successful venture. I'm pleased to say the model that we developed in that consultancy is now the model that is being rolled out by Investment NSW around the world. It's exactly the model that I'm operating here in the UK and Europe, with having our team in Sydney and our team over here working together to help businesses navigate that, like we did for 15 wineries a couple of weeks ago. That's one example. There are lots of others, as we helped companies to navigate in the Middle East, in Europe and in the Americas. It was a big, important part of the way we are set up to help business.

The Hon. SCOTT FARLOW: With that experience and with your observations now, would you say it's important to have boots on the ground in attracting European and UK investment?

STEPHEN CARTWRIGHT: I can tell you, having been here since January, that I have no doubt that our absence from this market for 30 years has resulted in New South Wales missing big investment opportunities and big trade opportunities. I can also tell you that Austrade is not set up to do that, that it absolutely requires State Government representation and that's well understood by the Labor governments in Victoria, in South Australia, in Queensland and in Western Australia. They have agents general here; they have trade staff here. In fact, they have more trade staff around the world than New South Wales does. These are really important roles and we are rapidly building a pipeline of investment opportunities for New South Wales and trade opportunities for New South Wales.

The Hon. SCOTT FARLOW: On that basis, what are your observations of the footprint that all other States, effectively, have in both the UK and Europe in comparison to New South Wales?

STEPHEN CARTWRIGHT: I think now New South Wales is set up to be very competitive, but in London, Victoria would have a larger team than we do and they are in the process of setting up more staff in Europe. We have recently opened Paris and we have recently opened Berlin, but we only have one person in each of those at the moment. But, certainly Victoria are larger than we are in this part of the world.

The Hon. SCOTT FARLOW: Mr Cartwright, since you have been appointed agent general, what are some of the achievements you have had in the role?

STEPHEN CARTWRIGHT: What is difficult for people to understand is that I didn't get here until January and even when I got here, borders were still closed. That makes inbound investment very, very difficult

when people who are thinking about investing in New South Wales can't even get on a plane and come and visit. I arrived here with no office, no staff, no wi-fi, no furniture. It was a complete startup. We hadn't been here for 30 years, so there were no CRM and no networks, and we had fallen off everybody's lists. I had to basically go out and recruit an entire team, which I have now done. We now have a team of experts here in London. The last of those started about 12 weeks ago. We had to rebuild all the relationships, all the networks, set up a CRM and start to build all of those things.

I am very pleased to say that as a result of all that activity and opening Paris and Berlin in the last few weeks, we have now got active conversations going with around about 50 potential investors and at least three of those are within weeks of being confirmed as successful in investments into New South Wales and there are a lot more of them to come. We have secured export opportunities for wine companies and tech companies as well as they come over and we help them, but what is really critical to understand is that we are building the foundations for a long-term success for a pipeline of opportunities that continues to grow. You need to put in place the foundations for all of that, and that took some months to put in place. We really haven't been going that long and I think we've done a remarkable job in terms of where we've got to and some of the conversations that we are now starting to have about big potential opportunities for New South Wales.

The Hon. SCOTT FARLOW: Mr Cartwright, on that point, what are some of the plans you have got for the future of New South Wales' position when it comes to the UK, European and, of course, Israeli markets?

STEPHEN CARTWRIGHT: You have to understand that we are talking about 49 countries. There is no way that we can adequately service 49 countries with three offices and about 10 staff. What we have decided to do is to focus on the three largest economies—those being the UK, France and Germany—and then in relation to the other 40-odd countries be opportunistic, work with Austrade and just pick up the opportunities as they come to us and to intensively focus on the three largest economies in this part of the world. There are substantial opportunities, particularly in economic transition: I am talking about green energy, I am talking about hydrogen, I am talking about circular economy.

There are lots of companies over here that are looking at Australia and looking at New South Wales. I will say this: They are being actively courted by Queensland, by Western Australia, by the Northern Territory and by even Tasmania. New South Wales needs to be here in a big way, putting its best foot forward, putting its case to these companies to say, "You should think about New South Wales." Bear in mind that places like Western Australia and Queensland actually have a Minister for hydrogen. They are aggressively chasing these opportunities and it requires people like myself to be having these one-on-one conversations with these companies about the opportunities that New South Wales presents.

The Hon. SCOTT FARLOW: It was put the other day to Mr Webster with respect to his role with education, and he outlined to the Committee that that was part of his portfolio. What sort of structure have you got in place in terms of dividing the portfolio interests within the agent general's office?

STEPHEN CARTWRIGHT: Mr Webster has two direct reports—the two associate directors that look after, essentially, the opportunities under the free trade agreement. That's food and beverage tech, fintech—those sorts of areas. The other associate director is the rest of the tech sector. That's cleantech, regtech, medtech and biotech. Those two associate directors report to Mr Webster and then the other six staff report to me—or Mr Webster plus the other five report to me. So Berlin reports to me, Paris reports to me, the regional office manager reports to me. The senior director of defence, aerospace and cyber reports to me as well.

The Hon. SCOTT FARLOW: Mr Cartwright, now that borders have opened, effectively, across the world, except for China and a few other jurisdictions, how much of your role is in the UK and how much is throughout Europe and Israel?

STEPHEN CARTWRIGHT: It's regular for me to go to Paris. In the next month or so we will also be doing a fair bit in Germany because we now have a director in Germany who is starting to line up opportunities for us to have meetings in that part of the world as well. So, increasingly, as the Paris and Berlin offices get more active—and we are recruiting a second person for the Berlin office as we speak—then I will be spending more of my time in that part of the world. But we also do go to Europe for big conventions. Recently we sent a team across to help New South Wales win the 2025 international aeronautic conference, which is now going to be held at the ICC. I'll say if it wasn't for my team being involved in that bid, I'm certain Sydney would not have won those hosting rights. So we get involved in those sorts of activities as well. I would say that at the moment I'm probably spending about 60 per cent of my time in the UK and about 40 per cent supporting the two European offices, but that will vary depending upon what's going on at the time.

The Hon. SCOTT FARLOW: Mr Cartwright, considering your background as the head of the NSW Business Chamber—or Business NSW, as it's now called—and your role in trade and, of course, as you

outlined, heading up one of the largest recruitment organisations as well, how useful do you find that in the role, as you get around?

STEPHEN CARTWRIGHT: What's really useful in this role, apart from my deep understanding of business throughout the State is the fact that I actually have firsthand experience in running large companies. During my private sector career I made about 20-something acquisitions. We raised capital through a venture capital through an investment bank out of the UK when we were a private firm. As a listed company I bought overseas companies, private and public. Having that firsthand experience of capital markets, of mergers and acquisitions and of doing business deals is really important when you sit down to talk to businesspeople because you're talking to them in a language that they understand and they know that you understand what they're saying. That's very different if they sit and meet with somebody, for example, who is a career public servant who has never done those things, who has never been involved in putting those deals together, and who doesn't understand things like capital structures and how you might assist them in navigating some of those things.

The Hon. SCOTT FARLOW: Thank you, Mr Cartwright. I think that's time for us.

The CHAIR: Thank you very much again, Mr Cartwright, for agreeing to appear before the Committee today. I believe you are going back to Investment NSW in relation to one email that you said you would look to see if you could provide that to the Committee. Thank you for that.

STEPHEN CARTWRIGHT: Yes.

The CHAIR: That's the end of our public hearing. We will be in touch should we wish to invite you to further hearings as a result of, I understand, more documents that need to be made public. We will be in touch with you about that.

The Hon. JOHN GRAHAM: Chair, can I just indicate that that is likely, based on where we are up to, just to be fair to Mr Cartwright.

The CHAIR: Yes. Thank you, Mr Cartwright. You will hear from the secretariat. That's the end of our hearing for today. Thank you so much.

(The witness withdrew.)

The Committee adjourned at 10:58.