**REPORT ON PROCEEDINGS BEFORE** 

# PUBLIC ACCOUNTABILITY COMMITTEE

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

# **CORRECTED**

At Dixson Room, Macquarie Building, State Library of NSW, Sydney, on Friday 2 December 2022

The Committee met at 9:49 am

# PRESENT

Ms Cate Faehrmann (Chair)

The Hon. Wes Fang The Hon. Scott Farlow The Hon. John Graham The Hon. Daniel Mookhey The Hon. Penny Sharp

# **VIA VIDEOCONFERENCE**

The Hon. Peter Poulos

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

Today we will be hearing from one witness, Ms Kylie Bell, Managing Director, Investment NSW. I thank the witness for making the time to give evidence to this important inquiry. Before we commence, I would like to make some brief comments about the procedures for today's hearing. Today's hearing is being broadcast live via the Parliament's website. A transcript of today's hearing will be placed on the Committee's website when it becomes available. In accordance with the broadcasting guidelines, 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 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. Committee hearings are not intended to provide a forum for people to make adverse reflections about others under the protection of parliamentary privilege. In that regard, it is important that witnesses focus on the issues raised by the inquiry terms of reference and avoid naming individuals unnecessarily.

All witnesses have a right to procedural fairness according to the procedural fairness resolution adopted by the House in 2018. If witnesses are unable to answer a question today and want more time to respond, they can take the 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. **Ms KYLIE BELL**, Managing Director, Trade and Investment, Investment NSW, Department of Enterprise, Investment and Trade, before the Committee via videconference, on former affirmation

**The CHAIR:** I now welcome our witness. Ms Bell, as you have appeared as a witness previously in this inquiry, you are able to appear today on your former affirmation. Would you like to start by making a short statement?

**KYLIE BELL:** No. I've come [audio malfunction] today in terms of making an opening statement. I think we can just get straight into your questions.

**The CHAIR:** Excellent. Thank you very much. On that note, we will go straight to the Opposition. Mr Daniel Mookhey?

The Hon. DANIEL MOOKHEY: Thank you, Ms Bell, for taking the time to join us. I am hoping you can hear me clearly.

**KYLIE BELL:** I can, thank you.

**The Hon. DANIEL MOOKHEY:** Ms Bell, I note that you are appearing at a time when you either have COVID or are recovering from COVID. I do appreciate, and I am sure the Committee appreciates, you making yourself available under your present circumstances and condition. We do, of course, wish you a speedy recovery.

KYLIE BELL: Thank you. I'm feeling fine today.

**The Hon. DANIEL MOOKHEY:** Can I check that you have in front of you the tender bundle marked "Bell", "002" at the bottom?

KYLIE BELL: Yes, that's correct. I've just received it, thank you.

The Hon. DANIEL MOOKHEY: By any chance, were you supplied with the two Cartwright bundles?

**KYLIE BELL:** I've got a tender bundle called—yes, I do. "Tender Bundle 001"—Mr Cartwright.

The Hon. DANIEL MOOKHEY: They are dated on two separate dates. There is one on 2 November and another one on 22 November.

**KYLIE BELL:** Let's hope. Let's go through and see. It's quite a chunky set of documents, but there's definitely some Stephen Cartwright at the back.

**The Hon. DANIEL MOOKHEY:** By any chance, do you happen to have the full transcript of Mr Cartwright's evidence given to us on 22 November?

**KYLIE BELL:** Yes, that has been printed for me, Mr Mookhey.

**The Hon. DANIEL MOOKHEY:** Great, thank you, Ms Bell. We will be referring to those documents throughout. I just wanted to check that you have them. Ms Bell, to be very clear here, the predominant purpose of us asking for your appearance today is really just to give you an opportunity to provide your account, given the evidence of Mr Cartwright. I just want to be very clear about that. Effectively, we did want to give you a right of reply to a few of the matters that were raised. But before I do that, at first instance I might just ask you are you in a position to provide us with an update as to where the now Department of Enterprise, Investment and Trade is up to in implementing the Cabinet decision to convert the STIC appointments to ministerial appointments?

**KYLIE BELL:** No, sorry, I'm not in a position to update that. I understood that that matter has been closed, but it's probably best dealt with by our general counsel for legal.

**The Hon. DANIEL MOOKHEY:** There was a bit of ambiguity as to whether or not it is a continuing position of the Government. But you would be one of the people who would principally be responsible for implementing it, wouldn't you, as the managing director of investment and trade?

**KYLIE BELL:** Yes, if it did proceed, but my understanding was that that matter was laid to rest last year. I'm sorry I'm not able to give an update on that.

**The Hon. DANIEL MOOKHEY:** So you are operating off the assumption that it is not proceeding any further. Is that fair?

KYLIE BELL: That is fair.

**The Hon. DANIEL MOOKHEY:** Therefore, last time we asked at both this hearing and perhaps in estimates as well—we did ask about where the Government is up to in recruiting the New York position. Are you in a position to provide us with any further update on that?

**KYLIE BELL:** Not really, no. The position is on hold, pending this inquiry.

The Hon. DANIEL MOOKHEY: That remains unchanged?

**KYLIE BELL:** That is correct.

The Hon. DANIEL MOOKHEY: But we still do have four people in the New York office right now?

**KYLIE BELL:** Yes, we have four people in the New York office and two people working from our team in San Francisco.

The Hon. DANIEL MOOKHEY: Who is directing the New York operations in New York?

**KYLIE BELL:** Joe, our trade commissioner in San Francisco, is managing the New York team and travels down regularly to meet with them and support them.

**The Hon. DANIEL MOOKHEY:** There are a few other matters before we get into the bulk of what I wanted to check with you. Ms Bell, you made the point when you appeared at the estimates hearing—when my colleague Ms Sharpe was asking you—that the general practice for you with STIC commissioners is to meet with them weekly, sometimes fortnightly, and things are quite busy. Is that still the continuing practice?

KYLIE BELL: That is the continuing practice, yes.

The Hon. DANIEL MOOKHEY: And you are doing that with all the STIC commissioners?

**KYLIE BELL:** All the STIC commissioners, and we have a fortnightly meeting where we also meet as a group. In fact, the last time we met was last night.

The Hon. DANIEL MOOKHEY: There is direct communication between you and all the STIC commissioners regularly?

#### **KYLIE BELL:** Yes.

**The Hon. DANIEL MOOKHEY:** You did make the point at estimates that at that time, which I think was on 1 September 2022—I am quoting from your evidence, you said:

We are currently going through the process right now of setting performance plans for the next 12 months. Each of the STICs have received their annual targets. Our offices in the UK, Europe, US and north Asia are very focused at the moment on attracting investment into the State with their secondary KPIs assisting exporters ...

Have you completed the process of setting their performance plans for the next 12 months?

KYLIE BELL: Yes, our performance plans have all been set.

**The Hon. DANIEL MOOKHEY:** Can you take us through what the performance plan is for the UK Agent-General?

**KYLIE BELL:** Sure. I don't have a copy in front of me but, in principle, we look at performance across five key areas. The first is delivery of customer service and KPIs. In the case of the Senior Trade and Investment Commissioner and Agent-General in the UK, that is focused, as you said, on assisting exporters and winning investment for New South Wales. Targets have been set and aligned to those two criteria. In the UK, we are seeking—the team, not just the Agent-General and senior trade commissioner—to win 10 investment projects from across the UK and Europe, to assist 50 exporters from across the region and to achieve export sales of \$15 million.

The Hon. DANIEL MOOKHEY: That is for a 12-month period of time?

**KYLIE BELL:** That's correct.

**The Hon. DANIEL MOOKHEY:** You said previously as well—you did describe at estimates the fact that the UK office was in the process of assisting 12 companies at the time. Can you give us any update as to how that work resolved?

**KYLIE BELL:** Yes, sure. At the moment the team are well exceeding their targets. They have assisted 175 businesses since they opened earlier this year. They have now got \$2 million already in export contracts, with quite a few very close to fruition. On the investment side, a number of those projects are quite high profile and therefore commercial in confidence. Last week we announced DNEG, the world's largest visual effects company from the UK, will be setting up an animation studio in Sydney. That project, for example, will create 450 new

jobs. We have a number of new projects that we will be announcing over the next few months, but we can't announce them until the company has agreed that it's possible, because of the commercial-in-confidence nature of those projects. But, absolutely, the project pipeline is looking very strong and I'm very confident the team will achieve their goals.

**The Hon. DANIEL MOOKHEY:** Thank you, Ms Bell. Perhaps on notice if there is any further detail you wish to provide about the KPIs—and the performance plans as well—for both, particularly, the London position and the New York position, that would be useful.

**KYLIE BELL:** Yes, of course.

**The Hon. JOHN GRAHAM:** Ms Bell, returning to those questions my colleague was asking, these positions were ongoing. If a senior trade and investment commissioner was appointed today, how would they be appointed? Who would appoint them?

**KYLIE BELL:** In my head, based on my understanding of where we're currently at, we would advertise a role externally. We would go through a formal recruitment process under public sector guidelines, and the Secretary of the Department of Enterprise, Investment and Trade would be the final delegate and make that decision. It would be a public service appointment.

**The Hon. JOHN GRAHAM:** And who are they acting as the delegate for? From whom is the delegation in that description?

KYLIE BELL: What do you mean, who is the delegation? My understanding is that-

The Hon. JOHN GRAHAM: Well, you've just-

**KYLIE BELL:** —as these are senior appointments at a band 3 level, the secretary of our department would be the final delegate and decision-maker on their appointment.

**The Hon. JOHN GRAHAM:** Is the final decision-maker, yes. When you describe them as the "final delegate", from whom is that decision delegated, in your mind?

**KYLIE BELL:** I think through the public service employment Act.

**The Hon. JOHN GRAHAM:** Right. Further to my colleague's questions, it's your view that these would be public sector appointments by the agency despite that earlier decision of Cabinet?

**KYLIE BELL:** I understood the—and look, I probably can't get into the technicality of the earlier Cabinet decision, but I understood that there had been some decision-making at the end of last year—again, which I wasn't involved in—which agreed we would proceed with public service appointments, which is my understanding.

**The Hon. JOHN GRAHAM:** Ms Bell, the reason I'm asking this is it's very unclear to the Committee exactly how these positions are appointed. But I think it's fair to ask: If one was appointed today, how are they appointed?

The Hon. WES FANG: It's crucial we ask it, in fact.

The Hon. JOHN GRAHAM: Is it fair to say you're slightly unclear about the Cabinet decisions and how they relate? Have you seen the Cabinet decision that endorses, in your mind, how this position would be appointed?

**KYLIE BELL:** The Cabinet decision was made last year in October, as I recall, or maybe in September. But I understood that at the time last year there were discussions between the Minister and Cabinet and we agreed they would continue as public service appointments. The last two that we ran earlier this year certainly were conducted on that basis.

## The Hon. JOHN GRAHAM: Thank you.

**KYLIE BELL:** In terms of the future, I guess we don't currently have a role that we're looking at appointing. We're not currently going to market with the New York role so it has not come up in discussions in recent times. I guess when we are ready to do that—if we're ready to do that—we would re-look at that.

**The Hon. DANIEL MOOKHEY:** Just on that, though, Mr Cartwright, when he was giving us evidence, did make repeated points to that that he had received an email saying that these would be decisions to be converted and he has yet to receive an email to recant that view. Therefore, he was certainly operating—or left the impression that he was operating—on the assumption that that Cabinet submission would at some point be implemented. Is

**KYLIE BELL:** They also went through the same public service recruitment process as the other two positions. I'm aware of the email I think that you're referencing. I think Stephen was advised something from our secretary or CEO last year, and in my mind—

The Hon. DANIEL MOOKHEY: So he was actually advised?

**KYLIE BELL:** Well, I understood from his transcript that he received an email from the CEO at the time. But I believe those documents are what I would classify as probably, therefore, because they relate to Cabinet matters, Cabinet in confidence.

**The Hon. DANIEL MOOKHEY:** Well those documents might, but my question didn't. My question was: Mr Cartwright has told us that he's still operating under the assumption that at some point this decision will be implemented because no-one has told him anything to the contrary. Is Mr Cartwright correct to have that view?

KYLIE BELL: I can't speak to Stephen's view on that matter other than—

The Hon. DANIEL MOOKHEY: But have you provided any advice to the STIC commissioners-

The Hon. WES FANG: Point of order: Ms Bell was trying to provide an answer. She-

**KYLIE BELL:** The simple answer is no, I personally have not provided advice. At the time last year Stephen did not report to me, and I'm not aware that any advice was needed to be provided. He was appointed as a public servant.

**The Hon. DANIEL MOOKHEY:** To allow you, Ms Bell, to fully reply to Mr Cartwright's evidence on this particular matter, Mr Cartwright has said that as a result of him working off the assumption that these were transferring into ministerial appointments, that gave him legitimacy when he sought the direct intervention of a Minister in terms of his remuneration arrangements, so it's not a moot point. He made the point that he thought that that was why he had the ability to contact Minister Ayres directly, and that he did so at the time in March. Is it the case that that was a common understanding, to the best of your knowledge—that that would be appropriate as a result?

**KYLIE BELL:** No. As I understand it, matters to how the STICs are appointed have been dealt with through the Graeme Head review. I don't really have anything further to add.

The Hon. DANIEL MOOKHEY: That's true, but I'm asking more about the conduct of Mr Cartwright as the STIC commissioner. When he made the relatively, as I described it, "extraordinary decision" to seek the direct intervention of the Minister, he justified it by saying that he was told that these were converting to ministerial positions and he was never told anything to the contrary. As the person who was his direct supervisor at the time—and we will get into these matters a bit more later—I'm asking you whether or not at any point, particularly by March, you gave Mr Cartwright advice that would say that the Government wasn't proceeding with that transition any further?

**KYLIE BELL:** All I can say is that Stephen—to my knowledge, it's very rare that he reports to the department. He does not report to a Minister, he reports into myself and the department, as per our organisational structure and as per his performance plans.

**The Hon. JOHN GRAHAM:** Ms Bell, to return to this question about the appointments, I appreciate that you've given us your clearest understanding in your mind of how these positions are appointed, which is really appreciated. The Committee has to make a clear finding on this matter about how these appointments are now made.

The Hon. WES FANG: Crucial. Absolutely crucial.

The Hon. JOHN GRAHAM: I'm interested in your view. Have you been given clear direction as to how these appointments are made? As of today, if you did have to appoint someone, do you feel you've been given clear direction about how that appointment would unfold?

**KYLIE BELL:** Yes. I feel that our clear direction is that these are public sector roles, these are senior public servant roles, and they would be advertised on a competitive basis and appointed through a public sector process.

The Hon. JOHN GRAHAM: That's been conveyed to you in a formal manner?

**KYLIE BELL:** No. I guess not, no. These are the discussions that we have undertaken as a department over the last, I guess, nearly 12 months that we've been running these processes, and I have not been flagged that we would change the process.

**The Hon. JOHN GRAHAM:** If it hasn't been conveyed to you in a formal manner, as the managing director of trade and investment, how can you be certain that that's how these roles are to be appointed?

**KYLIE BELL:** I can only be certain on the basis that we literally have—through the review of the Graeme Head review, I believe there were findings in that process, through the Premier's media statement, that these roles were public service roles and will be public service roles. I would have to check some of the correspondence and so on, but it is my belief that these are public sector roles and that we will be running transparent recruitment processes for them.

**The Hon. JOHN GRAHAM:** In order to form that view, which I accept is your understanding—that's actually quite helpful for us—you've relied on the public statements by the Premier in response to the Head review. That's the clearest, most formal direction you've been given?

**KYLIE BELL:** I think that's the clearest direction. It's all hypothetical because, obviously, we have not advertised a role, so we've not had to necessarily have those discussions. Our positions are currently filled, and they were all filled through a public sector process.

**The Hon. JOHN GRAHAM:** Finally, have you been given clear direction on that question about if or when these roles might change? Is that ruled out now, from your point of view—that is, could they convert to ministerial appointments down the track? Have you been given a clear answer on that? Has that been formally conveyed to you or has it not been conveyed to you?

**KYLIE BELL:** I feel like the word "conveyed" is too strong. We've not discussed it because again these positions are all, as far as the department is concerned, senior public service roles. There has not been a debate or a discussion around converting them to ministerial appointments, no.

**The Hon. DANIEL MOOKHEY:** Ms Bell, there's one other what I would describe as a residual matter which I think we have to put to you and get your evidence on, if you don't mind. It arises from some evidence of documents that have been produced to us since your last appearance. I just want to be up-front about the fact that it is to do with the New York position and the events of October last year. I thought perhaps now is the time to ask, before we get into the more detailed response evidence that you may have to Mr Cartwright's views. You're quite right in saying that the Government made a decision last year to convert these two ministerial positions. It has been confirmed to us that that conversion took place around 17 September. And, of course, we've gone through at some lengths the response of the department to that at the time as well. But can I ask, do you have any specific recall of discussing with either Ms Brown or Minister Ayres a scenario in which Ministers would agree to endorse the three already chosen candidates for New York, Mumbai and Singapore?

**KYLIE BELL:** I don't recall. I'm looking at an email here. That helps me recall. First up, I was asked to act in Jenny's role when she went on leave in October last year, so I hadn't been privy to a lot of the conversations that had been held previously. But I think after the decision had been made by Government in late September, a number of us had a short meeting to determine next steps, because we had already gone through, as I mentioned, a public service recruitment process for a number of the roles. I wasn't involved in that process but the ask was to consider how we might proceed, given that things had changed, and we did, as I understand it, have candidates that were perhaps ready or nearly ready to go through that process. There was a discussion as to whether we should put forward those candidates to the Minister for consideration or what we should do. But at the time I don't believe any meeting was held and I don't believe action was taken for at least another month or two.

The Hon. DANIEL MOOKHEY: We might just unpack that a little.

KYLIE BELL: Or an internal discussion around, "Okay, what do we do next?"

**The Hon. DANIEL MOOKHEY:** Thank you, Ms Bell. We might just unpack that a little. At the time of around 6 October last year, of the three candidates who had been identified for those roles in New York, the candidate who had been identified that may be capable of endorsement was Ms West, correct?

**KYLIE BELL:** I didn't know that at the time. I just knew that there were three candidates. But now that we've seen a lot of documents and media reporting on the matter, I'm aware, yes, that it was Ms West.

**The Hon. DANIEL MOOKHEY:** And for the Mumbai position it was the current person who is serving in the role?

**KYLIE BELL:** I can't be sure because I wasn't given the details of the candidates, but my understanding is that the candidates for India and the Middle East and Singapore and ASEAN that were selected at the time are the ones that are now currently in the roles, yes.

**The Hon. DANIEL MOOKHEY:** Just to be clear, we have had evidence that Ms West was told around 27 September that she couldn't proceed—or actually earlier than that—as a result of the Cabinet decision. But still, when you became acting in the role, you thought or at least there was a discussion in which the option of Ms West was at least canvassed as an option to continue with her candidacy.

**KYLIE BELL:** To protect the privacy of Ms West, I was not briefed on any of that development. I understood that she was on medical leave, so at the time I was not aware that any of these conversations had taken place. I was not briefed, out of respect for whatever was going on privately.

**The Hon. DANIEL MOOKHEY:** But then there was some form of a collective discussion in which perhaps it was agreed that there might be scope, if Minister Ayres was prepared to endorse those three candidates, that Investment NSW at the time could proceed [audio malfunction].

KYLIE BELL: I'm sorry: You just broke up.

**The Hon. DANIEL MOOKHEY:** I think you said earlier there was a discussion that resolved in favour, perhaps, of presenting Minister Ayres with the option of proceeding with the three already chosen candidates. That's correct?

**KYLIE BELL:** Yes, but my understanding, which I guess was only a half understanding—that's from what I know now—is that if we have three suitable candidates that were considered through a public sector process to be suitable that we could present them to the Minister.

The Hon. DANIEL MOOKHEY: Okay. Do you mind turning to page 4 of the tender that's been presented to you today?

KYLIE BELL: Sure. Yes, I have it open.

**The Hon. DANIEL MOOKHEY:** This might be the email that you were making a reference to before. You can see that this is an email that you sent to Ms Brown and others in Investment NSW. Correct?

KYLIE BELL: That's correct.

The Hon. DANIEL MOOKHEY: If you just go down, do you see that you say:

Hi everyone

[Mr] ... Carr and I had a chat about last week's cabinet decision re STIC appointments.

Then you go on to say:

We agreed there may be scope, if Minister Ayres had already endorsed our 3 candidates, to move forward with the STIC candidates we had for ... [New York], Mumbai and Singapore.

Pausing there, you're making reference to the fact that Minister Ayres had signed briefing notes agreeing to New York, Mumbai and Singapore candidates as, in an advisory release, he was notified that they were the people who were chosen.

**KYLIE BELL:** I think it says, "if Minister Ayres". I think it was a question, as opposed to a statement. It might have a question mark at the end.

The Hon. DANIEL MOOKHEY: Well, yes, that's fair. You assumed-

KYLIE BELL: If he had—

The Hon. DANIEL MOOKHEY: Had the assumption been valid—

**KYLIE BELL:** I wasn't sure whether he had or not, to be honest, and I couldn't tell you if at that point he'd received any briefing documents to suggest those were the candidates. It was more a question. I guess that's not—

**The Hon. DANIEL MOOKHEY:** Well, it was more of an assumption that he had—correct?—not so much a question because the other people in this conversation well and truly knew what Mr Ayres had known.

**KYLIE BELL:** Yes, but I guess for me it was—assumption is a fair word, but it was more a question and in my—I was trying to push through, selfishly I think, that we continue; we don't hold back the appointments for another six months because we were very keen to deliver the [inaudible] program. So I guess it was an email

brainstorming what could be done in order to move forward. But, yes, because I had not seen any brief, so I don't know if Minister Ayres ever did [inaudible] for those three roles.

The Hon. DANIEL MOOKHEY: Fair enough, but as we have since learnt, your assumption was valid—he had agreed to it by this point in time. But then you go on to say and you describe:

We would still need to get his confirmation that these are the 3 appointments he would like to make based on their experience and the process we have already gone through.

We have had evidence from Ms Brown that she did provide this as an option. Were you present at that meeting with Minister Ayres?

**KYLIE BELL:** No. I don't believe my first meetings with Minister Ayres started until either later in the year or even in January this year.

**The Hon. DANIEL MOOKHEY:** It happens to be the case that certainly the evidence that Ms Brown gives us correlates entirely pretty tightly with his time line, which is that around that week she did provide him with the opportunity, if he so decided, to continue on with those appointments, which he does do, in effect, for Mumbai and Singapore but not New York. Do you recall having discussions with Ms Brown or any instructions she gave you following any discussions with the Minister?

**KYLIE BELL:** Yes. So I don't recall having any conversations with her—possibly, I mean, certainly my gut feelings had been [inaudible]. I received probably before but mainly an email from her that we should go ahead with the two candidates that were identified for Mumbai and Singapore and I believe she might have, over the course of early November at some point, provided an introduction to me to those two candidates as well as probably, I think, people from the culture and legal team so that we could begin discussions with them around contract negotiations and, you know, talk to them about the role. I was not even present at the meeting with Minister Ayres when she discussed that. I'm pretty clear on that because I remember it was a conversation that we had in whatever email, not in a meeting that I was at. In regards to the New York role, I don't know that I got any clear direction on that other than later in the year we went back to market. That's my recollection of what happened. Some time around November—it certainly wasn't in October, because I believe the two final candidates were only announced in December. But, to be clear, we would've started those conversations with the two candidates in November.

**The Hon. DANIEL MOOKHEY:** I think that accords with the documents that we have in respect to those two positions as well. But you can see on this email, page 4, you go on to say:

We'd have to work through this as an option, but if Ayres was willing to proceed on this basis we could regroup next week and develop a path to make this work.

#### Did that ever happen?

**KYLIE BELL:** No, I think we were asked because at that point things were pretty chaotic. There'd been a change, obviously, in government and I believe even the secretariat of DPC departed. I do believe it took us a month to regroup with changes in [inaudible] ministerial responsibilities. I think on the—around about 6 October the Deputy Premier had just resigned as well, as the trade Minister. So there was a period of uncertainty in that October to my recollection.

**The Hon. DANIEL MOOKHEY:** But also, just above that, you do make the point that, as you write this in to us, your concern was to make sure that the international network did not get held up any further. But you go on to say:

... we could keep going and deliver him some quick wins - which he will be after.

This was basically you anticipating the fact that the Minister probably would've wanted to have some action here as opposed to more process. Is that fair?

**KYLIE BELL:** That's fair. So I think it took us a few weeks, I guess, in the scheme of things. As you can see, this process has been drawn out over three years. But a few weeks in October—it was probably not the end of the world but I feel like it was early November where we started to get agreement that we would proceed on appointments.

**The Hon. DANIEL MOOKHEY:** But just so I'm clear, you certainly, collectively with the senior leaders of Investment NSW—and, to be frank, you're corresponding here with the most senior leaders of Investment NSW at the time. You've had a meeting in which you've canvassed a presentation of the options of continuing on with the existing appointments. You've then obviously written to the senior leaders with whom you had that discussion with a view that such an option should be presented to the Minister.

**KYLIE BELL:** Correction. To be honest, it was probably, as you can see I think in my first line, actually just Chris Carr—had a bit of a brainstorm.

The Hon. DANIEL MOOKHEY: Sorry, you're correct, Ms Bell. But you then inform the other senior leaders?

**KYLIE BELL:** That's correct. I think Chris had used the conversation because at that point I hadn't been aware and I was just ploughing on, as you do, with my understanding of what occurred. I believe Chris might have used that opportunity just to give me an update as well that things had changed and that something had gone to Cabinet that I was not aware of. So this email was kind of my brain dump around what we might be able to do to keep going.

**The Hon. DANIEL MOOKHEY:** Well, the email was a documentation of perhaps the brain dump you had with Mr Carr—probably might be the more strict interpretation, Ms Bell. But nevertheless you have the conversation with Mr Carr. You inform the senior leaders that this option is present. It does seem as though Ms Brown presents the option to the Minister. The advice is taken in respect to the Mumbai and Singapore positions but not the New York position. You're not given any explanation as to why there was a distinction between New York and the other two. Is that fair?

#### KYLIE BELL: That's fair.

**The Hon. DANIEL MOOKHEY:** Thank you. Then, effectively, you go on to appoint the Mumbai and Singapore positions and reopen the New York position thereafter after that decision is made, effectively, by the CEO or people above you in the hierarchy, is that correct ?

**KYLIE BELL:** Yes, I believe the CEO—I mean, the CEO signed off on the appointments probably in November, December. Once agreements and contracts were finalised, I believe the positions were announced.

**The Hon. DANIEL MOOKHEY:** Just finally, as you were attending the weekly, fortnightly or regular meetings between Minister Ayres and the senior leadership of Investment NSW—I think from your previous evidence you made the point you were either present at some of those discussions or sporadically present at those discussions?

**KYLIE BELL:** That's correct. I don't believe—and, again, my recollection is that the meetings certainly between the Minister and his people and with the CEO were held weekly. The rest of us at the leadership team were invited in depending on the agenda.

#### The Hon. DANIEL MOOKHEY: As needed.

**KYLIE BELL:** And so they weren't necessarily weekly. I don't recall having many meetings with Minister Ayres on a regular basis until 2021—or 2022, sorry. It wasn't until this year. I think last year my involvement was much more sporadic.

**The Hon. DANIEL MOOKHEY:** In those sporadic meetings, you don't recall any specific discussions around the appointment process for New York that you haven't already described to us?

#### KYLIE BELL: No.

**The Hon. JOHN GRAHAM:** And you have given evidence just then that there was no clear direction given to you as to the distinction between these two roles and what happened with the New York role. Can I just ask, though, was there any speculation or any discussion? It was a clear distinction. Was there any discussion around why New York was being dealt with differently?

**KYLIE BELL:** In my head, it was not discussed. But I feel that I probably was aware that Jenny may have been a candidate, not because I had ever been told but because it was obvious that something was going on and at that point she was on leave. So I didn't push the question. I didn't push it, no.

The Hon. DANIEL MOOKHEY: Unless there is anything further you want to add to that, Ms Bell, we may move on.

**KYLIE BELL:** Sure. I don't have anything further to add.

**The Hon. DANIEL MOOKHEY:** Ms Bell, I know we have asked you this before, but I might just ask you again. Do you mind setting out in chronological terms the responsibilities you held in this process at various points in time? We understand that when you were with Treasury you were partially involved in the establishment of the Global NSW strategy, correct?

**KYLIE BELL:** That's correct. When I first joined the New South Wales Government, it was actually with the department of industry. At that point in time, I was the executive director for trade and investment. Over

the last four years, I guess, I have been doing a very similar role but for a number of different departments and agencies. Every year I move to a new department but the role is largely the same—working with exporters to help them succeed overseas and working with investors to help them grow in New South Wales.

The Hon. DANIEL MOOKHEY: Ms Bell, I can't help but feel that we should acknowledge your patience, as administrative arrangements seem to have changed around you constantly as well.

**KYLIE BELL:** Yes. Certainly, for the role in NSW Treasury, I was the executive director for trade and international there. I moved across with my role and the team at the machinery-of-government changes when Investment NSW was first created in March last year.

**The Hon. DANIEL MOOKHEY:** Just to keep up, we find ourselves in a position where you are with Treasury until effectively—we don't need to establish precisely when you joined Treasury. But you are with Treasury at the time when Treasury is developing the strategy and you transfer over to Investment NSW when Investment NSW is formed around April 2021.

KYLIE BELL: That's correct.

The Hon. DANIEL MOOKHEY: There you are fulfilling a role the same as you are now, reporting to Ms West.

**KYLIE BELL:** I think my role was different then. I was the executive director for trade, and so I managed a team on shore. There is a group that looks after export, international education, skilled migration and a number of other teams. And then in October last year, I was also responsible on a day-to-day basis for the program management of the rollout of the international network.

The Hon. DANIEL MOOKHEY: Just before we get to the events of the October transfer, in respect to the role that you occupied between April and October, were you involved in the recruitment selection and negotiations with the STIC commissioners, particularly Japan and UK?

**KYLIE BELL:** No. Those positions clearly reported to Ms West and she was the responsible line manager for the recruitment and, of course, the CEO. Because of the seniority of the roles, the delegate for appointment was actually the CEO.

The Hon. DANIEL MOOKHEY: Fair enough. Then, in October, you act in Ms West's place as she is placed on leave, or she goes on leave.

KYLIE BELL: That's correct.

**The Hon. DANIEL MOOKHEY:** Therefore, at that point in time, you take responsibility for the direct supervision of the UK position and the Japan position because those positions had been appointed.

**KYLIE BELL:** Yes, and they were reporting to Jenny at the time. That's correct.

The Hon. DANIEL MOOKHEY: At that point, though, the UK agent general was still onshore—in Australia.

KYLIE BELL: That's correct.

The Hon. DANIEL MOOKHEY: Was the Japan commissioner in Japan?

**KYLIE BELL:** No. He, too, was onshore. Because of COVID, borders were closed both here in Australia and in Japan, and we weren't able to apply for visas.

The Hon. DANIEL MOOKHEY: Equally, from what point do you cease to act in the role and become the—

**KYLIE BELL:** In November I stopped acting in the role and I was the executive director of trade and international and reported directly to the CEO, Ms Brown, following—I think Ms West departed sometime in November-December. In February this year, 2022, the structure had two roles: a deputy secretary for investment and the old deputy secretary for trade role. The CEO merged my executive director of trade and international role with the managing director of investment role to create a role that was responsible for trade and investment, which essentially tried to bring the two teams onshore: one team that focused on export and taking things from New South Wales to the world and then the team that facilitated investment from the offshore network as well as the international network to bring it together into one functioning team.

Because the overseas offices—I think it's been very well publicised that one of the key objectives is to attract investment from around the world into New South Wales. It made sense that the deputy secretary for

investment role was brought together with the trade team to try and deliver solutions across the entire network. That decision—I guess I would call it a restructure—was made in February.

**The Hon. DANIEL MOOKHEY:** I do appreciate that, Ms Bell—the complicated description of the changing responsibilities. It's actually quite important and you're going to have to forgive me as we get very technical now. We are actually going to have to explore certain matters arising between what authorities you had in October versus what authorities you had in February, if you don't mind. Just so I am clear, let's concentrate on the period in October. In October when you become acting for responsibility, you are responsible for the direct management of the two STIC positions, correct, that were at that point appointed: Japan and the UK?

**KYLIE BELL:** Yes. I believe I was asked to act—it was actually on a week-by-week basis. I wasn't aware what was going on, so I understood that it was just for a couple of weeks to cover sick leave.

The Hon. DANIEL MOOKHEY: Sure. That was from October to November, correct?

KYLIE BELL: It ended up being October to November-that's correct.

**The Hon. DANIEL MOOKHEY:** When you are appointed to the role in November, you essentially assume the same duties you had in October, albeit at this time on a permanent basis, to the best of your knowledge.

**KYLIE BELL:** You might just have to explain that to me—I'm a bit foggy. But, essentially, I was acting as a band 3 for a few months and then I went back to a band 2 and continued to do the role from that period onward as a band 2.

**The Hon. DANIEL MOOKHEY:** Okay, so the responsibilities were transferred from a band 3 to band 2, but you still effectively had the same responsibilities.

**KYLIE BELL:** That's correct. Even, I guess, after I stopped acting in the band 3 role, the position—a decision was made that the STICs would continue to report to me, which was why, at that point in time, I continued to take over recruitment and negotiations with the candidates in December.

**The Hon. DANIEL MOOKHEY:** I want to separate out the candidates with whom you were recruiting and negotiating, and instead concentrate on the two positions that you were supervising—and one in particular, which is the UK agent general. Can I just establish that you were responsible for developing their work plan and day-to-day management, so to speak?

KYLIE BELL: That's correct.

The Hon. DANIEL MOOKHEY: And then, equally, for handling any issues to do with their onboarding, correct?

KYLIE BELL: That's correct.

The Hon. DANIEL MOOKHEY: And, equally, any issues that they may or may not have had with their contract at the time, correct?

**KYLIE BELL:** Actually, in the case of Stephen, he'd been on—sorry. The two senior trade commissioners that we had at the time commenced in July, so I think, in fairness, a lot of their onboarding would have been done July-August. It doesn't take six months to be onboarded.

The Hon. DANIEL MOOKHEY: But there comes a point in law, under his contract, in which the onboarding ceases and, therefore, certain allowances—

KYLIE BELL: I think it's a three-month probation period. So, technically, the probation period-

**The Hon. DANIEL MOOKHEY:** Just to be very specific here, Ms Bell, I think that the evidence we've heard is that the ability for Mr Cartwright to access his cost of living allowances turned on when, technically, his onboarding period ended. Investment NSW maintained, at the time, that that was when he was in London, and he had a view that, no, it was payable at the point where his onboarding had effectively ceased. Not much turns on it, to be frank, in terms of where I'm heading, Ms Bell, but I take your point, as well, that you at least accept that you were responsible for dealing with Mr Cartwright, at first instance, should he have any issues or concerns with the application of his contract?

The Hon. WES FANG: Nothing turns on it, but let's talk all about it.

The Hon. DANIEL MOOKHEY: Sorry, does the Deputy President wish to say anything?

The Hon. WES FANG: No, it's fascinating.

The Hon. DANIEL MOOKHEY: Sorry, because we're doing this online, I just don't want to be rude to the Deputy President.

**The CHAIR:** Order! Can we just continue with questions and not address each other over the table. Mr Fang, if you have any interjections or anything to say, please do it through the Chair via a point of order.

The Hon. DANIEL MOOKHEY: You were responsible for handling any issues that may arise from the application of his contract in that period of time, correct?

**KYLIE BELL:** Well, I was his line manager. Whether my line manager is responsible for my contract or that's a matter for People and Culture and some of the other departments—certainly, I was his line manager and was responsible for his performance and his day-to-day work. If I had an issue with my leave or my pay, I probably would not take it up with my manager. I would probably be consulting, I guess, with our operations group on some of those matters, to be honest, as a public servant.

**The Hon. DANIEL MOOKHEY:** Just to be clear, Ms Bell, did you have the authority, at that point, to agree to variations to Mr Cartwright's contract?

KYLIE BELL: No.

**The Hon. DANIEL MOOKHEY:** In respect to the arrangements that applied in February, did you have the authority, at that point, to agree to variations in his contract?

#### KYLIE BELL: No.

The Hon. DANIEL MOOKHEY: Who did?

**KYLIE BELL:** Because they are senior public servant appointments—they are a director or above or equivalent—the relevant authority or delegate at that point in time was the CEO of Investment NSW, and that delegation later passed to the Secretary of the Department of Enterprise, Investment and Trade.

The Hon. DANIEL MOOKHEY: Do you agree that you effectively played some role in February?

KYLIE BELL: Yes, absolutely. Well, not in February; I feel like that might be way too soon.

**The Hon. DANIEL MOOKHEY:** Do you want to describe what role you played in the issues that arose in October, and what role you played in the issues that arose in February?

**KYLIE BELL:** In October, I played no role. I don't know that I was even privy to any conversations. Certainly, Mr Cartwright had not raised with me any concerns that he had, and he did not flag them with me. I believe that any concerns he had around his contract he took back to the people he negotiated his contract with. In February and March this year, Mr Cartwright had requested—my understanding is he reached out to the Minister in February or March requesting—us to relook at the structuring of his agreement.

**The Hon. DANIEL MOOKHEY:** Do you recall whether he did it in February, or do you recall whether he did that in March?

**KYLIE BELL:** I don't know because I don't think it was in an email. I believe it was in a text message that he reached out to the Minister, so I'm not clear on the dates for that. Mr Cartwright had raised with me, probably before he raised with the Minister, his interest in having his package relooked at in line with the packages offered by the Commonwealth and other State governments, and I am certainly aware that I had discussed this with the CEO, as the appropriate delegate. But I can't be sure, to be honest, if it was February or March. Mr Cartwright only arrived in London, I think, on 31 January, so I would imagine it was in his first couple of months that the conversation started to be held once he became aware of how others within Australia House—how their packages were developed.

**The Hon. DANIEL MOOKHEY:** Ms Bell, I will have to (a) step that out a bit and (b) press you for some better recollection if possible. You said that he raised it with you.

#### KYLIE BELL: [Disorder].

The Hon. DANIEL MOOKHEY: Is it your recollection that he raised it with you soon after or at the point that he arrived in London?

**KYLIE BELL:** In my recollection, it certainly wouldn't have been in the first two weeks, no. I guess just because of the time line of his arrival, my feeling would be—I don't have access to emails or documents, but my sense is that it would have been in late February/March.

The Hon. DANIEL MOOKHEY: You don't recollect him raising it with you—

**KYLIE BELL:** Just because of the time line. He would've only landed, and literally his first week in the office would have been the first week of February.

**The Hon. DANIEL MOOKHEY:** Your recollection is that he was there for a month, not before. You say that you then raised it with the CEO. Do you recall when you did that and how you did that?

**KYLIE BELL:** It probably would've just been a phone conversation. I don't recall that I sent any formal emails. I think at that point in time we were back in the office and so we were meeting face to face and having more regular interaction than we'd sort of had over the year before when everything was done over email during COVID. My gut feel is, again, it was sort of—my gut feel it was about March.

**The Hon. DANIEL MOOKHEY:** Do you recollect what the CEO told you to do when you raised Mr Cartwright's desire to modify his package?

**KYLIE BELL:** I think what we wanted to do was develop it on a fact base. So the CEO had asked me to do some benchmarking clearly around what other State governments and what the Commonwealth do in terms of how they package their overseas remuneration either for their senior trade commissioners for Austrade or for the other State governments. At that point I recall that my first point was to start looking at annual reports because both Austrade and DFAT publish how they package their senior executive staff compensation, and I started to do that. But I feel like it was in March.

Based on the findings of that benchmarking work, certainly—I've got copies of Austrade's and DFAT's annual reports. The way Austrade and DFAT and actually other State governments package their—I can't say the word "remuneration", but the way they package is they include a base salary, a cost-of-living allowance, and they're very clear that they do provide other benefits, including—I've got a copy of the annual report here. Basically:

Austrade has ... Public Service employees working in overseas locations who are paid allowances and benefits related to overseas postings. Allowances and benefits include residential rent for overseas accommodation, cost of living allowances, allowances and education expenses for children living abroad, car parking, motor vehicle, car hire, leave fares, medical costs and insurance, studies assistance and home assistance.

Through the work that I did looking at pretty publicly available information, particularly around how the Commonwealth and other governments do this, it became apparent that providing just a lump sum payment probably was not the way others did it and it may not be best practice.

**The Hon. DANIEL MOOKHEY:** Just to be fair, Ms Bell—I'm not going to go too much down the pay—it is the case, is it not, that the Austrade STIC positions that are paid there have a base salary which is substantially lower, though, than the one we were paying the Agent-General? Correct?

**KYLIE BELL:** Yes, that's correct, but it also shows—

The Hon. DANIEL MOOKHEY: So it's the case that the—

The Hon. WES FANG: Point of order: Ms Bell was trying-

The CHAIR: I don't think she's hearing your points of order.

**KYLIE BELL:** It shows on page 135 of their annual report that six of their staff have earnt packages in total value of more than \$600,000—

### The Hon. DANIEL MOOKHEY: True, but-

**KYLIE BELL:** —and that most of them—four of them—have benefits and allowances of over \$500,000 in value, which, as I understand it, are not taxed.

The Hon. DANIEL MOOKHEY: True, and I don't dispute that, Ms Bell.

The Hon. WES FANG: Chair, can I just take a point of order at this point?

KYLIE BELL: As I understand it, the Government pays-

The CHAIR: Sorry, Ms Bell, but Mr Fang has taken a point of order. I am not sure you can hear him very well.

**KYLIE BELL:** Sorry.

**The Hon. WES FANG:** Every time you seek to provide a detailed response, as opposed to a cursory response, it seems to be, Chair, that a detailed response is not to the liking of members opposite. They seek to cut Ms Bell off or ask her a subsequent question. Given the Webex and issues with communication, she needs to be provided with the ability to provide a complete answer, as she just did, which contradicted the position that

Mr Mookhey had put to her. So I suspect he knew that was coming. I suspect that is why he sought to cut her off. She needs to be provided with the opportunity to complete her response before the next question is put to her.

**The CHAIR:** There is no point of order. I think everybody was coping fine. But I will remind Mr Mookhey, particularly for Hansard's purposes, let's try not to talk over the witness and allow the witness to complete her answer.

**The Hon. DANIEL MOOKHEY:** I actually think the question I was asking the witness was more whether or not at that point she was—what instructions she was given by Ms Brown before Ms Bell was then describing the benchmarking exercise in some detail. I might ask Ms Bell to return to the first question that was asked, which was—

KYLIE BELL: Sorry, I got off track.

The Hon. WES FANG: That actually wasn't the question.

The CHAIR: Mr Fang, that is not helpful.

**The Hon. DANIEL MOOKHEY:** The question that I was asking, as we were working through the chain of events that Ms Bell was describing, was that she was in conversation with the CEO and I think she said that, to her best recollection, that was taking place in March—about what instructions the CEO gave. I appreciate Ms Bell then describing how she acted on the instructions of the CEO in quite some detail, but the actual question was: Ms Bell, do you recall when precisely the CEO was giving you instructions?

The Hon. WES FANG: Point of order—

The Hon. PENNY SHARPE: No, Mr Fang.

The Hon. WES FANG: I can take a point of order.

The Hon. PENNY SHARPE: I just know it is not going to be a point of order.

The Hon. WES FANG: It is a point of order. That is not the question that I was taking the point of order

on.

The CHAIR: What is your point of order, Mr Fang?

The Hon. WES FANG: The point of order was that the question that was put to Ms Bell by Mr Mookhey was—

**The CHAIR:** No, that is not a point of order. You can't take a point of order in terms of what a member asks a question about. They are entitled to ask questions. Mr Mookhey is going back to Ms Bell clarifying the question he is asking her.

**The Hon. WES FANG:** No, that was not the question that I took the point of order on. The point of order that I took was around the Austrade positions having a lower pay base and then Ms Bell was actually correcting that—

The CHAIR: Mr Fang, it is not up to you to work out what—

The CHAIR: Mr Fang, it is not a point of order.

The Hon. WES FANG: Anything that criticises this inquiry-

The CHAIR: Order!

The Hon. PENNY SHARPE: No, that is not what this is.

The CHAIR: No, I allow points of order if they are valid and I have done so in the past.

The Hon. WES FANG: It is a valid point of order.

The CHAIR: You are running interference.

The Hon. PENNY SHARPE: Where is the standing order that says that is a point of order?

**The CHAIR:** We will go back to Mr Mookhey. This also isn't helpful for Ms Bell, who is trying to concentrate on what the question asked is. Mr Mookhey, we will go back. Hopefully we can get back to Ms Bell and Mr Mookhey.

**The Hon. DANIEL MOOKHEY:** Ms Bell, I think I was asking you when you recollect Ms Brown giving you the instructions and I think you had established that it was in March and April or around that time. Did I hear you correctly in that respect?

KYLIE BELL: That's correct. I feel like March-April.

**The Hon. DANIEL MOOKHEY:** Ms Bell, after undertaking the benchmarking exercise that you just described, you did provide a formal brief to the CEO for investment around the contract variation, did you not?

**KYLIE BELL:** That is correct. I think that occurred around early June.

The Hon. DANIEL MOOKHEY: And then that variation was executed in June or-

**KYLIE BELL:** Late June.

The Hon. DANIEL MOOKHEY: To the best of your recollection?

**KYLIE BELL:** To the best of my recollection, yes. I am certain it was executed in June because we wanted the new arrangements to commence in July for the new financial year.

**The Hon. DANIEL MOOKHEY:** Ms Bell, I'm going to ask you to really test your memory around the events of February especially here. Do you recall, immediately upon Mr Cartwright coming to London, him raising with you concerns to do with the application of his package?

**KYLIE BELL:** To be honest, no. I remember him being excited to be in London finally, but that's not to say that it didn't occur, no. My recollection is it probably took a few weeks, or at least a month.

The Hon. DANIEL MOOKHEY: That's absolutely your recollection?

KYLIE BELL: Yes.

**The Hon. DANIEL MOOKHEY:** At the time in February, your recollection—which accords with the time line that we have—is that Mr Cartwright became in country around 31 January. Correct?

**KYLIE BELL:** That's correct.

**The Hon. DANIEL MOOKHEY:** And it's your recollection, is it not, that Ms Brown and Minister Ayres were heading to the UK for a trip around 7 February? Is that correct?

**KYLIE BELL:** Yes, I believe they travelled actually for a Cabinet-in-confidence project. Yes, that's correct.

**The Hon. DANIEL MOOKHEY:** Do you recall Mr Cartwright complaining to you that Destination NSW was dominating that trip in terms of its organisation and that Minister Ayres wasn't finding the time to see him or to participate in launching the office? Do you recall him raising that?

**KYLIE BELL:** Yes, I do recall that.

The Hon. DANIEL MOOKHEY: Do you recall also having conversations with Ms Brown, by any chance, while she was in London or thereafter in which she raised with you concerns to do with the accommodation package and the rent position of Mr Cartwright?

**KYLIE BELL:** The visit of Ms Brown and the Minister to London was actually for tourism purposes and was related to a commercial project that they were working on, which is why Stephen's involvement in the program was limited. Destination NSW also have an office in London and I believe their team was responsible for developing out that program. That's all I'll say on that matter. I don't know whether Minister Ayres met with Stephen or—

The Hon. DANIEL MOOKHEY: Well, Mr Cartwright's evidence is that he did not, and Minister Ayres' trip report—sorry, Ms Bell?

**KYLIE BELL:** Sorry. I understood that certainly Mr Cartwright picked them up from the airport and was able to meet with them on the first day, but I believe the reason for their visit was a matter unrelated to Trade and Investment, which was why they may not have met with Mr Cartwright, because the Minister's portfolio goes beyond Trade and Investment. Secondly, following that visit I don't recall Ms Brown discussing with me his package, but she may have—if it was discussed, it was I guess not top of my mind at that point.

**The Hon. DANIEL MOOKHEY:** Can I just put to you very clearly: Do you recall sending an email to Mr Cartwright in which you state:

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—

on or about the middle of February this year?

**KYLIE BELL:** I don't remember doing it, but if that's what the date is then obviously I did do it. [Disorder]

**The Hon. DANIEL MOOKHEY:** But I'm saying do you recall an email in February in which you state, "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"?

KYLIE BELL: Then we must have been having a conversation in February, yes.

**The Hon. DANIEL MOOKHEY:** No, Ms Bell, I'm not asking you to comment on whether or not—I am asking do you recall? Do you have a recollection of sending such an email and having such a conversation?

**KYLIE BELL:** I do recall having conversations and sending an email, but whether I recall whether it was in February or March, I'm unclear.

**The Hon. DANIEL MOOKHEY:** I'm going to take you to page 5 of the transcript of Mr Cartwright's evidence, if you don't mind, that was given to us on 22 November 2022.

KYLIE BELL: Alright. Can you help just direct me to-

The Hon. DANIEL MOOKHEY: Page 5.

KYLIE BELL: Of Mr Cartwright's bundle 001?

The Hon. DANIEL MOOKHEY: No, it's the Hansard transcript.

**KYLIE BELL:** Okay, I've got that. I'll be just one second. Perhaps you can just start reading me through what you're going to say while I find it?

The Hon. DANIEL MOOKHEY: I think I perhaps have to wait for you to find it and take you to page 5.

KYLIE BELL: Yes, that's fine. That's correct. I have it.

The Hon. DANIEL MOOKHEY: Great. Do you mind turning to page 5?

KYLIE BELL: I have, yes.

The Hon. DANIEL MOOKHEY: Great. If you can go down, you can see that I asked a question:

You agree that, within two weeks, you were pretty determined to raise it with Ms Brown upon her visit to London? Two weeks, that is, of your arrival.

Do you see where I ask that question, which is about the third paragraph down?

KYLIE BELL: Yes, I can see.

The Hon. DANIEL MOOKHEY: Mr Cartwright replied:

**STEPHEN CARTWRIGHT:** Two weeks after my arrival, yes. I wanted to have a preliminary conversation with her so that, by the time the temporary accommodation expired, I was in a position to know what I was doing.

I then go on to read from Mr Cartwright's opening statement, in which he says that he received an email from you in which you said:

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.

Do you see that?

## KYLIE BELL: Yes, I do.

**The Hon. DANIEL MOOKHEY:** Just to be clear, and to be fair to Mr Cartwright, he says he received this email from you on 14 February 2022, which is much earlier than your recollection of only commencing this process in March.

KYLIE BELL: Yes.

The Hon. DANIEL MOOKHEY: Do you recall—

**KYLIE BELL:** That would've been—if I'm correct in the time line, this would be directly when Ms Brown returned from the UK.

**The Hon. DANIEL MOOKHEY:** It seems that way. Or, actually, to be frank, it could also have been a conversation you may have had with Ms Brown while she was in the UK.

KYLIE BELL: I don't recall. I never wrote to Ms Brown while she was in the UK.

**The Hon. DANIEL MOOKHEY:** Nevertheless, on 14 February—to be frank, checking the trip details, and I'm sure someone will check the trip report—I'm not confident that Ms Brown is back in Australia on 14 February, but Mr Cartwright is adamant that, apparently, Ms Brown and/or you agreed to amend the package well before you undertook the benchmarking exercise that you just described. It seems, therefore, Ms Bell, that on the basis of what you told us this morning, that benchmarking exercise which took place in March and/or April took place to retrospectively justify a decision to amend Mr Cartwright's package.

So, on the basis of the time line that's been presented to us, it looks as though within two weeks of Mr Cartwright arriving, through some alchemy, Ms Brown comes to agree to amend the package, which may or may not have involved discussions with you, and then you embark upon a benchmarking exercise to justify the decision. I'm going to ask you again to give us your best recollection of the events of February that led to the decision to adjust Mr Cartwright's rent package and incur a greater expense for taxpayers and deliver him a tax saving.

**KYLIE BELL:** I might just go back. First up, technically the cost to the taxpayer is quite similar. My honest recollection—and I'm looking at my notes from that period—is that we started to do the benchmarking exercise in March. I really can't speak to whether we had conversations. Part of the benchmarking exercise—it's no secret that I used to work for Austrade and was a commissioner so, therefore, am very aware of how the packages are built for an expatriate or for someone on a posting. Certainly the CEO and I may have had conversations earlier than March around how my package when I worked for Austrade was structured, whether that is the right way to go and whether that delivers better value for both the person in the role—honestly, it is hard to recall now because a lot of these were phone conversations and personal conversations, but I do believe it was certainly late February/March.

**The Hon. DANIEL MOOKHEY:** Ms Bell, I don't doubt, nor do I dispute, the professionalism with which you undertook the technical benchmark exercise in March or April. The point that I'm putting to you is that you did that after the decision was already made, and it was done retrospectively to justify that decision as well. Do you wish to reply to that?

KYLIE BELL: Simply, then, that in my view that's not true, no.

**The Hon. DANIEL MOOKHEY:** If you go back to page 5 of the transcript, you can see that I just read to the interchange I had with Mr Cartwright. You can see down the page he says:

Yes. Well, Ms Brown had only just got back from her trip to London so, given that I hadn't had the opportunity to raise it with her, I was very grateful that Ms Bell had raised it with her. When I got that advice—you can see that Ms Bell went on to say, "If you wanted to go after that apartment today, then go for it." So, to me, what I had there was an approval to proceed on the basis that the Government would pay the rent, so I was very pleased about it.

Again, I'm going to ask you, Ms Bell, to test your recollection and see whether or not you do recall-

KYLIE BELL: I don't recall that Stephen entered into an agreement on the apartment until-

**The Hon. DANIEL MOOKHEY:** Sorry, Ms Bell, if you don't mind me finishing the question. Do you recall raising with Ms Brown concerns to do with Mr Cartwright's rent and accommodation prior to her departure to London or during her trip to London?

**KYLIE BELL:** The simple answer is no, I don't recall.

The Hon. DANIEL MOOKHEY: Is it possible that you did—

**KYLIE BELL:** I don't recall that the focus of her visit or my discussions with her prior to the visit were around Mr Cartwright's accommodation.

The Hon. DANIEL MOOKHEY: Is it possible that you did raise it with her and you just don't recall

it?

**KYLIE BELL:** Prior to her travel?

The Hon. DANIEL MOOKHEY: Or during her travel.

**KYLIE BELL:** I don't think so, no. I'm quite certain that we didn't speak while she was away. So it would have only been upon her return. And in terms of the priorities that we had at the time, I don't recall raising it with her before she departed. Her visit to the UK was quite rushed and she only had a few days' notice, and absolutely the focus of the visit was just trying to get into the country when borders had just opened up.

**The Hon. DANIEL MOOKHEY:** Do you recall at the time Mr Cartwright raising with you the concern that he had discovered upon his arrival in London to do with the rent and accommodation?

**KYLIE BELL:** Yes, I certainly do, but I felt like it had taken longer upon his arrival for him to raise the concern. I don't recall he raised it within his first week or two. He may have, in retrospect, but at the time I felt like we had at least a month—maybe we didn't—of him being in the country before it was raised. Again, that's just my recollection of dates and how things went at that time of the year.

**The Hon. DANIEL MOOKHEY:** I appreciate that, Ms Bell. But you can go down and you can see here, we're now towards the bottom of the page, I asked Mr Cartwright, "Were you having dialogue with Ms Bell whilst Ms Brown and Minister Ayres were in London about this?" To which Mr Cartwright said:

I had raised it with Ms Bell around about the same time. I don't know whether during that six-day period I had any conversation with Ms Bell—I may or may not have—but I was certainly having some conversations with Ms Bell during that period about this issue.

Does that prompt any better recollection?

**KYLIE BELL:** Like I said, it's two weeks here or there. Stephen certainly did raise with me at some point his accommodation and the prospect of repackaging his agreement. Whether it was in early February or March, I'm really not clear. But certainly he did raise it—absolutely—which was why adjustments were made.

**The Hon. DANIEL MOOKHEY:** Yes. No doubt he raised it, but just to be very clear here, I'm asking you specifically about whether or not you have recall of having these conversations in the first two weeks of February.

KYLIE BELL: I honestly don't have recall but that doesn't mean it didn't happen.

The Hon. DANIEL MOOKHEY: Thank you, Mrs Bell.

**KYLIE BELL:** It is actually just a general I don't recall.

**The Hon. DANIEL MOOKHEY:** Fair enough. It becomes relevant because, when I start to explore why therefore Mr Cartwright was needing to contact Minister Ayres in March, if the issue was in fact resolved on 14 February to his satisfaction, why did he then seek the intervention of the Minister? He says that he said to you—I'm quoting now from the final paragraph on page 5:

I said to Ms Bell—I think we had a phone call—that if I am going to make a commitment to a long-term lease, then I would really be grateful if I got something in writing, some sort of confirmation that—I mean, I got this brief email saying that this was what Amy said, but I would prefer to have something a bit more tangible from head office that says, "Yes, we are definitely going to do that." There was then a series of meetings, as I understand it, between Ms Bell, I think maybe Mr Carr, maybe somebody from HR and I think possibly even KPMG where there was advice being considered and discussed and then I was told, despite what had been said to me on 14 February, maybe it wasn't going to go ahead that way, or, if it did go ahead that way, that it might be done a different way which wasn't going to provide any change in the tax arrangements. It all got very confusing and very difficult.

Apparently all that took place in the period of time between Mr Cartwright getting the email on 14 February and then him seeking the direct intervention of Minister Ayres in March. So I'm going to ask you, do you recall having those meetings between yourself, Mr Carr, somebody from HR and someone from KPMG where you may have reversed your position that you indicated on 14 February?

**KYLIE BELL:** No. My understanding and my recollection was that I'd certainly told Stephen at some point that the CEO, based on analysis of what had been done elsewhere, was supportive of paying rent. But let me be clear: We pay rent but we reduce salary in that same amount, so it's not necessarily in addition. I don't know that Stephen had found an apartment at that point, for it to be relevant. I feel like at that point in time he'd only just arrived and was in temporary accommodation. But look, if that's Stephen's recollection, I mean obviously this is more important to Stephen because it's his personal circumstances. If that's his recollection of the dates, certainly the formal documentation and KPMG advice we did not get until, as you say, March/April.

**The Hon. DANIEL MOOKHEY:** Okay. Before we go to the next matter, I will ask whether my colleagues have anything further on that?

#### The Hon. JOHN GRAHAM: No.

**The Hon. DANIEL MOOKHEY:** Let's move forward in time. We've explored both here and in estimates the sort of circumstances as that relates to rent, but I want to get back through the approval chain on this. This was taken to Ms Brown, who gave formal approval. Correct?

**KYLIE BELL:** That's correct.

**The Hon. DANIEL MOOKHEY:** Was Minister Ayres ever briefed on these arrangements to do with the rent and the school fees issues, to the best of your recollection?

KYLIE BELL: Yes, I believe he was largely because of-

The Hon. DANIEL MOOKHEY: Can you take—sorry, Ms Bell.

**KYLIE BELL:** Yes, sorry—it's because of the time lag. Look, yes, I believe he was and I think the main reason he was briefed was because, obviously, Mr Cartwright had contacted him about the issue and I believe, therefore, Minister Ayres had forwarded either his message to the CEO. So at that point certainly the CEO and I, we got external advice. We made contact with other State governments to identify how formally—I mean, we'd made informal investigations before this point and put together a sort of a document on our proposed way forward, which is the brief that I think you've got evidence of and you've got copies of. But I believe Minister Ayres was briefed informally—not to seek permission. As the brief shows, clearly the person that approved the change in contract was the CEO. But I believe that as the Minister by that point had been involved through Mr Cartwright—

The Hon. DANIEL MOOKHEY: What briefings were given to the Minister around June this year?

**KYLIE BELL:** I was not present in a briefing with the CEO's briefing to the Minister, so I can't speak to that other than confirmation from the CEO that the Minister had been briefed informally. It was in no way a deciding authority or delegate on any decision that the CEO would make but he had been—she had let Minister Ayres know of the outcomes of our research and that he, I understood, was comfortable. But it was Amy's and the CEO's decision to make.

The Hon. DANIEL MOOKHEY: Sure, but Ms Brown told you that?

**KYLIE BELL:** I believe—my recollection is, yes, she did and I believe the reason why Minister Ayres had been involved now purely was because Mr Cartwright had messaged him. I guess the message had gone to the Minister and so I believe she just let the Minister know what had happened so that that issue had been closed off.

The Hon. DANIEL MOOKHEY: Do you recall informing Mr Cartwright that Minister Ayres had agreed to this?

**KYLIE BELL:** Yes. I've seen that email. That's a really unfortunate use of words on my behalf— probably sent very late at night. I guess at that point I was concerned that Mr Cartwright might continue to—

The Hon. DANIEL MOOKHEY: What email are you referring to, Ms Bell?

**KYLIE BELL:** Sorry? I think—I feel like I sent an email to Stephen after the agreement was—what's the right word?—after the agreement from the CEO we had—

The Hon. DANIEL MOOKHEY: The contract?

**KYLIE BELL:** What's the word—the new contract?

The Hon. DANIEL MOOKHEY: The contract variation was executed.

**KYLIE BELL:** Yes. Sorry, I'm a bit foggy. The contract variation had been signed off or been sent to Stephen. I believe he wrote back and inquired at that point about education and school fees. I recall writing to Stephen because this was not captured in the contract variation because at that point that his children did not require school fees and I believe I wrote back. I think my intent was to just—

The Hon. DANIEL MOOKHEY: Well, did you write back—let's just work through this. Ms Brown informs you that she had briefed the Minister and the Minister had in effect agreed, albeit he wasn't the actual decision-maker.

**KYLIE BELL:** I feel like that's too strong a word—"agreed"—because it implies that he is the decision-maker. I believe that the CEO simply briefed—

The Hon. DANIEL MOOKHEY: What did the CEO tell you?

**KYLIE BELL:** The CEO told me that she had let the Minister know the outcome of our conversations with Mr Cartwright.

**The Hon. DANIEL MOOKHEY:** Then did you tell Mr Cartwright this verbally? Because he recollects various ways in which you communicated this to him.

**KYLIE BELL:** I believe I communicated it to him verbally but probably also in an email.

The Hon. DANIEL MOOKHEY: Do you recall when—verbally?

**KYLIE BELL:** I'd say the end of June.

The Hon. DANIEL MOOKHEY: Ms Bell, it couldn't have been the end of June because you executed this inside of June.

**KYLIE BELL:** Yes, I believe that, when I told him in writing, it was after the agreement had been executed—that the Minister had been supportive.

**The Hon. JOHN GRAHAM:** Ms Bell, do you recall what the CEO told you about the Minister's view about this? Did the Minister approve or disapprove of these arrangements?

**KYLIE BELL:** I feel like the Minister probably didn't care too much for knowing about these arrangements. I think he's a Minister and probably had more important things to do than Stephen's accommodation.

The Hon. PENNY SHARPE: That's not what Mr Cartwright thought.

The Hon. WES FANG: I think your focus is more on this than perhaps-

The Hon. DANIEL MOOKHEY: That's not what we asked.

The CHAIR: Order!

**KYLIE BELL:** Look, honestly, like I said, I don't think this was, in either the CEO or the Minister's view—the CEO didn't think it was that important, is my recollection. Of course, very important to Stephen, but in the scheme of things not a huge issue that we were dealing with. I think it was simply a matter of the CEO had briefed the Minister because he had received correspondence from Stephen. She wanted to close the loop to let the Minister know where we had landed. It was as simple as that. I don't think it was—

**The Hon. JOHN GRAHAM:** You've provided useful context. I'm just going to return to that question about what was conveyed to you about the Minister's view by the CEO. You're saying what was conveyed to you was this wasn't regarded as a big deal by the Minister.

**KYLIE BELL:** Again, not wanting to put words in my mouth—but I feel like it had not been the subject of a formal meeting. It was something that the CEO had discussed with the Minister in passing. She had probably advised the Minister that we had done a benchmarking exercise and, based on what we found, it was quite common for other State governments and the Commonwealth to make a contribution towards rent or school fees. I assume that he was comfortable with that.

The Hon. DANIEL MOOKHEY: He was comfortable with that? That was what the CEO told you?

**KYLIE BELL:** No. Again, I don't recall directly the exact conversation. I simply recall that we agreed that, based on our findings of the work and reducing Stephen's salary in return, paying rent and accommodation was not unusual for an expat package and that the Minister had been briefed and didn't seem to have any objections. Look, I feel like what I'm trying to say is please don't overestimate the involvement of the Minister in this—

**The Hon. JOHN GRAHAM:** Well, we're just simply asking you: What do you recall about what you were told of the Minister's view? You've said that the Minister didn't have directions but was comfortable with that. Is that your best recollection of what you were told about the Minister's view?

KYLIE BELL: That's correct.

The Hon. DANIEL MOOKHEY: And then you conveyed that to Mr Cartwright both verbally and in writing?

#### KYLIE BELL: I believe so, yes.

The Hon. DANIEL MOOKHEY: And you recollect that you may have done that at the end of June, not the start of June?

**KYLIE BELL:** Yes, look, because Stephen received in June a contract variation, I believe the reason why I communicated it to Stephen in June was because we had already landed here and he knew that that was the arrangement that we were working towards. I believe he'd had a briefing with KPMG, who we were getting advice from as well. The reason why I feel like I wrote in June was because after the contract—

The Hon. DANIEL MOOKHEY: We know you did write in June, Ms Bell. We are asking you when did you verbally say it?

**KYLIE BELL:** Again, this was a conversation we were having every week. Verbally, it was probably every weekly meeting that Stephen and I had over that period. This was a standing agenda item for him. It is hard to pinpoint an exact date.

**The Hon. DANIEL MOOKHEY:** But do you recall doing it soon thereafter, after Ms Brown told you about the Minister's view?

KYLIE BELL: I feel like the Minister's view is very secondary to all of this.

The Hon. DANIEL MOOKHEY: Ms Bell, that's not my question.

**KYLIE BELL:** I can't pinpoint when the time was because this was a conversation that I obviously had on a regular basis with Stephen over a three-month period, and so there would have been ongoing conversations about it. I feel like the Minister was raised not because necessarily we cared—this was not the Minister's decision to make. I feel like the Minister's involvement and my reference to the Minister came after we had provided Stephen with a contract variation. He then asked about education and said that education—

The Hon. DANIEL MOOKHEY: Ms Bell, respectfully, that doesn't align with—

The Hon. WES FANG: Point of order: Please let her finish.

**The Hon. DANIEL MOOKHEY:** Ms Bell, that doesn't align at all with the evidence that Mr Cartwright has given, or with the documents. Let me take you through them.

KYLIE BELL: Sure.

**The Hon. DANIEL MOOKHEY:** Do you mind turning to the Stephen Cartwright tender bundle that is dated 2 November 2022, specifically page 87?

**KYLIE BELL:** Mine has only got page 50, so I don't know if I have the right one.

**The Hon. DANIEL MOOKHEY:** It's the other one. There are two tender bundles for Mr Cartwright. I hope you have been provided with both, which I think you have.

KYLIE BELL: Yes, sorry, I have. I thought that was my tender bundle.

The Hon. DANIEL MOOKHEY: If you don't mind turning to the Stephen Cartwright tender bundle on 2 November 2022, page 87.

**KYLIE BELL:** Guess what? Mine finishes at page 74. I feel like my team might not have finished printing.

The Hon. DANIEL MOOKHEY: That's okay. I understand.

**KYLIE BELL:** Talk me through it.

The Hon. DANIEL MOOKHEY: I can just read you the relevant sections.

**KYLIE BELL:** Is that okay? Thank you. I am very sorry.

**The Hon. DANIEL MOOKHEY:** That's okay, Ms Bell. It's not your fault. On 8 June 2022 at 1.29 p.m. you email Mr Cartwright and you cc legal counsel and HR personnel—whom I won't name—and you say:

Hi Stephen

Hope you have landed safely and most importantly the move into the new apartment has gone smoothly ...

Please see signed letter from the CEO to vary your employment agreement - with us now paying your rent and wearing the tax implications, with a subsequent reduction in your allowances to the same value of your rent.

You are going to have to take me at my word when I say that you sent this email.

KYLIE BELL: I know I did. That was in early June.

The Hon. DANIEL MOOKHEY: Yes, that is on 8 June.

KYLIE BELL: Yes, that's correct.

The Hon. DANIEL MOOKHEY: Then on 9 June at 8.28 p.m., which I believe is Sydney time—

**KYLIE BELL:** It would have been.

The Hon. DANIEL MOOKHEY: ---Mr Cartwright replies:

Hi Kylie

I look forward to hearing back from X on the operative date issue.

Also, you and I discussed the opportunity for 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. However, this draft specifically prohibits this in the future?

I pushed Mr Cartwright quite specifically on this matter multiple times. He has a direct recollection that you told him that the Minister had in fact agreed to the arrangements around school fees to take place should he decide to relocate his children to the UK, specifically about the Minister agreeing around the issues of school fees. Mr Cartwright has no dispute about his recollection. He has a recollection. To be fair to Mr Cartwright, his version of events aligned very closely to this time line. I am going to ask you, do you recall telling Mr Cartwright that the Minister had in fact agreed to this arrangement with respect to school fees?

**KYLIE BELL:** Yes, as I said, I certainly do recall. I thought it was in June. Sorry, as I mentioned, I certainly do recall telling Stephen that the Minister was comfortable with school fees. As I said, whether that was in June or May, Stephen and I were having regular conversations on this topic, in my mind, for probably three months. My understanding is that Minister Ayres was briefed on this as early as April. So absolutely that time line could and probably does hold true.

The Hon. DANIEL MOOKHEY: Thank you, Ms Bell. We see here-

**KYLIE BELL:** Sorry. I'm a little foggy, but I get what you're saying.

**The Hon. DANIEL MOOKHEY:** You do recall specifically informing Mr Cartwright that the Minister was comfortable with such an arrangement applying around school fees?

#### **KYLIE BELL:** That's correct.

**The Hon. DANIEL MOOKHEY:** Thank you. Bear in mind Mr Cartwright's evidence is that the reason why he had to prompt you about this was because the written contract variation explicitly made clear that the arrangement did not apply to school fees despite the private arrangement that he felt he had with you.

**KYLIE BELL:** First up, I don't think it's a private arrangement. The contract variation was very specific. We could only do a contract variation when we had actual costs. In Mr Cartwright's case, at that point in time his children weren't seeking the reimbursement of school fees or the payment of school fees. It's hypothetical. I can't reimburse something or change his contract for a dollar amount if we don't have said dollar amount or those arrangements are not in place. But we were able to do the contract variation because we had a very specific amount, which was the rent we were going to pay, and therefore the exact amount that we would be deducting from Stephen's salary.

I think the point I was trying to make to Stephen was we have agreed in principle that in the future we would cover these costs if required, but of course the contract variation could not have those figures purely because it's a hypothetical situation. The point I was trying to make to Stephen was that we have agreed, and even the Minister is comfortable with this. When the time comes, and if your children do require to be educated in the UK, we will do a future contract variation at that point in time.

**The Hon. DANIEL MOOKHEY:** Thank you, Ms Bell. That does sort of align with what the written record shows. I've only got two more questions before I pass to my colleague on this. On 12 June 2022, which is a Sunday, at 1.17 p.m. you sent an email to Mr Cartwright. To take you through the full chain, it's in response to Mr Cartwright's email from 9 June, in which he says:

Also, you and I discussed the opportunity for the school fees to be paid via the same salary sacrifice method ... I recall that the Minister agreed to this.

You formally reply to him, and go:

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 and a new letter will be issued confirming the specifics including the benefits tax we will make good on on your behalf.

To be frank, that's not technically—I wouldn't characterise that as hypothetical. I'd characterise that as conditional, as in conditional upon your children going, this arrangement will be entered into. To be fair to Mr Cartwright, he made very clear that the only reason that he executed that contract variation was because he had this private correspondence from you. I just want to be very clear to you. You were comfortable in communicating this to Mr Cartwright because you had the concurrence of the CEO as the decision-maker and you were told that the Minister had no issues with the arrangement—or was "comfortable with" the arrangement, in your direct words—just to be clear.

**KYLIE BELL:** To be clear, Stephen seemed to be very worried about what might happen in the future, and these were—the benchmarking that I had completed included both school fees and accommodation. I was, at that point, I think, trying to reassure—I think that's the right word to use. I was trying to reassure Stephen that, in the future, if those arrangements were to be made, that we would honour our commitment as per the CEO's agreement—that we would enter into those new arrangements.

The Hon. DANIEL MOOKHEY: To be fair to you, Ms Bell, you receive an email on 16 June from Mr Cartwright—it is directed at Ms Brown, for which you are copied in—in which, amongst other things, Mr Cartwright says:

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 ...

He goes on to thank you and the other person for "shepherding this through our internal processes", and he thanks Ms Brown for securing the Minister's approval. Just to be very clear here, you did provide the reassurance to Mr Cartwright that the Minister had, in fact, approved this arrangement, and another similar variation agreement to cover the fees would be entered into should this become necessary.

**KYLIE BELL:** I don't know if we responded to Mr Cartwright's email. Obviously, he felt that the Minister was the delegate to approve this.

**The Hon. DANIEL MOOKHEY:** No, to be clear, he says he was reassured by you. He didn't assume he was a delegate. He was reassured by you—

**KYLIE BELL:** This is a matter for Stephen's interpretation of the conversations. I mean, the decision was the CEO's, hence, the contract variation and the brief was the CEO's. I feel like, and Stephen has mentioned this in his—he's reasonably new to government. In our heads, the decision-maker in this was Ms Brown, and in our minds and in the work that we did internally. I simply kept trying to assure Stephen that there was no need for him to continue to try and make contact with the Minister around his package and that the Minister was comfortable with what we had agreed.

The Hon. DANIEL MOOKHEY: But you did assure him that the Minister had agreed to this.

**KYLIE BELL:** Without causing any disrespect to anyone, predominantly so he didn't feel he needed to go back to a Minister to get clarification on this.

**The Hon. JOHN GRAHAM:** Can I just get you to turn to page 5 of that tender bundle that relates to you. This is the email from Mr Cartwright to you referring to some of those comparable positions.

KYLIE BELL: Would you like me to comment on it?

**The Hon. JOHN GRAHAM:** Miss Bell, the answer to that question is no. I was going to ask you some specific questions about it. When did Mr Cartwright actually move from temporary accommodation and find an apartment? It's around this time, is it—23 March?

**KYLIE BELL:** No. The relocation package that each of our STICs gets allows for three months' temporary accommodation—so February, March, April. I believe he then did a trip to Australia and, I believe, moved into the apartment in June.

**The Hon. JOHN GRAHAM:** This email chain refers to a specific apartment. Is that the apartment that he ended up settling in when he moved from temporary accommodation?

**KYLIE BELL:** Can you just give me a few minutes to just read through the note? I honestly don't know if apartments that he was looking at in March were the ones where he finally ended up.

**The Hon. JOHN GRAHAM:** If you turn to page 9, that might be helpful. You can see here that what's triggered this exchange of emails is the fact that he has accepted an offer. He is made an offer overnight and it has been accepted, on this apartment.

**KYLIE BELL:** Yes, sorry, that's correct. The apartment referred to in this email chain is the apartment he ended up moving into, yes, or within that complex. Whether it's the exact apartment, I'm not clear.

**The Hon. JOHN GRAHAM:** Turning back to page 5, you can see that in his correspondence with you he refers to a small two-bedroom apartment—that's in the table there—and then to the modest rent that he is paying. Do you agree they're the two references there in this email?

KYLIE BELL: Yes, I understand the apartment is two-bedroom, and he probably does make reference-

The Hon. WES FANG: Well, the hits just keep on coming.

The Hon. JOHN GRAHAM: Yes. In that second-last paragraph he makes reference to the modest rent.

**KYLIE BELL:** Yes.

The Hon. JOHN GRAHAM: And we know from his evidence and from his emails that there was an agreement, he believed, between Minister Barilaro and Minister Perrottet about the accommodation being in an

inner suburb of London that might be taken care of by the New South Wales Government. What is the suburb in which this apartment is located in London?

KYLIE BELL: Are you asking me? I don't know London.

**The Hon. JOHN GRAHAM:** I'm asking do you know the suburb. The agreement between Treasurer Perrottet and Deputy Premier Barilaro was that Mr Cartwright would be located in an inner suburb of London. What is the suburb that Mr Cartwright has been located in? Are you aware?

**KYLIE BELL:** I'm sorry, I'm not aware.

The Hon. WES FANG: What's the street name?

**KYLIE BELL:** It may be included here. But even if I was aware, I wouldn't necessarily know where that's located in London.

**The Hon. PENNY SHARPE:** I've got two quick questions. There was a lot of work done through the entire process—we've seen this through the mountains of documents that we've looked at through this inquiry— on getting the advice about what the right balance of payments were for these STIC positions. Why is it that the agent general and Mr Cartwright have had a very bespoke and ongoing negotiation over these arrangements, given that these things were benchmarked within the public service and with the work from KPMG?

**KYLIE BELL:** I can only talk to, obviously, the piece of work that I did with the CEO and the team in February. In my head, look, London is an expensive place to live, as are a number of the locations that we've selected overseas.

The Hon. PENNY SHARPE: Tokyo and New York are not cheap either.

The Hon. DANIEL MOOKHEY: Tokyo's worse.

**KYLIE BELL:** The agent general role was the first and so, therefore, sometimes there are teething issues with, I guess, the first time. It's the first time anyone has ever done something like this within the New South Wales Government. So things perhaps are a little bit more complicated with the first one, and then each one subsequently becomes a little bit easier.

**The Hon. PENNY SHARPE:** This is my final question. At any point did you or the CEO or others remind the Ministers that you've been through these other processes and that what Mr Cartwright was asking for was completely outside the arrangements that were anticipated with all of the other STICs?

**KYLIE BELL:** No. I think when we looked at this in February, it simply was looking at it as a matter of, I guess, lessons learnt: Was the way that it had been set up the right way or is there something that we, as the New South Wales Government, can learn from how the Commonwealth does this—they've been doing it for hundreds of years and do it much more frequently than we do—and learning from other State governments. So the point at that point in time was really doing a bit of a stocktake and looking at how it worked and whether we should do things differently.

The Hon. PENNY SHARPE: So do you anticipate that as a result of the arrangements-

The Hon. WES FANG: That was supposed to be your last question, Ms Sharpe.

The CHAIR: Ms Sharpe, are you okay? We did start a couple of minutes late.

The Hon. PENNY SHARPE: That's fine.

The CHAIR: Ms Bell, we will move to questions from Government members, if there are any. Mr Fang?

**The Hon. WES FANG:** Ms Bell, the only question that I want to put to you is, given the extreme upset that the Opposition seems to put forward—that they have a great objection to the tax implications to the New South Wales public in relation to the rent, which, as you've indicated in your answers, is actually what is generally adopted by most of the overseas postings that other States and also Austrade have—would it surprise you that the ongoing cost of this exercise, this now being the twelfth hearing of this inquiry, would surpass many, many multiples over the cost to the New South Wales public to continue digging through these documents—

**The Hon. PENNY SHARPE:** You can't ask a public servant that.

The Hon. WES FANG: —that are being presented to you today?

The Hon. PENNY SHARPE: Point of order: I think that is out of order in terms of what you ask a public servant.

The CHAIR: I'm pretty sure that's what Ms Bell will potentially respond with.

KYLIE BELL: I have no comment, as in-

The CHAIR: Thank you, Ms Bell. That's fine.

The Hon. WES FANG: I just wanted to put the proposition to you.

The CHAIR: The question was completely-

The Hon. PENNY SHARPE: You just want to put stuff on *Hansard*. We know what you're doing.

**The CHAIR:** With that final question, we will declare this hearing closed. Thank you again, Ms Bell, for making yourself available at this time. Order! It is difficult for Ms Bell to hear when we've got laughing from the side. I understand you did take some questions on notice, so the secretariat will be in touch with you about that. That is the end of our hearing today.

(The witness withdrew.)

The Committee adjourned at 11:34.