

The Hon Anoulack Chanthivong MP

Minister for Better Regulation and Fair Trading, Minister for Industry and Trade,
Minister for Innovation, Science and Technology, Minister for Building,
Minister for Corrections



Ref: A655802

Mr David Blunt AM
Clerks of the Parliaments and Clerk of the Legislative Council
Parliament House
Sydney NSW 2000

Re: NSW Government response - Inquiry into appointment of Mr John Barilaro as Senior Trade and Investment Commissioner to the America

Dear Mr Blunt,

Please find enclosed the NSW Government response to reports number 15 and 16 of the Public Accountability Committee, regarding the *Inquiry into the appointment of Mr John Barilaro as Senior Trade and Investment Commissioner to the Americas*.

Sincerely,

29-6-23

Anoulack Chanthivong MP

Minister for Better Regulation and Fair Trading, Minister for Industry and Trade,
Minister for Innovation, Science and Technology, Minister for Building,
Minister for Corrections

NSW Government Response

Inquiry into appointment of Mr John Barilaro as
Senior Trade and Investment Commissioner to the
Americas

Public Accountability Committee

Interim Report - Findings

Finding 1

That the former Deputy Premier Mr John Barilaro's proposal to convert the STIC appointments to ministerial appointments:

- was brought without a reasonable basis and was pursued with unnecessary haste;
- failed to disclose the selection of former Deputy Secretary of Investment NSW Ms Jenny West to the New York position;
- caused confusion in Investment NSW; and,
- created a vacancy in the New York position, which Mr Barilaro then applied for.

Finding 2

That former Minister for Trade Stuart Ayres MP's discussions with Mr John Barilaro about the New York Trade positions following his Ministerial resignation showed poor judgement and was inappropriate.

Finding 3

That the appointment of Mr John Barilaro as Senior Trade and Investment Commissioner to the Americas has all the trademarks of a 'job for the boys' position.

Finding 4

That the former Minister for Trade Stuart Ayres MP was not at arm's length during the recruitment process for the STIC to the Americas position.

Finding 5

That when answering questions on the appointment of Mr John Barilaro to the STIC Americas position, former Minister Stuart Ayres misled the public. It is a matter for the Legislative Assembly as to whether former Minister Ayres misled the Parliament.

Final Report – Findings

Finding 1

John Barilaro inappropriately interfered in the selection process for the Agent General UK by failing to meet with the preferred candidate and instead directly approaching Stephen Cartwright and soliciting his candidacy.

Finding 2

John Barilaro's decision to canvas Mr Cartwright's remuneration expectations, even though he had not yet applied, was highly inappropriate and showed poor judgement.

Finding 3

The Premier's refusal to assist this inquiry in its investigations has impeded the committee's ability to determine his role in the selection of Stephen Cartwright as the NSW Agent General UK, as well as determining his remuneration.

Finding 4

Stephen Cartwright repeatedly applied pressure to senior public servants to improve his personal remuneration which was inappropriate.

Finding 5

The Department of Enterprise, Investment and Trade erred by agreeing to adjust Mr Cartwright's remuneration arrangement, which resulted in a poor financial outcome for the State of New South Wales.

Finding 6

That the NSW Government lacked integrity and transparency in its recruitment of the Senior Trade and Investment Commissioners, given that the appointment of at least two of these positions were inappropriately influenced by its Ministers.

Noted

The NSW Government notes the findings of the inquiry reports. The NSW Government has committed to abolishing the senior trade and investment commissioner roles as contracts for the roles end.

The NSW Government will work with the business community and industry groups to continue to support the international network to deliver meaningful investment and growth for NSW industries.

The Department of Enterprise, Investment and Trade (DEIT), of which Investment NSW is now a part, is committed to following best practice regarding recruitment and has undertaken a program of work to ensure all employees are aware of their obligations regarding recruitment practices, including yearly mandatory training for all employees and contractors.

Final Report - Recommendations**Recommendation 1**

That the Secretary of the Department of Enterprise, Investment and Trade investigate whether Mr Cartwright has at all times abided by the code-of-conduct applicable to the Senior Executive Service.

Noted

The NSW Government expects that all NSW public sector employees must comply with the Code of Ethics and Conduct for NSW government sector employees issued by the Public Service Commissioner, as well as the departmental Code of Conduct.

Mr Cartwright has announced his resignation from the Department of Enterprise, Investment and Trade effective 28 June 2023.