

PORTFOLIO COMMITTEE NO. 4 - CUSTOMER SERVICE AND NATURAL RESOURCES

Friday 11 March 2022

Examination of proposed expenditure for the portfolio areas

SMALL BUSINESS AND FAIR TRADING

UNCORRECTED

The Committee met at 09:30.

MEMBERS

The Hon. Mark Banasiak (Chair)

Ms Abigail Boyd

The Hon. Wes Fang

The Hon. Courtney Houssos

The Hon. Emma Hurst (Deputy Chair)

The Hon. Peter Poulos

The Hon. Peter Primrose

Mr David Shoebridge

VIA VIDEOCONFERENCE

The Hon. Anthony D'Adam

PRESENT

The Hon. Eleni Petinos, *Minister for Small Business, and Minister for Fair Trading*

The Hon. Lou Amato, *Parliamentary Secretary for Small Business*

* Please note:

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

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

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

CORRECTIONS TO TRANSCRIPT OF COMMITTEE PROCEEDINGS

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

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

The CHAIR: Welcome to the additional public hearing for the inquiry into budget estimates 2021-2022. Before I commence, I acknowledge the Gadigal people, who are the traditional custodians of this land. I also pay respect to Elders past, present and emerging of the Eora nation and extend that respect to other Aboriginals present. I welcome Minister Eleni Petinos and accompanying officials to this hearing. Today the Committee will be examining the proposed expenditure for the portfolios of Small Business and Fair Trading.

Before we commence, I make some brief comments about the procedures for today's hearing. Today's proceedings are being broadcast live from the Parliament's website. A transcript will be placed on the Committee's website once it becomes available. In accordance with the broadcasting guidelines, media representatives are reminded that they must take responsibility for what they publish about the Committee's proceedings. All witnesses in budget estimates have a right to procedural fairness according to the procedural fairness resolution adopted by the House in 2018. There may be some questions that a witness could only answer if they had more time or with certain documents to hand. In those circumstances, witnesses are advised that they can take a question on notice and provide an answer within 21 days. If witnesses wish to hand up documents, they should do so through the Committee staff.

Minister, I remind you and the officers accompanying you that you are free to pass notes and refer directly to your advisers seated at the table behind you. Finally, could everyone please turn their mobile phones to silent for the duration of the hearing. All witnesses will be sworn prior to giving evidence. Minister Petinos and the Hon. Lou Amato, I remind you that you do not need to be sworn as you have already sworn an oath to your office as members of Parliament. I also remind the following witnesses that they do not need to be sworn as they have been sworn at an earlier budget estimates hearing before this Committee: Ms Emma Hogan, Ms Natasha Mann and Mr John Tansey. For all other witnesses, I ask that you each in turn state your full name, position title and agency and swear either an oath or affirmation. The words of both have been provided for you.

Ms EMMA HOGAN, Secretary, Department of Customer Service, on former affirmation

Mr CHRIS LAMONT, Small Business Commissioner, Small Business Commission, sworn and examined

Ms NATASHA MANN, Fair Trading Commissioner; Deputy Secretary, Better Regulation, Department of Customer Service, before the Committee via videoconference, on former affirmation

Mr JOHN TANSEY, Executive Director, Policy & Strategy, Department of Customer Service, on former affirmation

Mr DAVID CHANDLER, Building Commissioner, Department of Customer Service, sworn and examined

Mr TONY WILLIAMS, Executive Director, Compliance and Dispute Resolution, Department of Customer Service, affirmed and examined

Ms MEAGAN McCOOL, Director, Construction Services Group, Metropolitan, SafeWork NSW, Department of Customer Service, affirmed and examined

Mr MICHAEL GADIEL, Executive Director, Economic Strategy, NSW Treasury, affirmed and examined

The CHAIR: Today's hearing will be conducted from 9.30 a.m. to 12.45 p.m., with a 15-minute break at 11.00 a.m. We are joined by the Minister in the morning. In the afternoon, we will hear from departmental witnesses from 2.00 p.m. to 5.15 p.m., with a 15-minute break at 3.30. During these sessions there will be questions from the Opposition and crossbench members only. If required, an additional 15 minutes is allocated at the end of the morning and afternoon sessions for Government questions. I thank everyone for their attendance today. We will begin with questions from the Opposition.

The Hon. COURTNEY HOUSSOS: Thanks very much, Chair. Welcome, Minister. Good morning, officials. Minister, we have seen catastrophic flood damage in Lismore. Are you aware of the concerns of local small businesses about the onerous requirements for quotes and invoices to access this emergency funding?

Ms ELANI PETINOS: I want to acknowledge the catastrophic circumstances in Lismore. There is no member of this place who is not thinking of the communities up in northern New South Wales and, in fact, every community impacted by the floods at the moment. With respect to your comment about the flood support, that is actually incorrect. There are \$50,000 support grants available to small business. The premise of the grants is that the \$50,000 is being made to avoid any onerous obligations at all. Fifteen thousand dollars is being made available up-front to small business owners merely at the production of a submission—of a quote. They do not require any payment at that point in time. The \$35,000 remaining will then be paid via a valid tax invoice. There is, in fact, no onerous obligation on paperwork at all. The Government has worked very hard to ensure that the grants are going to be easily accessible and made available as soon as possible to the impacted parties.

The Hon. COURTNEY HOUSSOS: Minister, you would be aware that these are people who have lost everything. They have no access to computers and they have no access to printers. Even producing a quote or getting someone to come in and provide a quote can be quite difficult. Would you at least look at reviewing these requirements?

Ms ELANI PETINOS: Service NSW is on the ground and is available to assist anyone who has been impacted. We have mobile officers going around at the moment—

The Hon. COURTNEY HOUSSOS: How many do you have?

Ms ELANI PETINOS: —notwithstanding that service is not within my responsibilities. I will ask the department to provide further information on that.

The Hon. COURTNEY HOUSSOS: We have got plenty of time this afternoon, and we will go through that in more detail.

The Hon. WES FANG: I am going to raise a point of order early—

The Hon. COURTNEY HOUSSOS: Wes, she is doing fine. You do not need to run interference. Minister, how many small businesses have applied—

The Hon. WES FANG: Chair, I am going to raise a point of order early.

The CHAIR: He is going to insist on a point of order, so let us hear it.

The Hon. WES FANG: It is not about anything other than procedural fairness. The Minister was seeking to answer the question directly that was asked by Ms Houssos. She needs to be given the opportunity to do so

when she is asked that question. I ask that the Minister be allowed to finish her answer and also seek the responses before the next question is put.

The Hon. COURTNEY HOUSSOS: To the point of order: That is not the way that these estimates hearings work. We have limited time. The Minister is given an opportunity to answer. The officials will have an opportunity to answer this afternoon. It is only fair that, in the limited time I have, I can ask them to answer it in the afternoon.

The Hon. WES FANG: Further to the point of order—

The Hon. COURTNEY HOUSSOS: Wes, you are just running interference.

The Hon. WES FANG: I do not wish to waste time—

The Hon. COURTNEY HOUSSOS: The Minister does not need it. She is doing fine.

The Hon. WES FANG: I do not wish to waste time. However, first you have just taken a point of order on my point of order—I was happy for the ruling—and, second, that is how this works. There is a procedural fairness resolution of the House that allows people to answer the question.

The CHAIR: Allow me to rule. The Minister is free to direct her public servants to answer the question. It is also Ms Houssos' right to say, "I will take that up with the public servants in the afternoon," and then continue with another line of questioning. If Minister Petinos has anything further to add to that question, I invite her to do so now, otherwise we can move on to another topic.

Ms ELENI PETINOS: I am fine. Thank you, Chair.

The Hon. COURTNEY HOUSSOS: How many small businesses have applied for the funding?

Ms ELENI PETINOS: You would appreciate that, given the funding was announced only a couple of days ago, it is still very early.

The Hon. COURTNEY HOUSSOS: You do not have a final figure?

Ms ELENI PETINOS: The grant was announced only a couple of days ago. At this point in time, the situation is ongoing.

The Hon. COURTNEY HOUSSOS: Has any small business received funding yet?

Ms ELENI PETINOS: Ms Houssos—

The Hon. COURTNEY HOUSSOS: What is the time frame for providing the funding?

Ms ELENI PETINOS: The time frame for providing the funding is five to 10 business days after the application. The grants, you would appreciate, were literally only made available a couple of days ago.

The Hon. COURTNEY HOUSSOS: How many small businesses will be eligible?

Ms ELENI PETINOS: Any small business that has been impacted within the 45 LGA declared disaster zones would be eligible.

The Hon. COURTNEY HOUSSOS: Do you have a rough idea of how many that will be?

Ms ELENI PETINOS: It is too hard to quantify how many businesses have been impacted at this point in time. The disaster is still ongoing. There are many communities that are currently still impacted. We cannot possibly have those numbers available at this time.

The Hon. COURTNEY HOUSSOS: Minister, you do not know how many small businesses there are in the affected local government areas?

Ms ELENI PETINOS: There are multiple small businesses impacted, but not every single business is going to be making an application for a grant. We, of course, encourage as many businesses as possible to apply, but that is a matter for the way that those businesses have been engaged in their local communities.

The Hon. COURTNEY HOUSSOS: Have you done no budget planning on how much this might cost?

Ms ELENI PETINOS: If you would like to talk about budget, I can refer you to Treasury.

The Hon. COURTNEY HOUSSOS: I am asking you, as the Minister, if you have done any projections on how much this grants program is likely to cost.

Ms ELENI PETINOS: The projections are done by the department. Mr Gadiel is here and available to answer your question.

The Hon. COURTNEY HOUSSOS: Mr Gadiel, we might get to that this afternoon. Minister, how many SafeWork inspectors do you have in the northern rivers region at the moment?

Ms ELENI PETINOS: I would have to ask the department for that specific number. Mr Williams can take that question for you.

The Hon. COURTNEY HOUSSOS: We will come back to that this afternoon. What role are they playing in assisting businesses that are affected by flooding to ensure that workplaces are safe?

Ms ELENI PETINOS: Ms Houssos, I am not quite sure you understand the state of emergency that is going on in New South Wales at this point in time.

The Hon. COURTNEY HOUSSOS: Minister, I do not need your condescending comments.

The Hon. WES FANG: Point of order—

The Hon. COURTNEY HOUSSOS: I am asking you a serious question about the role of inspectors and how many you have on the ground.

The CHAIR: Order! I will hear the point of order. Ms Houssos probably did not hear it because both of you were getting a bit excited.

The Hon. WES FANG: That is exactly the point that I am trying to raise. It is not constructive for anybody, whether they are in this hearing or viewing it, to witness conduct like that. I think it behoves all of us to be calm, and to ask questions and allow the witnesses to respond before we ask another question. Ms Houssos provided the witness no more than about five words before she cut in over the top.

The Hon. COURTNEY HOUSSOS: What is your standing order, Wes?

The Hon. WES FANG: That is not how these hearings work.

The CHAIR: Thank you, Mr Fang. There must be procedural fairness and witnesses are to be treated with respect. But, in turn, comments in response to questions, which are not relevant to the question do us no service in trying to get questions answered. I ask both parties to stick to the topic and question at hand.

Ms ELENI PETINOS: I appreciate the comment, Chair. The point that I am trying to articulate is that we all know that the state of emergency is ongoing in these communities and that the line of questioning by Ms Houssos to identify a certain number going on in that community at this point in time when the overwhelming concern of the Government is to ensure that the people in those communities are safe and being looked at, as the first priority—is clearly the message I am trying to communicate. Of course, we will be sending inspectors up and we will as soon as practicable. Of course, there are people on the ground who can provide assistance. As I have indicated, Mr Williams can provide further assistance in that regard.

The Hon. COURTNEY HOUSSOS: Minister, I was wondering about the inspectors who are already on the ground and whether they are assisting businesses affected by the flooding to ensure that their workplaces are safe. It was a very straightforward question.

Ms ELENI PETINOS: I have indicated that Mr Williams can provide you with further information.

The Hon. COURTNEY HOUSSOS: We will come to that this afternoon. Minister, how much cladding has been removed from the initial six buildings in the Project Remediate.

Ms ELENI PETINOS: Ms Houssos, you would appreciate that Project Remediate is an ongoing issue for this Government, and it is ensuring that all projects with combustible cladding are being dealt with in the appropriate fashion. At this point in time, I understand that 15 buildings have been triaged as part of the first round and that six, of course, are being looked at at this point. If you would like to discuss them further, you can discuss that with the commissioner.

The Hon. COURTNEY HOUSSOS: Minister, I am asking you. I am asking you if any cladding has been removed from any of those initial six buildings in Project Remediate?

Ms ELENI PETINOS: I do not believe so at this point in time.

The Hon. COURTNEY HOUSSOS: There has been no cladding removed?

Ms ELENI PETINOS: I have just provided my answer.

The Hon. COURTNEY HOUSSOS: No cladding has been removed. Is that correct?

Ms ELENI PETINOS: I have provided the response.

The Hon. COURTNEY HOUSSOS: Do you know how many years it has been since the Grenfell fire tragedy, Minister?

Ms ELENI PETINOS: I am aware that the fire occurred in 2017.

The Hon. COURTNEY HOUSSOS: What do you think about the pace of this Government's program to remove cladding from these buildings?

Ms ELENI PETINOS: Ms Houssos, you would appreciate that Project Remediate is an extensive program that is being run by this Government to make sure that buildings are remediated in the best manner possible.

The Hon. COURTNEY HOUSSOS: Yes, but surely the best manner possible would be not to have cladding on the buildings.

Ms ELENI PETINOS: The ultimate objective of the project is to ensure that the people of New South Wales have confidence in the buildings that they are purchasing and living in, and that we are addressing the fire-safety risks associated with unsafe cladding. That needs to be done in the best manner possible. I have every confidence in the work that the Building Commissioner and his team have been doing to ensure that these buildings are addressed.

The Hon. COURTNEY HOUSSOS: Minister, how many buildings currently have dangerous, flammable cladding on them in New South Wales?

Ms ELENI PETINOS: I can advise the Committee that there are 194 buildings that are eligible and registered for Project Remediate.

The Hon. COURTNEY HOUSSOS: That was not my question. My question was: How many buildings have dangerous, flammable cladding on them?

Ms ELENI PETINOS: Ms Houssos, you would appreciate that the department is responsible for Project Remediate, and I am providing you with the response for the buildings that are eligible and registered for the program.

The Hon. COURTNEY HOUSSOS: No, but you are also responsible for the broader issue of cladding, or are you not responsible for the broader issue of cladding within the Government?

Ms ELENI PETINOS: That is not what we are saying, Ms Houssos. You were asking about Project Remediate, and I have quite clearly provided you with the figure. That program is focusing on class 2 buildings, which is the response that I have provided.

The Hon. COURTNEY HOUSSOS: Minister, I asked you how many buildings in New South Wales have dangerous, flammable cladding on them?

Ms ELENI PETINOS: Ms Houssos, I understand that 185,000 buildings have been reviewed by the NSW Cladding Taskforce thus far to identify the properties that may have cladding installed.

The Hon. COURTNEY HOUSSOS: I do not need you to read me the note; I need you to give me a figure. How many buildings?

Ms ELENI PETINOS: I am providing you with many figures, and I think the context of figures is also very important so that you do not misunderstand the situation. I will reiterate for you—

The Hon. COURTNEY HOUSSOS: Minister, we have been asking questions about dangerous, flammable cladding in this—

Ms ELENI PETINOS: There are 185,000 buildings that have been reviewed by the Cladding Taskforce thus far and, of them, 391 is the current number of buildings of all classes that have been recorded.

The Hon. COURTNEY HOUSSOS: Excellent. We got to the number. Thank you, Minister.

Ms ELENI PETINOS: But the context was very important, Ms Houssos.

The Hon. COURTNEY HOUSSOS: Minister, of the initial six buildings in Project Remediate—that information was provided to me by your predecessor—are you aware if any of those buildings have pulled out of the program?

Ms ELENI PETINOS: You would have to talk to the Building Commissioner further about that.

The Hon. COURTNEY HOUSSOS: Minister, you have just told me that you are responsible for the program. These are the first six buildings, the first tranche. Are you aware if any of those buildings are pulling out?

Ms ELENI PETINOS: You would have to talk to the Building Commissioner further regarding the program. The number that I provided you previously is six. If you would like further information, you can talk to the Building Commissioner.

The Hon. COURTNEY HOUSSOS: Mr Chandler, have any of those buildings indicated that they would like to pull out of the program?

DAVID CHANDLER: Of the first six, there is a possibility that two may not proceed.

The Hon. COURTNEY HOUSSOS: What suburbs are those buildings located in?

DAVID CHANDLER: I think there is one at Bondi and potentially another one at Camperdown. I will correct that if that is not right. It is my intention, before those decisions are finally made, to meet those owners' corporations one on one because I have met with two of the others, who were a bit confused, and that confusion was cleared, and they were then confident to move on. I think it is more about making sure that the information that they need to have is in front of them, and then I think they feel more confident to review their position. So at this stage, two are potentially not going to proceed. The other four of that six are. Then we will move that forward into the rest of the program.

The Hon. COURTNEY HOUSSOS: At this stage we have no buildings with any cladding removed, we have two of the initial six possibly pulling out of the program, and we have a further 15 underway. Is that right?

DAVID CHANDLER: A further 16 have had their triage done.

The Hon. COURTNEY HOUSSOS: Sixteen. Sorry, the Minister said 15.

DAVID CHANDLER: They are moving towards what is called the 30 per cent design stage, where we go back to the owners' corporation and we provide the owners' corporation with a copy of the triage of their building to show them the circumstances that relate not only to the cladding but to all of the circumstances behind the cladding. It is to do with the structures that would hold the cladding up, the lack of insulation, the lack of fire barriers, the lack of waterproof management—

The Hon. COURTNEY HOUSSOS: Minister, it is a very detailed program. We have had a briefing. We might get into some more detail about that this afternoon.

DAVID CHANDLER: Okay. The point is they get the design, they get the triage report and they get a preliminary cost estimate, so that they then have the opportunity to say, "We would like to move forward or we would like to step back and have a think about it." But they walk away with that information at no cost to them.

The Hon. COURTNEY HOUSSOS: Thank you very much. Minister, are you going to participate in the class action on flammable cladding?

Ms ELENI PETINOS: I would have to come back to you with a response on that.

The Hon. COURTNEY HOUSSOS: There is a class action that has been in the courts. It was lodged several years ago. The Queensland Government is a party to it, the South Australian Government is a party to it. Are you going to participate in that?

Ms ELENI PETINOS: I indicated that I will take that on notice.

The Hon. COURTNEY HOUSSOS: You are not aware of the class action?

Ms ELENI PETINOS: Ms Houssos, I will take that on notice. That is the answer to the question.

The Hon. COURTNEY HOUSSOS: I am asking you a different question. I am saying are you aware of it?

Ms ELENI PETINOS: Yes.

The Hon. COURTNEY HOUSSOS: You are aware there is a class action?

Ms ELENI PETINOS: I am aware of the matters in my portfolio. I have indicated that I will come back as to the department's response on that for you.

The Hon. COURTNEY HOUSSOS: No, Minister. I am asking are you aware that there is a class action that is proceeding in the Supreme Court of New South Wales, which the Queensland Government and the South Australian Government are parties to? Are you going to participate in that?

Ms ELENI PETINOS: I am aware. I have indicated that I will come back to you on what the New South Wales Government response is. I could not be clearer on that.

The Hon. COURTNEY HOUSSOS: You said you were going to come back with the department's response. I am asking for your response as the Minister. Are you going—

Ms ELENI PETINOS: Ms Houssos, my response as the Minister will always be informed by the advice of the experts around me. So I will come back to you.

The Hon. COURTNEY HOUSSOS: Minister, will you advise buildings that sign on to Project Remediate that they are eligible for the class action?

Ms ELENI PETINOS: That is a matter for the department.

The Hon. COURTNEY HOUSSOS: Minister, it is about informing consumers about their rights. That is surely in your purview as the Minister.

Ms ELENI PETINOS: Yes, and the department provides advice. That response will come from the department.

The Hon. COURTNEY HOUSSOS: Have they provided you advice on this so far?

Ms ELENI PETINOS: Not that I am aware of.

The Hon. COURTNEY HOUSSOS: The class action has been ongoing for quite a period of time. The New South Wales Government is not a party to it.

Ms ELENI PETINOS: Sorry, can I provide further information on that to you?

The Hon. COURTNEY HOUSSOS: Sure, now you have got a note. That would be great.

Ms ELENI PETINOS: I did indicate that it was a matter for the department. I am now being advised that the class action decision is actually being made by DPC, as it is a whole-of-government issue.

The Hon. COURTNEY HOUSSOS: It is good to know that someone in the Government knows about it. Perhaps you would like to take this on notice: Are buildings that sign on to Project Remediate currently advised that they are eligible to join the class action on flammable cladding?

Ms ELENI PETINOS: We will take that on notice.

The Hon. COURTNEY HOUSSOS: Maybe you might want to take on notice what the Government's reasons were for not participating in the class action.

Ms ELENI PETINOS: Of course. We will take that on notice as well.

The Hon. COURTNEY HOUSSOS: Excellent. Minister, you might not be aware, but the UK Government recently announced an online service to track remediation of high-risk buildings. Are you looking at doing something like that here?

Ms ELENI PETINOS: You can discuss that matter further with the Building Commissioner.

The Hon. COURTNEY HOUSSOS: No, I am seeking to discuss it with you as the Minister. The UK Government recently announced a project that will give renters more access to the information about the remediation status of their buildings. Is that something that you would investigate for renters and for apartment owners here in New South Wales?

Ms ELENI PETINOS: As with all things, I have indicated that I will take the advice of the department. If you would like the opinion of some of the experts within the department, you are more than welcome to ask them those questions.

The Hon. WES FANG: Chair, I think the Minister is being particularly polite—

The Hon. COURTNEY HOUSSOS: Wes, there is no point of order.

The CHAIR: There is no need.

The Hon. COURTNEY HOUSSOS: Minister, when will the Auditor-General's performance audit on flammable cladding be released?

Ms ELENI PETINOS: I will have to take that on notice.

The Hon. COURTNEY HOUSSOS: It is due in the first half of the year.

Ms ELENI PETINOS: I am not sure what part of my taking it on notice you are struggling with, but I indicated I was taking the question on notice.

The Hon. COURTNEY HOUSSOS: My understanding is that it will be tabled in Parliament in the first half of the year. You are not aware that that is happening?

Ms ELENI PETINOS: Mr Chair, I do think I have been quite clear in the response. Taking the question on notice is, in fact, taking the question on notice. It is a clear response. It is also outside my department, mind you, but—

The CHAIR: Just on that point, Minister, you are free to take the question on notice, but the person asking the question is free to press. If it becomes badgering, I will rule on that, though.

Ms ELENI PETINOS: I do think I have been very fair in even taking it on notice. The matter is quite clearly outside my department, given that it sits with the Auditor-General.

The CHAIR: Noted. I will pass to Ms Hurst.

The Hon. COURTNEY HOUSSOS: It is a performance audit that is being done.

Ms ELENI PETINOS: Timing is a matter for the Auditor-General. You might not like that, Ms Houssos, but it is the answer.

The CHAIR: Order! We are now in crossbench time. Ms Hurst.

The Hon. EMMA HURST: Good morning, Minister. Welcome to budget estimates. In regards to your role as the Minister for Fair Trading, it was reported that Australians lost over \$2.5 million during the pandemic in 2021 to scammers posing as breeders and selling non-existent companion animals online, particularly puppies. What is the New South Wales Government doing to reduce these animal-related scams in this State?

Ms ELENI PETINOS: Fair Trading is always very vigilant in putting out warnings about the various scams that are being run, to protect consumers. We know that there are great risks to consumers, particularly when there are heightened circumstances. We are aware of risks that have evolved around the pandemic, as we are now with the floods that are going on and have been with bushfires and droughts in the past. For an answer to your specific query, though, I will refer you to one of the many people from the department who would be able to assist you further. The deputy secretary is online at the moment, if you are happy to hear further.

NATASHA MANN: I think Mr Tansey might be able to talk to puppy scams in particular. But, as the Minister has said, scamming is a big priority for us in Fair Trading. When we become aware of particular issues on which scamming is taking place, we really do try to alert consumers as early and as thoroughly as possible. But perhaps, Mr Tansey, you are able to talk to puppy scams in particular?

JOHN TANSEY: Ms Hurst, I do not have a figure on complaints. But, if it helps you, I can urgently seek that and come back to you through the session.

The Hon. EMMA HURST: I do actually have a bit of data about the number of complaints. The ACCC said that there has been a phenomenal increase in animal scams during the pandemic; there were over 2,000 complaints in 2021 and 2020, as compared to only 400 in 2019. Do we have any idea—maybe this is something to take on notice—how many of these complaints to the ACCC actually came from New South Wales residents, as distinct to other States?

JOHN TANSEY: Yes. I will follow that up. I can try to find out what of theirs comes from New South Wales as an area. I am also happy to ask and come back on any that we might have received directly in the first instance.

NATASHA MANN: I was just going to add that we do know that the puppy and kitten scams did increase during COVID, as you are aware, and we did actually issue a special release on those scams, where we were saying to people, "Don't get caught out. Only buy from registered breeders", and encouraged people to ask for references. We did actually do a specific piece of promotion on puppy and kitten scams.

The Hon. EMMA HURST: Minister, puppy farming, which is the mass, large-scale breeding of dogs, is currently legal in New South Wales. While we were just talking about people who were scamming and actually not selling dogs, there are also people who are paying thousands of dollars for animals that they have been told are healthy puppies, only to find that they have significant health problems and there are thousands of dollars in vet bills that are required to keep those animals alive. Most of those animals are coming from either dodgy

backyard breeders or puppy farms. As the Minister for Fair Trading, are you aware of the impact puppy farming is having, specifically on consumers?

Ms ELENI PETINOS: Ms Hurst, you raise an issue which I am sure many people around the State would be interested in, given the high uptake of pet ownership in New South Wales. That being said, it is a matter I am yet to be briefed on. I would be happy for the department to provide you with further information, given your interest. I might refer you to the deputy secretary.

NATASHA MANN: I am aware that there is a view that regulations could be strengthened in that area, Ms Hurst, but I would have to take on notice the issue. I have not been briefed on it fully.

The Hon. EMMA HURST: As the Minister for Fair Trading, are you aware of how confusing it is for consumers that are trying to purchase a dog in New South Wales? Puppy farms often have professional-looking websites and social media pages. They are advertising online with fake pictures and fake microchip numbers. Do you believe as the Minister that we need some level of transparency and accountability to ensure people who do not want to buy from a puppy farm are not actually being duped by puppy farmers?

Ms ELENI PETINOS: I think you raise an important issue for consumers of all products in this State. Fair Trading is very mindful about ensuring that the correct warnings and information are put out to consumers so that people do not fall into the trap of purchasing the wrong product or engaging themselves for a service that ultimately they will fall victim to or not get the right outcome from. Again, for specific information in relation to puppy farms, Ms Hurst, I will refer you to the deputy secretary.

The Hon. EMMA HURST: I will take you back to the question, Minister, because it was just really about do you, as Minister, feel that there needs to be a level of transparency and accountability so that people can know if they are buying from a puppy farm or not? I am just asking for your opinion as the Minister.

Ms ELENI PETINOS: Sure. I think the principle of transparency is important for consumers in all types of products, as opposed to isolating just the industry that you have indicated. I would like to make sure that consumers feel as though they are getting the right information to all of the inquiries they are looking to make. I do note that, whilst Fair Trading does have a role to play here, largely things are regulated by Australian Consumer Law. I am happy to look into the matter further, if that is what you would like.

The Hon. EMMA HURST: Yes, please. That would be fantastic.

Ms ELENI PETINOS: Sure.

The Hon. EMMA HURST: Thank you. Have you considered introducing any additional guidelines or regulations around the sale of animals specifically, to make it easier for people to actually spot a dodgy breeder or puppy farmer? I suppose the other question is do you think that the onus should be on consumers to have to thoroughly investigate whether they are buying from a puppy farm? I think some of the problems here are that a lot of consumers do not realise that puppy farming is legal, but there are so many loopholes that allow puppy farmers to sell online and use online or pet shops as a smokescreen as to the conditions the animals are born in.

Ms ELENI PETINOS: You raise again an important issue. I know many people around the State would be interested in the wellbeing of animals. It is not something that has been brought to my attention thus far. I am, as I indicated previously, happy to have a conversation with you outside of estimates regarding this matter.

The Hon. EMMA HURST: Thank you. If a New South Wales consumer finds that they have accidentally purchased from a puppy farm and they are now facing thousands of dollars in vet bills, what would you recommend that they do? What is the advice from you or the department as to what steps they can take going forward?

Ms ELENI PETINOS: With all matters, it is important to contact Fair Trading. But for more specific advice, I will refer you to the deputy secretary.

NATASHA MANN: I think it is important to point out, Ms Hurst, that the Companion Animals Act is not something the Minister is responsible for. That is the Minister for Local Government. I know that the regulation of this issue is covered by that Act—

The Hon. EMMA HURST: Sorry. Just to confirm, I am not asking about the welfare of the animals here. I am just talking about the consumer aspect of it, which does fall under this portfolio. It does not fall under the Companion Animals Act—the consumer aspect of it and what consumers can do if they have inadvertently purchased an animal from a puppy farm that is unwell.

NATASHA MANN: That's right, sorry. I did want to clarify that regulation does not sit with us. However, you are right. The consumer aspect—as the Minister said, if people have been afflicted by this, we would urge them to contact Fair Trading.

The Hon. EMMA HURST: Just to clarify, if someone wanted to get their money back—say they were sold a sick puppy and that animal required \$8,000 in surgery, for example. Would they be required to return the dog to the breeder to be able to get their money back?

Ms ELENI PETINOS: Ms Hurst, since you have raised such a specific issue, I will refer you to the deputy secretary.

NATASHA MANN: I would not like to speculate on hypotheticals. I think it is important to talk in actual—on a case-by-case situation. But, as I said, Fair Trading does have a consumer service where we help negotiate and mediate outcomes between impacted consumers and the person or the entity that they have been impacted by. So we would try and negotiate the best outcome for the impacted consumer in that case.

The Hon. EMMA HURST: Thank you. I will come back to this later.

The CHAIR: Welcome, Minister. My first line of questioning is around the Property Services Commissioner. Mr John Minns was appointed in November last year. Have you had a chance to catch up with the commissioner yet?

Ms ELENI PETINOS: Yes, I have met with the commissioner numerous times.

The CHAIR: How many meetings have you had so far in three months? It is roughly three months, isn't it?

Ms ELENI PETINOS: Yes. I do not have the number on me. I would be happy to take it on notice, if that is your wish.

The CHAIR: Sure.

Ms ELENI PETINOS: But it has been regular.

The CHAIR: Okay, excellent. Given this appointment was a previous Minister's decision, what is your vision for John Minns as Property Services Commissioner? Since you have inherited this person in this role, what is your vision?

Ms ELENI PETINOS: You are right. Mr Minns did start early in December, as I understand it. And so, whilst he was appointed by the previous Minister, he has been working closely with myself, the secretary, the deputy secretary and other members of the department to work on a vision as to how he can best engage with the industry. Ultimately his role is to support the Government's engagement with the sector and improve regulatory services and customer experience in the industry. I can advise you that we have worked on an engagement structure that is around five pillars but also focuses on three main themes, which are "trusted", "empowered" and "accountable". They are the themes that he will be going out to stakeholders to discuss. "Trusted" being with the purpose of driving trust and engagement between the real estate industry, its regulator and the consumers in New South Wales; "empowered" being creating a strong, vibrant property sector that is responsive to the needs of property services professionals and has the highest compliance and professional standards; and "accountability" being to drive reform and streamline regulation that enables the New South Wales Government to support the industry whilst maintaining the highest protections for consumers.

The CHAIR: That document you are reading from, or that plan—can that be made available for the Committee?

Ms ELENI PETINOS: I am reading from my own notes. I am not reading from a plan. The three themes that I have indicated, though, will be taken by the Property Services Commissioner as a pack to the public engagement that he will be conducting over the next couple of months. We are in the process of finalising what that will look like. My aim is to join him on as many of those engagements as I can.

The CHAIR: I asked the former Minister in estimates last year what power the Property Services Commissioner may have, and the Minister initially responded, "The commissioner will report to me and the secretary." Would you agree that that is not really a power?

Ms ELENI PETINOS: Well, it is the remit that was set by the previous Minister.

The CHAIR: What is your vision for any enforcement powers or any sort of powers that he will have, given that the Building Commissioner started out with probably not having any powers initially but has grown in that role and now has enforcement powers in terms of regulating the building industry? Do you envision the

Property Services Commissioner to have some level of power to issue enforcement action? Or would that still be funnelled through Fair Trading?

Ms ELENI PETINOS: When it comes to discussing the Building Commissioner and the work that he has done, quite often there is discussion around parallels that can be drawn between the two commissioners, given the quite significant work that Mr Chandler has done in not only driving change but upskilling Fair Trading to engage with the industry in a more comprehensive and responsive manner. There have been many learnings from that that we can apply to the role that Mr Minns will be performing. With respect to any undertakings, I think it is important that we let Mr Minns get into the role and actually go about hearing from stakeholders. Once he has that feedback as to what industry would like, we are always happy to consider the feedback and see how we can best improve the sector. But, at this point in time, that enforcement capability is sitting with Fair Trading.

The CHAIR: The Minister gave a similar response about allowing the commissioner to get his feet under the table. It has been 3½ months. What has the commissioner been doing to get his feet under the table in those three months? I know it is only a short period of time, but specifically what has he been doing?

Ms ELENI PETINOS: I think that probably could have been a question that could have been directed to Mr Minns, although I do note that the Committee did not call him for today. He has been meeting—

The CHAIR: I am happy for you to take that on notice and get a more detailed list.

Ms ELENI PETINOS: I am happy to tell you that he has been meeting with myself, the secretary and the deputy secretary quite regularly and that we have clearly developed a plan, which I referred to earlier. I suppose the next phase of work will be his engagement with stakeholders via AIM or Public Roadshow, which will not only cover Sydney but get out to the regions and various parts of New South Wales, bearing in mind that there may be an inability to access northern New South Wales at this point in time, given the emerging flood crisis.

The CHAIR: I understand. What is the term of his employment? Other commissioners have a three- or four-year term. Is that similar?

Ms ELENI PETINOS: That is an operational matter and the secretary can talk to that.

EMMA HOGAN: It is two years, with an opportunity to extend.

The CHAIR: Can I just turn to the Property Services Expert Panel. How often has that Property Services Expert Panel met in the last 12 months, noting its first meeting was in April, according to a media release?

Ms ELENI PETINOS: I would have to take that exact number on notice for you, Chair.

EMMA HOGAN: I can bring that back this afternoon if you like, Chair?

The CHAIR: Thank you, Ms Hogan. In the first meeting, they were supposed to agree on the terms of reference. Would those terms of reference be able to be tabled to this Committee, if possible? I am happy for you to take it on notice in case there is any—

Ms ELENI PETINOS: I do not see why not. I will take it on notice and, if possible, I will ensure that the Committee has it available this afternoon.

The CHAIR: The specific issues that they are focusing on, have they been given those tasks or particular areas of property services that you, Minister, or the department wants them to focus on?

Ms ELENI PETINOS: I will have to take that on notice.

The CHAIR: Are there standing items of business that are discussed at each meeting and, if so, what are they, like rolling agenda items? I am happy for you to defer to somebody.

EMMA HOGAN: I will take it for this afternoon, Chair. I will come back to you.

The CHAIR: Is it envisioned the Property Services Commissioner attends these meetings and becomes part of that panel in some way?

Ms ELENI PETINOS: My understanding is that he has been sitting on the meetings with the panel, yes.

The CHAIR: Okay. That was going to be my follow-up.

Ms ELENI PETINOS: And I did attend a meeting with the panel and the commissioner last week, I believe.

The CHAIR: Who from Fair Trading attends? Is it the secretary or is it someone else?

Ms ELENI PETINOS: I do not believe that the secretary attends. I will refer to the deputy secretary.

NATASHA MANN: I understand that I have been invited to attend the next meeting, I believe. So I have every intention of going.

The CHAIR: Through you, Ms Petinos, will you be a regular attendee or is this just a one-off invitation?

NATASHA MANN: At the moment I believe it is a one-off invitation. The primary point of engagement is with John Minns, the Property Services Commissioner at this time. However, John and I are working extremely closely together, so that may change going forward, and I may go to more meetings if invited to, Chair.

The Hon. COURTNEY HOUSSOS: Minister, I will move on to a different issue. Have you met with the owners or the former residents of Mascot Towers?

Ms ELENI PETINOS: The first correspondence from any owner of Mascot Towers only came in within the last, I believe, week or so, and so I have not had the opportunity to do so as yet.

The Hon. COURTNEY HOUSSOS: Minister, are you saying this correspondence came to your office for the first time in the last week?

Ms ELENI PETINOS: As I understand it.

The Hon. COURTNEY HOUSSOS: I am happy to provide you with copies of emails that they provided on at least three separate occasions where they have tried to contact your office.

Ms ELENI PETINOS: Ms Houssos, I can only tell you that I am only aware that correspondence was provided to my office within the last week or so.

The Hon. COURTNEY HOUSSOS: Has anyone in your office met with them?

Ms ELENI PETINOS: As I have just indicated, I believe that correspondence has only come through in the last week or so. Neither I nor my staff have had the opportunity to do so thus far.

The Hon. COURTNEY HOUSSOS: They have not been able to find some time in the last week to meet with them?

Ms ELENI PETINOS: Ms Houssos, I have provided my response.

The Hon. COURTNEY HOUSSOS: How many staff do you have employed in your office at the moment?

Ms ELENI PETINOS: You would appreciate that as a new office people have only been onboarding over the last few weeks, and not all positions are filled at this point in time.

The Hon. COURTNEY HOUSSOS: Can you just tell me how many you have working in your office at the moment?

Ms ELENI PETINOS: I believe five. I could stand corrected on that.

The Hon. COURTNEY HOUSSOS: Why don't you take that on notice and come back to us.

Ms ELENI PETINOS: I am sure the materiality of one person would not change the answer, Ms Houssos.

The Hon. COURTNEY HOUSSOS: Minister, are you aware that the accommodation support for the Mascot Towers residents will run out on 31 March?

Ms ELENI PETINOS: Yes, I am aware of that.

The Hon. COURTNEY HOUSSOS: You are aware that it will run out on 31 March? Have you made any representations to extend—

Ms ELENI PETINOS: Ms Houssos, I clearly prepared for today so, yes, I am aware of that.

The Hon. COURTNEY HOUSSOS: I am just asking you, then, if you are aware that it is on 31 March, have you made any representations within Government to extend that support?

Ms ELENI PETINOS: I understand that five extensions of the temporary accommodation assistance package have already been made.

The Hon. COURTNEY HOUSSOS: Minister, I am asking you today, on behalf of the residents of Mascot Towers—the former residents, the current owners—will you extend that package past 31 March?

Ms ELENI PETINOS: Ms Houssos, as with all things, I will always consult with the department and take action where is needed.

The Hon. COURTNEY HOUSSOS: Minister, these families are going to have to give four weeks' notice of the temporary accommodation that they are in, and 31 March is less than three weeks away. Why will you not provide them with the security to know that this package will be extended?

Ms ELENI PETINOS: Ms Houssos, I understand many families in this State encounter difficulties quite regularly, as we know is happening up north in particular at the moment through the flood crisis that has been emerging over the last few weeks. I am sympathetic to all people in this State who are encountering hardship. Whilst it is regrettable that people in Mascot Towers are in this position, I understand that the Government has extended the package five times and that that was done with the intention of providing them with the surety and the ability to make further arrangements whilst their application for termination of the strata scheme was with the Supreme Court.

The Hon. COURTNEY HOUSSOS: Yes, and that litigation is ongoing. It is at a very precarious point. The owners are looking for certainty. Why can you not provide them with that certainty?

Ms ELENI PETINOS: I understand that it is a very challenging time, and all I can do is have a look at things as they come into the office and, of course, as with all other matters, their correspondence is something that will be considered.

The Hon. COURTNEY HOUSSOS: Minister, I do not think you quite grasp the urgency of this. It is less than three weeks away. If your Government does not extend this package to the residents of Mascot Towers, they will be forced to give notice in their temporary accommodations, they will probably have to relocate and they may have to take their children out of schools and out of child care. There are extensive arrangements that need to be made. I am appealing to you today to please consider extending this support for Mascot Towers residents.

Ms ELENI PETINOS: Ms Houssos, I have indicated that I sympathise with the challenges being faced by all the people throughout this State at this point in time experiencing hardship and that we will—

The Hon. COURTNEY HOUSSOS: With fairness, they do not need your sympathy. This is the only financial support that has been provided to residents by the Government.

The Hon. WES FANG: Chair, the Minister was clearly trying to answer.

The CHAIR: Are you taking a point of order?

The Hon. WES FANG: Yes, Chair, I am taking a point of order. And we can be more formal, if that is—

The Hon. COURTNEY HOUSSOS: No, that is what the standing orders require. What is your point of order, Wes?

The CHAIR: If you are going to interject, it must be on a point of order.

The Hon. WES FANG: Okay, Chair. I can use more time. Point of order: The Minister was clearly trying to answer the question when Ms Houssos talked over the top of her, again. I would ask that the Minister be allowed to conclude her answer before Ms Houssos puts another question to her.

The CHAIR: At least allow a few seconds in between the banter that is going on between you, particularly for Hansard.

The Hon. COURTNEY HOUSSOS: On behalf of Mascot Towers residents and apartment owners I appeal to you to extend this accommodation package that will finish in less than three weeks. Will you extend it for them today?

Ms ELENI PETINOS: I understand the challenges that are being experienced by many people throughout the State, and I do acknowledge that it is a challenging time for those residents. As I was trying to say before you cut me off earlier, Ms Houssos, we will always assess the matters that come into the office and before the Government as they arise. Of course, the matter will be reviewed but there is no commitment that we will do anything other than review the matter in the same way that we would every other matter occurring in the State.

The Hon. COURTNEY HOUSSOS: Who will review the matter? You said the decision will be reviewed. Who will review the matter?

Ms ELENI PETINOS: The correspondence will be reviewed.

The Hon. COURTNEY HOUSSOS: I accept that you take advice from your department but you are the Minister and you make decisions. Are you going to recommend that this accommodation package be extended?

Ms ELENI PETINOS: I am going to consider the advice and act accordingly.

The Hon. COURTNEY HOUSSOS: Minister, when will the advice be coming? You have been sitting on this for a week. The previous chief of staff to the Minister was having Zoom meetings with these guys all the time, assuring them that they would have support and that this would continue, and now three weeks before it is going to end, they are left pleading and begging with you to extend this package for them.

Ms ELENI PETINOS: And the package has been extended five times, Ms Houssos.

The Hon. COURTNEY HOUSSOS: Will it be extended one more time while they are in this precarious point in their litigation?

Ms ELENI PETINOS: The package has been extended five times and there are many people in precarious situations throughout this State.

The Hon. COURTNEY HOUSSOS: Okay, there are many people in precarious situations but these are people who were forced from their homes more than two years ago with only hours of notice. We have seen families face bankruptcies. We have seen families delay having children or they will not extend their families because they face financial ruin.

The Hon. WES FANG: Point of order—

The CHAIR: Ms Houssos, a point of order has been taken.

The Hon. COURTNEY HOUSSOS: I am asking you to extend this support to them.

The CHAIR: A point of order was taken in the middle of all that.

The Hon. WES FANG: The point of order is that while I appreciate Ms Houssos' passion on this matter, clearly in her rant she did not ask a question. We need to have questions and answers during this hearing.

The Hon. COURTNEY HOUSSOS: To the point of order: Clearly the Minister needs some context on this. Clearly she is not across what has happened to these residents. Clearly she needs a bit more information—

Ms ELENI PETINOS: That is a ridiculous situation.

The Hon. COURTNEY HOUSSOS: —about what has happened and the impact on these families. That is what I am trying to provide to the Minister.

The Hon. WES FANG: Ms Houssos has just abused the point of order. She did not address the point of order.

The Hon. COURTNEY HOUSSOS: Now you are just using up my time.

The CHAIR: I will allow a level of context to be given on both sides but when it becomes a long diatribe I will reel it in. I do not think it was an unreasonable amount of context, albeit very passionate.

The Hon. COURTNEY HOUSSOS: Thank you.

Ms ELENI PETINOS: I want to dispute and make it very clear on the formal record that Ms Houssos' suggestion that I am unaware of the matter is plain inflammatory and incorrect.

The Hon. COURTNEY HOUSSOS: Then why have you not done anything about it?

Ms ELENI PETINOS: Ms Houssos there are many matters that are being dealt with across the State right now. We have experienced extremely challenging circumstances up in the north which were not planned and are unscheduled. I am sure, as we touched on earlier, you are aware of the emerging flood crisis in the northern communities in this State. Many people are facing hardship in the State of New South Wales. This Government is there to support everyone at their time of need, as we have been with the residents of Mascot Towers who have had a support package extended five times. There have been 91 claims lodged by these residents totalling \$9.5 million. Any suggestion that this Government has not supported these residents is just spurious and inflammatory, and you are seeking to get a rise today.

The Hon. COURTNEY HOUSSOS: Minister, are you aware that this is the only financial support that has been provided to the residents and to the apartment owners at Mascot Towers? These are people who, through no fault of their own—the owners' corporation fulfilled every single obligation under the Strata Management Act under your Government's legislation. They took out insurances that cost them more than \$200,000 a year. They were the ones who did everything right. Their home warranty expired, not due to their own fault, less than

12 months before this happened. They have appealed to this Government for low-interest loans and for other financial support. The only thing that your Government is providing them is an accommodation support package and you are trying to say that they should be grateful for that. Is that your testimony to this Committee today?

Ms ELENI PETINOS: Ms Houssos, at the point in time that this occurred, as you know, I was not the Minister.

The Hon. COURTNEY HOUSSOS: No, but you are the Minister now. Are you going to extend their support?

Ms ELENI PETINOS: I am and I am reiterating to you what the work of the previous Minister and the Government has been in relation to this matter.

The Hon. COURTNEY HOUSSOS: What you going to do as the Minister? You have had this correspondence sitting in your office for a week. These guys are three weeks away from being thrown out of their accommodation again after they were forced to evacuate nearly 2½ years ago.

The Hon. WES FANG: Point of order—

The Hon. COURTNEY HOUSSOS: They are living in temporary accommodation. They are trying to negotiate their legal options. They need some financial security. From your testimony today you seem to be saying that the Government has been really generous but the time has come to draw a line under it. Is that you're your position is?

Ms ELENI PETINOS: Now you are merely creating a narrative for yourself. You cannot fight my words and that is just plain unfair, Ms Houssos.

The Hon. COURTNEY HOUSSOS: Well, Minister, give me an answer. Are you going extend the support or are you not?

Ms ELENI PETINOS: I have answered the question several times but apparently you are hard of hearing. It is very clear. There is quite clearly a level of support that is being provided by the Government.

The Hon. COURTNEY HOUSSOS: That will end in three weeks.

Ms ELENI PETINOS: It has been extended five times. It has applied to 91 claims to the value of \$9.5 million. As I have indicated several times, the correspondence from the residents will be reviewed and should any other necessary action be required I will take that under advisement and do so in due course.

The Hon. COURTNEY HOUSSOS: When will that "due course" be? When can these residents expect a response?

Ms ELENI PETINOS: Ms Houssos, now you are just being unhelpful to everyone.

The Hon. COURTNEY HOUSSOS: Minister, these are people who have to give—

Ms ELENI PETINOS: Ms Houssos, I have indicated very clearly that I am aware of the situation and that I am looking at it.

The CHAIR: Order!

The Hon. COURTNEY HOUSSOS: Minister, let me finish my question—

Ms ELENI PETINOS: I do not know what further you possibly think you are going to get at this point in time. That is not changing. You can keep asking the question 10 times if you like; the response will not change.

The Hon. COURTNEY HOUSSOS: Minister, do you understand that these people have to give notice to their temporary accommodation? If you are not going to extend the support package they need to know urgently. There is less three weeks until the Government support package will run out. Do you understand the urgency of this matter?

Ms ELENI PETINOS: I have answered your question, Ms Houssos.

The Hon. COURTNEY HOUSSOS: When can they expect a response?

Ms ELENI PETINOS: Chair, I think the point has been laboured at this point. I have provided a response and the response is not changing.

The Hon. COURTNEY HOUSSOS: You cannot take a point of order; you need to provide a response. When will the residents—

Ms ELENI PETINOS: That is not a point of order; that is merely me making a comment to the Chair.

The Hon. WES FANG: Chair, the Minister has taken the question on notice.

The CHAIR: And she asked a follow-up question: When will that come back?

Ms ELENI PETINOS: The correspondence will be reviewed and if any action is necessary at this point of time further information will be forthcoming.

The Hon. COURTNEY HOUSSOS: Minister, are you aware that the owners' corporation was in frequent contact with the previous ministerial office?

Ms ELENI PETINOS: I could not possibly say what the previous office was doing. All I can speak to is what my office is doing and the conduct that has been—

The Hon. COURTNEY HOUSSOS: Did you do a handover with the previous Minister?

Ms ELENI PETINOS: Of course I spoke to the previous Minister.

The Hon. COURTNEY HOUSSOS: Did you do a handover with the previous Minister?

Ms ELENI PETINOS: What "handover" means to you and what it means to me may be two different things. But, of course, I have spoken to the previous Minister about his portfolio and to the former chief of staff, or the Minister's current chief of staff rather.

The Hon. COURTNEY HOUSSOS: I am sorry; can you say that to me again?

Ms ELENI PETINOS: I have spoken to both the previous Minister for Fair Trading and his chief of staff.

The Hon. COURTNEY HOUSSOS: Did you have a formal meeting? Was it something where you sat down and you said, "These are the key issues in the portfolio" or was it just like a passing conversation, for example, "Good luck"? You just said that "handover" means something different to you than it does to me.

Ms ELENI PETINOS: I said it could. I am not really sure what you mean by "handover" but, of course, we have had a detailed conversation.

The Hon. COURTNEY HOUSSOS: Did that conversation include the plight of the Mascot Towers residents?

Ms ELENI PETINOS: That conversation included several matters. As you would appreciate it is an extremely diverse portfolio and numerous matters were raised over the course of the meeting.

The Hon. COURTNEY HOUSSOS: I am just looking for a yes or no, Minister. Was it raised?

Ms ELENI PETINOS: Yes.

The Hon. COURTNEY HOUSSOS: When did this conversation occur?

Ms ELENI PETINOS: There was an informal meeting when they gave me background on the portfolio at some point in time. The date is completely immaterial at this point.

The Hon. COURTNEY HOUSSOS: No, Minister, because Mascot Towers residents first attempted to contact your office on 4 February. You are saying that your office has had the correspondence for a week, and maybe it has fallen through the cracks and maybe it has not.

Ms ELENI PETINOS: There is no falling through the cracks, Ms Houssos. That is when the correspondence was received.

The Hon. COURTNEY HOUSSOS: I can table the correspondence for you if you would like, if it would assist, which says that after six weeks they finally worked out who the Minister was, and so they have made contact with your office. You are saying that you heard about it a week ago. They made repeated attempts to contact. The reason why I am asking you when you first became aware of this is was this part of your initial conversation with the Minister? Did it happen when you first became the Minister in December? Did the conversation happen when you became the Minister in December?

Ms ELENI PETINOS: The words "Mascot" and "Towers" were used at some point in the briefing.

The Hon. COURTNEY HOUSSOS: And when did that conversation occur?

Ms ELENI PETINOS: At some point once I became the Minister.

The Hon. COURTNEY HOUSSOS: Before Christmas or after Christmas?

Ms ELENI PETINOS: I spoke to Minister Anderson prior to Christmas.

The Hon. COURTNEY HOUSSOS: So you were at least aware of the fact that there is this issue called Mascot Towers, that there are some residents who were receiving support before Christmas. So that is immediately after you become the Minister, which is about three months ago. Minister, you cannot pretend then that this is some kind of random piece of correspondence, some issue that has just come across your desk in the last week that will be responded to in due course. This is one of the major issues in the portfolio that the Minister himself raised with you in a handover that the previous chief of staff—

Ms ELENI PETINOS: No, no, hold on. You are using the word "handover". I want to correct the record. You cannot say that there has been a handover when I have not said that. I said we had a conversation. You are trying to make out that there has been some sort of formal offering of what is in the portfolio. That is not how it works. And God help the State if you are ever in government—you will actually be able to learn how all of this works. But that is not what happened, and I would hate for you to put the incorrect thing on the record.

The Hon. COURTNEY HOUSSOS: I find it even more alarming, the fact that an issue as serious as that of Mascot Towers does not—

Ms ELENI PETINOS: All matters are serious, Ms Houssos.

The Hon. COURTNEY HOUSSOS: —warrant then more than a flippant conversation between you and the previous Minister. But let me move on. Minister, does this mean that you will refuse to provide support for any future building residents who face catastrophic defects?

Ms ELENI PETINOS: We have been very clear about this. The matter will be considered as all matters are within the portfolio and action is taken as appropriate.

The Hon. COURTNEY HOUSSOS: Minister, have you met with the buyers of the Imperial Tower in Parramatta?

Ms ELENI PETINOS: No.

The Hon. COURTNEY HOUSSOS: These are buyers who were forced to settle in a building so riddled with faults that your own Building Commissioner has issued prohibition orders on it. Are you aware—

Ms ELENI PETINOS: I am aware of the Imperial building.

The Hon. COURTNEY HOUSSOS: Have you met with the owners of the Vicinity Apartments?

Ms ELENI PETINOS: Can I make it clear that, as far as I am aware, neither the owners of the Imperial building or the Vicinity building have asked to meet with me.

The Hon. COURTNEY HOUSSOS: But I am just asking if you have met with them. They were owners that were preparing to evacuate in October and their strata meeting descended into violence late last year. You are familiar with the issues with the Vicinity Apartments?

Ms ELENI PETINOS: I am. I have not met with either, nor have I been requested to meet with either.

The Hon. COURTNEY HOUSSOS: Have you met with the homebuyers in Box Hill who have been offered the same blocks of land they thought they had purchased, but at an extremely inflated price?

Ms ELENI PETINOS: No.

The Hon. COURTNEY HOUSSOS: Minister, why are you not meeting with apartment owners and residents who are suffering because of your government's failure to regulate the industry?

Ms ELENI PETINOS: Ms Houssos, as you would appreciate, there are many stakeholders in the portfolio. The portfolio is diverse, and of course we meet with people where the meeting is requested and as the issue materialises. But in the three particular examples you have raised, no, I have not with them and they have not requested a meeting either. Of course, if they want to contact the office, I am more than available to meet with people. The request has not been made as of yet.

The Hon. COURTNEY HOUSSOS: So they need to request before you will actually meet with them. They have to actually reach out to you. You are not doing any kind of proactive reaching out, you are not looking at the key issues in your portfolio and going, "I need to get across them." You are waiting for people to knock on your door, and even when they do they have got to wait for—

Ms ELENI PETINOS: Ms Houssos, that is completely unfair. There are lots of matters in the portfolio and many proactive advances have been done on issues that have warranted the most immediate attention. There are some really serious things in this portfolio and they have had attention as required.

The Hon. COURTNEY HOUSSOS: And Mascot Towers residents are not serious?

The CHAIR: Sorry, Ms Houssos, you can pick that up in the next round. I have to pass to Ms Hurst.

The Hon. EMMA HURST: Thank you, Chair. I have just got a few more questions about the consumer issues around puppy farming. I just want to go back because just before my time expired the deputy secretary was mentioning that it is a case-by-case basis in regard to sick puppies having to be returned to the breeder. The reason why I actually bring up this concern is that we get a lot of calls in my office and my understanding is that the risk under the Australian Consumer Law and Fair Trading Act in New South Wales is that somebody could actually fail their legal action or not recover damages if they do not return the animal to the breeder. Obviously, that is a big emotional issue because the reason why people are calling my office is that the breeder says, "If you return the dog, we will shoot the puppy," or kill the puppy in some other way. I might refer quickly to the deputy secretary, but is my understanding correct that there is that risk under the Australian Consumer Law and Fair Trading Act in New South Wales if the breeder says that the animal has to be returned?

NATASHA MANN: Ms Hurst, I will have to take that particular issue on notice. It is quite specific and I want to make sure I give you the correct information.

The Hon. EMMA HURST: Thank you. That is fine. Minister, I recognise, obviously, that that is taken on notice, but if my interpretation of that Act is correct, do you think that, therefore, there would be a need for a review in this space on laws protecting consumers when it comes to animals, given that animals are not really products and there is obviously a lot more sort of emotional connection to animals and that it is much more complex than returning a couch, for example?

Ms ELENI PETINOS: Yes, Ms Hurst, there are certainly some complex issues that you are raising today. In the interests of not wasting your time on a matter that I have indicated already to you that was not before my attention prior to your line of questioning today, I am happy to have a conversation with you regarding this after estimates.

The Hon. EMMA HURST: Thank you. The sale of animals on online platforms like Gumtree is also a particular area of concern. They are transactions where Australian Consumer Law often does not apply and so that obviously leaves people at a high risk of being scammed. Has the Government or the Department of Fair Trading looked into regulating animal sales specifically for online platforms?

Ms ELENI PETINOS: I will refer you to the deputy secretary for further information, Ms Hurst.

NATASHA MANN: Thank you, Minister. What you say is absolutely correct in terms of protection under Australian Consumer Law, Ms Hurst. So if an animal has been misrepresented or, indeed, sold with underlying health issues, then the consumer is protected through ACL and there are remedies under that. In terms of your question about specifically online regulation, I am not aware of that, but if I can find similar details for you I will certainly endeavour to bring those back this afternoon.

The Hon. EMMA HURST: Thank you. Deputy Secretary, you said that people will be covered by the Australian Consumer Law, but my understanding is that many times people are not protected by that law because it only really applies if the seller is acting in trade or commerce, which is very, very difficult to prove. Obviously, I am not acting in trade or commerce if I sell my couch and I am a one-off seller, so obviously a dodgy backyard breeder, for example, could be a one-off seller and they would not be in trade or commerce. That means that consumers are not protected in many situations. Is that correct?

NATASHA MANN: Ms Hurst, that may be the case, and if I could come back to you on that I will. I will say that Fair Trading does have one matter before the court, which you may be aware of, relating to a puppy scam. I am advised that that is due for mention on 18 March and relates to accepting payment and failing to supply the puppy within a reasonable time. So we are taking this very seriously at Fair Trading and we have prosecuted, as I said, in the matter coming in for mention on 18 March. I will take that further request for information on notice and try to come back to you this afternoon, if I can.

The Hon. EMMA HURST: Thank you very much for that. Minister, I want to move on to your role in small business. I want to talk about small businesses, particularly in animal care industries, such as companion animals, boarding facilities, kennels and cat- and dog-sitters. I appreciate that this might be across more than just your portfolio, but are you aware if animal boarding facilities have been included in the Government's support for the tourism industry from the COVID support packages?

Ms ELENI PETINOS: That is a very specific question. Thank you, Ms Hurst. In relation to the tourism industry, I might refer you to Mr Gadiel from Treasury, who could talk to that further.

MICHAEL GADIEL: Could I just ask you to repeat the question?

The Hon. EMMA HURST: It is in regards to the packages that came around COVID support around tourism and travel, particularly if there were any packages for animal care industries that are affected by that travel and tourism, like boarding kennels and animal-sitters.

MICHAEL GADIEL: I am not aware of any programs that were specifically targeted to animal care or sitters but, if those businesses met the criteria for the other support programs—that is the micro-business grant, JobSaver and the COVID-19 business grant—then they would be eligible for those. The requirement has generally been that, to meet the requirements for one of three of those, they would generally have to have a turnover of more than \$30,000. For the other two—JobSaver and the COVID-19 business support grant—they would need to have a turnover of more than \$75,000 in one year and a registered ABN. If they met that criteria, they would, like any other business in the State, be able to receive it if they could demonstrate a 30 per cent or more decline in turnover.

The Hon. EMMA HURST: Can I ask why animal care businesses that are specifically related to travel and tourism were excluded from that COVID support that was specifically targeted for that category? Why are they falling into every other small business rather than travel and tourism?

MICHAEL GADIEL: The approach from the Government has been to make business support as broad as possible and to make sure that the programs that we have designed can be picked up by the maximum number of businesses. There were decisions to provide some support for tourism but mainly on the demand side, through vouchers. That was primarily focused on CBD hotels and the like that were particularly badly affected. Yes, during COVID—like cafes, hotels, pubs, clubs and other businesses—there is no doubt that tourism businesses that are tied to the care of animals would have been impacted. Those businesses would be able to access the same support as other impacted businesses.

The Hon. EMMA HURST: Minister, I want to move on to the strata review. The statutory review of the Strata Schemes Management Act 2015 was published late last year. Are you able to give us an update on when the recommendations from this review will be implemented?

Ms ELENI PETINOS: Firstly, in this regard, I do want to note your advocacy in this space, in particular for pets in strata, and acknowledge the role that you played in getting these reforms that commenced in August of last year through the Parliament. There are 139 further recommendations that are being considered by the report. With respect to the timing, I am going to have to take that on notice for you, Ms Hurst.

The Hon. EMMA HURST: Do you expect we might see a bill sometime this year? Is that on your time line?

The Hon. COURTNEY HOUSSOS: Ms Mann is nodding enthusiastically.

Ms ELENI PETINOS: I will refer to the deputy secretary.

NATASHA MANN: Thank you. I just wanted to say, Minister and Committee, that we are targeting legislation for the first half of 2022. As the Minister pointed out, there are 139 recommendations, not all of which are legislative. It is a big package. We are targeting the first half of 2022.

The Hon. EMMA HURST: I am particularly interested in the recommendations surrounding animals in strata, such as clarifying what evidence strata schemes can require in relation to an assistance animal. Are any reforms relating to animals likely to be implemented as part of those 139 recommendations?

Ms ELENI PETINOS: I will refer that to the deputy secretary in a moment. I will say that, of course, all of the recommendations are being considered. With a legislative package forthcoming, the Government will be listening to feedback and open to suggestions on further actions. I will refer you to the deputy secretary.

NATASHA MANN: I am just wondering—Mr Tansey is probably closer to that package and may be better placed to answer.

JOHN TANSEY: The thinking on the packages, as the Committee has highlighted and the Minister has—it is very large. We are thinking of trying to progress the total package, potentially, in two parts, with the first coming forward, hopefully, in May—so this session—and some of the more complex issues that need a bit more development and working through with stakeholders as a second package. I understand some of the related pet elements might come forward in that first package.

Ms ELENI PETINOS: Would you like, Ms Hurst, to go through the six recommendations relating to the keeping of pets?

The CHAIR: Ms Hurst's time has expired. We can either take it on notice or we can pick it up at the next round of questioning.

Ms ELENI PETINOS: I am happy to take it up later for Ms Hurst, if you like.

The Hon. EMMA HURST: Thank you.

The CHAIR: Minister, I will put these questions to you, but I understand that they may go to Ms Hogan. They are still on the property expert panel, just looking at some finer details. Are resolutions at these meetings formally voted on? Are votes formally taken?

Ms ELENI PETINOS: I would have to refer you to Ms Hogan or Ms Mann, as appropriate.

EMMA HOGAN: I would have to take it on notice, but I should try to get back to you this afternoon at the beginning of the session.

The CHAIR: No problems at all. Are individual members allowed to bring items of business for discussion or are items set by the chair or the department?

EMMA HOGAN: I imagine it is a combination of both but, again, I will come back to you.

The CHAIR: Is there a facility in the meetings to agree on actionable items? At the end of the meeting, are we saying, "Okay, this is our homework for next week," or, "This is what we have to do," or is it just a bit of a talkfest? That is what I am trying to get at.

EMMA HOGAN: I imagine there are actionable items but, again, I will come back.

The CHAIR: Are the minutes minuted? And are they full minutes or precis minutes?

EMMA HOGAN: I will take a look and I will come back to you this afternoon.

The CHAIR: And are those minutes published, and are they publicly available like other ministerial consultancy groups?

EMMA HOGAN: I will come back to you.

Ms ELENI PETINOS: I will say, though, that this is not a formal ministerial panel appointed under section 9B of the Act. We will get advice on that, but there is a distinction in the way that panel runs.

The CHAIR: I appreciate there are varying types of these groups, but I just want to see that. Some of these groups—not necessarily this one—have lackadaisical procedures. I just want to check up on that.

Ms ELENI PETINOS: We will make that information available for you.

The CHAIR: Minister, are you aware that one of the largest representative bodies of real estate agencies, the Real Estate Institute, walked away from the property expert panel before your time? Are you aware of that?

Ms ELENI PETINOS: Yes, I am. I can advise you that I met with Mr McKibbin from the Real Estate Institute recently. This matter was canvassed, as I understand that Mr McKibbin has formally written in to Mr Minns and requested that the REI now come and join the panel again. Yes, I do accept that they walked away previously, but Mr McKibbin has indicated an interest from the REI in now participating in the process again. Mr McKibbin and I have discussed that face-to-face. I have indicated that I would welcome the participation of REI in the panel should they still be willing to do so.

The CHAIR: Excellent. That wipes out a whole heap of questions. I turn to explosives, Minister—something more exciting—although we have had some explosions this morning. Are you aware—I hope you are aware—of the review into the Explosives Regulation 2013 that began last year and that sits under your purview?

Ms ELENI PETINOS: Ammonium nitrate?

The CHAIR: The Explosives Regulation 2013 was up for review at the end of last year. I think submissions closed in August and are now being considered.

Ms ELENI PETINOS: I am not, sorry—ammonium, yes; explosives generally, no.

The CHAIR: Obviously, you have not received a brief by your department or a brief of the submissions that have been received yet?

Ms ELENI PETINOS: Not as far as I am aware.

The CHAIR: One of the issues that was raised with my office and also raised through the submissions, and that was put to your department, which is drafting this regulation, was the proposed limits on reloading components for firearm owners. None of the proposed regulation changes are based in evidence. They are actually going to adversely impact on those licensed firearm owners who reload, particularly in competitive target shooting. They have to store a fairly large amount of powder because of the number of competitions that they

shoot in. We received a commitment from the former Minister that these clauses would be reviewed and amended accordingly. Are you prepared to take a brief and consider honouring that commitment?

Ms ELENI PETINOS: Of course.

The CHAIR: Thank you. One of the other issues that was raised was the impact on storage by police. They are part of this regulation. They sometimes store powders that they have seized from firearm owners. It was raised with the drafters of the regulation that the proposed limits would essentially render police in breach of the regulations as soon as they seize an amount of powder. The attitude coming back from the police was cavalier, to be fair, and, basically, "We don't care that we're in breach of the regulations." How often does Fair Trading inspect police stations for compliance with the regulations?

Ms ELENI PETINOS: I will refer you to Mr Tansey, who, I understand, is better placed to respond to this question for you.

JOHN TANSEY: Thank you, Mr Banasiak. I am aware of the issues that you are referring to. Yes, I am aware that they came up in some of the discussions between stakeholders and some of my team officials around—is it black powder? I cannot think of the term.

The CHAIR: It is all sorts of powder. Black powder is one of them.

JOHN TANSEY: We will definitely continue to take those matters on board. I would imagine they will be part of the briefing. I can confirm we have not yet provided a briefing to the current Minister on this issue in the time that she has been in the portfolio. But on your point, yes, we will take those issues forward as part of trying to resolve the Explosives Regulation review.

The CHAIR: I accept that you will take the feedback on board, but it raises the concern that the police are potentially in breach of this regulation. So I put it back to you, Mr Tansey. In the past three years how often has your department inspected police stations for compliance with this regulation? Do you do compliance on police stations, or is it an honesty box or self-assessment?

JOHN TANSEY: I might need to seek some advice and come back to you on that, Mr Banasiak.

The CHAIR: Does it concern you, Minister, that another government agency—although you are not responsible for it—is essentially thumbing its nose at regulations that you are responsible for?

Ms ELENI PETINOS: Mr Banasiak, it would be my hope that, obviously, we always have a whole-of-government approach and that all departments engage with one another appropriately and respect the role one another play.

The CHAIR: Can we go to another review that is currently underway—paintball. There is a statutory review going on of the Paintball Act 2018. Submissions closed on 24 December last year. Minister, are you aware of that one or have you received a briefing on that?

Ms ELENI PETINOS: I am aware of that one.

The CHAIR: What was the nature of that briefing that you had? Can you give us a bit of detail about that briefing?

Ms ELENI PETINOS: I have been advised that, as you have indicated, a statutory review of the Paintball Act commenced on 1 July and that a final report is required to be tabled by 1 July this year; that public consultation closed on 24 December 2021, and over 100 submissions were received from industry, individuals and interested parties; and that at this point in time, the department is currently reviewing submissions. I have also been advised that the department launched a new paintball marker safety training course on 1 December 2021; that the course replaced the New South Wales police general firearms course for long arms as the prescribed course; and that TAFE NSW is hosting the new course, which is offered at a lower cost for paintball enthusiasts and the industry.

The CHAIR: What is the Government's current position on the success of the Act and whether it will be continued?

Ms ELENI PETINOS: The review, I should say, is still ongoing. Whilst I have been briefed, at this point in time I can indicate to you that my understanding is that there has been great success in processing the paintball permit applications and that, as at 31 December last year, Fair Trading had an average turnaround of 0.03 business days—less than a business day—with respect to determining applications. So it is my view that there have been efficiencies in the way that the Act is operating at this point in time and that it appears to be successful for the industry at this point in time. I say that bearing in mind that the paintball regulatory scheme was

introduced to reduce the compliance burden for the paintball industry by putting in place provisions that are commensurate with the low-risk profile of the industry.

As you know, Mr Banasiak, we removed the regulation of paintball markers from the Firearms Act 1996 and established a separate system of permits for the regulation of paintball markers, venues and activities; we reclassified paintball markers as a sporting device, removing their former prohibited weapons status; and we reduced the age limit of participation from 16 years to 12 years. You can see that the department is quite clearly processing those permits at a rapid rate. Between 1 July 2019 and 31 December 2021, Fair Trading received 1,209 paintball marker applications, 25 paintball venue applications, and 26 international paintball competitor applications. So the scheme appears to be widely embraced.

The CHAIR: Yes, that is fantastic efficiency. Can you maybe send Fair Trading staff up to registry and teach them how to do their job? We have about five minutes before the break. I invite any witnesses who have taken something on notice, and have something back, to give that to us now if they want to. That will reduce their homework and may allow us to progress things more quickly.

EMMA HOGAN: I can respond to Ms Houssos' request earlier this morning. We have two mobile service centres up north at the moment—one in Lismore and one that I think was in Murwillumbah earlier in the week, but which has moved around potentially in the past few days. We also have presence of Service NSW staff in all our disaster recovery centres as well. Usually four or five staff are in each. We are also taking some people from Sydney to ensure that staff who are impacted locally are given the right opportunity to take breaks. We have got extended trading hours in the service centre. I know not everybody has had internet access, but the telephone lines have been extended through to 10.00 p.m. on weeknights and extended on the weekends slightly as well.

The Hon. COURTNEY HOUSSOS: Thanks, Ms Hogan. That is helpful.

The CHAIR: Excellent. I can see Ms Mann waving.

NATASHA MANN: Thank you, Chair. I did want to come back to Ms Hurst on the complaint data numbers, if I could. While we do not specifically identify puppy farms within the nature of our complaints, we do have non-supply and no refund of puppies from online sales. We do have complaints about puppies being sick, deceased or dying soon after supply, and also about misleading description of the breed of puppy, as per the contract, and also non-supply of paperwork for pure-bred breeds. They are the complaints that come within this umbrella. Ms Hurst, in 2017 there were 12 complaints; 2018, 12 complaints; 2019, 19 complaints; 2020, 19 complaints; and 2021 to date, 13 complaints.

Ms ELENI PETINOS: Mr Banasiak, if I may as well, with respect to the question I was asked earlier with respect to the flood recovery small business grants, I would like to update the record regarding the level of interest that has been demonstrated in the program thus far. As at 8.30 this morning, I am advised that there are 9,530 expression-of-interest forms that have been submitted in relation to this grant and that 1,290 applications have been submitted.

EMMA HOGAN: On the expressions of interest that have been put forward, which the Minister refers to there, they will also incorporate people expressing interest in broader support as well as this grant.

The CHAIR: We will now break for 15 minutes and return at 11.15 a.m.

(Short adjournment)

The CHAIR: We will get started again. We now return to questions from the Opposition.

The Hon. COURTNEY HOUSSOS: Minister, last year JobSaver required businesses to have suffered a 30 per cent reduction in turnover and offered 40 per cent of payroll in support. The new Small Business Support Program requires a 40 per cent reduction in turnover but only offers 20 per cent of payroll in support. Why is the eligibility tighter and the support lower than JobSaver?

Ms ELENI PETINOS: Thank you for your question. The Small Business Support Program offers or provides broad-based support to help businesses directly impacted by the public health order or by COVID more broadly. Our experience has shown that linking eligibility to a decline in turnover, rather than industry or location, tends to ensure that the support programs reach businesses that need it the most. What we have done with the Small Business Support Program is that—it was always intended to be a targeted package. Sorry, I am jumping.

I will note your comment about the 20 per cent of payroll tax support that was provided to small businesses through the Small Business Support Program earlier this year. The reason for that, as you know, Ms Houssos, is that the Commonwealth has not contributed to the Small Business Support Program, although they did the previous financial package. So the New South Wales Government has maintained its commitment of providing 20 per cent payroll support. The 20 per cent that is omitted from the most recent package is because the

Commonwealth Government is not contributing to the cost. I do want to note that the Small Business Support Program, which is the January package, is designed to support businesses; it is not designed to compensate business for loss. I really think it is important that we note that the Small Business Support Program is one of many packages that this Government has made available for people due to the impacts of COVID in this State and that no other jurisdiction in Australia has been as generous with the packages available to small business.

The Hon. COURTNEY HOUSSOS: That might be the case, Minister, but I am sure you are hearing from small businesses what I am hearing, which is this is not enough support to get them through, that the 20 per cent figure might represent what your previous commitment was but that they are really suffering and that it is actually a tighter eligibility than previously, for less support.

Ms ELENI PETINOS: I do acknowledge the difference in the criteria, but the reason for the difference in the criteria, as I understand it, is that circumstances have changed, so as—

The Hon. COURTNEY HOUSSOS: What are the circumstances that have changed?

Ms ELENI PETINOS: Circumstances being that the second package was announced during Omicron and the earlier package, with the 40 per cent that you are referring to, was announced during Delta. So what we are finding—

The Hon. COURTNEY HOUSSOS: What is the difference? There is a different variant. Does that mean that, if there is another variant, then the package gets cut in half again?

Ms ELENI PETINOS: The Small Business Support Program is a very targeted package. It is a targeted package to help businesses who are the most impacted by COVID-19 so that they could support the Omicron wave of the pandemic.

The Hon. COURTNEY HOUSSOS: Minister, you have already said that. I understand. I am just asking you—let me move on. You have read the note. I just want to move on to something else, then.

Ms ELENI PETINOS: Sorry. I do not think I have articulated that very well. The difference is because we are now learning to live with COVID and the economic recovery is now gaining pace.

The Hon. COURTNEY HOUSSOS: Basically what you are saying is it is because the Commonwealth is not stumping up the money and the economic recovery is happening, that is why they are not getting support.

Ms ELENI PETINOS: Businesses need to be allowed to get on and run their business, and the Government needs to go back to ensure that business landscape is stable, competitive and fair.

The Hon. COURTNEY HOUSSOS: So it is your view that the grants are distorting the marketplace? Is that your testimony?

Ms ELENI PETINOS: I am not suggesting that. I am suggesting that we are all now learning to live with COVID and that the same support that was appropriate during Delta, whilst a majority of businesses were closed by the public health order, do not remain appropriate during the Omicron wave, when you can see we are now all walking around without masks and we have a greater degree of freedom and flexibility.

The Hon. COURTNEY HOUSSOS: Let me just turn you to that exact point, Minister, because the Small Business Support Program requires small businesses to prove the 40 per cent—nearly half—drop of their turnover that occurred in January, but it does not provide any support payments for that month. Why are you not supporting small businesses in the month when they have proved they have lost nearly half of their business?

Ms ELENI PETINOS: The criteria for the Small Business Support Program is actually set by, as I understand, Treasury. If you would like further information on that package, you could have spoken to the Treasurer when he appeared in estimates, although Mr Gadiel is available here today.

The Hon. COURTNEY HOUSSOS: I might have some questions for Mr Gadiel this afternoon. But, Minister, you are the Minister for Small Business. Surely, when you saw this package come across your table, you go—you are required to have your business nearly cut in half in January. We know from anecdotal evidence—I am sure you are hearing exactly what small businesses are telling me, which is that they really suffered during the pseudo-lockdown in December and January, as Omicron just ran rampant through the community. You are requiring them to prove that their business was cut in half, but you are not giving them any support for that period.

Ms ELENI PETINOS: I acknowledge the impact that COVID has had on all small businesses throughout this State, which is why the New South Wales Government has provided such generous packages to make sure that businesses can get back to doing business and that doors remain open to keep people in jobs and make sure that business bounces back. Ms Houssos, I do want to indicate to you that it is not just the Small Business Support Program that has been available to businesses to get them through this stage of the pandemic.

There is much other small business support that remains currently available to small businesses in the State of New South Wales—

The Hon. COURTNEY HOUSSOS: Do you have a list of those grants?

Ms ELENI PETINOS: They are not all grants; they are initiatives, as well, Ms Houssos. With respect to things that the New South Wales Government is doing to support small business, we have increased the payroll tax threshold from \$1 million to \$1.2 million and temporarily reduced the payroll tax rate from 5.45 per cent to 4.85.

The Hon. COURTNEY HOUSSOS: Minister, I can see you are reading from something. If you want to table that, that is fine. I want to move on to something else.

Ms ELENI PETINOS: Can I make one more important point, Ms Houssos? We have provided an additional \$3.5 million to Business Connect to meet the increased demand from the impact of small businesses due to the Omicron wave of the pandemic, and those small business advisers are available to support all small businesses in this State with tailored support to assist their business.

The Hon. COURTNEY HOUSSOS: Minister, I am sure that you are hearing from small businesses what I am hearing from small businesses, which is that they were smashed over December and January and that they are struggling to keep their doors open. Your Government's grant program requires them to prove they lost nearly half of their revenue, which is not difficult for many of them to prove, yet provides them with no support for that period. Do you understand how that does not make sense? And now they are being required to jump through more hoops to access support. They are simply saying, "This is too hard. This is too much."

Ms ELENI PETINOS: I have acknowledged that small businesses in this State have done it very tough over the last two years. At various points in time, it has been more challenging than others. The small businesses that have been most impacted through the various waves of the pandemic have been able to access support provided by the New South Wales Government—and different packages, at that. With respect to the Small Business Support Program that we are talking about now, I can advise you that \$19.25 million has already been paid out to support the small businesses in this State.

The Hon. COURTNEY HOUSSOS: Sorry, \$19.25 million?

Ms ELENI PETINOS: As it stands, as at this morning, yes.

The Hon. COURTNEY HOUSSOS: And what period is that for? When was it paid out? When was that \$19.25 million paid out?

Ms ELENI PETINOS: It has been paid at a point earlier than 8.30 this morning. This is in relation to the Small Business Support Program, which is the package that we announced in January.

The Hon. COURTNEY HOUSSOS: Okay. So we can then infer that from January to March \$19.25 million was paid out.

Ms ELENI PETINOS: Well, the program was not available for applications until mid-February.

The Hon. COURTNEY HOUSSOS: Exactly. So we have a month-long—not even. Three weeks, and they have \$19.25 million—

Ms ELENI PETINOS: Potentially. I would have to get the exact date that the grant opened—but, ballpark, mid-February.

The Hon. COURTNEY HOUSSOS: So you are aware JobSaver was paying out about \$2 billion per month?

Ms ELENI PETINOS: I am aware of the JobSaver program.

The Hon. COURTNEY HOUSSOS: Are you aware that it was paying out \$2 billion per month?

Ms ELENI PETINOS: I am aware of the parameters of JobSaver, Ms Houssos.

The Hon. COURTNEY HOUSSOS: Okay. You would accept that \$19.25 million is a significantly lower figure than the \$2 billion that was being provided each month to small businesses? This is why they are suffering. This is why they are coming to us and saying, "It is not working. The government support is not working." Will you re-evaluate the support?

Ms ELENI PETINOS: Ms Houssos, over the three significant programs that the Government ran last year to support small businesses, we actually gave out \$10 billion in support. That is a very significant and generous package that supported small businesses in this State going through the peak of the COVID-19 pandemic.

I refer to my earlier answer to you that the Small Business Support Program, which was announced in January, was always intended to be a more direct and targeted package, and that businesses that have been impacted to the scope indicated in the criteria in January have been successfully accessing the grant program and have been receiving payments from the Government. Aside from that, they are not the only packages available to support small businesses at this point in time.

The Hon. COURTNEY HOUSSOS: Okay, Minister. I am going to stop you there. I understand.

Ms ELENI PETINOS: I was telling you about other small business support and you cut me off.

The Hon. COURTNEY HOUSSOS: We have limited time and my time is running out. Of the \$19.25 million, how many individual applicants did that pay out to? Then I am going to pass to my colleague for some questions.

Ms ELENI PETINOS: I am advised by the Small Business Commissioner—

The Hon. COURTNEY HOUSSOS: Mr Lamont, you are sworn in, so you can give us the answer.

CHRIS LAMONT: Thank you, Ms Houssos. So 4,995 applicants have received that money.

The Hon. COURTNEY HOUSSOS: Okay. Thanks very much. Mr Primrose?

The Hon. PETER PRIMROSE: Thank you, Minister.

Ms ELENI PETINOS: Can I add one more piece of information?

The Hon. PETER PRIMROSE: Yes.

Ms ELENI PETINOS: Sorry, Mr Primrose. There are over another 6,000 applications, as I understand, currently in progress.

The Hon. PETER PRIMROSE: Thank you, Minister. You recall the recent rail shutdown, don't you?

Ms ELENI PETINOS: I do.

The Hon. PETER PRIMROSE: What did you do when you were informed of the shutdown?

Ms ELENI PETINOS: Mr Primrose, you would appreciate that that is well and truly outside the scope of my portfolio.

The Hon. PETER PRIMROSE: Well, as Minister for Small Business, what did you specifically do to warn small business of the huge hit they were about to take to their operations?

Ms ELENI PETINOS: Mr Primrose, the matter of the rail network is quite clearly a matter for the Minister for Transport, and he has been questioned extensively about the nature of the shutdown in his estimates hearing.

The Hon. PETER PRIMROSE: I appreciate that. You are the Minister for Small Business. That is right, isn't it?

Ms ELENI PETINOS: It is.

The Hon. PETER PRIMROSE: Yes. So, in relation to your portfolio, what did you do when you were advised about the huge hit that small business was about to take to their operations?

Ms ELENI PETINOS: Mr Primrose, as with all things, the workforce has been quite flexible over the last two years. People have been predominantly, you would appreciate, working from home, given the impact of the public health orders on the workforce. Many small businesses are being supported by workers who are living near them and are engaging them daily to shop, to engage in services—

The Hon. PETER PRIMROSE: I appreciate what you are saying, Minister. Specifically, however, what did you do to warn small business of the huge hit they were about to take to their operations when you heard about the proposed rail shutdown?

Ms ELENI PETINOS: Mr Primrose, your question is making many assumptions about the way that people move and go about their daily business. My suggestion to you is that people have been predominantly working from home over the past two years and that those people have been engaging small businesses in the communities in which they live and have been supporting their small businesses and taking great pride in doing so.

The Hon. PETER PRIMROSE: Minister, I think you may be misunderstanding, so I will be a bit more precise. You would agree that small businesses are already struggling with staff shortages? Is that right?

Ms ELENI PETINOS: I think that we are all aware there have been challenges that small businesses have been facing over the last two years, including staffing.

The Hon. PETER PRIMROSE: Thank you. When you heard about the rail shutdown, did you consider the impact of staff being unable to get to work at small businesses?

Ms ELENI PETINOS: Mr Primrose, people live and work in different areas in this State, and many workers live and work in similar areas and have adapted to the way we move over the last two years, given the impacts of COVID-19.

The Hon. PETER PRIMROSE: Are you suggesting that really the rail shutdown had no impact on the staff of small businesses actually getting to work? Is that correct?

The Hon. WES FANG: Point of order: I appreciate Mr Primrose's experience during estimates, but what I have seen during his number of questions that he has put to the Minister has been an attempt, on numerous occasions, to put words into the Minister's mouth. The Minister has been very clear in her answers. I would ask that Mr Primrose, I guess, put questions to the Minister that do not seek to attempt to put words in the Minister's mouth.

The Hon. PETER PRIMROSE: Can I simply ask—my point is that I may be misunderstanding the Minister.

The CHAIR: Given it is a point of order, are you countering the point of order?

The Hon. PETER PRIMROSE: I am suggesting that I am asking the Minister to clarify so that we are crystal clear what her position is.

Mr DAVID SHOEBRIDGE: He is just trying to help.

The CHAIR: To rule on the point of order, that is how I interpreted Mr Primrose's questions. I do not believe he was trying to put words into the Minister's mouth. I do not believe it would be possible to put words into the Minister's mouth. I think he was just seeking a clarification of what she was saying, so I will allow the questioning to continue for the moment.

The Hon. PETER PRIMROSE: Minister, can I just clarify? Did people who work for small businesses have additional troubles on the day of the rail shutdown actually getting to work?

Ms ELENI PETINOS: Mr Primrose, I acknowledge that the impacts of the rail shutdown had significant consequences for many segments of our community.

The Hon. PETER PRIMROSE: Including small business?

Ms ELENI PETINOS: Of course. I also want to acknowledge that, whilst this is well and truly outside my portfolio, we are all aware from media reports that Transport for NSW put out communications advising of the challenges the rail network was facing that day and that, as all individuals using public transport have made arrangements due to inclement weather and floods and so on and so forth, they were in a position to do so on that day, despite the unexpected arrangements.

The Hon. PETER PRIMROSE: Would you agree with this: many labour hours were lost to small business as a result of the shutdown?

Ms ELENI PETINOS: I could not possibly speculate on that, Mr Primrose. I want to reiterate that people work far more flexibly in the current environment and we have all had to adapt as a result of COVID, and the labour force is far more—

The Hon. PETER PRIMROSE: I understand, Minister, but I just want to be crystal clear so I am fair to you. You are not sure whether a significant number of labour hours were lost to small business as a result of the rail shutdown?

Ms ELENI PETINOS: I did not say I was not sure. I am saying I could not possibly speculate because people now work in different ways. Of course there are some businesses that would have experienced challenges. We all know that. But many people have been and are still working at home and have been engaging in their line of work online. Other people work near their homes and, instead, take their cars or walk. There are many ways that people engage in the workforce, and it would not be appropriate for me to speculate about the impact of a completely different portfolio.

The Hon. PETER PRIMROSE: Were you concerned about the lost hours to small business or do you believe it was insignificant?

Ms ELENI PETINOS: I am always concerned about the needs that are facing the small business owners in this State.

The Hon. PETER PRIMROSE: So were the number of labour hours lost significant, which would concern you, or not significant?

Ms ELENI PETINOS: I have already indicated to you, Mr Primrose, that I could not possibly speculate because of the flexible nature of the workforce and noting that different businesses are impacted in different ways. Many people have flexible work arrangements and it would not be appropriate for me to speculate.

The Hon. PETER PRIMROSE: Have any small business organisations approached you to express concern about the number of hours lost?

Ms ELENI PETINOS: Not as far as I am aware.

Mr DAVID SHOEBRIDGE: You do not have to speculate. Treasury has already said they estimate the loss to the Sydney economy at \$50 billion.

The Hon. COURTNEY HOUSSOS: Minister, in formulating the January small business program, how many chambers of commerce did you consult with in preparing that program?

Ms ELENI PETINOS: Ms Houssos, you will note that we did have industry representatives at the announcement of the Small Business Support Program and that the Small Business Support Program was welcomed by COSBOA and the restaurant and catering association as well as Business NSW, who were all standing side by side with us when we announced that package. Of course, as I have previously indicated, that package is a matter for the Treasury, and you could have made further inquiries with Minister Kean in relation to that package.

Ms ABIGAIL BOYD: I want to quickly ask you some questions about the National Construction Code Minimum Accessibility Standards. I know that you are new to the portfolio, but this is an issue that I have raised at previous estimates and also with the disability services Minister. I understand it falls squarely within your portfolio responsibilities now. New South Wales has so far ruled out following Queensland, Victoria, the ACT, Tasmania and the Northern Territory in introducing the requirements for new housing to be accessible not just for people with disability but also for older people and all of us as we age and for our visitors. Are you going to relook at that decision and sign up with everyone else to those minimum standards?

Ms ELENI PETINOS: I do note, as you have, that at this point in time the New South Wales Government does not support the inclusion of the Minimum Accessibility Standards in the National Construction Code as it was currently proposed. I have been advised that the reason for that is that the changes would have a negative impact on housing affordability and the construction sector and would also come at a significant cost to the community. I have been advised that the cost is something like \$4,603 per dwelling. I will also say to you, though, that, like you, I actually do believe that this is an important issue. When I was briefed by the department on this matter, I asked for them to provide me with further information so that I can review why the position is what it is.

Ms ABIGAIL BOYD: I appreciate that. Minister Anderson, I believe, was the Minister who had this responsibility previously, and he also talked about this potential for a minimal \$4,000 or less than 1 per cent cost increase. Are you able, probably on notice, to come back with the specific costs, who came up with that number and how it was assessed, and I hope that in that process perhaps you would also interrogate those costs to make sure that that really is something that would justify the cost to people with disability and those with mobility requirements.

Ms ELENI PETINOS: It is something that I have already asked the department to provide me with further information on and I understand that Mr Tansey may have something in front of him now that he can share with you, with your indulgence.

JOHN TANSEY: Ms Boyd, you asked the question about the source of the figures. There were two regulatory impact assessments and statements done by the Australian Building Codes Board on behalf of all building ministers. There was an initial consultation RIS. There was then finally a decision RIS. So all the figures that we rely on and have taken account of come out of those RISs.

Ms ABIGAIL BOYD: What is it about New South Wales that makes it so that we cannot bear the additional costs, whereas all of the other States and Territories, bar a couple, feel that they can? Is our construction industry particularly weak? Is it a reflection on our economy? Why are we not able to do what everyone else is doing?

JOHN TANSEY: I cannot comment on the reasons for other jurisdictions' and Ministers' choices. As the Minister has said, the full national RIS on this issue found that every reform option across all different modes of dwellings had costs that exceeded the benefits.

Ms ABIGAIL BOYD: I would ask you the benefits to who? If, for example, you were to look at the benefits within a one-year time frame, perhaps they would not outweigh the costs involved. But if you were to look at a long-term benefit, in terms of the benefits of accessibility and the normalisation of accessibility over time, that must outweigh?

JOHN TANSEY: I am aware of and understand the points you are making. If it is helpful to you, through the Committee I can send you the link to the full RIS if you have not seen that before, and it did take account of life cycle and whole-of-community issues and both tangible and maybe intangible benefits. There was a really robust effort to try and bring forward all the data. At the end of that, with all of the input on both sides—any advocates and any opponents of the proposal—every option came out with a net cost exceeding the benefit.

Ms ABIGAIL BOYD: Yet Queensland, Victoria, the ACT, Tasmania and the Northern Territory decided differently and they are all now providing for the minimum standards of accessibility for new builds. It is extraordinary I think that New South Wales is not, but I understand you are a new Minister to this and I am happy to bring it back again next estimates.

Ms ELENI PETINOS: Genuinely, I was briefed on this by the department recently. I share some of your concerns around this matter and I have asked for the department to provide me with further information. So I would be happy to provide information in due course on that. I just do not have it at this point.

Ms ABIGAIL BOYD: I understand.

Mr DAVID SHOEBRIDGE: Minister, you said earlier that you were not willing to speculate on the cost of the decision of your Government to shut the rail network down with no notice. Were you not aware that NSW Treasury said that because of the lack of notice the costs were particularly harsh in Sydney and actually estimated the cost of that decision to the Sydney economy at \$50 million? Were you not aware of Treasury's own estimates?

Ms ELENI PETINOS: A couple of points, Mr Shoebridge. I am not a Minister within the Treasury cluster. So whilst I do note the commentary, I am not a Minister within the Treasury cluster, and that figure does not specifically relate to small businesses. The economic impact to the New South Wales economy—and I appreciate that small businesses are a huge contributor to that economy—is not a quantified number on the impact to small business directly.

Mr DAVID SHOEBRIDGE: And you did not ask? You did not try to find out what the impact was to small business given it is such a large part of the Sydney economy? It is a sort of "ask no questions, get no awkward answers" situation. Is that it Minister?

Ms ELENI PETINOS: That would be unfair. But to answer your question, I do not have a specific number for small business, which is why I am indicating to you that it would be inappropriate for me to speculate.

Mr DAVID SHOEBRIDGE: Did you ask? Did you check?

Ms ELENI PETINOS: I did not.

Mr DAVID SHOEBRIDGE: Have you met with any of the potential home owners who have been impacted by the collapse of Privium?

Ms ELENI PETINOS: No, I have not.

Mr DAVID SHOEBRIDGE: Are you aware of how many homebuyers, how many customers, in New South Wales have potentially lost their deposits—and life savings for many of them—because of the collapse of Privium?

Ms ELENI PETINOS: Mr Shoebridge, I understand that as at 11 February there are 145 claims open on Privium jobs with incomplete builds.

Mr DAVID SHOEBRIDGE: What have you done to ensure that those 145 families are actually going to get a home?

Ms ELENI PETINOS: Mr Shoebridge, I understand that as at 11 February there are 145 claims that have been received and that the potential cost to the icare Home Building Compensation Fund is estimated at \$25 million. So 85 claims have had liability accepted and 26 claims have reached the settlement stage. I want to note that that fund is not within my responsibility.

Mr DAVID SHOEBRIDGE: What about those who have paid a deposit but did not have any building started? How many of those?

Ms ELENI PETINOS: I might refer you to the department for that information. Ms Mann?

Mr DAVID SHOEBRIDGE: Privium indicated that 2,000 customers across Queensland, Victoria and New South Wales were impacted by the insolvency. You have told me about 145 homes in New South Wales where the building work was not completed and about where insurance claims are on foot. What about all those others who have paid a deposit and have not had any building work started?

Ms ELENI PETINOS: Mr Shoebridge, I can only advise you that Fair Trading has received 109 complaints and inquiries about Privium since 1 November last year. Prior to that date there were no complaints or inquiries to indicate the presence of any issues. If you would like further information on that, I can refer you to the deputy secretary.

Mr DAVID SHOEBRIDGE: Just quickly, Minister, you were put on notice in February 2021 about Privium. It collapsed in November. What did Fair Trading do in those 10 months?

Ms ELENI PETINOS: If you would like to talk to the deputy secretary, I can refer you to her.

Mr DAVID SHOEBRIDGE: You are the one who said that your department was on notice in February. The collapse happened in November. You had 109 complaints. What did Fair Trading do to protect those people who have potentially lost everything between February and November last year? If you cannot answer, let us get somebody from the department who can.

Ms ELENI PETINOS: I have been advised that Mr Tansey has further information for you.

JOHN TANSEY: Mr Shoebridge, can you repeat the dates you were asking about?

Mr DAVID SHOEBRIDGE: The Minister's dates. The first 109 complaints came in February last year. The collapse happened in November. What did you do between the receipt of the first 109 complaints in February and November?

Ms ELENI PETINOS: Mr Shoebridge, can I clarify a piece of information for you? The information in front of me was that Fair Trading had received 109 complaints about Privium since 1 November 2021.

Mr DAVID SHOEBRIDGE: Is that the earliest complaint last year you had because earlier you said February. Is that just an error?

Ms ELENI PETINOS: Sorry, my dataset is from 1 November 2021, until 24 February.

Mr DAVID SHOEBRIDGE: When was the first complaint last year taken to Fair Trading about Privium?

Ms ELENI PETINOS: I would have to take that on notice for you.

Mr DAVID SHOEBRIDGE: I think Mr Tansey may have some actual information.

Ms ELENI PETINOS: I would be happy for Mr Tansey to provide information.

JOHN TANSEY: No, I am relying on the same information as the Minister, in fact. In terms of the absolute first date, I would assume that the first dates, the first complaints, actually came in November. Whether they are actually older than that I would need to seek some further advice.

Mr DAVID SHOEBRIDGE: Between receipt of the first complaint and the collapse of Privium at the end of November, what did Fair Trading do to protect those hundreds and hundreds of families who had put deposits down and building projects part-way through? What did Fair Trading do before the collapse of Privium? If the answer is "nothing", we can just get to that quickly.

Ms ELENI PETINOS: I will refer you to Mr Tansey.

JOHN TANSEY: I do not have a profile of what individual treatment or offer of advice was provided case by case. But when we get complaints from people about the non-performance of builders, we will take that information. We will provide them advice and assistance about what they should do to secure their own interests. We will reach out to the impacted trader, particularly if we get the sense that there is not a single or an isolated incident but, you know, a snowballing or growing issue, and deal directly with the builder. As I am sure you know, we can also send out inspectors if there are problems with buildings not proceeding or sites not progressing and being exposed. So we have a range of options of interventions we can provide to consumers.

Ms ELENI PETINOS: Mr Shoebridge, I can advise you that in response to the complaints and the inquiries, I am advised that Fair Trading provided customers with a letter detailing information about the administration process, resolution options that may be available and contact details for any assistance sought.

Mr DAVID SHOEBRIDGE: So hundreds of families risk losing their deposits and their life savings and Fair Trading gave them a letter? Is that your evidence? They got a letter.

Ms ELENI PETINOS: My understanding is that that was the initial point of contact to respond to the inquiries that were received, yes.

Mr DAVID SHOEBRIDGE: Minister, are you aware of concerns raised by just one set of home owners, Salv and Melissa Barbagallo, whose house burnt down in May 2019. They contracted Metricon Homes to rebuild it and, despite repeated complaints to Fair Trading about gross inadequacies in the rebuild, including concerns about fraud, they still have not got their home completed to date? Are you aware of that?

Ms ELENI PETINOS: I understand it is an emerging situation and, as a result, I am going to refer you to the deputy chief secretary for further information.

Mr DAVID SHOEBRIDGE: Have you received a briefing about this appalling set of circumstances that Salv and Melissa have found themselves facing?

Ms ELENI PETINOS: I am broadly aware of the situation, but for specific information, given the emerging nature of the complaint, Ms Mann would be best placed to handle that inquiry.

Mr DAVID SHOEBRIDGE: I will come to Ms Mann in a second. Minister, were you aware that Metricon went so far as to provide doctored, fraudulent images to the Barbagallos to try to persuade them that the building works were actually compliant? Were you aware that they had gone that far? A major builder in New South Wales provided fraudulent, doctored images to these poor home owners. Were you aware of that?

Ms ELENI PETINOS: I have indicated that I am broadly aware of the situation.

Mr DAVID SHOEBRIDGE: Were you aware of the fraud?

Ms ELENI PETINOS: For the specifics like what you are raising now, I would prefer if you went to Ms Mann, who is best equipped to answer that question for you.

Mr DAVID SHOEBRIDGE: But you are the Minister; you are the person responsible. I will go to Ms Mann but I am asking whether—

The Hon. WES FANG: Point of order: The Minister has indicated on a number of occasions during questioning that Ms Mann is in the best position to answer these questions. She has tried to refer Mr Shoebridge to Ms Mann. I ask that you allow the Minister to refer Mr Shoebridge to Ms Mann so that he can get some answers and some elucidation to the questions he is asking.

Mr DAVID SHOEBRIDGE: To the point of order: Very briefly, because it is chewing up my time, the Minister said she had a briefing. I am trying to understand the extent of the briefing and what the Minister knew before we go to Ms Mann.

Ms ELENI PETINOS: To correct the record, I did not say I had had a briefing. I said I was broadly aware of the situation, and if we are going to get really technical with that language then we can start saying you have not made a representation on the issue either.

Mr DAVID SHOEBRIDGE: I will give you this document.

The CHAIR: I will quickly rule on the point of order as the document is coming up. Yes, the Minister is free to refer answers to her public servants who are assisting here today, but the member is also entitled to direct questions to the Minister as to what she knew. She said she was broadly aware of the situation and I believe Mr Shoebridge is testing how broad that awareness is or how narrow that awareness so. So I will throw back to Mr Shoebridge.

Mr DAVID SHOEBRIDGE: Minister, you say my office has not made a representation. I have just handed you the correspondence of 21 January 2022—

Ms ELENI PETINOS: Which is not addressed to me.

Mr DAVID SHOEBRIDGE: —that went to the Minister for Police, the Commissioner for Police, the Minister for Homes and the NSW Fair Trading Commissioner.

Ms ELENI PETINOS: And not to me. I apologise, Mr Shoebridge.

Mr DAVID SHOEBRIDGE: Do you want to withdraw that, that I have not made a representation? I am okay for you to accept you are wrong.

Ms ELENI PETINOS: No, I am suggesting that you have not made a representation to me. I acknowledge that you have made a representation to other Ministers.

Mr DAVID SHOEBRIDGE: Did you receive any information after 21 January about the appalling situation that Salv and Melissa Barbagallo had found themselves in?

Ms ELENI PETINOS: I apologise, I just missed that question. Could you repeat?

Mr DAVID SHOEBRIDGE: Did you receive your briefing, chat, information—I do not know how to describe it—about the appalling situation that Salv and Melissa Barbagallo found themselves in after 21 January?

Ms ELENI PETINOS: Yes.

Mr DAVID SHOEBRIDGE: Was it from the Fair Trading Commissioner?

Ms ELENI PETINOS: Yes.

Mr DAVID SHOEBRIDGE: Did the Fair Trading Commissioner tell you that they were investigating the potential fraud by Metricon?

Ms ELENI PETINOS: The Fair Trading Commissioner had a discussion with me regarding this matter. As to the specifics of the matter, they were not canvassed at that point in time.

Mr DAVID SHOEBRIDGE: Ms Mann, I understand that there is some investigation now—after two earlier complaints by the Barbagallos went to Fair Trading and got nowhere, that there is finally an investigation into the potential fraud and the appalling behaviour of Metricon. What is Fair Trading now doing?

NATASHA MANN: Yes, thank you, Mr Shoebridge. You are right, I am relatively new to this portfolio and so what I have done in response to the concerns that you have raised with me is, as you know, I called an urgent briefing with the team responsible. I am personally very concerned about what Salv and Melissa Barbagallo are going through. I have had confirmation from my team that we are currently investigating those allegations of fraud and unconscionable conduct by Metricon, as you have alluded to, and that investigation is well advanced. And then, in answer to your question about the briefing to the Minister, I have raised it very briefly with her late last week. I have now arranged a meeting with the Barbagallos for Monday, in which I will be able to hear their story directly from them and after I have had that briefing from the Barbagallos I will be absolutely fully briefing Minister Petinos.

Mr DAVID SHOEBRIDGE: Minister, the Barbagallos made complaint after complaint to Fair Trading they were being treated with gross disrespect, being refused even access to their home by Metricon, then given fraudulent documents from Metricon, and it took a complaint from my office before Fair Trading took their complaint seriously. What is going so wrong in building regulation in New South Wales that for home owners like Salv and Melissa, it takes the intervention of an MP just to get Fair Trading to do its job? What is so wrong in the department?

Ms ELENI PETINOS: I refute the proposition and the claim that you are making about my department. There are very hardworking men and women who work in the agency—

Mr DAVID SHOEBRIDGE: Tell that to the Barbagallos.

Ms ELENI PETINOS: —who do their best to look after the people of New South Wales.

Mr DAVID SHOEBRIDGE: Tell that to the Barbagallos.

Ms ELENI PETINOS: The fact pattern that you have raised today, Mr Shoebridge, is very concerning. I do understand your concern for the Barbagallo family and, based on the fact pattern that you have raised today, I share that concern. That being said, you yourself, Mr Shoebridge, made the decision to advocate for these people and yet—

Mr DAVID SHOEBRIDGE: I had to call the police in because of fraud, because Fair Trading was doing—I had to call in the police.

Ms ELENI PETINOS: I understand, Mr Shoebridge, but you are complaining about my agency and you did not feel it appropriate to write your letter to me. I am not in one of four people that you felt the need to write to.

Mr DAVID SHOEBRIDGE: Minister, I have been observing the answers today—

Ms ELENI PETINOS: So please do not come in here and criticise the men and women who work really hard—

Mr DAVID SHOEBRIDGE: Sorry, Minister, the correspondence went to the NSW Fair Trading Commissioner—

The CHAIR: Order!

Mr DAVID SHOEBRIDGE: Extraordinary.

The CHAIR: Mr Shoebridge.

Ms ELENI PETINOS: But you are now complaining about the agency.

The CHAIR: Mr Shoebridge and Minister, I was very indulgent in letting that banter go on back and forward beyond the time—

The Hon. WES FANG: Too indulgent, Chair.

The CHAIR: Possibly too indulgent. I will now pass to the Opposition. I think, Mr D'Adam.

The Hon. ANTHONY D'ADAM: Thank you, Chair. Good morning, Minister. Ms McCool, are you here to answer questions in relation to SafeWork?

MEAGAN McCOOL: Yes.

The Hon. ANTHONY D'ADAM: Can I ask why your title does not reflect a relationship to SafeWork?

MEAGAN McCOOL: I am not sure how it has been recorded.

The Hon. ANTHONY D'ADAM: [Inaudible] It is Director, Construction Services Group, Metropolitan, Department of Customer Service.

MEAGAN McCOOL: Yes. SafeWork is part of the Department of Customer Service, so that must be an omission in the title, but I am definitely SafeWork NSW.

The Hon. ANTHONY D'ADAM: You are definitely SafeWork NSW. And that is reflected in your title, is it?

MEAGAN McCOOL: That is correct.

The Hon. ANTHONY D'ADAM: Ms Hogan, does SafeWork NSW have an executive director?

EMMA HOGAN: SafeWork is part of the Better Regulation Division, of which Natasha Mann, who is on the call, is the deputy secretary. Within the Better Regulation Division sits SafeWork, Fair Trading and a number of other regulators that Ms Mann is responsible for. The way in which Better Regulation is structured, there are some parties who are responsible for multiple activities—Mr Tansey, for example, is responsible for policy across multiple areas. Ms McCool works in an area that is quite specific, and I am happy for her to talk to that.

The Hon. ANTHONY D'ADAM: Ms Hogan, does Ms McCool's role extend beyond SafeWork?

EMMA HOGAN: No, her role is specific to the SafeWork part of Ms Mann's business.

The Hon. ANTHONY D'ADAM: Is there an executive director of SafeWork?

EMMA HOGAN: There are multiple executive directors of the Better Regulation Division and a number of them sit across SafeWork matters, but Ms McCool herself, who is a director in our department, looks after only SafeWork issues.

The Hon. ANTHONY D'ADAM: So the answer to that is there is not a single executive director for SafeWork, is that correct?

EMMA HOGAN: I would say that Ms Mann is responsible as the deputy secretary for the whole division, but there are multiple people that look after SafeWork, that is correct. Sorry, it is not correct to say there is an executive director of SafeWork specifically. There are multiple executive directors who sit across multiple parts of the things that we regulate.

The Hon. ANTHONY D'ADAM: Is there someone who is specifically responsible for the work, health and safety issue that reports directly to you, Ms Hogan?

EMMA HOGAN: Is there a specific issue you are referring to? If it is a generalist comment about SafeWork, Ms Mann reports directly to me.

The Hon. ANTHONY D'ADAM: I am trying to get to where SafeWork sits in the structure. I might ask this question to the Minister. It appears that SafeWork does not have a sort of organisational status that would warrant a direct report to the secretary. Does that concern you at all as a reflection of the importance given to work health and safety within the portfolio?

Ms ELENI PETINOS: The deputy secretary is a direct report to the secretary and I believe that the secretary made it very clear that Ms Mann has responsibility for SafeWork.

The Hon. ANTHONY D'ADAM: Is this a reflection of perhaps a desire that SafeWork should not be an entity where tension is drawn through it, that it is not a focus for organisation, given it does not have a standalone, direct report to the secretary? Minister?

Ms ELENI PETINOS: Mr D'Adam, they do have a direct report to the secretary. Ms Hogan has indicated very clearly that Ms Mann has responsibility for SafeWork, as do several other senior officials, all of whom provide their advice to Ms Mann and Ms Hogan as required.

The Hon. ANTHONY D'ADAM: In 2021 the McDougall report was handed down. It recommended that the responsible Minister for SafeWork should initiate a public review into SafeWork's performance. You are the Minister responsible, are you not?

Ms ELENI PETINOS: I am.

The Hon. ANTHONY D'ADAM: It has been close to a year since McDougall handed down his findings. Why is the Government choosing to ignore the recommendation about initiating a public review of SafeWork? Are you embarrassed of SafeWork?

Ms ELENI PETINOS: That is a ridiculous proposition. Of course not. I am very proud of the work that SafeWork does, and I thoroughly enjoyed being on the ground with many of their inspectors across numerous sites in this State. I look forward to continuing to work with them. I note that recommendation 49, as you noted, was a suggestion that the Minister conduct a public review of SafeWork's performance of its regulatory and educational functions. The recommendation, as I understand, was considered and noted. There are, I am advised, no current plans to conduct a review. That being said, I also want to note that Mr McDougall himself acknowledged that this recommendation was beyond the scope of his terms of reference for the review. He also did not make any negative findings about SafeWork's performance of its regulatory and educational functions and rejected cause for a parliamentary committee to have oversight of SafeWork. Clearly SafeWork is doing a great job.

The Hon. ANTHONY D'ADAM: You do not think it is necessary? The Government's position is to ignore this recommendation and not initiate a review. Is that correct?

Ms ELENI PETINOS: I think it is important to note that Mr McDougall, as I mentioned previously, did acknowledge that that particular recommendation was beyond the scope of his terms of reference for the review.

The Hon. ANTHONY D'ADAM: That means the Government can ignore it?

Ms ELENI PETINOS: It was outside the terms of reference for the review.

The Hon. ANTHONY D'ADAM: Is that the conclusion we should draw, Minister, that the Government is going to ignore that recommendation?

Ms ELENI PETINOS: Mr D'Adam, it was outside the terms of reference for the review, and then Mr McDougall, importantly, did not make any negative findings about SafeWork's performance of its regulatory and educational functions.

The Hon. ANTHONY D'ADAM: Is it fair to say, though, that it is the Government's intention not to act on that review? You can just give a straight answer, Minister.

The Hon. WES FANG: Point of order: The question was asked by the member, but the commentary at the end is unnecessary and demeaning to the Minister. I would ask that all members refer to the procedural fairness resolution of the House.

The Hon. ANTHONY D'ADAM: I will move on.

The CHAIR: I think everyone was ready to move on.

The Hon. ANTHONY D'ADAM: Minister, I understand as of January 2022, there were 370 field inspector roles. Are they specific to SafeWork? Is that number still correct?

Ms ELENI PETINOS: Yes.

The Hon. ANTHONY D'ADAM: That is correct?

Ms ELENI PETINOS: I am advised that is correct, yes.

The Hon. ANTHONY D'ADAM: Ms Hogan or Ms Mann can answer this question, whoever is best equipped. Those inspectors are all wholly focused on SafeWork compliance work. Is that correct?

EMMA HOGAN: We have Mr Williams with us today, who has the inspectorate within his remit. I will throw to him.

TONY WILLIAMS: We do have 370 SafeWork inspectors in New South Wales. It is our full strength. We are carrying some vacancies at the present time and have a recruitment program underway. We do have—

The Hon. ANTHONY D'ADAM: How many vacancies are there?

TONY WILLIAMS: As of today, we have 39 or 40 vacancies. We have recently, this year, started two new cohorts. We recruit and start our inspectors in groups of anywhere between 10 to 15. We have just started two of those this year, and we have got another few cohorts ready to go. They are phased so that they flow through our RTO, so we train internally. That is well and truly underway. We are hoping by midyear we will have those current vacancies down to a very low number. We are never at a zero number of vacancies in SafeWork, due to the churn rate of our quite large inspectorate with natural attrition, retirement, inspectors transitioning to industry and so forth. We do try to keep our numbers as low as we possibly can. Noting that, we did recently have an increase in funding, which allowed us to increase our inspectorate by 39 additional inspectors, of which 20 of those went into regional locations and the others into Sydney metropolitan areas. That recruitment is well and truly under way.

Ms ELENI PETINOS: Mr D'Adam, I highlight that we do have the safest directorate in New South Wales. That is why so many of the inspectors from SafeWork are so highly sought after by the private sector.

The Hon. ANTHONY D'ADAM: I want to ask about the review into enforceable undertakings. There was a question asked by me on notice in relation to this review. Are you aware of it?

Ms ELENI PETINOS: I am.

The Hon. ANTHONY D'ADAM: Can you explain why the review, which was completed in June 2020, was only acted on in January this year? Why has it taken so long to act on the review?

Ms ELENI PETINOS: I might refer you to the department for that information.

The Hon. ANTHONY D'ADAM: Were you briefed on the review?

Ms ELENI PETINOS: Yes, I am aware of the review.

The Hon. ANTHONY D'ADAM: You were briefed. Can you explain what the key outcomes of the review were? Perhaps it might assist the Committee if you might be able to provide a copy of the review to the Committee. Is that possible?

Ms ELENI PETINOS: Mr D'Adam, I would have to seek advice on that. I will take that on notice.

The Hon. ANTHONY D'ADAM: Can you explain why it has taken so long for action to be taken?

Ms ELENI PETINOS: As you have indicated, Mr D'Adam, I understand that the evaluation was completed by an independent consultant, who was commissioned to undertake the evaluation of SafeWork's enforceable undertaking programs. The report is not currently public, and the provision of the evaluation of SafeWork's enforceable undertakings program is part of a continuous improving practice. The evaluation was intended to be used by SafeWork for deliberation and to aid the best practice application of the program's guidelines.

The Hon. ANTHONY D'ADAM: Can you elaborate on why the review is not a public document? Is there something secret that you are concerned about releasing?

Ms ELENI PETINOS: Mr D'Adam, you have seen the answer that we provided to your question on notice. I could repeat it for you again, although I suspect that is not helpful to you. The answer remains unchanged.

The Hon. COURTNEY HOUSSOS: Minister, you would be aware that, under the extensive powers given to the Building Commissioner, he can issue prohibition orders withholding the occupation certificates for specific buildings?

Ms ELENI PETINOS: Yes.

The Hon. COURTNEY HOUSSOS: That prevents people from actually living in these buildings.

Ms ELENI PETINOS: I am aware, yes.

The Hon. COURTNEY HOUSSOS: Are you aware of the requirements to disclose this to potential buyers?

Ms ELENI PETINOS: Yes.

The Hon. COURTNEY HOUSSOS: What work is your department doing to enforce those requirements?

Ms ELENI PETINOS: I understand that—I might throw to the department momentarily, Ms Houssos.

The Hon. COURTNEY HOUSSOS: I can talk to them about it this afternoon if you do not have any specific information. Minister, I am going to provide you with four separate examples of buildings that are currently under prohibition orders that do not, as far as I can see, have any disclosure of the fact that they are currently subject to prohibition orders and that any potential buyer would not actually be able to move into the building.

Ms ELENI PETINOS: Okay.

The Hon. COURTNEY HOUSSOS: I can provide you with a copy of those.

Ms ELENI PETINOS: Sure.

The Hon. COURTNEY HOUSSOS: Minister, does it concern you that there are homebuyers who are purchasing apartments who do not actually know that they are subject to such stringent conditions? These are four different apartment buildings.

The Hon. WES FANG: Chair, I think it might be appropriate to allow the Minister to briefly review the information that has been passed to her by Ms Houssos.

Ms ELENI PETINOS: I know that the department is aware of these properties because I can see the addresses. I will refer it to Ms Mann to provide you with a response since the documents are now in my hand.

The Hon. COURTNEY HOUSSOS: I might come to Ms Mann this afternoon.

Ms ELENI PETINOS: Ms Houssos, clearly this matter is of importance to you. You have taken the time to provide me with documents. I am sure you have a moment for Ms Mann to provide a response.

The Hon. COURTNEY HOUSSOS: I have several hours with Ms Mann this afternoon, but I only have a further five minutes in which to ask you questions. I come back to the question: Are you concerned? This is something that I have raised previously in estimates. It has been reported in the media. This is something that has been raised consistently as an issue—that buyers are not receiving information. What are you doing to make sure that buyers receive this information?

The Hon. WES FANG: Point of order: While I do not doubt Ms Houssos' integrity, the Minister has only just been given the documents and has been provided little time to review them. There is no way that there could be procedural fairness in asking for an opinion on the documents.

The CHAIR: Let me rule on it quickly. There were two parts to Ms Houssos' question. One was, "Are you concerned?"; the other was, "What is your department doing about it?" I invite the Minister to answer the first part of the question. If she wants to defer on the second part, that is up to her.

Ms ELENI PETINOS: That is fine, Mr Chair, thank you. I do understand my department is working on this matter, which is why I was trying to get the necessary information from Ms Mann, which Ms Houssos so unhelpfully prevented. But the advice that I have is that all buildings with an order in force are currently being revisited to identify any units for sale, with the agents being contacted. Ms Houssos, you could talk to Ms Mann and get her to provide you with further information.

The Hon. COURTNEY HOUSSOS: I am sure I will this afternoon. Minister, are you aware that there has been no increase in the Home Building Compensation Fund minimum payout for a decade?

Ms ELENI PETINOS: I am.

The Hon. COURTNEY HOUSSOS: Are you aware what the amount currently is?

Ms ELENI PETINOS: I am aware that the program is not regulated by my department, Ms Houssos.

The Hon. COURTNEY HOUSSOS: But as the Minister who is responsible for building, you are frequently in contact, I am sure, with people who have maxed out that threshold. Are you aware of that issue?

Ms ELENI PETINOS: Ms Houssos, I am aware of the fund. I am also aware that the fund is not administered by my department.

The Hon. COURTNEY HOUSSOS: So you do not have a view, given we have seen building products increase in price by perhaps 30 per cent in the past six months, on some reports, that there may need to be an increase in that fund?

Ms ELENI PETINOS: As I have indicated, Ms Houssos, I do not administer the fund.

The Hon. COURTNEY HOUSSOS: I move on to another issue. Why does the NSW Fair Trading contractor and tradesperson licence registry not currently disclose any previous misconduct, licence cancellations or insurance payouts on other licences held by contractors and tradespeople?

Ms ELENI PETINOS: I am going to refer you to the deputy secretary.

The Hon. COURTNEY HOUSSOS: No, Minister, I am asking you. This is the first port of call for someone who is looking at engaging a licensed tradesperson. If they check on your department's website, there is no information provided to them. Are you concerned about that, as a Minister?

Ms ELENI PETINOS: I am referring you to Ms Mann, as the Fair Trading Commissioner.

The Hon. COURTNEY HOUSSOS: Okay, but are you concerned that if an informed consumer—

The Hon. WES FANG: Point of order—

The Hon. COURTNEY HOUSSOS: There is limited time. I have a couple of minutes left. That is enough.

The Hon. WES FANG: You can sigh all you want.

The Hon. PETER PRIMROSE: I am sorry; this is an abuse of the whole concept of procedural fairness.

The CHAIR: Just cut to the point of order so that we can move on.

Ms ELENI PETINOS: It is fine.

The CHAIR: Minister, are you indicating that you are fine to continue?

Ms ELENI PETINOS: It is fine.

The CHAIR: Then I will not rule on the point of order.

The Hon. WES FANG: That is fine if the Minister is happy to continue.

The Hon. COURTNEY HOUSSOS: Minister, you would accept that this would be the first port of call for someone who is engaging a licensed tradesperson. They want to do a background check, they go on to your department's website and there is no information—if they have had their licence cancelled, if there has been any previous misconduct or any previous insurance payouts.

Ms ELENI PETINOS: Like you, I know that Fair Trading works hard to make sure that consumers have the information that they need at their fingertips and that consumers can be informed about the decisions they are making. Ms Mann, as the Fair Trading Commissioner, is well placed to provide you with a detailed response on the matter, should you actually give her the opportunity to speak.

The Hon. COURTNEY HOUSSOS: We will get to that this afternoon, Ms Mann. I flag that with you now. You said that you currently have five people in your office. How many of those are employed directly by you and how many of them are DLOs?

Ms ELENI PETINOS: At this point in time, I have four of my own staff and three departmental staff.

The Hon. COURTNEY HOUSSOS: Has anyone left your office since you became a Minister?

Ms ELENI PETINOS: One person.

The Hon. COURTNEY HOUSSOS: What was the reason for leaving?

Ms ELENI PETINOS: Did not align with the needs of the office.

The Hon. COURTNEY HOUSSOS: Unfortunately, my time has expired.

The Hon. EMMA HURST: Minister, when we last spoke, we were talking about the strata. I think you were about to tell me what the six animal-related recommendations are for the statutory review of the Strata Schemes Management Act.

Ms ELENI PETINOS: Yes, bear with me for a moment. Ms Hurst, the six recommendations related to the keeping of pets are: to consider whether an amendment to the Act is needed to address owners' corporations charging excessive fees or bonds, such as for the keeping of animals, which is recommendation 76; to update the model by-laws to better reflect changes in the law, including on the keeping of animals, which is recommendation 81; to amend the Community Land Management Act 2021 to harmonise community land laws with the recent pet reforms in strata, which is recommendation 83; to specify in the Act what forms of assistance animal evidence can be requested by owners' corporations, which is recommendation 84; to exempt assistance animals from by-laws that would prevent the animal from performing its duty, which is recommendation 85; and to continue to monitor the operation of the new pet laws to identify emerging issues and prevent unjust outcomes, which is recommendation 86.

The Hon. EMMA HURST: Thank you, Minister. I am really glad to hear that the issues of the assistance animals have been included, because of the discrepancy with the Disability Discrimination Act 1992 in that specific space. Another recommendation was the updating of model by-laws about animals in strata to reflect the recent changes regarding the blanket animal bans and such. Has any work commenced to update those model by-laws?

Ms ELENI PETINOS: Ms Hurst, I will refer you to the deputy secretary for further information in this space.

NATASHA MANN: Thank you. I might ask Mr Tansey if he has those details, please.

JOHN TANSEY: Thank you, Ms Hurst. We have started work on the legislative reform package. I might need to just double-check with my team about whether that includes particular work on revised by-laws. I can come back to you.

The Hon. EMMA HURST: Thank you. Can you also take on notice whether there is a time line for that work and whether there will be any public consultation on the proposed model by-laws?

JOHN TANSEY: In fact, I am being told there has not been redrafting work started on the model by-laws yet. But, yes, public consultation on the changes—part of what we envisaged, which I think I referred to before, is the first package, which we are hoping will be a little more straightforward and will have very broad support. But, yes, we would still want, as we always do, to check with key stakeholders too on how we do that with the drafting and make sure it achieves what we all want.

The Hon. EMMA HURST: Wonderful, thank you. Minister, a topic that came up during the changes to the law around the strata review was the problem of having blanket animal bans, particularly for people who are survivors of domestic violence, because often they want to leave with the animals. That is another stepping stone to being able to secure other accommodation if leaving a violent situation. Obviously, I know you are not the Minister responsible for domestic violence. But with that in mind, with regards to strata and living with animals, are you looking to make it easier for people to live in rental properties with their animals?

Ms ELENI PETINOS: Ms Hurst, you have touched on another important issue. The domestic violence issue aside, which compounds things, I do understand that Australia has one of the highest rates of pet ownership in the world. In fact, in August last year, studies showed that 69 per cent of Australian households owned a pet and a further 15 per cent would like to own one. As to the matter of pets in the rental property, I understand that at this point in time, under the Act, whether a pet may be kept in a rental property needs to be agreed between a landlord and a tenant. However, the changes to the tenancy laws that began on 23 March 2020 include a change to encourage more positive outcomes for both pets and landlords.

The optional pets clause in the new standard form residential tenancy agreement was updated to reflect a responsible-pet-keeping model. The updated clause presents permission to keep a pet as a default option while retaining the landlord's rights to cross out the clause and prohibit the keeping of animals. I understand that a landlord cannot refuse to allow a tenant to keep an assistance animal for a person with a disability, which of course is an important inclusion, and also that tenants that are permitted to keep a pet cannot be charged any additional deposit or a higher bond for keeping the animal. But perhaps Ms Mann might have some further information to assist you with your inquiry.

The Hon. EMMA HURST: I might refer to Ms Mann in just a moment. I just wanted to ask you if you are aware of the recent reforms in Victoria, which actually take it a step further than the explanation that you have given in regards to the situation in New South Wales. In Victoria, landlords who want to refuse an animal actually

must apply to the tribunal and justify why the refusal should be allowed. Is that a model going forward that you would be willing to look into as Minister, given that there are still a lot of families and there are still a lot of people wanting to escape violent situations that are being blocked from that rental market, despite the changes?

Ms ELENI PETINOS: I am unaware of the situation you have raised in Victoria. I am happy to take further advice from the department in relation to the matter.

The Hon. EMMA HURST: Thank you. I am happy to hear from the department secretary if she has anything further with any of the questions.

NATASHA MANN: As you might remember, in my previous role, I was responsible for domestic and family violence and reporting through to the Attorney General. I know that you and I worked very constructively on the issue of the law changes to protect pet domestic violence and to help victims escape DV. So I am very happy for us to do something similar this time. I am very happy to reach out to your office, and we can sit down and talk about the issues and what might be possible.

The Hon. EMMA HURST: Wonderful. That would be fantastic. Thank you.

Ms ELENI PETINOS: Mr Banasiak, before you start with your line of inquiry, if I may, I have been advised by the secretary that she may have responses for you to answer your previous questions.

The CHAIR: Sure. Let us do them. Then we will go on to the others.

EMMA HOGAN: We have got the terms of reference for the PSEP, which I will table in the break. I am advised that the Property Services Commissioner has attended all three PSEP meetings held since his appointment and continues to attend each meeting. There are standing agenda items, which include minutes and actions, policy and legislation update, complaints update, and compliance enforcement updates. Then there are various focus issues. It is a long list, so I will table it with the Committee. I will not read it here. In terms of whether resolutions are voted on, it requires that, where a collective panel decision is to be made regarding a position to present to government, a panel decision is supported by a majority of votes cast at the panel. Other general matters are agreed by a majority at the meeting, with no formal voting process required. Members can bring items to discuss. The secretariat is run by Ms Mann's team. And there are actionable items and decisions that are tabled and formally minuted after each meeting.

The CHAIR: Awesome. Thank you very much for that. Minister, we might just go back to the paintball matter that we ended on. Thank you for that detailed answer before the break. My office has received some submissions—I believe they put forward those submissions through the review as well—requesting to extend the Paintball Act 2018 to include other sporting devices, such as airsoft and gel blasters, which are of a similar nature and would not require any modification to existing paintball fields or storage requirements. In Queensland, this legislative change has generated in excess of \$200 million per year for small business operators. That is not including any licensing or permit fees that would be applicable in this State. Minister, would you like to be responsible for delivering an extra \$200 million to the New South Wales economy?

Ms ELENI PETINOS: Mr Banasiak, I can tell you that the review is certainly considering whether there is scope for the Paintball Act to regulate gel blasters and we will consider community and safety concerns as part of that review. In the same way that you have indicated the submissions that you have seen in relation to the gel blasters, I can also advise you that the statutory review received 173 submissions in relation to the Paintball Act and, of those 173, 113 submissions actually advocated for gel blasters and airsoft to be regulated under the Paintball Act. I am aware of the situation that you are referencing in Queensland, where a licence is not required to own a gel blaster and the owners must adhere to requirements under the firearms legislation to securely store gel blasters, as in, keep them out of sight when they are not in use in an authorised venue.

I also understand, though, that Queensland appears to be the outlier in that, in South Australia, a firearms licence is required to own a gel blaster, which can only be used on the grounds of a recognised paintball occupier, and that in Victoria gel blasters are classified as imitation firearms if they have the appearance of a firearm. But, as I have indicated to you, this is certainly part of the review. I have asked the department for further advice in relation to gel blasters, which I can say was a very unfamiliar term to me prior to receiving notice of the statutory review into paintball.

The CHAIR: No problems at all. I might just turn to another matter, Minister. I asked questions around this entity to the education Minister because it is an entity that seems to be collecting money for providing professional development to schools and teachers, but this entity does not seem to exist in any legal sense or any form. You cannot find them on any business register. You cannot seem to find them in any association search on the department of Fair Trading. Is there any way in New South Wales that an entity—I will use that term loosely—

can exist and collect money but have no legal footprint in terms of a business number or an association number? I will probably invite you to turn to Ms Mann.

Ms ELENI PETINOS: That is quite a concerning situation that you are raising. I would be happy to have a conversation with you, outside of estimates, regarding it. But I do think that the deputy secretary is best placed to respond to this for you.

NATASHA MANN: I would just reiterate what the Minister has said. I am not aware of any details of that. But please, if you could, share those details with us, and we will investigate appropriately.

The CHAIR: The entity's name is the Network of Inquiry and Innovation NSW. They have been charging teachers or applicants \$400 a day for one-day seminars. If the maximum number of people attended, that would equate to about \$70,000 per day. It is a fairly significant windfall. If you could check in your records—you might be able to go deeper than I can from the website—as to whether they exist and what form they exist in. Just to follow up, what level of compliance or enforcement does the department of Fair Trading do on such issues? Outside of someone reporting this sort of suspicious activity, how would you pick something up like this?

Ms ELENI PETINOS: To go back a step, in relation to the organisation you have raised, I will take that on notice and provide you with advice accordingly. The second matter, I will refer to the deputy secretary.

NATASHA MANN: I suppose there is first a threshold question as to whether it is an industry that we regulate. I am not sure of the details, and we will come back to you. But, if that is an RTO—a registered training organisation—it may be that it is regulated elsewhere and not by us. But certainly, when it comes to other licences that we do issue, if it comes to our attention that there is a person or entity that is trading unlicensed, then we will absolutely investigate and take action appropriately. We do that frequently. We get complaints of that nature coming through quite regularly, and it is not uncommon for us to investigate and prosecute accordingly.

The CHAIR: Thank you. It does sound like it might be a grey area. They may not fit under your remit in terms of regulation, but they still have to exist, in some sense or form, in terms of an association or a business entity.

Ms ELENI PETINOS: Happy to have a further discussion and seek advice as appropriate.

The CHAIR: Sure. I have about five minutes and I know Lou has been waiting patiently for questions. Parliamentary Secretary, the general description of a Parliamentary Secretary is to assist the Minister in their functions. What specific functions are you assisting the Minister with?

The Hon. LOU AMATO: My role is to assist the Minister with correspondence, attending events and functions—basically any way I can assist the Minister, at her request. What I bring to the table is my years of experience in small business.

The CHAIR: That was going to be my follow-up question; you have anticipated it well. How are you going to bring that significant small business experience to the role? I note that it is very rare for a Minister or a Parliamentary Secretary to have experience in the industry that they are administering or overseeing. How are you going to do that, Mr Parliamentary Secretary?

The Hon. LOU AMATO: When you run a small business for as many years as I have—if I can go back, even my father was in small business as well. It took him many years to get into small business, and that is after him doing three jobs to try to get enough money to enter small business. I have always been passionate about small business, ever since I was a little boy. But throughout all my travels and for all this time, whether from now, being a Parliamentary Secretary, or long before I entered Parliament, I have always been in touch with small business owners in all range of businesses, asking them what their issues are, what their concerns are and what obstacles they have. My broad experience of being at the ground roots, Chair, is what I bring to the table to the Minister. I am hoping, with the Minister, myself and the department, that we can achieve some great outcomes for the small business community. That is what I want to do: help small business.

Ms ELENI PETINOS: If I could add to that, Mr Chair, I acknowledge that the Parliamentary Secretary is a fierce advocate for small businesses, having the experience as a former small business owner and operator, and he brings immense passion to this role. It has been really encouraging to see him engage with stakeholders in this space. I note that the Parliamentary Secretary was meeting with the Small Business Commissioner as recently as this week to discuss some of the issues that he feels small businesses are facing. Further to that, this month is Small Business Month and there are hundreds of events going on around the State at this point in time. I am very fortunate that the Parliamentary Secretary is assisting with many of those events, particularly with a focus on western Sydney, which is the community that he is passionate about himself.

The CHAIR: I am thankful that the Government has finally acknowledged his good work and given him a nod.

The Hon. LOU AMATO: Thank you, Chair.

The CHAIR: We only have about six or so minutes, so I might throw to Ms Houssos for the remaining.

The Hon. COURTNEY HOUSSOS: Mr Amato, do you have a charter letter with the Minister outlining your responsibilities?

The Hon. LOU AMATO: I have been in consultation with the Minister and she has given me a rundown of some of my roles that she hopes I will be putting forward.

Ms ELENI PETINOS: If I can add, Ms Houssos, the charter letter comes from the Premier.

The Hon. COURTNEY HOUSSOS: I am interested to know whether you have issued a charter letter.

Ms ELENI PETINOS: The Premier has issued a charter letter to the Parliamentary Secretary with a very clear scope of his works.

The Hon. COURTNEY HOUSSOS: Okay, thanks. Could you table a copy of that one?

The Hon. LOU AMATO: Yes.

Ms ELENI PETINOS: No.

The Hon. LOU AMATO: No?

Ms ELENI PETINOS: No. It is not ordinary for it to be tabled, and it will not be on this occasion.

The Hon. COURTNEY HOUSSOS: Okay. Minister, does the Building Commissioner have a role in planning permissions in flood zones for rebuilding after the floods?

Ms ELENI PETINOS: The Building Commissioner is tasked with many works across the State. There is no specific remit in relation to the floods, but I know that Mr Chandler is very passionate about the industry. Of course, if there is a role for him to play in flood recovery, I am sure he will elucidate those views later in the hearing, should you wish to hear about them.

The Hon. COURTNEY HOUSSOS: Mr Chandler, I think I know the answer, but are you having a role in the planning permissions or the rebuilding?

DAVID CHANDLER: At this stage, my involvement is—I sit on a construction leadership group of the various agencies that look across all of the assets in New South Wales, but there is no direct role at this time.

The Hon. COURTNEY HOUSSOS: No, that's fine. Thanks, Mr Chandler. I thought that would be the answer, but I just wanted to check. Ms Hogan, do you have the Minister's mobile number?

EMMA HOGAN: Yes.

The Hon. COURTNEY HOUSSOS: Do you have a regular meeting with the Minister?

EMMA HOGAN: Yes.

The Hon. COURTNEY HOUSSOS: How many times have you met with the Minister since she became Minister on 22 December?

Ms ELENI PETINOS: We do have that, if you just bear with us for a moment.

The Hon. COURTNEY HOUSSOS: Sure.

Ms ELENI PETINOS: I would like to think that I have a very good working relationship with my secretary and my departmental officials. I have formally met with the secretary eight times. Ms Hogan and I are in regular contact via phone and spoke this morning and late last night via text, and do regularly.

The Hon. COURTNEY HOUSSOS: You would appreciate that that is not the same as some of your colleagues, Minister. That is why I was asking the question.

Ms ELENI PETINOS: I have the highest regard for all of the officials around the table, as well as all of the men and women who work in the Department of Customer Service.

The Hon. COURTNEY HOUSSOS: Minister, I wanted to move on to the question of price gouging. During January we saw unbelievable increases in the prices particularly of rapid antigen tests. What action did

you take as the new consumer affairs Minister to protect consumers from price gouging of rapid antigen tests and other pandemic materials?

Ms ELENI PETINOS: I do note your previous interest in this matter and want to take the opportunity to note to the Committee that the ACCC has taken the lead nationally in response to the significant public concern about the pricing of rapid antigen tests, which is the issue which you have raised previously. Of course, if a consumer is unhappy about the increased cost of a good or service, they can raise their concerns with that business or shop at another business. Most importantly, I always encourage people to report their concerns to Fair Trading. Ms Houssos, I do note that you have put in a question on notice in relation to this issue previously. Whilst I do note your concern about this topic, from 1 January 2020 to 30 September 2021—

The Hon. COURTNEY HOUSSOS: Yes, I read the answer to the question on notice. You do not need to recap that.

Ms ELENI PETINOS: There are only seven. There are seven complaints.

The Hon. COURTNEY HOUSSOS: I am interested in the actions—

Ms ELENI PETINOS: There are seven singular complaints about price gouging.

The Hon. COURTNEY HOUSSOS: My time is about to run out. The ACCC was receiving—

Ms ELENI PETINOS: Seven. Less than 10. Seven.

The Hon. COURTNEY HOUSSOS: Minister, the ACCC was receiving 121 reports a day. Is it your position that NSW Fair Trading was not receiving complaints and, therefore, you did not have to do anything? Is that your position?

Ms ELENI PETINOS: I am reporting to you on the data which has been made available to you. I can read the table that actually says, "Nil, nil, nil, nil, nil, nil," if that is more helpful. But that is the response given to you previously. I do understand your emotional attachment to the issue, but I do appreciate—

The Hon. COURTNEY HOUSSOS: Minister, I personally received more than seven complaints about the prices of tests. Is it actually your position that you did not need to act as the consumer affairs Minister to protect consumers during this period where they could not access rapid tests—or, if they could, they were so inflated—and your advice to them is to shop elsewhere?

Ms ELENI PETINOS: That is not true. The supply issues that were experienced during the peak of the pandemic, when rapid tests were most in demand, have thankfully ceased as a result of the supply being available. There were several meetings of the jurisdictional workplace health and safety Ministers that were conducted around this issue. Thankfully, supply has been made available. Whilst I do appreciate that it was difficult to obtain tests at certain points in time, the ultimate responsibility for this matter rests with the ACCC, which I have advised you previously has taken the lead nationally in response to the significant public concern about the pricing of tests. Your concern around the public pricing of tests was not translated into complaints to NSW Fair Trading.

The CHAIR: That takes us to the end of Opposition and crossbench questioning. I now turn to the Hon. Peter Poulos, if he has any questions for the Minister. He has been sitting there, patiently and quietly contemplating.

The Hon. PETER POULOS: That is very kind of you, Mr Chair. Minister, do you have any concluding comments or any additional information you wish to share before this session ends?

Ms ELENI PETINOS: I am unaware, at this point in time, of the department having further information in relation to some of the questions that have been taken on notice. I do thank the Committee for conducting their inquiries today. I look forward to watching the inquiry conducted with the officials for the remainder of the afternoon. I do want to stress to the Committee that the men and women at this table have been working very hard to support the State through what have been incredibly challenging times over the last two years. I certainly appreciate them making themselves available to the Committee to assist with your inquiries. Further to that, I look forward to working with all of you in what I believe are very important portfolio areas for the wellbeing of the people of this State.

The CHAIR: Thank you. I will close the proceedings for now. We will return after lunch at 2.00 p.m.

(The Minister withdrew.)

(Luncheon adjournment)

The CHAIR: Welcome back to this afternoon's session of budget estimates 2021-2022. We will go straight to questions from the Opposition.

The Hon. ANTHONY D'ADAM: I will start with Mr Williams. Can I clarify that your role is compliance and dispute resolution for the whole Department of Customer Service? Is that right?

TONY WILLIAMS: That is correct. I look after essentially the inspectorate for SafeWork NSW, with most of the inspectorate for Fair Trading in terms of the construction elements and currently Liquor & Gaming, until the machinery of government changes take place and they move to DEIT, the new department.

The Hon. ANTHONY D'ADAM: Just coming back to your earlier evidence, I think I heard correctly that of the 370 SafeWork inspectors, 340 were currently filled and you were filling another 30. Is that correct?

TONY WILLIAMS: About 330 are currently filled and we are working on the remaining 40 or thereabouts—39 to 40.

The Hon. ANTHONY D'ADAM: At any one time do you have a metric of force capacity for the inspectorate for SafeWork? At any one time how many inspectors do you have available to you?

TONY WILLIAMS: It is probably better, if you do not mind, for me to explain it as our churn rate or our vacancy rate. Because of natural attrition our people moving to and from different agencies and to and from industry is about 7 per cent or thereabouts on average. Each year we would have roughly around that many vacancies. Other than that, we are pretty much full strength.

The Hon. ANTHONY D'ADAM: With leave and associated absences, that then takes your actual available numbers down further, does it not?

TONY WILLIAMS: Of course.

The Hon. ANTHONY D'ADAM: What I am trying to get at is this: Is there a number that you have that you work on, a minimum expectation of the number of inspectors that are available at any one time? Do you have that number?

TONY WILLIAMS: No, we do not have a specific number.

The Hon. ANTHONY D'ADAM: That is not a metric that you would operate on?

TONY WILLIAMS: I would imagine we would operate on something like 10 per cent at any stage but I am making this up, clearly. I am happy to check and get back to you with a closer, more accurate figure. But I would imagine at any one time we would have maybe 10 per cent of our people on leave, off on sick leave or on different leaves.

The Hon. ANTHONY D'ADAM: I refer to the allocation of works in the inspectorate. Is there a benchmark in relation to the number of cases or maybe there is another indicator? Maybe it is the number of incident notifications that they deal with per inspector? Where is the benchmark on that?

TONY WILLIAMS: That varies a lot. All of the matters that come in to SafeWork are triaged. They are then allocated to the various parts of our business. The case load per inspector varies significantly. We have some parts of our business that are very, very complex. For example, our inspectors who work in our major hazard facilities area do very complex work, working hand in hand with New South Wales police, the fire brigade and others on very complex matters. They might have a lower case number. But we have others, for example, in our construction team, who have higher case loads but they are shorter, snappier tasks, if you like, that are more in and out. They are into a construction site, do what they need to do, use their powers, issue notices and then they are out. So they may have a higher turnover of jobs per week than others.

The Hon. ANTHONY D'ADAM: Perhaps on notice you might be able to provide us with the work allocation metric for each of the organisational teams within the SafeWork side of the inspectorate. Correct me if I am wrong but is it the case that those inspectors do not do any other work. They do not do Fair Trading work or Liquor & Gaming work. There is no crossover, is there? It is not like a generalist inspectorate. They are specialist within the field. Is that correct?

TONY WILLIAMS: Primarily. There is some slight crossover. For example, our inspectors within our construction areas also hold powers under the Home Building and the Fair Trading Acts. The reason for that is that allows them, when they are on a construction site, not only to deal with the work health and safety issues but also to check that people are appropriately licensed. For example, if someone is doing electrical work or plumbing work they can check that that person is licensed and can do that lawfully so that they can, first of all, make sure that they are not putting themselves at risk doing unlicensed work and, secondly, make sure in terms of quality of the construction of the work taking place that an appropriately licensed person is doing that work. Apart from that, we are primarily, as you say, focused on those tasks.

EMMA HOGAN: Although, Mr D'Adam, could I just add that obviously during COVID and under the public health orders all of our inspectorates were involved in COVID safety inspections in addition to their regular SafeWork work.

The Hon. ANTHONY D'ADAM: I see. What percentage of their work was involved in COVID safety inspections?

EMMA HOGAN: It was dependent at the time but obviously there were a lot of workplaces that were out of action, so we utilised the capacity as appropriate.

The Hon. ANTHONY D'ADAM: Is there a specific team that deals with manufactured stone?

TONY WILLIAMS: We have a chemicals directorate and they have the primary lead on that, but other inspectorates such as our construction inspectorate, where that is primarily a key issue, also have a role. But it is led through our chemicals directorate.

The Hon. ANTHONY D'ADAM: How many inspectors are there in the chemicals directorate?

MEAGAN McCOOL: Primarily the project is led by the hygiene and toxicology team. There are nine inspectors there with a manager. In terms of, much like Mr Williams said, construction—that is the area I am in now, previously in chemicals—we have blitz programs in, say, tunnelling or bricks concrete. There is the broader inspectorate that are guided by the chemicals team to do the work in other industries.

The Hon. ANTHONY D'ADAM: So there are nine dedicated inspectors for effectively the silica—that is chemicals, that is everything. Presumably, silica and manufactured stone are a subset of that. So there are even fewer resources that would be dedicated in an ongoing way to dealing with compliance in the manufactured stone industry?

MEAGAN McCOOL: In terms of compliance in the manufactured stone industry, as you know, we have seen all the sites. There are 255 sites and there is actually 84 per cent improvement from probably last time you saw us. In terms of the number of headcount to the industry size, it is proportionate to the risk. Also, as I said, we are in industries such as construction, foundries and other areas with silica as well. In terms of the broader inspectorate being used, the proportion to the manufactured stone industry is showing that we have seen all the sites a number of times and we have secured compliance with an 84 per cent improvement in round two.

The Hon. ANTHONY D'ADAM: That is a point in time assessment, is it not, Ms McCool? How can you be confident that those rates of compliance will be sustained over time?

MEAGAN McCOOL: If anything, the gap will be closed even further. In terms of silica being in the manufactured stone industry, there are still areas that we are still looking at. To give you an idea, as I said, we are only seeing three repeat notices in things like not providing PPE. We are only seeing very small numbers since the on-the-spot fine came for dry cutting of the material. We have only ever issued two since 2020. So in terms of the compliance response, it is, as I said, when we are going there we are able to do more visits because we are not seeing as much noncompliance.

The Hon. ANTHONY D'ADAM: Ms McCool, just on that question of dry cutting, I understand that there was a notification about an incident of dry cutting that occurred in West Pymble on 16 February. Were you aware of the public notification of that incident of dry cutting on the verge in front of a house?

MEAGAN McCOOL: Was this February you said?

The Hon. ANTHONY D'ADAM: Sorry, February 2021.

MEAGAN McCOOL: Yes, I am not in contact with that particular matter but I can get information on it.

The Hon. ANTHONY D'ADAM: I am advised that the member of the public who contacted SafeWork was advised that they were not able to send an inspector out to that site.

MEAGAN McCOOL: Okay.

The Hon. ANTHONY D'ADAM: You are not aware of the incident?

MEAGAN McCOOL: I am not aware at the moment.

The Hon. ANTHONY D'ADAM: That is on notice.

MEAGAN McCOOL: Definitely.

The Hon. ANTHONY D'ADAM: You can take on notice the details of that and provide an explanation for the circumstance. But it certainly does not give us confidence that you have the resources to be able to enforce the requirements on dry cutting, particularly when it comes to installation. This is just one example. It is [inaudible], they are small workplaces and they are moving from site to site. How can we be confident that the resources of the inspectorate, with nine people in the chemicals team, have the capacity to be able to keep on top of the enforcement system when it comes to dry cutting?

TONY WILLIAMS: If you would not mind, I might just explain for a minute or so the way we are structured and operate. Our business in SafeWork is such that, yes, we do have parts of our business that are specialists—so, for example, the hygiene and toxicology people who would lead the development of what is often a very complex strategy. But the rollout of that in terms of making sure, as you say, we get to all the workplaces, we visit the stone sites, we get to the building sites, that is when the broader inspectorate plays a role. So our experts develop the strategy but our broader inspectorate roll that out. So in terms of silica, all of our construction inspectors every time they go to a site are doing that check. Our work, health and safety inspectors within our metropolitan and regional teams are visiting premises where they are manufacturing and machining that stone. So we do not just use those nine, we actually use the broader inspectorate. Those nine develop the strategy.

The Hon. ANTHONY D'ADAM: Mr Williams, I might come to that. I am advised that last year, 2021, there were 15,453 workplace incident notifications. Does that sound like a ballpark figure to you?

TONY WILLIAMS: It would be around that. I have not got the actual figure. I have not got that figure in front of me.

The Hon. ANTHONY D'ADAM: Given that number is correct—it was provided in a response to a question on notice—how many of those incidents occasioned a physical site visit as you have just suggested occurs? How many of those can you say confidently resulted in the inspector going out and visiting the site?

TONY WILLIAMS: I might just start by saying in 2020-21 we had about 52,000 interactions with business. Some of those were proactive workplace interventions but the vast majority would have involved a workplace visit and, on top of that, we do things like presentations. We also do reactive work where we receive requests for service or complaints, for want of another term.

The Hon. ANTHONY D'ADAM: Are you are saying that 330 inspectors conducted 52,000 workplace visits?

TONY WILLIAMS: No.

The Hon. ANTHONY D'ADAM: A lesser figure of 10 per cent were estimated absent at any one time. You are saying that they did 52,000 visits?

TONY WILLIAMS: No, let me clarify then. We regard that as interactions. So we address workplace matters in a range of ways and that is based on risk.

The Hon. ANTHONY D'ADAM: Earlier in your evidence you suggested that the resources in the chemicals team was adequate because you had access to all these other inspectors who went out on site. But you are now telling me that that is not the case; that you cannot be confident that that is an error that you painted that is occurring because you only measure interactions; you do not measure workplace visits. Is that correct?

The Hon. WES FANG: Point of order: That is not the characterisation of Mr Williams' answer.

The Hon. ANTHONY D'ADAM: I am giving him an opportunity to correct the record.

The Hon. WES FANG: Mr D'Adam, I am taking a point of order. I am making the point that Mr Williams has not had the opportunity yet to elucidate. I think you are characterising his answer incorrectly and he was in the process of answering it when you interjected. I would ask that Mr Williams be permitted to finish the answer and perhaps not have to answer characterisations of his answer.

TONY WILLIAMS: Mr D'Adam, I can assure you that in terms of workplace visits, they are based on risk. So we triage all of the matters that come into SafeWork based on a risk profile, risk matrix to determine those matters that do require the expertise and the attention of an inspector on site. Rest assured, those serious matters that present risk to workers do receive a workplace visit. Those other matters where they are a lower level risk, we address in other ways.

The Hon. ANTHONY D'ADAM: Can you on notice provide us with a breakdown? You talked about 52,000 interactions. I would like to know how many of those occasioned a workplace visit and how many of those interactions were dealt with on the basis of a desktop or other form of compliance activity other than a physical visit? Perhaps you can detail the differences. I am not sure what other kinds of activities might be undertaken

without requiring a physical visit, whether it is telephone call or some kind of paper-based assessment of the risk. Could you provide on notice the details around that? Are you able also to provide details of how many, following those workplace visits, resulted in a worksite being shut down? Do you have that figure at hand, Mr Williams?

TONY WILLIAMS: I do not have that at hand but we very rarely shut down a workplace. We do stop work tasks. So if a work task is presenting a risk to workers, the inspectors will issue a prohibition notice that stops them doing that task. So, for example, on a construction site, if workers are working on a roof unprotected we would stop them working on the roof. We would issue a prohibition notice to stop that work taking place. Or if there is exposure of self to silicon dust we would stop that task. It would be very rare that we would actually shutdown the workplace, so to speak. It would be about stopping that task that is presenting the risk.

The Hon. ANTHONY D'ADAM: Mr Williams, perhaps on notice you can provide this, or if you have it at hand, how many prohibition notices have you issued and how many on-the-spot fines have you issued?

TONY WILLIAMS: Yes, certainly. In 2020-21 we issued 9,984 improvement notices. That is where the inspector requires improvements to be made; there is no immediate risk. We issued 2,363 prohibition notices and that is, as I say, those more serious matters where we need to stop that work task before somebody is injured. We also issued 520 penalty notices, so infringement notices.

The Hon. ANTHONY D'ADAM: Often there is a criticism, I suppose, of the enforcement activity of SafeWork that your emphasis is primarily on a sort of slap on the wrist approach with a view to long-term improvement of employer behaviour. Do you think that is a fair balance that you have struck in relation to compliance? There are businesses out there that are doing the right thing, that have exemplary safety records and, presumably, that comes at an expense. Then their competitors, who do not prioritise safety, when SafeWork comes knocking on the door just get a slap on the wrist; they do not actually get any monetary penalty for the failure of their safety system. How is that fair to businesses that are doing the right thing?

TONY WILLIAMS: We would agree it is not fair. One thing we do within the SafeWork NSW road map, our prime strategy document, is we call out in black and white—one of our roles and one of the priorities for us is to ensure that level playing field by making sure that businesses are not gaining financial or other advantage through taking shortcuts and putting people at risk. We work very, very hard on that to make sure that those businesses doing the right thing are rewarded. I think there would be many businesses out there that would say we exercise our powers too much; others might say we do not exercise them enough. In trying to strike that balance we base that balance on levels of risk. But certainly creating that level playing field is a priority for us.

The Hon. ANTHONY D'ADAM: I put it to you that 9,000 improvement notices versus 500-odd fines does not seem to be a very balanced approach, Mr Williams. That does not seem to be giving those exemplary businesses a fair landscape to compete on, surely.

TONY WILLIAMS: I would probably argue that the issuing of improvement notices and prohibition notices actually helps to create that level playing field. That requires those businesses that are not doing the right thing, that are taking the shortcuts, to invest and take the time to fix things. That then costs them time, costs them money, as compared to their competitors who may have already had that in place and who were doing the right thing. I would argue that it does level up the playing field fairly quickly.

The Hon. ANTHONY D'ADAM: I have only got limited time so I will ask one more question of Ms McCool. Does SafeWork know how many workers there are in the manufactured stone industry?

MEAGAN McCOOL: In terms of the number that we have screened, that we are aware of, it is 1,152. The case findings study report reported a maximum number of around 1,450, so there is probably a gap of 302. But the 1,400 was an estimate.

The Hon. ANTHONY D'ADAM: Would a registration system or a licensing system not give us a fair picture of the manufactured stone industry?

MEAGAN McCOOL: I guess your number is on the number of workers versus licensing of sites. So in terms of the number of workers, which the question is around, there are 1,150 that we have screened of the total possible maximum of 1,452 from a case finding study using ABS data and things like that. But in terms of a licensing or registration system, we typically do not, unless, as I said, what you are inferring is that the workers are licensed versus the site.

The Hon. ANTHONY D'ADAM: Yes, I am inferring that. What is your view about that as a potential way forward in the industry?

MEAGAN McCOOL: In terms of the controls around the person conducting the business or undertaking, most of these businesses, a good proportion—over 60 per cent—have nought to five workers. So in

most cases it may only be the PCBU or the person running the business and one other worker. So they are very, very small businesses and that is representing the majority of the 255 sites. So in terms of if you did license that worker versus the site, there are two different questions there.

The CHAIR: That is your time. I will throw to Mr Shoebridge.

Mr DAVID SHOEBRIDGE: Mr Chandler, Probuild going into insolvency has put at least three projects in New South Wales—it could be more; you might correct the record—at jeopardy. Do you have any idea of (a) how many projects are at risk in New South Wales as a result of the insolvency and (b) how many home owners or potential future home owners that is likely to impact?

DAVID CHANDLER: Yes, Mr Shoebridge, we have just done a scan back of projects that they have been involved on in New South Wales for the last six years and they have been involved in 32 projects which are a mixture of residential, commercial and other industries.

Mr DAVID SHOEBRIDGE: So they have been involved in 32 over the last six years. How many are part-built?

DAVID CHANDLER: There are none part-built. There is only one that has just been recently completed. The latest completion was a project in Bathurst Street, Sydney, but there are no projects that I am aware of at this stage that are in progress of residential.

Mr DAVID SHOEBRIDGE: It was my understanding, and things may have moved on, that there was one project in Darling Harbour as well that Probuild were involved in.

DAVID CHANDLER: That is a hotel.

Mr DAVID SHOEBRIDGE: So is that 32—

DAVID CHANDLER: That is 32 projects in all that I have been able to scrounge out, scrape out, of the system so far.

Mr DAVID SHOEBRIDGE: Of residential, the most currently completed—

DAVID CHANDLER: There are probably eight or nine of that 32 that are residential and I am in the process of confirming that. I will be arranging a meeting with the receiver or, rather, the administrator in the next couple of weeks to actually ascertain that our records are right. But the only project that I am aware of that was recently completed in residential was the redevelopment of the Sydney Water Board site for Greenland in Bathurst Street.

Mr DAVID SHOEBRIDGE: But in terms of projects that were not completed, it was my understanding that as at a fortnight ago there were three projects still on foot in New South Wales.

DAVID CHANDLER: Yes. One of those could be the fit-out that is going on at the MLC Centre, and there is one other project in the list. But they were commercial projects, not residential.

Mr DAVID SHOEBRIDGE: So of the ones that come in your remit as class 2 buildings, there are eight or nine—

DAVID CHANDLER: There are eight or nine that I am concerned about as class 2 buildings for which there may be legacy statutory warranty issues that I am interested in.

Mr DAVID SHOEBRIDGE: On the statutory warranty, which is now unambiguously retrospective whether they like it or not since the 2020 reforms, who is going to be responsible for that?

DAVID CHANDLER: That will be a question I will be taking up with the receiver because I do not think many receivers have thought through that when they step into the shoes of the builder they actually become the builder. So the meeting I will be having with the receiver will be just to introduce him to the concept that he has, in fact, stepped into the shoes of the building company and that while he is going to have a quick sell-down of available assets, he needs to do so cognisant of the fact that he cannot actively try to ring fence the residual part of the business from the statutory warranties. Because if he does that then we will have a look and see what powers are available to us to challenge him. This is a very new area for receivers so the legislation is giving us some things that have not been available before.

Mr DAVID SHOEBRIDGE: You have jumped ahead to the very real concern that I have, and I am sure many of those apartment owners have: How do we prevent through this receivership process the assets being sold off at the highest possible bid and those statutory liabilities being held in a shell? Do you have the powers you need to prevent that happening?

DAVID CHANDLER: I think what I will need to do is to have a good look at this one. Because you might recall the last time we met I referred you to the icon ALCO project, which left the Otto building behind, and, of course, a past practice of corporate reconstruction was to leave these behind.

Mr DAVID SHOEBRIDGE: Correct. Privatised the profits; socialised the losses. It is a standard business practice.

DAVID CHANDLER: Well, it is bigger than that, to be honest with you. I have got about eight different variations of receiverships at the moment and I am pulling all that together so that I can actually then inform a policy thought on what might happen in these businesses. So this one will be interesting. Probuild were a pretty good builder, so I do not expect there to be any issues there because I have seen over their projects and they were a very good builder. So I am not really bracing myself for a tale of woe there, but I am very interested to make sure that the receiver manager realises that it is not just a case of flog off one part of the business and put the rest to sleep.

Mr DAVID SHOEBRIDGE: Is one of the options you are exploring some kind of bank guarantee that is held for the statutory warranty period for those home owners?

DAVID CHANDLER: As you can imagine, we have been bowling new balls since we have had the legislation, so we have been testing out some of the possibilities. Ideally, what I think we should at least be able to see is something equal to the strata bond being made secure for those projects. That would be one of the areas that I would be looking at.

Mr DAVID SHOEBRIDGE: I come back to this core question: Do you have the statutory powers you need to compel that outcome, given all of the other pressures that will be on the receiver? Most notably, they will tell you their obligation is to obtain the highest possible sale price for the creditors.

DAVID CHANDLER: Mr Shoebridge, I think there are a number of issues—and I am not evading your question because you and I are on the same tram on this—

Mr DAVID SHOEBRIDGE: Let us just hope it is not the inner west tram.

The Hon. COURTNEY HOUSSOS: The south-eastern one is not much better.

DAVID CHANDLER: That is not my portfolio. You know that, don't you?

Mr DAVID SHOEBRIDGE: That is not your portfolio. I accept that. I am not blaming you for that.

DAVID CHANDLER: What I am concerned about is when an overseas company comes and buys an existing company, they create what we call the new co and they then ring fence the old co. I think we need to have a look at that too. I think that is almost phoenix-like behaviour. Those things that may not have in the past been called that—for example, leaving the Icon old co company behind. That was a facilitated phoenix, as far as I am concerned. There is no other way that I would describe it. I think we need to look at that, plus what happens in receivership. We have now got the attention of the banks in this regard because, suddenly, when they have a developer that does not get across the wire, they also are now realising that they are becoming the developer and that they have got to also come up with the requirements that will meet their obligations.

Mr DAVID SHOEBRIDGE: I come back to the point, given that a lot of the insolvency laws are Federal laws, with the overarching obligation on the receiver to maximise the return to any creditors, does that leave you with sufficient statutory powers to ensure that those home owners and unit holders who have statutory warranties are not going to be effectively cheated of their statutory rights?

DAVID CHANDLER: We have got a workshop planned on this in the next couple of weeks. I have pulled together about eight exhibits of insolvencies that I have now seen and the different forms that they are taking on. I just want to see what might be clear ways of saying, "If it is this, then that is the way we are going to go." Then, obviously, Mr Tansey is the great orchestrator of good legislation. If we have got any shortcomings, I have got no doubt that we will find a solution.

Mr DAVID SHOEBRIDGE: Mr Tansey, are there any statutory levers that the Building Commissioner, the secretary or the Minister can pull on to ensure that those statutory warranties are protected through the receivership process? If so, what are they?

JOHN TANSEY: Mr Shoebridge, I think you are focusing rightly on the interaction of Commonwealth powers—so the insolvencies operating under the corporations laws of the Commonwealth. One of our inherent challenges in this is looking at what State powers can do hypothetically, to the extent that they are not inconsistent with the Commonwealth and therefore suffer from being overridden by the Commonwealth. There is no simple solution to deal with insolvency, the corporations law and what it means for State powers.

Mr DAVID SHOEBRIDGE: Mr Chandler, you say there are eight or nine cases that you have—or I could be conflating the Probuild numbers—

DAVID CHANDLER: I am just trying to pull together a palette of different types of insolvencies, yes.

Mr DAVID SHOEBRIDGE: On notice, could you provide us with some more details about the nature of these evolving insolvency problems?

DAVID CHANDLER: Sure.

Mr DAVID SHOEBRIDGE: It is to either you or Mr Tansey. Given we have got this interaction between Commonwealth and State laws, are there any steps proposed to bring together whatever the national building Ministers' forum is—I cannot recall the name of it. Are there any steps to bring that together to actually consider a State-Federal solution to this? It seems to me that a State-Federal solution is probably what is going to be required sooner rather than later.

DAVID CHANDLER: My position is going to be that will happen when it happens. My goal is to see what we can do now.

Mr DAVID SHOEBRIDGE: We have all only got one life. I accept that, Mr Chandler. The department can walk and chew gum, I hope. Mr Tansey?

JOHN TANSEY: We do, and have done for years, a lot of work in the insolvency space with a very large range of the Commonwealth regulators in this space as well. There is a shared focus, particularly around some of the operational impacts, around insolvency and phoenixing as a pattern within insolvency. I think we need to do our work in New South Wales first and understand what we can really prove about how the laws might be frustrating each other before we can work out how to take that further and to what extent we need to work with Commonwealth colleagues.

Mr DAVID SHOEBRIDGE: Mr Chandler, have you got advice as to how the statutory warranty—the obligations under that—flow to a receiver and/or the banks if they exercise their security and take over the project?

DAVID CHANDLER: We have got more effect before an occupation certificate because they are typically hanging out to get the occupation certificate so that they can get settlements.

Mr DAVID SHOEBRIDGE: I understand.

DAVID CHANDLER: We have been dealing with the receiver manager on the Dyldam projects, for example. We have been able to intervene there with the receiver, saying, "You are the builder," or, "You are the developer," and we have issued orders on those projects and we are getting an outcome there.

Mr DAVID SHOEBRIDGE: I accept that there is a distinction between where you have got the capacity to withhold an occupation certificate or the registration of a strata scheme. We probably do not need to unpack the second right now.

DAVID CHANDLER: I think we should hold it at the first one, if you would.

Mr DAVID SHOEBRIDGE: For the Probuild projects, I assume they have all got occupation certificates?

DAVID CHANDLER: Yes, they all do.

Mr DAVID SHOEBRIDGE: They are the circumstances that I am asking about.

DAVID CHANDLER: They are the ones I am going to dig into now that I can see what the business model is trying to shape itself into. It is not an easy exercise because we will be testing some greenfield ideas here.

Mr DAVID SHOEBRIDGE: Do you have any understanding about how many unit holders and home owners are potentially impacted in the eight or nine residential Probuild apartments?

DAVID CHANDLER: Without calculating a precise number, I typically use 40 apartments per building. It seems to be the average time one of these happens. It is about 40 buildings.

Mr DAVID SHOEBRIDGE: So it is about 350 or so.

DAVID CHANDLER: Yes, it possibly would be that. In their case, it might be more because the water board project in Bathurst Street—

Mr DAVID SHOEBRIDGE: Was a big one.

DAVID CHANDLER: —was a very large one, yes.

Mr DAVID SHOEBRIDGE: Ms Hogan or Ms Mann, Lighting Council Australia made a complaint to NSW Fair Trading about smouldering and melting downlights in a Bondi Junction residential apartment complex, as I understand it, in August 2021. They made it clear that there was a real and present threat of a fire, and they became so frustrated with the lack of action from Fair Trading that they put out a media release urging the Minister to be involved. Can you explain what went wrong and why, more than six months after the report of a potentially dangerous fire, Fair Trading had still done nothing?

EMMA HOGAN: I will get Ms Mann to answer that.

NATASHA MANN: I am unhappy to hear that. I am not aware of that particular matter but, obviously, I will go back and investigate why that occurred.

Mr DAVID SHOEBRIDGE: Their release states:

Lives of individuals are at risk due to NSW Fair Trading failing to act on potentially dodgy and dangerous lighting throughout the COVID-19 pandemic. Six months ago, smouldering and melting downlights installed in a Bondi Junction residential apartment complex were reported to NSW Fair Trading.

They say that the report was lodged in August 2021 and, six months later, we find ourselves with no action. Ms Mann, can you seek some advice about that this afternoon?

NATASHA MANN: Yes, I absolutely will, Mr Shoebridge.

Mr DAVID SHOEBRIDGE: Again, I read from the media release of the Lighting Council Australia, who are not a notoriously bolshy group of people. They are not normally out the front of Parliament waving placards—

The Hon. WES FANG: No, that's your mob.

Mr DAVID SHOEBRIDGE: —and calling for Wes Fang to resign. That is not what they are doing

The Hon. WES FANG: That is usually my colleagues, to be fair.

Mr DAVID SHOEBRIDGE: That is true; that is your colleagues. The media release states:

"These lights are potentially a ticking time bomb. Lighting Council Australia is calling for suppliers to prove that their products are safe and compliant and for NSW Fair Trading to complete their investigations." ...

It is more than six months since dangerous, smouldering lights were reported in a residential complex. Has Fair Trading not learnt the lessons of the Grenfell Tower disaster, Ms Mann?

NATASHA MANN: Mr Shoebridge, as I said, that six-month time frame is something that I will absolutely look into and come back to you with the details of it.

Mr DAVID SHOEBRIDGE: If you could, Ms Mann, because it is literally a life-and-death situation. Can you provide an answer this afternoon about what has happened in relation to that complaint? I will hand up to the secretariat the media release from Lighting Council Australia. Can we get an answer this afternoon, Ms Mann?

EMMA HOGAN: We will do our best for this afternoon, Mr Shoebridge.

NATASHA MANN: I will endeavour to do that.

Mr DAVID SHOEBRIDGE: Thanks. Mr Chandler, in terms of flammable cladding—because it would be a tragedy not to speak about flammable cladding on a day like this—I understand from questions and answers earlier that still no project has been being completed under Project Remediate. Is that right?

DAVID CHANDLER: There has not been a physical project started where the cladding is coming off. But with the first six of the projects that will be amongst that group, we have now got to a point where we have advised the owners' corporations of the scope of work that will be involved and the likely cost of that work going forward, and we are seeking their intent to stay in the program. Four of those are moving to a point where they are within three to four months of signing a building contract and a loan agreement. Then 26 weeks after that date, their projects will be finished. We are working on approximately 26 weeks as an average duration across the projects, but they do vary in size. The ones that I am currently looking at have a mixture of 280, 699, 308 and 314 square metres of cladding to be replaced.

Mr DAVID SHOEBRIDGE: Mr Chandler, I am not pretending this is a simple thing to do but, from this evidence, we are now looking at not having the first project completed under Project Remediate until 2023—five and a half years after the Grenfell Tower disaster. Do you think that is acceptable?

DAVID CHANDLER: I believe we will finish the program within the time frame that we have undertaken. That is the time frame that has been in existence since March last year. Whether it is considered to be acceptable or not, the challenge is to get the program done within that time frame, and it will be done in that time frame.

Mr DAVID SHOEBRIDGE: Have two of the six properties that were in that initial tranche pulled out of Project Remediate?

DAVID CHANDLER: I think one probably has, and the other one is having a think about it. But the simple issue there—and we relate to the owners—is that they are saying, "Why are we paying for it in the first place?" The policy, and Project Remediate, is about the fact that the owners' corporations pay for the net cost of it. It is a heavily subsidised program of work, so they really do only pay for the net cost. I will give you some examples of what that means, if that would be possible. On a project that is estimated to cost \$877,000 to replace the cladding for 36 apartments, the average cost of replacement will be about \$1,250 a square metre, or about \$24,000 an apartment. I picked that one because so far that is the highest amount that would be paid for by an apartment owner—an average of about \$24,000—which they would get on an interest-free, 10-year loan.

Mr DAVID SHOEBRIDGE: Mr Chandler, you do not have to persuade me; you need to persuade the building owners. It seems to me that if you have lost one-third of the first tranche of Project Remediate building owners there is something additionally going wrong with Project Remediate. Because we have now got, potentially, two of the six properties that are not going to be remediated.

DAVID CHANDLER: That is not the case, Mr Shoebridge. It is a case of whether they will elect to do that work under their own funding arrangement. What they will get, as a result of their engagement with Project Remediate to this point, is the full triage report of their property, a 30 per cent design schematic, which says, "This is what needs to be done", and they will have a budget estimate with a breakdown of all the potential costs that will be involved. So if they chose to go their own way, at least they would have that, and that would be available to them at no cost to them at all.

Mr DAVID SHOEBRIDGE: But the idea is not to get reports; the idea is to get flammable cladding off.

The Hon. EMMA HURST: Mr Shoebridge, we are moving now to the Opposition.

The Hon. COURTNEY HOUSSOS: Mr Chandler, I am going to stay on that same issue—Project Remediate. I might come back to the question about the dropouts of the particular participants and just go back a step. According to the supplementary questions from the last round of budget estimates, 293 buildings were registered, 32 buildings had been triaged and six buildings were in that first tranche to commence work. Are they still the correct figures or do you have updated figures?

DAVID CHANDLER: I am just about to pull up the advance figures, if I may. There have been 313 people who have registered for interest in Project Remediate. Some of those projects have had to be referred back to the Cladding Taskforce for acceptance. The number that are currently accepted as qualified to come into Project Remediate is—currently 204 have applied that are eligible. A further 42 are currently being considered. We think this is the tailing end of that, and we are expecting that potentially half of that 42 will come into Project Remediate. That would bring it up to just over 220.

The Hon. COURTNEY HOUSSOS: We had six buildings in that first tranche. Are there still 32 further buildings that have been triaged?

DAVID CHANDLER: The number that has been triaged is about 30, Ms Houssos. There has been a bit of a disruption to the triaging process with COVID. The remainder of what is called "tranche one", those buildings will recommence their triaging next Monday, and they will all be finished within a fortnight.

The Hon. COURTNEY HOUSSOS: Sorry, the triaging will be finished within a fortnight?

DAVID CHANDLER: Yes. It is quite a complex situation, triaging, because the access to these buildings requires scaffolding to be properly prepared. We need to make sure that we have a proper work health and safety plan for people going on those buildings because, while those buildings that necessarily operate under Project Remediate might have somewhat less attention to these matters, we cannot. So there is quite a lot of process that is involved. We need to get the owners' corporations' consent because we are going onto their properties. With all of that, it has been heavy weather for the last three or four months with the COVID interruptions, but the work will be getting back into full swing next week.

The Hon. COURTNEY HOUSSOS: Have you had to pause that triage work on those 32 buildings?

DAVID CHANDLER: Part of it, but not all of it. We have just really had to do what we could do on any day. The workforce has been very variable over the past three months.

The Hon. COURTNEY HOUSSOS: I understand. I think that is what has been seen in the broader economy. Of those six buildings, are you certain that there are not three that are pulling out?

DAVID CHANDLER: I am involved in talking to these owners myself. My view is that there is one that has, one that is thinking about it and four that are going to commit to carrying on.

The Hon. COURTNEY HOUSSOS: Do you want to take that on notice as well as if there are any further pullouts or concerns?

DAVID CHANDLER: Sure. I will keep you informed of the score card as we go, but—

The Hon. COURTNEY HOUSSOS: That would be great. You said this morning it was Bondi Junction and Camperdown that were—Bondi Junction was out? Or was it Bondi that was out?

DAVID CHANDLER: Bondi was out.

The Hon. COURTNEY HOUSSOS: Bondi is out?

DAVID CHANDLER: And potentially another, but I do not want to go naming those projects at the moment.

The Hon. COURTNEY HOUSSOS: If you can provide those on notice, though. My understanding is that there is three.

DAVID CHANDLER: Yes. I might just give you that by way of number, not necessarily the address, because I do not really want to—

The Hon. COURTNEY HOUSSOS: I am not talking about addresses. I am just talking about suburbs, so that we can distinguish between projects. That is all I am interested in.

DAVID CHANDLER: Yes. That is fine.

The Hon. COURTNEY HOUSSOS: I appreciate the sensitivity. Mr Chandler, we have had two buildings pull out. Have they given you a reason for why they are pulling out of Project Remediate?

DAVID CHANDLER: Cost is the reason. Quite a number of the owners' corporations have had costings for this work done previously, and the costs are simply not apples for apples. Most of those costs are typically to just go up to the face of the building and remove the skin off the building and replace it with a new skin. What we have expected and what has been evidenced by the triaging process is that, in fact, there will be sub-facade work that is required before you can put sheeting back. We are seeing substantially rusted framing behind the scaffolding. On all of the ones that we have looked at so far, there is no sarking for moisture management.

As you know, in Project Remediate we are also putting back fire barriers. There is a range of inherent defects in the systems of the facades. You know we have always been talking about a complete facade assembly rather than just a skin. When you compare apples with apples, the prices that owners' corporations have seen to date do not necessarily compare that. We are aware of one project that has gone on its own way. It started before Project Remediate stood up. It was already committed. Looks like the costs of that project have gone from about \$1.1 million to \$1.4 million as they have progressively discovered the things that they could have discovered had they done a proper triage.

The Hon. COURTNEY HOUSSOS: When you say \$1.1 million to \$1.4 million, is this a building that is in the program or not in the program?

DAVID CHANDLER: No. It is a building that started before Project Remediate. They had already signed their contract when Project Remediate was announced. We did go down and have a look and see as to whether that project would qualify. It may have, but they wanted to move on. But they have been very helpful in sharing all of their information because they wanted us to be able to learn from their experience as well. They have had scope creep, which is the experience that has happened in Victoria as well. They have had scope creep because they have had a light touch triage, whereas our approach is to be much more investigative in the triage process than perhaps anyone else. We are very hopeful, very confident, that the scoping exercise that we are doing is one that is not going to expose these buildings to significant increase in cost after the building contract has been awarded.

The Hon. COURTNEY HOUSSOS: Mr Chandler, I understand that registrations have been extended again. It was originally September and then it was January. Is it true it is 31 March now?

DAVID CHANDLER: Yes. We just elected that—

The Hon. COURTNEY HOUSSOS: Are they only open for buildings that have not commenced work?

DAVID CHANDLER: Correct. Yes.

The Hon. COURTNEY HOUSSOS: The previous Minister was talking about looking at expanding to allow buildings who, like this building that you are talking about, had already started the work.

DAVID CHANDLER: Minister Anderson was discussing with you some retrospective considerations?

The Hon. COURTNEY HOUSSOS: Yes. That is right.

DAVID CHANDLER: There is a retrospective policy now being resolved in terms of the people who would have been able to come into Remediate, but Remediate was not available to them. It is not going to be extended to people who could have come into Remediate but decided to go their own direction. It is only the people who would have qualified but had already been sufficiently advanced at the time. There is a retrospective payment consideration. We are just about to sign the policy off on that. Then we will socialise that so that, if there are people who went ahead in good faith and did a good job—we will actually go and have a look at the job that has been done, to make sure that it is not one that is burdened with some form of corners cut that we think might leave the building exposed. We certainly do not want to be providing retrospective support for buildings that we think the quality is terribly poor on.

The Hon. COURTNEY HOUSSOS: When you talk about providing the retrospective support—is that just that they would have access to the no-interest loans?

DAVID CHANDLER: That will be in two forms, Ms Houssos. It will be a monetary payment equal to what the interest would have been on the money that will be benefitted into Project Remediate. That could be in the form of a lump sum payment once off. The alternative as well is that some of those owners' corporations may have already entered into strata loans at a higher rate, maybe at 8 per cent. What they would be able to do is to transfer across into Project Remediate and take the benefit of the Project Remediate funding.

The Hon. COURTNEY HOUSSOS: That monetary payment equal to the interest paid would just be a payment that they would receive? I understand there will be controls around that, but then they would just be eligible for that as a payment and then would continue to pay off the same way that they would—

DAVID CHANDLER: If it is a payment for somebody who has finished their work, what—I am happy to provide you as soon as the policy is signed off. I think you should see it straightaway. We will be putting it up on the website. Essentially, if you have done the work and you have paid for it—some owners have just simply had the levies and they have paid for it. What we are saying is, for the value of your contract, then you would get an interest payment equal to that money that you had spent, what it would have cost us had it been in the program. Okay?

The Hon. COURTNEY HOUSSOS: I understand.

DAVID CHANDLER: There is one other element that is about to be presented as well. You should be aware that some of these owners' corporations were also concerned. We have a hardship provision for the program. We have been saying there will be a hardship provision, but we have not been able to publish the full details of that, because we have only just appointed the loan service administrator a couple of weeks ago. We have needed to make sure that we use their hardship management capabilities. But we wanted to go further than what would normally be available under hardship in the normal scheme of things. So we wanted to make sure that we built into our system that they would apply for hardship through the loan service administrator. If they were unhappy with that, then we have arranged for an independent person in the social housing sector to provide a second opinion of that. That could overrule the decision of the LOS.

The Hon. COURTNEY HOUSSOS: If you would like to provide some more information on notice about the hardship provision, that would be quite helpful. I have got the figures. We have gone through the process of what happened. There is that first tranche that is doing the work. Then we have got the next lot that is being triaged. What is the status of the rest of the buildings? In your answer on notice, you said "scheduling the building according to its risk, complexity and readiness to undergo remediation". What does "readiness" mean?

DAVID CHANDLER: It is a combination of risk and readiness. But, as you might recall from our earlier briefing, we said that we would work on a hypothetical six tranches that would all have roughly 35 buildings in each tranche. Every single building has got a building number in the process, and we have now allocated each building to a tranche. We will have completed all of the tranche two triaging within three months. The speed of that will go much faster because we want to make sure that we have got all buildings triaged nominally by the end of this year so that we can actually have a full scope of all of the situations in any building.

If the risk profile changed on one, it will allow us to move a higher risk building forward if we found such a building.

The Hon. COURTNEY HOUSSOS: In answer to some questions from my colleague in terms of those initial—let's call them four, but it might be three buildings in that first tranche. You said they are three to four months away from signing a building contract. Is that right?

DAVID CHANDLER: Correct, yes, a building contract and a loan agreement.

The Hon. COURTNEY HOUSSOS: So we are three to four months away from signing the building contract and the loan agreement. Once that is signed, how long does it then take to commence?

DAVID CHANDLER: On average, 26 weeks. We have said that some will be shorter and some will be longer. On average, 26 weeks would be the physical work period from the time the building contract is signed to the time it is finished.

The Hon. COURTNEY HOUSSOS: And what is the time going to be between signing the building contract and actually commencing the work? Like, physically taking stuff—

DAVID CHANDLER: Four to six weeks. It will depend on the contractor making sure that he has adequate shop drawings that show the work. One of the challenges with most of these buildings, as you are aware from history here, is that hardly any have as-built drawings.

The Hon. COURTNEY HOUSSOS: Yes, absolutely. Sorry, my time is about to run out, so let me just ask this: We are looking at three to four months to sign the building contract, then another four to six weeks, and then you said 26 weeks. Does the 26 weeks include the four to six weeks?

DAVID CHANDLER: Yes, it does.

The Hon. COURTNEY HOUSSOS: So three to four months, four to six weeks, and then we actually see some cladding come off buildings. And then we have 26 weeks, and then it should actually be—

DAVID CHANDLER: Correct.

The Hon. COURTNEY HOUSSOS: Of the six tranches with the 35 buildings in each, when should they all be completed by?

DAVID CHANDLER: At the back end of 2023.

The Hon. COURTNEY HOUSSOS: And that will be even if you get additional buildings into the registrations that are still open?

DAVID CHANDLER: What we are doing is essentially creating a phantom last tranche so that if we have new buildings that we did not see coming, or if some buildings have been too hard to stay in their tranche, or if some of the people who wanted to reserve their decision to come into the program come in late—we are not going to close those people out. Anyone who says that they do not want to proceed now—we are not saying we are turning the light off. We are just simply saying, "That's fine, but we will leave the door open."

The Hon. COURTNEY HOUSSOS: Of these buildings that have opted out, there is still the opportunity that they might be able to opt back in later on?

DAVID CHANDLER: We are leaving the door open. We are not pushing anybody out.

The Hon. COURTNEY HOUSSOS: I asked you a number of questions on notice last time about the recruitment of specific officers within Project Remediate, and you said that they were largely going to be contractors through Hansen Yuncken.

EMMA HOGAN: Yes, it is Hansen Yuncken.

DAVID CHANDLER: The managing contractor is Hansen Yuncken, yes.

The Hon. COURTNEY HOUSSOS: Yes. I am happy if you want to take this on notice, are you aware of how many of the consultants or contractors have been engaged by them? The information you gave to me was that the appointments of these roles were underway and ongoing. Have they all been recruited now?

DAVID CHANDLER: They have been recruited to the level that they needed to keep the program going. The global facade consultant was about to be appointed last time we spoke. They have been appointed. The pattern book is in its final draft. It will be available next week, so we will be socialising that with the designers. We have a panel of triages already in place, so they are doing that work. We had to go and engage that. We have the first panel of designers in place, and now we are preparing a panel of tenderers who can tender the work. We

just want to make sure that the tenderer field is appropriately qualified, particularly financially, and that they are the right-sized entity for each of these projects, because we want them done by small- to medium-sized enterprises, to the extent possible. There are only 10 projects in Project Remediate that are more than \$10 million in value. We would expect that we would have a larger contractor handling those, but typically contracts will be in the order of \$2.5 million. The ones that are in front of me at the moment simply range from \$550,000 to \$900,000. They are smaller buildings; we did pick a bunch of smaller buildings to start off with.

The Hon. COURTNEY HOUSSOS: So you chose the smaller buildings to start with and most projects will be about \$2.5 million, so then the average cost for the average apartment is about \$2,400?

DAVID CHANDLER: On this particular group here, they range—I will give you the number. On a building with 29 apartments, the average was \$14,000; 36 apartments, the average was \$24,000; 40 apartments, the average was \$14,000; 34 apartments, the average was \$15,500. Ms Houssos, the reason why these numbers fluctuate a bit is that some buildings have complex facades; one of them is actually curved. Getting curved panelling is more expensive than flat panelling. In some buildings the extent of structural remediation to hang the cladding on is more extensive. In other places where previously the waterproofing and drainage have not been done properly, we to have rip out a whole bunch of soffits at the bottom of the facade and repair all of that as well. They are all slightly different in their situation, including the one that actually had a bird's nest and eggs that were about to hatch in it.

The Hon. COURTNEY HOUSSOS: My time is about to run out, so let me just ask one final question. In terms of the buildings that have pulled out of Project Remediate, are you aware if that was a unanimous decision by the owners' corporation, or are there some differing views?

DAVID CHANDLER: Ms Houssos, I am not taking the view that anybody has pulled out at this stage. I think that basically we should see everybody as a work in progress. On one of the buildings—you would know how strata committees work. We have one building where a bunch of owners want to use cement render and paint as the alternative to putting aluminium back. The chair of that particular strata committee wants to use aluminium. He has not been able to get the rest of his owners across the line with their preference for render and paint, which, in this particular instance, would be the wrong choice. Aluminium is the only sensible choice in that case. But we are trying to make sure that each of these owners' corporations have a customer experience. The rules for the designers are, "You must offer every owners' corporation at least two choices of the design solutions that are available for them and be guided by their preference." So we are not just walking in saying, "It has to be that and there is no choice." The designers have been told, "You must properly prepare two doable solutions for each building and give the owners' corporation a choice."

The Hon. COURTNEY HOUSSOS: Sorry, Mr Chandler. Do you want to take it on notice? I think that one of those might have formally advised you that they are actually out.

DAVID CHANDLER: As I say, I do not take the view that anybody is out, at this stage. But I will keep you up with the score, okay?

The Hon. COURTNEY HOUSSOS: Thanks very much.

DAVID CHANDLER: But let's not make this harder than it is. It takes a lot of work to—

The Hon. COURTNEY HOUSSOS: It has taken too long to get here as it is. I think we can agree on that, Mr Chandler.

Ms ABIGAIL BOYD: I wanted to ask a few questions about retirement villages, Ms Hogan. I do not know if that is you, or if you want to direct it to someone else.

EMMA HOGAN: I can direct that to Ms Mann. Mr Tansey will intervene if he needs to.

Ms ABIGAIL BOYD: Excellent. The Retirement Villages Act and the amendments that were passed in the last couple of years—we had the Retirement Villages Regulation schedule 5A, which listed a number of LGAs that were subject to a six-month exit entitlement order instead of the longer 12 months. There was quite a lot of discussion between The Greens, the Opposition and the Government around why the Central Coast and Lake Macquarie LGAs had been left out of that. The solution or the compromise was to put in place a provision that would require the Government to collect information from the retirement villages located in those LGAs to then provide information about the frequency and duration of the vacancies in those villages. Has that review now taken place?

NATASHA MANN: I think the first thing to say—you are probably aware of this, but the classification system adopted was that used by the Department of Regional NSW. It was an established classification system and it does align with other government policies where we designate areas as regional or otherwise. You are

absolutely correct in terms of the capturing of the sales data. I do not have an update in my notes about where that is at, but perhaps Mr Tansey has some further information.

JOHN TANSEY: Yes, data collection has started. It started last year, and it has been collected quarterly up until July of this year. Then we can look at what we learn from that and any decisions that flow from that in the third quarter of this year.

Ms ABIGAIL BOYD: The then Minister, Mr Anderson, indicated verbally during Legislative Assembly debate that that would be completed by the end of—it is not, is it? We are only in 2022. So I guess that is the 2021-22 financial year, which would bring us to June.

JOHN TANSEY: It is a COVID impact time. It is very rubbery.

Ms ABIGAIL BOYD: That is fine. That makes sense. When that data comes back, how it will be assessed to determine whether or not it does go into the schedule?

JOHN TANSEY: Talking hypothetically? I was going to give you a response based on the hypothetical. The thing here is to learn about whether or not there is a material difference in the way that retirement village lots are bought and sold, because the basic concept and the policy is that the experience is that in regional areas it takes longer and it needs longer—that is why they have to have the up to 12 months—whereas in metro areas, like many things, property buying and selling happens quicker.

As Ms Mann already referred to, when we applied the kind of demarcation between metro and regional we just used the absolutely available version from regional. So what you are really trying to see in the data is, is that right, and do the patterns of activity match that, or is there any case for it being treated differently, for example, if the Central Coast looked like it did have market activity that was more like a metro area than a regional area.

Ms ABIGAIL BOYD: It all sounds a bit vague. I appreciate that was the concept that we all thought. If it does turn out that these LGAs have similar sorts of data as what you see in the metro areas, then it would make sense. But in the actual analysis that goes into that review, have you decided ahead of time just how similar it would need to be to be included, or will it be a kind of vibe of the thing to work out whether or not it is sort of similar?

JOHN TANSEY: No. We do not operate on vibe.

Ms ABIGAIL BOYD: Good. That is very comforting.

JOHN TANSEY: I cannot give you an answer now on exactly what people have thought about the parameters, the metrics or the sensitivity of stats. I am happy to take that on notice if the team have got it or even if I can get it through this afternoon.

Ms ABIGAIL BOYD: What I am asking is whether this is determined ahead of time and then we get the data and we say, "Yes, it meets it" or not, or whether we get the data and then there is a little bit of a discretion as to whether or not it is considered to be sufficiently close to the metro to be included.

JOHN TANSEY: There is no gaming of the data that I am aware of. We are honestly waiting to go see what the data tells us because we honestly do not know. This is not an area where everybody agrees. We have brought in a new law with trying to get the balance right. We have genuinely never had data on this before and I think we were very transparent through the whole review and reform that there was not the data that would have informed a more granular policy decision, so it is a genuine exercise in let us get the data and interrogate it.

Ms ABIGAIL BOYD: I am not for a moment suggesting that there is gaming of the data. It will be genuine data. I just, from a process perspective, would have expected, for example, if it turns out that the average vacancy time in the metro areas is three months but then on the Central Coast it is three months and one day, you would normally set up a review that would tell you, if it is within X per cent of the average then we would consider it. What is the criteria going into this?

JOHN TANSEY: If I am answering kind of the intent of your question the right way, we honestly want to see what it is and learn from that and make the best policy decision. I think the other thing that is going to be in there as a bit of a curveball is COVID. So we are going to have had a dynamic where, even if there is a normal market, it will not have been a normal market. I absolutely guarantee to you we need to see the data and see what it is telling us.

Ms ABIGAIL BOYD: So that data is going to be collected not just from those two LGAs, but you are also going to take the data from the metro areas in order to get a baseline?

JOHN TANSEY: No, the data is about what is happening in those LGAs—the Central Coast LGAs.

Ms ABIGAIL BOYD: So how do you then compare that to see if they are really in the same sort of category?

JOHN TANSEY: At this point I might need to contact my team and see if there is a little bit more granularity because I have just run out of—

Ms ABIGAIL BOYD: That is fine. That would be really good. A final question on that is whether that data will be made available so that we can all have a look at it and see whether we think it is similar.

JOHN TANSEY: Can I take that on notice? Because I have no idea whether or not there are going to be private elements in it or what have you.

Ms ABIGAIL BOYD: Sure. Back to you, Ms Mann, can we look at compliance with retirement villages legislation, if that is you? We asked some questions in the last budget estimates about how many compliance with the retirement villages legislation is monitored, with particular concerns around some recent changes. Are retirement village operators complying with that? Does the Better Regulation division have the capacity to monitor the implementation and guidelines on the rules, considering those legislative changes? Given the responses that were provided to the last set of estimates questions on notice, which indicated a quite low ratio of taking action against breaches, it looks, from the responses, that there is very much a desktop audit happening instead of actual people on the ground going out to these retirement villages and engaging with the operators and residents. Can I have your view on that?

NATASHA MANN: Obviously the Better Regulation division has a very broad remit and so I do not actually have to hand the number of inspections that we have done for compliance in this area. I can try to get those for you either this afternoon or on notice, but I do not have those details to hand.

Ms ABIGAIL BOYD: I understand that there are only 16 inspectors employed to regulate the New South Wales housing industry and it is unclear whether there have been any targeted compliance activities on retirement villages. Is that something that you are able to tell me—if it has occurred in the past year and what exactly the Better Regulation division has been doing?

NATASHA MANN: I might pass to Mr Williams, who is in charge of the inspectorate. He might have some further details.

TONY WILLIAMS: There certainly have been compliance activities undertaken in retirement villages. I will unfortunately have to take on notice how many and when that actually occurred. I am happy to take that on notice, but there certainly have been visits to retirement villages in recent times.

Ms ABIGAIL BOYD: If you could let me know how many inspectors are focused on retirement village inspection and what percentage of retirement villages have actually been visited over the past 12 months, that would be very useful. I understand from the resident associations that a really small number of retirement villages are actually surveyed. I am being told nine out of 600 but that seems too low, so could you come back and let me know what that is? But there is a real reliance on this asking retirement villages to just provide documents through. Could you explain what due diligence is done on those documents provided by the operators, particularly, for example, those requirements that require a special resolution of residents in order to produce the accounts in certain ways and allocate money in certain places? What due diligence is done to check that it was actually approved rather than just seeing the accounts themselves?

TONY WILLIAMS: I will certainly take that on notice.

Ms ABIGAIL BOYD: My final question is on something completely different but I think it is also to you, Ms Mann, and you will have to take this on notice. I doubt you will have this in your mind or in front of you but if you do that is fabulous. For the period from 2018 to 2021, could you tell me how many Fair Trading complaints have been lodged by members of the public about pet shops and pet breeders? I would like to know the nature of the complaint, how many have been resolved in the complainant's favour, how many have been referred to the authorised animal welfare agencies and how many have resulted in infringements or animal cruelty charges.

EMMA HOGAN: We answered some of those questions this morning, but we will take the rest on notice.

NATASHA MANN: I do not have those details to hand but I have answered some this morning.

Ms ABIGAIL BOYD: Okay, thank you. I should have been paying more attention.

EMMA HOGAN: I do not think you were actually in the room. It is okay.

The Hon. ANTHONY D'ADAM: Mr Williams, can you elaborate for me the process undertaken to determine when you impose an improvement notice versus a prohibition orders versus a penalty notice? How do you make that decision?

TONY WILLIAMS: Yes, certainly. Those decisions are made by the inspector based on risk. Improvement notices are issued where there is a gap identified but there is no immediate risk to workers. In that case an improvement notice will be issued. Where the inspector forms an opinion there is an immediate risk to a worker or others in a workplace, that is when a prohibition notice will be issued to stop that task. And, as I said before, we do not really shut down workplaces, we stop that activity and that is when the prohibition will be issued. We issue penalty notices when there is a failing to meet a certain requirement where we have the ability to issue. We call that an on-the-spot fine. We can only issue that for certain breaches. Where that breach is available and the inspector forms an opinion that it is of such gravity that that is the appropriate approach, that will be issued. Often that can be accompanied by notices as well to do other things. So that is the general breakdown, Mr D'Adam.

The Hon. ANTHONY D'ADAM: On notice can you provide us with details of how many on-the-spot fines have been issued over the last three years and for what type of offences, the categories of offences? Is it correct then to say that other than where there is a requirement for an incident that occasions an on-the-spot fine, a penalty notice is generally only issued after repeated failings against either a prohibition or a provisional improvement notice? Is that correct?

TONY WILLIAMS: We normally only issue an on-the-spot fine where the issue, as I said before, is of such gravity and it is one of our priority issues. For example, at the moment we have a focus on falls from heights. Falls from heights in construction continue to be the number one killer in construction. So we have gone to a lot of trouble working with our stakeholders, the NBA, HIA, unions and others to really raise the profile of the fact that that is an issue that they must be addressing, and addressing well. We have worked with them to make sure that businesses are aware of what the controls are to put in place.

At that stage, when we have done all of that and we still come across a business that is putting workers at risk, in that instance, our inspectors will issue an on-the-spot fine. They always consider do the circumstances of the case and whether there was a failure by the workers or by the business. We can issue on-the-spot fines to both the business, which is usually \$3,600 or to the worker, if you like, which is \$720. The inspector has to consider all of that and determine where that fault sat, and issue the appropriate penalty notice.

The Hon. ANTHONY D'ADAM: What about the decision around enforceable undertakings? When do you get to that point? Is that in conjunction with the process of prohibition orders or improvement notices?

TONY WILLIAMS: No, it is very separate, Mr D'Adam. Where enforcement undertakings come in is when we have a serious incident where, generally speaking, it results in a fatality or a serious incident of some type—the type of which we would undertake a full and thorough investigation to the point where we can prove beyond reasonable doubt that there has been a failure of our legislation that is serious, and only at that stage would we lay charges, if you like. At that stage the defendant then can approach us to propose an enforceable undertaking be entered into. So it is quite different from our day-to-day work in terms of issuing notices and penalties.

TONY WILLIAMS: You are effectively saying there has to be prosecution initiated for the enforceable undertaking to actually be in place?

TONY WILLIAMS: To be negotiated, that is right.

The Hon. ANTHONY D'ADAM: So you would never arrive with an enforceable undertaking for a category 3 offence, would you?

TONY WILLIAMS: No. Not one that we were not progressing to a full investigation, no.

The Hon. ANTHONY D'ADAM: For a category 3 offence, if it was being prosecuted, there might be occasions when you would negotiate an enforceable undertaking as a resolution of that prosecution rather than proceeding to a judgement?

TONY WILLIAMS: Correct. The only matters that we do not accept an enforcement are the category 1 offences, yes.

The Hon. ANTHONY D'ADAM: A category 1 offence would never occasion a penalty notice, would it?

TONY WILLIAMS: Once the incident has occurred we undertake what we call a first response to that. It is where we attend the site to do a number of things. First of all, we make the site safe so if we had a worker fall from a height, we will certainly have a very thorough response to that incident where we will make sure that

the site is safe. Notices may be issued, including prohibition notices, to make sure that the site is safe, and then the other processes would flow on from there.

The Hon. ANTHONY D'ADAM: Is that a yes or a no about whether you would use a penalty notice for a serious category 1 or category 2 offence?

MEAGAN McCOOL: When you are starting to get into penalty notices, you are starting to look at an offence there, so it can be considered double jeopardy. So depending on the matter, as I said, if it were serious enough, we would be heading down the prosecution route.

The Hon. ANTHONY D'ADAM: Right, so it is rarely an and/or [inaudible] and prosecute?

MEAGAN McCOOL: Typically, yes.

The Hon. ANTHONY D'ADAM: I want to ask about some of the approaches that have been taken in manufactured stone, Ms McCool. Can you give us some examples of some of the offences that have occasioned a provisional improvement notice? Would using dry cutting, for example, occasion an improvement notice or penalty notice?

MEAGAN McCOOL: That is going to be starting to look at a penalty notice. We have an on-the-spot fine for that. Prior to them being introduced in our legislation, it would have been a prohibition. The thing with both of those—prohibition and on-the-spot—is that they are never removed. So you might be able to comply with it by changing your practice to be able to operate again but it is prohibited behaviour. So that is the important part. If, say, we came back and saw that prohibited behaviour again, that then turns into quite a heavy result. A failure to adhere to a prohibition then kicks it into another \$100,000 fine or a prosecution result. That is the important thing. They might be able to comply, but they can never go back to doing that activity again.

The Hon. ANTHONY D'ADAM: Is it true that exposure to crystalline silica is a threat to a person's health and potentially it can be fatal?

MEAGAN McCOOL: I guess I am just trying to put it into context and just separate two things in terms of a person exposed without bringing asbestos into the equation—it is not a one-fibre-kill situation. This is high intensity exposure in a workplace over a period of time. Then latency develops the disease. So it is repetitive, high exposures in a workplace.

The Hon. ANTHONY D'ADAM: I understand that. If you go into a workplace, you find they have been engaged in uncontrolled dry cutting and it is clear that it has been over a period of time. Are you telling me that you do not prosecute under category 1 or 2?

MEAGAN McCOOL: Yes. In terms of all the cases that have been identified since 2017, there have been 220, of which we reviewed 214, and we have got six to go. Sixteen have been accepted for full investigation. Seven have since closed because when we are closing them, we are unable to attribute who was responsible. Seven are still ongoing and we have actually got two listed in court. So every matter where we have got positive identification of a case, we have reviewed 214 of the 220 to date.

The Hon. ANTHONY D'ADAM: So 220 investigations, two pending prosecutions for activities that can either kill someone or seriously injure them—is that what you are telling me?

MEAGAN McCOOL: There are two parts. We have to be able to attribute the exposure to a workplace. In some cases, the person might have worked overseas. They might have worked for five, six, seven, eight businesses and we have to be able to link the exposure. The problem with latency is that can sometimes be problematic in the evidence: Either the business is not there, the worker has moved around or they are not providing us enough information. So where it is conclusive, that is where, as I said, we would pursue the matter for prosecution. Looking at these cases with latency, most of the cases that are identified is where they have had exposure more than 10 years ago, so we are looking at more than 10 years of evidence. Where we are getting to the ones where we can attribute it, even if it was 10 years ago, they are the matters that we are filing in court.

The Hon. ANTHONY D'ADAM: I think I have run out of time, is that correct?

The CHAIR: It is. Just before we break, I will indicate, just like the other day, Ms Hogan, we will try to see whether we can dismiss some witnesses early, but I will leave it in the Opposition's hands in terms of what lines of questions they have got left. We will come back at 3.45 p.m. and hopefully we will have an answer for you.

(Chris Lamont and Michael Gadiel withdrew.)

(Short adjournment)

The CHAIR: We will get started again. I am just looking to the Opposition.

The Hon. COURTNEY HOUSSOS: Mr Chandler, we talked a lot during the last budget estimates about Privium Homes, and there were specific protections in place for class 2 buildings. Do you have a view on whether there should be more regulation around single-storey dwellings in terms of consumer protection?

DAVID CHANDLER: First of all, you are aware that I have been very focused on raising industry accountability—

The Hon. COURTNEY HOUSSOS: I understand that.

DAVID CHANDLER: —and introducing the rating system for class 2 buildings. That is now getting some momentum, which I am pleased to report. I have been back and had a look at some of these companies that have gone broke. Privium and Probuild would have had indicators, at least two to three years before they went broke, that they were basket cases. So I think that what it is doing—it was always the intent of the legislation around class 2 buildings to sort of not try and boil the ocean in one go; it was to have a look and see what worked, what did not, what could we improve. So there are constant changes to or amendments to what we have already stood up occurring. I think everybody has got to stand back and look at that, Ms Houssos, and decide where to from here. But I think it is showing that we can get good outcomes by the sorts of tools that we are seeing introduced in class 2.

The Hon. COURTNEY HOUSSOS: So your general view would be that it is something that we have started in class 2 buildings, but we should extend that out to the rest rather than this being a separate set of protections that is only for one part of the market?

DAVID CHANDLER: It could have an application, yes.

The Hon. COURTNEY HOUSSOS: The idea that a homebuyer who purchases a single-storey building and the developer does a bad job, versus someone who purchases an apartment building and the developer does a bad job, that they have different protections—that is not really fair, is it?

DAVID CHANDLER: I think we are working through a series of harms that perhaps have not had the light shone on them in the way they are being at the moment. I think this is going to be a very useful time to take out of it what can benefit everyone. As you are aware, and Minister Anderson before, and it continues, the work that Mr Tansey is doing now on the Decennial liability insurance—that is progressing quite well and that working group is making good progress on resolving a potential way or potential options for a way forward there. If it was possible to produce a 10-year warranty product which was available on day one for a class 2 building, it may not be a stretch to think about that might be possible for a class 1, instead of this awful pain where it has to happen well down the track.

The Hon. COURTNEY HOUSSOS: Yes, I understand. When you say there were indicators in Probuild and Privium, two to three years before, that they were in trouble, do you think that there is some way that we could alert consumers about that?

DAVID CHANDLER: Well, the idea—

The Hon. COURTNEY HOUSSOS: Or that government can step in.

DAVID CHANDLER: First of all, government is not good at providing a rating of a private business, I think. It is not a space for government to provide consumer ratings, in my view, for businesses. That is why we worked so hard to get a private sector provider of ratings and that it had to be an organisation that was regulated by APRA, because we did not want a Tripadvisor-type service. Now that that is stood up and finally the industry is embracing that, what that will do is the rating of the individual developer or builder will be available on a website that will be hosted by Equifax. So a consumer will be able to just look up and see the simple score—did it have three, four, five stars, as opposed to one or two, which they would not bother putting up?

The Hon. COURTNEY HOUSSOS: Mr Chandler, I have got some more questions on the rating system, so we might come back to that. I will pass to my colleague.

The Hon. ANTHONY D'ADAM: Mr Williams, is the decision of an inspector to impose a penalty notice solely at the discretion of the inspector or is that something that is subject to review by you or someone who reports to you?

TONY WILLIAMS: Our inspectors operate very autonomously. If they are onsite and they form the view that that is the appropriate tool to use, they can make that decision. Very often those matters can be complex. They may well talk to their manager to seek views on that in terms of alternate strategies. But our inspectors do have the powers to make that decision by themselves.

The Hon. ANTHONY D'ADAM: Is there any process where a decision of an inspector can be reviewed and overturned?

TONY WILLIAMS: Certainly. When notices are issued, businesses have the opportunity and it is within our legislation to seek a review of that decision. So all of our decisions are reviewable, with the exception of a couple, which are not our high-use items, which I just cannot think of at the present time. But most of our decisions are reviewable and many, many businesses take the opportunity to do that. The review is undertaken independently from the inspectorate, which, I guess, assures business that it is being looked at in an independent way.

The Hon. ANTHONY D'ADAM: Who undertakes the review, Mr Williams?

TONY WILLIAMS: That review is undertaken in our community engagement directorate or stream. The area known as—

MEAGAN McCOOL: Governance and appeals.

TONY WILLIAMS: Governance and appeals unit, effectively. I might not have the title completely right there, but essentially we have a governance and appeals unit that, as I say, operates quite independently from us.

The Hon. ANTHONY D'ADAM: Is that process subject to representations in favour of the decision being overturned? Is it only the alleged offender who has an opportunity to make submissions on that?

TONY WILLIAMS: Certainly the business can put forward any mitigating factors or information they wish to be considered by the organisation.

The Hon. ANTHONY D'ADAM: Can members of Parliament make representations in that process?

TONY WILLIAMS: If a notice was issued in relation to something they were, I guess, involved with—they were running a business—they certainly would be. Generally speaking, they come from the PCBU to which the notice is issued. That is the general process.

The Hon. ANTHONY D'ADAM: Are you aware of any occasions where the Minister's office has been involved in a review decision?

TONY WILLIAMS: No, not to the best of my knowledge. No. It is very independent.

The Hon. ANTHONY D'ADAM: Okay. Ms McCool, earlier you indicated that there may be a risk of double jeopardy if a penalty notice is issued and then a subsequent decision is considered in relation to prosecution. Can you explain why that is and what basis you have for making that statement?

MEAGAN McCOOL: All our serious incidents go to an investigation decision-making panel which is made up of mainly directors, some subs at the manager level. When the matter is considered, that is where, as I said, if it was not proceeding to investigation for whatever reason, a penalty notice could be considered. But typically, and that is based on the legal advice, if you have already issued a penalty notice, it generally will not be proceeding because the person has already received an offence and so therefore it would not be suitable, based on our legal advice, to go down the prosecution route. So it is generally one or the other.

The Hon. ANTHONY D'ADAM: Mr Williams, I ask you about incident notifications. How are they treated? Do they come to you or your unit? Where do they go in the organisation?

TONY WILLIAMS: No, all of our incident notifications and all of the matters that come into—incident notifications, requests for service and emergency notifications all go into an area that is separate from the compliance and dispute resolution area. It goes into our investigations and enforcement group, who have a unit that solely does the triaging of those matters. They also utilise the services of our contact centre to do that but, primarily, that is done independently from the compliance group. Can I clarify that it is done using inspectors. We have SafeWork inspectors that are embedded within that area and who rotate in and out of that business from time to time. Those inspectors are involved with the triaging and the decision-making around those matters that come into our business.

The Hon. ANTHONY D'ADAM: Is there a policy approach in that triaging around treating notifications from public sector organisations differently to private sector organisations?

TONY WILLIAMS: No. We deal with all of those matters equally, whether you are a government agency or a private firm. Our determinations are based on levels of risk and triaged accordingly.

The Hon. ANTHONY D'ADAM: Are you able to provide a breakdown of all incident notifications from public sector organisations received for the past three years?

TONY WILLIAMS: We can certainly take that on notice and provide that, yes.

The Hon. ANTHONY D'ADAM: I ask about incident notifications from Education. It is up to the triaging process to determine whether an inspector is dispatched for site inspection. Is that correct?

TONY WILLIAMS: That is correct.

The Hon. ANTHONY D'ADAM: What is the policy?

TONY WILLIAMS: I was just going to say that the decision, as I mentioned before, is based on risk. Depending on the level of risk and categorisation of the matter, it can result in an inspector visit to the workplace or we can address that by other means. That could be a telephone call or it could be an administrative response, where we effectively write to the organisation. These are low-risk issues; these are not where a person would be at immediate risk. We do have a verification program to make sure that when we, for example, write to a business that we verify that they actually do what we require them to do. That is a quality assurance process that we have where we do not undertake a workplace inspection.

The Hon. ANTHONY D'ADAM: Coming back to schools, are you able to provide data on how many—obviously, you are going to provide data on incident notifications for the Department of Education. Can you also provide data on the number of SafeWork inspections that have arisen out of a notification that has come from a school for the same three-year period?

TONY WILLIAMS: Yes, we can identify that number.

The Hon. ANTHONY D'ADAM: I ask about the application of the Work Health and Safety Act to children in schools. Are children covered by the Work Health and Safety Act in a school?

TONY WILLIAMS: Children would be regarded as "others in the workplace", which is called out in our legislation. Because they would be impacted by the safety aspects or the operations of that school—the undertaking of the business—they are covered as "others in the workplace".

The Hon. ANTHONY D'ADAM: Would an incident at a school that involves two children that is a reportable incident—say, a violent incident—get reported to SafeWork?

TONY WILLIAMS: Probably not, no.

The Hon. ANTHONY D'ADAM: Why not?

MEAGAN McCOOL: That would be a matter between the children. What we could look at is if there was a safe environment and systems in place. If there is school policy on how they manage violence in the school, that is what we would be looking at. We would be looking at the systems of work or the systems or protocols, not necessarily the incident itself between those two children.

The Hon. ANTHONY D'ADAM: So that would not occasion an inspection or some kind of investigation? In the case of harm to a child, SafeWork would have no role in that?

MEAGAN McCOOL: We would have to look at the circumstances, but in terms of—there are six categories of incidents. Categories one and two in particular—the more serious—will trigger an automatic inspector response. When it gets to category 3, that would be based on the evidence produced and what systems of work were in place where that could be treated in another way. If it was triaged as a category 1 or 2, it would definitely involve an inspector response.

The Hon. ANTHONY D'ADAM: There would be an inspector response in that circumstance. Is a different approach taken if the incident involves a member of staff?

MEAGAN McCOOL: Again, we would have to look at the systems of work in terms of the protocols in place, what happened, what did not happen and the nature of it—was it outside of the school, in the school et cetera. As I said, we treat each matter on a case-by-case basis, and it is triaged based on its severity and the systems in place.

TONY WILLIAMS: If I can just clarify, if it was two schoolchildren involved in a physical fight, we certainly would not expect to be notified about that. The processes within the Department of Education would look at that issue. If police were required to be involved, that would happen, but it would be independent of us. If they were undertaking a school activity at the time—rock climbing or something or other—and they were injured, that might be something we would have an interest in. But if they were just fighting amongst themselves, that is not something we would expect to be notified about.

The Hon. ANTHONY D'ADAM: I ask about prosecutions of public sector organisations. Have there been any prosecutions initiated against public sector organisations in the past three years?

TONY WILLIAMS: There has certainly been prosecutions initiated of government agencies. In the past three years, I would have to take that on notice.

The Hon. ANTHONY D'ADAM: Is there a different process that is adopted in relation to initiating a prosecution against the Crown?

TONY WILLIAMS: No, it is very similar. The only real difference is that, at a certain stage in that process, we have what is known as a Premier's conference, which is a conference where SafeWork, as the prosecutor, will meet with the agency to have one last discussion about whether it is in the best interest of the community for us to proceed with that matter or if we can address that matter in another way to ensure that time and money is not expended unnecessarily on behalf of the Government. That is the only real difference.

The Hon. ANTHONY D'ADAM: I ask about category 3 prosecutions. Are you able to provide data for the last five years on the number of category 3 prosecutions and the details of the offences, if that is possible? The broad categories of the relevant provision of the Act that occasions an offence under category 3, is that data available?

TONY WILLIAMS: Yes. We can provide you with a breakdown of that.

The Hon. ANTHONY D'ADAM: Some time ago I asked a question on notice about category 3 prosecutions in relation to part 5 of the Act. The numbers were pretty low. Is there a policy approach that category 3 prosecutions around part 5 are to be avoided?

TONY WILLIAMS: No. There is certainly no policy position. There is no particular practice in relation to considering those matters.

The Hon. ANTHONY D'ADAM: I asked a similar question in relation to the issuing of improvement, prohibition and penalty notices in relation to that section for a period from the inception of the Act to 2019. There had been no prohibition or penalty notices issued in relation to part 5 of the Act. Why is it that you do not take more serious action in relation to part 5?

TONY WILLIAMS: Mr D'Adam, it is certainly not a conscious, policy-driven decision. Each matter that comes before us is considered on its merits, and each matter is always very different from others. All matters are considered, and if there is a matter that we believe is even borderline we do have a decision-making panel that has representation from right across our business that would consider that. But there is certainly no policy-driven or conscious process in that. We just handle all matters on their individual merits.

The Hon. ANTHONY D'ADAM: Ms McCool, what has been done to encourage the election of HSRs in workplaces? The numbers are very low, given the number of workplaces. What is your explanation for why the number of HSRs being elected is so low, and what is SafeWork doing to remedy that situation?

MEAGAN McCOOL: Obviously consultation is a big part of work health and safety, but it has to be by choice of the workers. So a worker has to put up their hand to say that they would like a work health and safety representative in their workplace. We have various sessions that we deliver on the benefits of consultation. There are chapters all over our website on that. We constantly, as I said, particularly when we visit a site, ask to see if there is a work health and safety representative. However, we cannot enforce or mandate that a workplace needs to have one. It is more a worker puts their hand up to say, "We would like one in the workplace," and then the process goes from there. So it is a voluntary—

The Hon. ANTHONY D'ADAM: Given that often you find that the level of work health and safety expertise or knowledge is low—in a lot of workplaces a lot of workers are unaware of the requirements of the Act—is there an issue in that chicken-and-egg problem that you have identified with HSRs? If workers do not know about the existence of HSRs, how will they know to request one?

MEAGAN McCOOL: Obviously, inspectors are there for enforcement, but they are also there for education and advice. As I said, if it was determined that it could add benefit, the inspector could provide the advice or information around consultation, particularly if there is a failure, and the benefit of a work health and safety representative. But at the end of the day the worker has to request. We cannot mandate or force a worker to go down that line. But if we saw a lack of consultation, with or without a work health and safety representative, that is where we could issue notices in that space, because consultation was not undertaken in accordance with the Act.

The Hon. ANTHONY D'ADAM: Is that not a very reactive way to approach it? This is supposed to be a preventative, risk-based framework that is being managed. You are waiting for the failure of the system before you initiate the mechanisms that might actually avert these hazards emerging in the workplace. Do you agree?

MEAGAN McCOOL: The object of the Act, pre work health and safety, when we were under model laws, or prior, when we were under OH&S laws, it has always operated in that democratic process. It has not changed. It is the same across the country. As I said, the way that the objects of the Act are written is that the worker requests to be a representative or requests that arrangements are put in place, including you could have other agreed arrangements. You could have a work health and safety committee, you could have just HSRs or you could have other agreed arrangements. So there is flexibility, and you find that many may choose those other agreed arrangements which, again, are not mandated or enforced. But they are the three options available to business or workers under the objects of the Act.

The Hon. ANTHONY D'ADAM: Is there an organisational goal, benchmark or KPI for increasing the number of HSRs in the system?

MEAGAN McCOOL: There is not, in terms of what we work towards, but we do, obviously, promote and encourage that consultation to occur. It is the fundamentals. Whether or not there is an HSR, it is a fundamental that consultation takes place in the assessment of risks when new processes and procedures are changed—that consultation occurs with the workers. We are looking at that the process is mandated versus we cannot mandate that a workplace has an HSR there.

The Hon. ANTHONY D'ADAM: Where are we up to with industrial manslaughter? I understand that on 28 May a majority of the ministerial council supported the inclusion of an industrial manslaughter provision in the model Act. What was New South Wales' position?

TONY WILLIAMS: Mr D'Adam, a decision was made by government to approach this in an alternate way. So changes have been made to legislation to incorporate gross negligence. We are now starting to see in New South Wales that having that approach is starting to, if you like, bear fruit. I am happy to correct this, but around five matters are currently being considered for category 1 offences. The changes have been made. It is a decision for government at the end of the day.

The Hon. ANTHONY D'ADAM: Is that a hard and fast position that has been adopted or, if there is agreement at the national level to amend the model Act, is the position that has been adopted by government that New South Wales will fall into line, or are we proposing to deviate from the national system?

TONY WILLIAMS: No, it is really a decision for government, sorry, Mr D'Adam.

The Hon. ANTHONY D'ADAM: I am just trying to get a clarification of the decision that was put at the ministerial council. Is that not something that you are able to provide information on?

TONY WILLIAMS: Mr Tansey might have something.

JOHN TANSEY: Mr D'Adam, I can help. The WHS Ministers reached an agreement on all recommendations, including unanimous support for enhancing the cat 1 offence and some other matters. There was not actually the required majority vote of Ministers in support of industrial manslaughter. So the work being taken forward nationally is around enhancing cat 1—

The Hon. ANTHONY D'ADAM: What is the required majority, Mr Tansey?

JOHN TANSEY: I cannot remember off the top of my head. We can take that on notice if you would like to.

The Hon. ANTHONY D'ADAM: There is clearly a simple majority. How many more—there are only nine jurisdictions.

JOHN TANSEY: No, I believe it requires a two-thirds majority of the WHS Ministers. I was just trying to help on the point of whether or not—I thought you were inquiring into whether or not a majority of Ministers had voted to proceed with industrial manslaughter and New South Wales was at odds with that. That is not the case because the required two-thirds of the Ministers did not support adopting an industrial manslaughter offence in the national law.

The Hon. ANTHONY D'ADAM: I see, thank you. Are there any proposals being considered to strengthen the WHS framework in relation to sexual harassment?

TONY WILLIAMS: Recently, Mr D'Adam, SafeWork released a new code of practice for the management of psychosocial risks in the workplace. That calls out sexual harassment. It is something that, as an organisation, we take very, very seriously. The expectations of the community and others have certainly risen, as they rightly should. We have, as I say, released that new code of practice, which has been broadly lauded as a best-in-class document. It provides very ready advice for businesses to put in place to ensure that not only sexual

harassment but also bullying behaviours and other psychosocial risks are managed, and managed well, so that we do not have incidents occurring. But it is certainly something that we are trying to strengthen in our approach.

The Hon. ANTHONY D'ADAM: A PCBU has a duty to manage psychosocial hazards in the workplace. That is correct, is it not?

TONY WILLIAMS: Yes.

The Hon. ANTHONY D'ADAM: Have you initiated any enforcement action around a failure in that duty in the past two or three years?

TONY WILLIAMS: Certainly matters have been investigated. Because it is separate from the stream that I look after, I would have to take that on notice, unless my colleague, Ms McCool, has any insight? No. We will have to take that on notice.

The Hon. ANTHONY D'ADAM: It is an enforcement issue. Why would you handle psychosocial hazards differently?

TONY WILLIAMS: Sorry, I might have misunderstood your questions. I thought you were asking about prosecutions in relation to those matters. Are you asking about general matters?

The Hon. ANTHONY D'ADAM: Prosecutions and enforcement action in relation to [inaudible].

TONY WILLIAMS: It is probably our internal descriptor. Enforcement action for us means a prosecution pathway. My apologies.

The Hon. ANTHONY D'ADAM: I see.

TONY WILLIAMS: Certainly, if we receive any requests for service or complaints, if you like, in relation to any psychosocial matter, whether it is bullying or sexual harassment, we certainly take that very seriously. We are currently refining the processes that we have in place to obtain information from people who are raising those issues with us so that we can appropriately triage that and deal with that in the best way we possibly can. That work is underway at the present time and is all based around our new code of practice.

The Hon. ANTHONY D'ADAM: Perhaps I can reframe the question. Can you provide on notice the number of provisional improvement notices, penalty notices or prohibition notices that have been utilised in relation to a duty to manage psychosocial hazards in the workplace in the past three years?

TONY WILLIAMS: Yes, we can certainly do that, Mr D'Adam.

The Hon. ANTHONY D'ADAM: I will finally turn to one other issue. I touched on this in the session with the Minister. Ms Hogan, can you outline the number of executive directors who have some role in terms of SafeWork?

EMMA HOGAN: Yes. I think it is five, but Ms Mann can confirm.

NATASHA MANN: Yes, that is correct. There are five executive directors who work on SafeWork. As we spoke about earlier, it is because we have allocated functions down functional lines. John Tansey is responsible for policy and legislation, Mr Williams is responsible for the inspectorate, and so forth. So there are five executive workers working on SafeWork.

The Hon. ANTHONY D'ADAM: Ms Mann, doesn't that mean that SafeWork ceases to be a substantive entity? It is just a brand, isn't it? The substance behind SafeWork is actually distributed across a whole range of other functions that are intermingled with other roles, including the Better Regulation division. SafeWork has ceased to exist as anything substantive, hasn't it?

NATASHA MANN: That is absolutely not the case, Mr D'Adam. What we were seeking to do from 2019 is to bring together multiple regulators—SafeWork, Fair Trading, Liquor & Gaming and some other smaller regulators—into the one place and make sure that then that turns into a centre of excellence. It is really about sharing regulatory best practice, making sure that we can leverage each other's pockets of good practice and transfer that out across all regulators. It is based on international best practice as well, and many other jurisdictions in Australia have that same model.

The Hon. ANTHONY D'ADAM: It really means that SafeWork ceases to be a standalone regulatory body, doesn't it?

NATASHA MANN: We still have SafeWork, just as we still have Fair Trading and Liquor & Gaming, but, as I said, they are sitting together so that we can work in terms of best practice. So absolutely not, SafeWork is still as important now as it has ever been.

The Hon. ANTHONY D'ADAM: Does the group of executive directors who have responsibility for SafeWork come together in some regular forum? Is there an executive group for SafeWork?

NATASHA MANN: Absolutely. For each regulator brand we have a leadership group that comes together regularly to talk about issues across the functions. My executive team and I meet on a weekly basis as well, where we will discuss SafeWork issues, Fair Trading issues and other regulatory issues. That is an important part of the model, that communication and cross-collaboration.

The Hon. ANTHONY D'ADAM: Doesn't that diminish the transparency of the functional roles if they are all blended in the back end, as you have described it? Doesn't the public lose a line of sight to the resource allocation for each of the functional areas? It becomes very hard for the public to see how much of a resource effort is being dedicated to keeping workers safe in the workplace.

NATASHA MANN: Not at all, and we can provide to you the details of the resources allocated. This is indeed done for the consumer, for the customer. It is to make sure, for example—if I look at the inspectorate—that when we have SafeWork inspectors going out they can look at issues relating to building and construction, and Fair Trading as well. There are many advantages to this model and, as I said, it is based on national models and international best practice.

The Hon. ANTHONY D'ADAM: Earlier you used the word "branding" or "regulatory branding". Is that an official way of how this arrangement is described? It is a branding on the exterior and the back end is something different?

NATASHA MANN: No. I think what I intended by that was to say that SafeWork is a well-known entity amongst the public, as is Fair Trading. When we developed this model we did talk about whether we would call it something different—"Better Regulation" or something like that—but we determined that it is such a well-known name that we would retain it. That is why, so that is what I intended by that.

The Hon. ANTHONY D'ADAM: Are you saying that there was consideration given to getting rid of the SafeWork name?

NATASHA MANN: This was before my time. I think when we were pulling together the model we were looking at what that model might look like and a decision was made, obviously, to retain the SafeWork and Fair Trading names.

EMMA HOGAN: Mr D'Adam, if I can add, this has been in place since 1 July 2019. It is called the Better Regulation Division under Ms Mann. But SafeWork as an entity and Fair Trading as an entity, as well as Construct NSW and professional standards and a number of other regulators, are all appropriately resourced and have the right attention focused on them.

The Hon. ANTHONY D'ADAM: My line of questioning, Ms Hogan, is directed to establishing whether SafeWork is a discrete entity or whether it is, as Ms Mann has described it, just a brand.

EMMA HOGAN: It is not just a brand. It absolutely has all the appropriate resources it needs to do its job.

The Hon. ANTHONY D'ADAM: I will pass back to my colleague.

The CHAIR: Before you do, with the indulgence of Ms Houssos, can I ask one clarifying question?

The Hon. COURTNEY HOUSSOS: Of course.

The CHAIR: Mr D'Adam was questioning you about you intervening in school violence. If that student-to-student violence was deemed as systemic because of system failures at a school, is that something you would step in on? If there was repeated student-to-student violence and then there was a perception that it was being caused by poor management at that school level, or systemic poor management, is that a space that you would intercept?

TONY WILLIAMS: Certainly if it got to the stage where it was starting to create risks for workers, for staff, for teachers and others in that workplace, that would be something we would look at. But, as I say, maybe I have not painted the right example. If it was a few kids having a fight, that is certainly not something we would be interested in. But if it became systemic to the point where staff were being put at risk, that is something we would absolutely be looking at, yes.

The CHAIR: Thank you for that clarification.

The Hon. COURTNEY HOUSSOS: Excellent question. Happy to yield to that one. Mr Chandler, I wanted to come back to the question of rating. I understand the rating system was supposed to be released in March. Are you on track for that?

DAVID CHANDLER: It was a voluntary system to start with, so we did not want to regulate it. As you might recall, there was a lot of regulatory activity in the last two years, so we have taken this as being an opt-in system for first movers and the growing number of people now who recognise that, unless you have a rating, your brand is going to suffer. That process is moving quite well. Your last question is, Will there be a public register available for consumers to actually see that? There will be as part of the iCIRT offering. Let us also be very clear that we are doing as much as we can to get another couple of ratings entities into the market—Moody's and Standard & Poor's—because we do not want just one provider. But at this stage the first mover is Equifax, with their iCIRT rating. They will provide a public register for rated entities to show their rating.

The Hon. COURTNEY HOUSSOS: When are you looking at launching that public registry?

DAVID CHANDLER: When we have got probably at least 50 people rated. I think that is the point. But in the interim, as new players get rated, as you may notice, we have been publicising. We are making a deal about that. I am going to attend in the next few weeks. The first of the developers are actually going to publish their rating on their brochure for sales. We will be making a big deal about that because the message has got to be to consumers: Now that you have a choice, you can ask if the developer is rated. I have started to get information back from the real estate industry now that, in fact, prospective purchasers are asking, "Is this developer rated?" That is starting to become known amongst consumers, which will ramp up even more once we have got approximately 50 developers and builders rated.

The Hon. COURTNEY HOUSSOS: Mr Chandler, do you have a figure on how many you have rated so far?

DAVID CHANDLER: There are 30 in the process that are, I am told, very close to being rated. There is a larger number that are just commencing. It is quite a big issue for a firm to decide to get rated. As you may have heard, Helm Property report recently—they do put their whole business under the microscope, which is a good thing. The ratings focus on the character of the business, the capability of the business, the financial adequacy of the business to perform projects at the level of its financial and capability score. That message is, yes, getting through. I do not want to call out players that have just simply signed up in the last week or 10 days because I will get let them go through the process first, but it is quite an impressive list of people who have now commenced to join the ratings process.

The Hon. COURTNEY HOUSSOS: Thank you very much. Mr Chandler, I want to move on to a different issue. This is from the Department of Customer Service annual report on page 239, the first highlighted section. It says:

Investment revenue is \$38.8 million lower than budget due to deferral of Project Remediate which was originally expected to occur in this year.

Can you explain what that was in relation to?

DAVID CHANDLER: I am going to take that on notice so that I can go back and talk to the financial people who put that in there. If you do not mind, I will take that on notice.

The Hon. COURTNEY HOUSSOS: Mr Tansey, you do not have any information on that?

JOHN TANSEY: No.

EMMA HOGAN: No. I do not have anything to hand on the investment revenue. It does say it was a deferral, so I assume that it is an accounting, timing thing. But I will take it on notice.

The Hon. COURTNEY HOUSSOS: No worries. I was just wondering whether there was some delay in Project Remediate starting or that had led to something.

EMMA HOGAN: I will crosscheck and come back to you on notice.

The Hon. COURTNEY HOUSSOS: Not a problem. Thank you for that. Mr Chandler, I asked the Minister this morning about the Auditor-General's performance audit on flammable cladding and when that is likely to be released. Do you have any more information for us on that?

DAVID CHANDLER: That is an audit of the Cladding Taskforce. Mr Tansey could answer that for you.

JOHN TANSEY: It is a matter ultimately for the Auditor-General about when she brings it forward, but I anticipate it is going to be next month, April.

The Hon. COURTNEY HOUSSOS: Excellent. I assume that there has been some engagement with the department, as there usually is with these performance audits, that—

JOHN TANSEY: Truckloads.

The Hon. COURTNEY HOUSSOS: Excellent. We are looking forward to reading it.

JOHN TANSEY: Warts and all.

The Hon. COURTNEY HOUSSOS: Mr Chandler, are you aware of how many government buildings still have flammable cladding on them?

DAVID CHANDLER: I am aware of the class 2 buildings that do. Mr Tansey would be able to answer that.

The Hon. COURTNEY HOUSSOS: Mr Tansey, do you know how many government buildings?

JOHN TANSEY: Yes. Just bear with me. As at 18 February, which is the last time we met as the task force and refreshed the dashboard, it was 14 buildings that are still being investigated for either having cladding or potentially having cladding.

The Hon. COURTNEY HOUSSOS: Do you have a time frame for removing those?

JOHN TANSEY: Not building by building that I have with me.

The Hon. COURTNEY HOUSSOS: Can you take it on notice and give me a breakdown of when you are expecting to complete those buildings?

JOHN TANSEY: The task force does not complete those buildings. Each cluster in government is responsible for reviewing, identifying and then rectifying buildings if they need to.

The Hon. COURTNEY HOUSSOS: Perhaps you can provide me, then, with the 14 buildings and tell me which cluster they are in. How many are in each cluster? Perhaps I should do it the other way around.

JOHN TANSEY: I will take that on notice. As you know, we have been around the maypole a number of times. I am not identifying individual buildings, but I am happy to take that on notice and see what else we can provide you about status.

The Hon. COURTNEY HOUSSOS: In the same way that Mr Chandler has provided the information about the suburbs of the buildings, I think it is appropriate to provide at least the clusters that they are in. I think that is de-identified enough for us.

JOHN TANSEY: I am happy to take that on notice.

The Hon. COURTNEY HOUSSOS: Mr Chandler, I want to ask about the OC audits. I asked some questions about this on notice last time. How many audits have been completed?

DAVID CHANDLER: I am glad you asked that question because we are making very good progress. We have undertaken 127 audits since September 2020, and 44 of those have been closed out. We are projecting that we will continue at eight a month for the remainder of this year. You may not be aware that we have also commenced another audit sequence on the Design and Building Practitioners Act. We are now conducting audits of the declared designs as they are loaded up onto the portal. This is very, very early in the project to test the robustness of the design and building practitioner declared design audits. We have completed five of those and the intention is to complete five a month going forward. So we hope to have 40 of those done this year. These are very, very impactful because the firms that are involved in this actually have quite a large footprint in the residential design space, so it is actually getting that capability and awareness out across the industry very quickly.

The Hon. COURTNEY HOUSSOS: Could you provide me—and I am happy for you to do it on notice because I am noting the time—with some more detail about what the actual process is that you go through to do the audits?

DAVID CHANDLER: The occupation certificate audit and the design audit?

The Hon. COURTNEY HOUSSOS: Yes, please.

DAVID CHANDLER: I will provide you both the briefing documents on those.

The Hon. COURTNEY HOUSSOS: That would be very helpful, thank you.

DAVID CHANDLER: You will be pleased to know that of the nine design audits that have been done, four of them got green scores. They went right through. The rest were amber. There were no red and none resulted in a project needing to be stopped until it was rectified.

The Hon. COURTNEY HOUSSOS: Excellent. Of those 127 audits, is it easy for you to produce them by local government area where they have been conducted?

DAVID CHANDLER: We are not reporting them that way, but I suspect we can go back and do that.

The Hon. COURTNEY HOUSSOS: Or could you do it by suburb?

DAVID CHANDLER: We can probably do it easier by LGA, if you do not mind.

The Hon. COURTNEY HOUSSOS: Sure.

DAVID CHANDLER: We have another audit program also now being stood up. We did the trial certifier audit program and that yielded quite a lot of important upfront information. So we are going to continue doing that. The area that now needs most attention is audits of the component certificates that form the basis of an occupation certificate. At the same time we have seen some examples in local government, and we are about to start doing certifier audits on 10 local governments and doing three projects on each of the local governments in class 2 buildings of the last six years.

The Hon. COURTNEY HOUSSOS: Sorry, can you repeat those numbers for me? It was 10 local government areas.

DAVID CHANDLER: We have selected 10. We have done this in conjunction with local government and we have also spoken to the unions involved in that so that there are no surprises. They are very welcoming of the exercise, so we have selected 10 as a pilot project. They will be issued a notice saying, "Advise us of all the class 2 buildings that you have been certifier on for the last six years." The intent then is to risk-select three of each of those. For example, I think Bayside has got eight or nine projects that they have done. We will risk-select three of theirs and we will do that the same for the other nine. We will do a desktop audit of all of the component certificates making up the OC audits.

There are so much rich findings we have had here. We actually have a building at St Leonards at the moment where there was a staged OC, and we went in and reviewed the component certificates there. That project is now working back through the staged OC because it has got a final OC for the remainder part of the building, and we have made it a condition now before the final OC is issued that all the component certificate weaknesses in the first OC are addressed. This certifier audit program is really going to bite hard.

The Hon. COURTNEY HOUSSOS: One thing that we heard consistently through that building inquiry that we did was that the final occupation certificate is reliant on the quality of those components.

DAVID CHANDLER: Totally.

The Hon. COURTNEY HOUSSOS: So I think that is an excellent idea. In terms of the consequences of those, have you issued any orders? Have you issued any follow-up action? How are you chasing down the people who were identified as amber?

DAVID CHANDLER: With the design and building practitioners order, what happens is they then get a report of the things that they have to fix. Don't forget, this is really early in the stage so our opportunity to intervene again and again is continually present for a long time. But what we have found is that there has been a positive absorption of the recommendations. We provide a report to the design team and say, "Here's the things that we found. Here's our recommendations for improvement." They have been embraced. Therefore, we will go back a couple of months later and see how that is occurring. But we can do that by simply desktop audits, looking in at the uploaded documents on the ePlanning portal.

The Hon. COURTNEY HOUSSOS: Mr Chandler, last time during budget estimates I asked how many people are employed in the Office of the Building Commissioner. You said that there were 10. Is that still the same?

DAVID CHANDLER: It varies between 10 and 12. I think it is possibly 10.

The Hon. COURTNEY HOUSSOS: Do you mind taking it on notice and giving me an update on that?

DAVID CHANDLER: It will be the same answer.

The Hon. COURTNEY HOUSSOS: Beautiful. There were eight people employed in the office of Project Remediate. Can give an update on that one as well?

DAVID CHANDLER: Sure. That number is probably 10 or 12 now.

The Hon. COURTNEY HOUSSOS: Fantastic. Thank you very much.

EMMA HOGAN: I have actually got the updated number. Office of the NSW Building Commissioner is 11 and Project Remediate is 13.

The Hon. COURTNEY HOUSSOS: Okay.

EMMA HOGAN: Obviously, that excludes boots on the ground that often sit with the inspectorates that sit with Tony's team. But the actual office itself is 11 for David in the Office of the Building Commissioner and 13 for Project Remediate.

The Hon. COURTNEY HOUSSOS: Can you provide me, on notice, a list of those positions like you did last time?

EMMA HOGAN: Yes, no problem.

The Hon. COURTNEY HOUSSOS: Thank you very much. I will move on to a couple of issues that I raised this morning with the Minister. The first one is around the licensing disclosures. To give some context, this is something that has been raised frequently with me, particularly by constituents who have ended up with dodgy buildings. They feel that they have done the right thing. They have gone and checked out the Fair Trading website—yes, they are a licensed tradesperson—but they have found out subsequently that there were issues with their licence. That might be that they were suspended or there were conditions placed on it. I am interested to know why the online registration does not link with the online portal to say, "This person has had their licence suspended. This person is operating on a personal licence. This person had their business licence suspended"—whatever it might be. This is something that has come up frequently for me. Ms Mann, I think that is—

EMMA HOGAN: Ms Mann would be best positioned, yes.

The Hon. COURTNEY HOUSSOS: You are the best person for that?

NATASHA MANN: Thank you, Ms Houssos. I did just want to clarify that because we have our register, and on our register we do publish a number of details that we are required to under the Home Building Act 1989 and under the Home Building Regulation 2014. As well as standard details like particulars of the licence and so forth, we do publish on that register the results of prosecutions. We do publish details of penalty notices issued, and also the number of insurance claims that are paid. I am not sure—there might be a bit of misunderstanding about that—but we certainly are required to do that and we do do that.

If you look at the register now, those details are up there. We do it for exactly that reason, so that consumers can make an informed choice before they engage tradespeople. I should also say that as part of the legislative reforms of the Home Building Act we are looking at whether there is any other information that we could reasonably publish that would help consumers make a more informed decision.

The Hon. COURTNEY HOUSSOS: I have some specific instances that have been raised with me, but I might do some specific representations to you on those ones. I am more interested at this point in the specific policy questions. The information that I have is that the Fair Trading contractor and tradesperson licence registry does not currently disclose any previous misconduct, licence cancellations or insurance payouts on other licences that are held by those contractors and tradespeople.

NATASHA MANN: My understanding is that it does. If I could look into that and come back to you?

The Hon. COURTNEY HOUSSOS: Absolutely, that would be great. The other thing specifically raised with me is that the company licence check then does not get linked to the director and the nominated supervisor licence check. You can have one person operating with multiple different licences getting infringements on the other ones but it not linking back their original one.

NATASHA MANN: I will look into that particular issue but, as I said, if that is not there at the moment, we are looking at how we can make even more improvements to the information provided on that register.

EMMA HOGAN: Ms Houssos, I think Mr Tansey has something to add.

JOHN TANSEY: I am quite sure that there are links there. Somebody, for example, a nominated supervisor who holds that licence in their own right, you can click through to them and find what they are related to. It does require a bit of clicking through but we do endeavour to make all those links actually embedded so that it is fairly easy intuitively for people to follow through and see who the nominated supervisor is, see who else they are attached to and see the record of whether it is the entity or them as an individual licence holder.

The Hon. COURTNEY HOUSSOS: I have a few specific instances but, like I say, I will do some separate representations to you.

JOHN TANSEY: Yes.

The Hon. COURTNEY HOUSSOS: Ms Mann, you said you are looking at some legislative reforms to the Home Building Act. Do you have a rough time frame for when you are looking at introducing those?

NATASHA MANN: My understanding is that public consultation will kick off in about August this year. There has been some targeted consultation already occurring, but the broader consultation will kick off in that time frame.

The Hon. COURTNEY HOUSSOS: If it is happening in August then it will be hard pressed. Are you still planning to try to get it in this year? Is that the idea?

NATASHA MANN: Obviously it is a very extensive review of the Home Building Act, so I am not sure whether we will be able to get it in this year or not. I think we could target that, but I am not sure whether that is achievable or not. I guess that will come out of what the public consultations will tell us as well.

The Hon. COURTNEY HOUSSOS: Absolutely. This morning the Minister made it very clear that the icare Home Building Compensation Fund is not in her portfolio. I am interested to see if any consideration has been given to increasing that payout because it has not been increased for a decade. It is \$340,000. Mr Chandler would be able to tell us how quickly building materials have increased just in the last couple of months, let alone over the past 10 years. And \$340,000 does not buy much when it comes to building a house, which is what some people are looking at. I have been approached by some constituents who are losing much greater amounts than this because of dodgy building works. I am interested to see if that has been considered in any way.

NATASHA MANN: Yes, we share your concerns, Ms Houssos. As the Minister said, it is not solely within the portfolio. I am not sure that there is much more that I can add to that at this point.

The Hon. COURTNEY HOUSSOS: Do I just need to direct those questions to icare, is that right, and to Minister Dominello?

EMMA HOGAN: Minister Dominello has SIRA, the State Insurance Regulatory Authority, but icare sits with Minister Tudehope, I think.

The Hon. COURTNEY HOUSSOS: But I think the Minister for Customer Service and Digital jointly administers the Building Act. So that is—

EMMA HOGAN: Part 6.

The Hon. COURTNEY HOUSSOS: That is right, which I think is the part that covers the home building warranty.

EMMA HOGAN: Sorry, I thought you were asking if icare reported to him. Apologies.

The Hon. COURTNEY HOUSSOS: This is one of these detailed questions. Perhaps it can be taken on notice about where I should be directing those inquiries and who the Minister responsible is. That would be quite helpful.

EMMA HOGAN: No problem.

The Hon. COURTNEY HOUSSOS: We are trying to work our way through administration of Acts and the new arrangements. Ms Mann, I want to come back to the issue of the prohibition orders for apartment buildings that are currently for sale. What is the follow-up work that is being done?

NATASHA MANN: I am really pleased to say that I think since last time we were in this place we have done significant work on that, Ms Houssos. What we are now doing is every week we do a scrape of all the ads of buildings that are subject to those orders. Then that dataset goes to our investigators, who contact the real estate agents and make sure that they are aware of their obligation to disclose to perspective purchasers. It is a really sort of focused effort and a weekly effort to make sure that that occurs. Then what we are looking to do is to go back in a couple of months' time and do a desktop audit of those agents and ensure that that has absolutely occurred. Those real estate agents, if they have not done that, do face a maximum penalty of \$22,000.

The other thing that I will say, Ms Houssos, is that the requirement to disclose is a relatively new requirement. It commenced on 1 September 2021. So what we also are doing is making sure that all real estate agents are aware of their obligations under the Act. We are doing that through—we have sort of a mail-out called *Property Matters*, which has a readership of 80,000, and we are alerting people through that. We are hoping that in every *Property Matters* release we will be able to issue the latest lists of orders so that agents can see them and

be aware of them as well. I am also meeting with the Real Estate Institute of New South Wales to see what more we can do to get the word out. So I think that there has been a very concerted effort in this space over the last couple of months.

The Hon. COURTNEY HOUSSOS: How many investigators do you have working on that?

NATASHA MANN: I am not sure whether I have that information to hand in terms of the exact number of investigators, but I can get that for you.

The Hon. COURTNEY HOUSSOS: Yes, I would be interested. So the follow-up action is just an informal phone call or something like that. This is something that was covered in the newspaper. I then raised it in the last estimates with several examples. Just yesterday afternoon I printed off four more examples of buildings that are for sale. It is clearly something that is happening time and time and time again. I appreciate the efforts you are making, but it seems like it is not coming to much, that is all.

NATASHA MANN: Can I just clarify one point, though? Under the regulation, it is an offence for the agent to induce a person to enter into a contract or arrangement by concealing a material fact, and the order is a material fact. The threshold is inducing a person to enter into a contract. Real estate agents are not actually required to put in their advertisement the fact that the building is the subject of an order. But what we would say is before anyone enters into a contract, the agent absolutely needs to tell that person of that material fact. I just wanted to clarify that, Ms Houssos.

The Hon. COURTNEY HOUSSOS: That is a helpful clarification, Ms Mann. Ms Hogan, do you have any further details on this decision not to participate in the class action on flammable cladding? I understand this is a long-running issue and I understand what was said this morning about it being a DPC decision. Can you give us any insight into that?

EMMA HOGAN: I do not have any further information personally. John, did you have anything else to add?

JOHN TANSEY: I have a recollection that there has actually been two class actions considered over time. Which one are you referring to?

The Hon. COURTNEY HOUSSOS: There is one that is still underway in my understanding. It started several years ago and it is underway. This is the one that the Queensland and South Australian governments are parties to.

JOHN TANSEY: If it is the same one we are talking to, I think it was a specific class action against a couple of product manufacturers around particular products.

The Hon. COURTNEY HOUSSOS: Yes, that is correct.

JOHN TANSEY: Some consideration was given at the time to the State being a party and there was a decision made not to participate. There was some analysis done at the time including around whether or not that product was present in a problematic way on any or significant numbers of State-owned properties and so that we would have that interest as a property owner. But at the end of the day, the decision was made at DPC level that we would not be participating.

The Hon. COURTNEY HOUSSOS: Okay, because my understanding is that there are two avenues open to the Government, which is that they could pursue it as a property owner, you are right, but also as someone who would be potentially liable for the fact that the cladding was on buildings. So there was as a property owner, but also there was as a regulatory authority. So there were two opportunities that were available.

JOHN TANSEY: The decision was made on whatever grounds that the State would not participate.

The Hon. COURTNEY HOUSSOS: Can you just take on notice when the decision was made?

JOHN TANSEY: Yes.

EMMA HOGAN: We can take it on notice.

The Hon. COURTNEY HOUSSOS: And then if there are any further details in terms of why that decision was made, that would be helpful.

EMMA HOGAN: It was before my time. I am not familiar with it, but we will take it on notice and see what we can find out.

The Hon. COURTNEY HOUSSOS: I appreciate that.

JOHN TANSEY: And, again, it was not a decision by this cluster or portfolio.

EMMA HOGAN: It was a decision by a different cluster.

JOHN TANSEY: So there might be a limit to what we really know.

The Hon. COURTNEY HOUSSOS: I appreciate that, but anything you could provide to me would be helpful. I think I am getting close. Mr Chandler, you would be aware of the UK Government's new online service to track remediation of high-risk buildings. Were you aware of that one?

DAVID CHANDLER: Yes. I follow many of the things going on in the UK, but some of them do not turn out to be much. So you could start off with a "That's interesting" and then suddenly you do not hear any more. I am more badgered by them asking us what we are doing these days. I cannot give you a blow-by-blow though.

The Hon. COURTNEY HOUSSOS: You are not investigating doing something similar?

DAVID CHANDLER: No.

The Hon. COURTNEY HOUSSOS: Okay. Ms Mann, from a Fair Trading perspective, from a consumer awareness perspective, you are not pursuing looking at something like that?

NATASHA MANN: It is something that David Chandler and I will talk about, but, no, not at this current time, Ms Houssos.

JOHN TANSEY: I was going to say, just from what I have seen in the UK announcements—a material point of difference—a very significant amount of the issue in the UK is public housing, it is public housing towers, as Grenfell was, so their management and their relationship to a lot of the residents is quite different. Happily for us, we do not have cladding on social or public housing in New South Wales, so we have a slightly different view. I think that is relevant to how they are dealing with very significant numbers of residents in affected buildings as well.

The Hon. COURTNEY HOUSSOS: Yes, but I think that that is also indicative of their broader housing market, that a much higher proportion is in public housing. I am interested in it from a renter's perspective here in New South Wales, that there are still—perhaps not in the public housing space, but certainly in the private rental market—there are significant numbers of apartment buildings where residents would not be receiving information because they are not on the owners' corporation and this would be something, a way that they could be kept informed of the remediation process. We talked about Privium Homes and you gave some figures, 145—sorry, that was the Minister that gave the figures. There are no further updates into what is happening now? I understand liquidators have been appointed for Privium Homes.

DAVID CHANDLER: Yes, I have got in one of my files the first report. As I say, these reports of these receivers they are piling up like this at the moment. So I will have a look at that. But there is not a lot of joy from anyone, from what I can see.

The Hon. COURTNEY HOUSSOS: Yes, absolutely. I mean, these are people who are left—it is their major financial investment. They feel that they have signed contracts, they are going to get a product and now they are hunting around for a new builder at a massively inflated price, or a likely to be increased price. Is there anything that the Government is looking into to provide people like this who are left high and dry, so to speak, with any support?

DAVID CHANDLER: Other than giving them a clear line of sight to those things that are there to assist them—so if the builder has gone broke, then obviously under the Home Building Act they have got an opportunity to go down that pathway. In regard to people who have got deposits and they do not know where that is going, Fair Trading is looking at that. Because I am not looking at that on a daily basis I know that Fair Trading is offering advice where they can. So, apart from that, I cannot really add much to it.

The Hon. COURTNEY HOUSSOS: Okay. Sorry, I just wanted to ask questions around building manuals and to see what the latest was there. I know that that is a process going through the national Building Ministers' Forum. I note the pass to Mr Tansy from Mr Chandler. Do we have an estimated time of when that is likely to be coming into effect and how that will interact with the ePortal?

JOHN TANSEY: So the Commonwealth—the work that came out of the building conference report at the Commonwealth level ended up in a model resource paper, essentially, for States and Territories to look at around what a building manual could include. There has been work predating that from New South Wales on the concept of a building manual and some of that recently came up in our most recent work on fire safety led by Michael Lambert. There is no imperative or deadline coming out of the national work but getting towards a building manual is absolutely one of our objectives as part of the building reform in New South Wales; and, yes, logically in this day and age you would do it digitally and integrate it with some of the documents that are potentially also going to the portal.

The Hon. COURTNEY HOUSSOS: I am getting some feedback, and I am sure you would be getting some feedback, about the ePortal can be quite slow, cumbersome and difficult to work with. Are you looking at ways of improving that?

JOHN TANSEY: Yes.

DAVID CHANDLER: Yes. There is constant work going on to that pursuit. It has been in a rapid state of development and over the last 18 months it has also taken on some additional features to make it much more beneficial to multiple agencies. It initially started off being a DPIE-type project but it has become now one of the backbones of the data that we all use as a regulator. It is also now feeding into the strata portal, which is also developing. So the end-to-end nature of it is rapidly being resolved and its functionality is being improved. What we are doing is running a Friday workshop to anybody who has got problems with current clunkiness. We are trying to address their immediate problems and then feed that into progressive improvements.

But I would point out that a number of the certifiers are complaining a little bit about it at the moment. I have put up that they are very keen to keep their data in their own silo rather than in a central silo where everything is transparently available. So record keeping is a big issue for certifiers and some of them are reluctantly coming to the altar. They will all come in due course but along the way they will kick and scream so I will just make sure that we moderate comments on the clunkiness of the portal by contextually saying you have also got a group of people that are being dragged kicking and screaming to get onto it. No apologies about that. I met with AAC's full board a week ago and made it very clear that we will do everything we can to improve it, but for them to put down their arms and stop fighting to save their own little silos.

The Hon. COURTNEY HOUSSOS: In fairness to the certifiers, they are not the only people who have raised it with me, but I understand the point you are making. I wanted to just quickly touch upon two final issues. The question of Australian standards being available, this is something that came up during the building inquiry. It is several years ago now so I cannot remember but I thought that these were freely available. I am pretty sure that we discussed at the time they are freely available. Why are they not freely available, Mr Chandler?

DAVID CHANDLER: First of all, the ownership of Australian standards was held by the Commonwealth Government. Many years ago, the Government decided to sell the IP of Australian standards off to an international host for that—SAI. Only in the last few years that has been reacquired and brought back into a Standards Australia entity, which is essentially a not-for-profit Australian entity that will own and progress the standards into the future. There is no decision being made at the Commonwealth to start funding Australian standards. It has got to stand on its own. It is therefore obliged to make an income so that it can fund its work. I do not see that there is any likelihood at all in the future that they will become free.

What we have done, in discussions over the last two years with Australian standards, is to say, "We do not need to make them as expensive as they might be if you had to buy the lot." They have actually now produced, in collaboration with us, what they call business sets. They have broken the business sets down into elemental—like structure, waterproofing, electrical or services. There is a series now called business sets. Typically, they are priced around \$150 each as opposed to \$3,000. It is possible for someone who just works in an area where there are a couple of areas where they need to have particular knowledge to acquire that without having to buy the full kit.

The Hon. COURTNEY HOUSSOS: I appreciate that works better for professionals who are working in the industry but, for the average consumer who wants to check that something is being done—and I can speak from personal experience of having a tradesperson saying, "That is done in accordance with Australian standards," and you have got no point of reference as a consumer. What pathway is there for a consumer who has been told by a tradesperson, "This is done in accordance with Australian standards," and then there is a dispute arising unless they pay the \$100—I am told it actually can be significantly more.

DAVID CHANDLER: It can be significantly more.

The Hon. COURTNEY HOUSSOS: They are obviously not in a position to be paying that for a one-off dispute with one particular tradesperson about one particular thing. What advice would you give to someone there?

DAVID CHANDLER: First of all, it is a Commonwealth decision. I am not looking to flick it back over the fence, but there is no prospect of us changing that position. We have been looking at finding ways of seeing what consumer opportunities there might be to do that. There is potentially some work being done to look at if you can acquire rights to the standards when you get your builder's licence. That would possibly pick up home owner builder's licences. Again, we are trying to pick up these hurdles where people who need to be informed are not rushing to being informed. I have been doing some work with the major hardware materials providers as well. I have shadow shopped at their stores to go through and have a look and see what products are

on the shelves that are being sold at what we would call suitable for the hobby market as opposed to the house building market. I do not want to name any particular organisation, but there has been—

The Hon. COURTNEY HOUSSOS: You have parliamentary privilege, Mr Chandler.

DAVID CHANDLER: I know that. I think, at this stage, I will let goodwill prevail on the basis that perhaps I could use that privilege next time. One of the large ones is actually systemically going through their products to make sure that they can identify more clearly now those that comply with Australian standards. The next thing that I want them to think about is relocating the hobby product away from the compliant product so that you do not have a price decision at that point. Things like subfloor membranes, there is a price difference of up to three times. If you were sitting there and looking, "I need a subfloor membrane," you know which one they are going to take. I think we have got to break that nexus as well. We will keep working on it and, hopefully, within the year, we can report to you that we have made good progress.

The Hon. COURTNEY HOUSSOS: What is the advice that you would give to someone in that particular situation?

DAVID CHANDLER: When a home builder—and that is where the main area of risk is, that people who have a home building licence perhaps do not build in accordance with Australian building standards and do not use Australian-accredited materials. The embedded problem from that is that those houses are constructed that are not in accordance with the Building Code of Australia and a subsequent purchaser unwittingly might buy that product thinking it does. It is a piece of work that has got to be done. In the next six to 12 months, I will do some more work on it. I think we have been tackling enough edges of the ocean at the moment.

The Hon. COURTNEY HOUSSOS: I appreciate that. I just think that part of this is about protecting the consumer, and part of that is actually arming them with information. This goes to my questions around the licensing as well. If the consumer does not have access to the information—if it is behind a paywall—it is just another disincentive for them. It gives them another opportunity not to be informed, even if they are trying to do that. I encourage you to continue to look at that.

DAVID CHANDLER: Ideally, what I have in mind is that the major merchants actually have a free, accessible copy of the Australian standard at the retail desk so that, in fact, no-one has to own it. They just make it available as a customer service for people who are buying materials to say, "That's what the Australian standard says." That is where we progressed it to. We have left that conversation alone for about six months, simply because of COVID.

JOHN TANSEY: Ms Houssos, the other thing I was going to say is that people can come to Fair Trading and ask for assistance on that. For example, in our building disputes and inspections service, inspectors will visit properties that are the subject of disputes and one of their roles is to provide that kind of independent advice about the quality of work, including where there is a question of whether or not it complies with standards. Even if it is below the level of standards, they are still guided by standards and tolerances. It is something that consumers can come to the agency about.

The Hon. COURTNEY HOUSSOS: Can you just tell me on notice how many inspectors you have for that particular role and where they are located in New South Wales and maybe how many inquiries they got in the last financial year? That would be helpful as well.

JOHN TANSEY: Yes. It is generally a matter of the formal disputes that go to them, which are usually in the couple of thousands a year. But we can take the exact numbers on notice.

The Hon. COURTNEY HOUSSOS: That would be helpful, thanks, and any other context that helps me understand how they are able to help people. Mr Chandler, just coming back to the question of the occupation certificate audits, I asked some questions last time about interim occupation certificates. I understand that they are not in force anymore and they are not allowed to be in force anymore. I think the changes went through in 2019. But what work is your office doing to try and chase down these interim occupation certificates that are in place?

DAVID CHANDLER: It is still possible to have staged occupancy, let us be clear about that. For example, if you were a developer and you were building, say, three or four towers on a podium, it is still possible for you to have a staged occupancy of the first tower and then the subsequent tower. So the interims are gone. We are still seeing a couple that still feel as though they are able to sail home on the past legislation, where we have to disabuse them of that. So we are finding some of those, but not many.

We are working with industry now to be very clear about how we should set up staged occupancy, and the Design and Building Practitioners Act is actually exposing that quite significantly in the conversations we are having with designers as to when do you get to a point where, for example, you might decide what version of the

BCA will apply to all of the towers as opposed to just the first one? We have now resolved some positions on that, which we will put out very shortly to confirm that.

But we have reached a very practical way of doing that, so we have taken away the uncertainty of when the building code is going to apply. Some feel as though it was when the first CC was occurring down in the basement, but we are saying, "No, it is way beyond that." We want to lock in the Building Code of Australia now, at typically the highest point of either the ground floor or the first podium from which the buildings will spring. So a lot of work has been resolved that is coming from the audits of the Design and Building Practitioners Act. You will see that those clarifications in the next couple of months will really improve the situation.

The Hon. COURTNEY HOUSSOS: Mr Chandler, I understand that this is something going forward for the newly-constructed buildings. I am interested in looking backwards at those buildings that did not have a final OC issued and that do only have an interim OC issued. Is your office doing any work to try and investigate to find out where they are stored and how many there are and how many are still in effect?

DAVID CHANDLER: We will be able to scrape the portal for that information where it exists. But, unfortunately, there are quite a large number of interim occupation certificates out there at the moment that do not have very many prospects of becoming a final. I have got a project here—I cannot hand you the details up—at Wollli Creek, where both the developer and the builder have deregistered themselves and all there is is an interim occupation certificate, and we have also deregistered the certifier in that case.

I am dealing with another one at the moment where the builder went insolvent before the job was finished. The developer took over the workforce and paid the workforce, but he did not realise he needed a builder's licence to do it. We have got that before the OC, so there is a bit of pain and suffering to go for this particular developer. But it is giving us a really good profile of what the failings are in the financial area that lead to these blockages for these final OCs. Where a certifier has lost his accreditation, like, say, Vic Lilli or Stan Spiro, it is unlikely we are going to get another person to come in and be the PCA to issue the final, as we have found out with a couple of projects we are looking at in the Ryde area, where the Ryde council is saying, "Even though the legislation says we must do it", they will not do it. So some big issues there.

The Hon. COURTNEY HOUSSOS: I understand that you have specific examples that you are working through. I am pleased to hear that you are trying to scrape that data from the e-portal. But my understanding is that these interim OCs would actually be lodged with councils. Is that correct?

DAVID CHANDLER: Yes, that is what I am saying. It will be very hard for us to pull together a comprehensive picture of what is out there, to be frank with you.

The Hon. COURTNEY HOUSSOS: Are the efforts of your office mainly on those specific examples that are raised with your office? Is that the idea?

DAVID CHANDLER: Yes, that is giving us a line of sight to the sorts of issues that are out there. I am not sure, at this stage, if it is going to help us identify how we could go and get a better line of sight than we currently have. We have a couple of initiatives in mind which, as soon as they are able to be announced, may help as well.

The Hon. COURTNEY HOUSSOS: I look forward to hearing about those. The final issue that I want to raise comes back to arming consumers with information. I think the Victorian Government has produced some apartment buying guides, providing information for people who are looking at purchasing properties. Is that something that the New South Wales Government is looking at? I understand there have been some approaches. I am interested to hear where you are at with those?

DAVID CHANDLER: You have been approached by a very active person who markets their services in this space. I will not get into a contest over it, but some of the assertions that are being made are ones that are based on research, and we believe that the research that has been done is more a marketing survey than it is actual research, but you can form your own view. The better work that we think that we will do is to work with SCA—Strata Communities Australia—who have also produced a buying guide. We would rather work with them because they are now qualified under a professional standards scheme, and we feel more comfortable working with someone like SCA to actually enhance that document.

The Hon. COURTNEY HOUSSOS: Excellent. That was all I had, Mr Chair.

The CHAIR: Thank you. That takes us close to the end. I am looking at Mr Poulos to see whether he wants to start his cross-examination.

The Hon. PETER POULOS: Thank you very much, Mr Chair. This late on a Friday afternoon the Government will not be raising any questions. But if the witnesses have any additional information that might be useful to this Committee, I would invite them to do so.

The CHAIR: That was going to be my next question.

EMMA HOGAN: I have three short comments, if I may?

The CHAIR: Yes.

EMMA HOGAN: Mr Shoebridge asked us to come back before the end of the day on an issue around lighting. We will take that on notice, given he has not returned. Also, Ms Mann has not had an opportunity to be fully briefed this afternoon on the various channels. So we will take that on notice, if we may. Ms Houssos, this morning you asked for an update on the flood recovery grant. As at today, the latest information—this is the one, the 50K, that was released earlier in the week—1,423 applications received, 10 have been approved, 1,365 in process, of which 604 are awaiting further information from customers. I am not sure if you are aware, but Service NSW now has a transparent dataset—a performance dashboard, if you like—and it has just gone up this afternoon. It will be reported live every day, if you wish to get further information there. The third thing, with your indulgence, Chair, is that Natasha has been fading all afternoon with COVID. I just want to thank her for joining us today, given that under ordinary circumstances I would not have let her attend or come in. So I just want to thank her on the record.

The CHAIR: I did notice that she was—

EMMA HOGAN: She was fading?

The CHAIR: Not only was she fading; she also was waving or signalling to us that she may have had an answer and it was less enthusiastic than her previous wave. Ms Mann, did you have something to add?

NATASHA MANN: I wanted to come back to Ms Houssos, who had asked me how many inspectors there were working on property and real estate. The answer to that question is 16. If I could, to reduce work for the team, I also wanted to describe the retirement village compliance effort that Ms Boyd asked about. I can advise that since January 2021, our real estate and property team completed 18 desktop audits of retirement villages. There were four complaints about retirement villages escalated to the team for investigation, and that resulted in Fair Trading providing education to one retirement village for a breach. As I have said, we have got 16 inspectors in the real estate and property team, and I can provide further information if required.

The CHAIR: I noticed, Mr Williams, that you had one item?

TONY WILLIAMS: I will clarify one question asked by Ms Houssos this morning in relation to what SafeWork is doing up in that severely flood-affected northern region and how many people we have up there. To give you a quick breakdown, from Port Macquarie up in that coastal strip we have six inspectors at Port Macquarie, four at Coffs Harbour and six at Ballina. I would note that some of those people have, in their own right, been impacted by the situation. Of course, even doing normal business, their activities have been curtailed by the ability to travel and not be in the way of emergency services and business at this time. More broadly in that very northern strip of the State and the coastal strip, we have a total of 43 people. In that I am including 19 in Newcastle, six in Tamworth and two in Narrabri.

In terms of what they are doing at the moment, other than supporting where they can, we are standing ready once floodwaters recede to do what we normally do in these situations, and that is to ensure that recovery efforts are undertaken safely and that businesses recover safely—particularly around issues like asbestos, electrical, diseases from people working in the mud, the water and the sludge, and the use of equipment. We are ready once floodwaters recede to be out there supporting businesses to recover safely. In doing that we will be supported by our Fair Trading inspectors to make sure that not only workers are protected but that consumers are protected as well, and making good decisions around engaging people to do everything from getting rid of asbestos to engaging builders to do temporary repairs and those sorts of things, making sure that works are undertaken using the appropriate contracts and that people are not pushing money out without getting works done. We will be having a surge effort in that space as required when the time is right.

The Hon. COURTNEY HOUSSOS: Mr Williams, I have one follow-up. You have noted that there are people in Newcastle, Narrabri and Tamworth, which are obviously outside the affected areas but close enough for them to be offering that surge.

TONY WILLIAMS: That is right.

The Hon. COURTNEY HOUSSOS: Would that be the natural place that you would get the surge capacity from?

TONY WILLIAMS: That is right. We have a very mobile workforce and we take a statewide approach, so we will be moving some of our inspectors from different parts of the State into those flood-affected areas to help with that effort.

The Hon. COURTNEY HOUSSOS: Thank you very much, Mr Williams. That is helpful.

The CHAIR: That brings us to a close. I thank the witnesses for their time today. You have taken some questions on notice, and the Committee secretariat will be in touch.

(The witnesses withdrew.)

The Committee proceeded to deliberate.