

# **PORTFOLIO COMMITTEE NO. 1 – PREMIER AND FINANCE**

**Thursday 21 April 2022**

**Examination of proposed expenditure for the portfolio area**

## **PREMIER**

**UNCORRECTED**

**The Committee met at 09:30.**

## **MEMBERS**

The Hon. Tara Moriarty (Chair)

Ms Abigail Boyd

Ms Cate Faehrmann

The Hon. Scott Farlow

The Hon. Courtney Houssos

The Hon. Mark Latham

The Hon. Taylor Martin

The Hon. Christopher Rath

The Hon. Penny Sharpe

## **PRESENT**

**The Hon. Dominic Perrottet, *Premier***

\* 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 Premier's portfolio as part of the inquiry into budget estimates 2021-22. Before I commence, I acknowledge the Gadigal people of the Eora nation, who are the traditional custodians of the lands on which we are meeting today. I pay my respects to Elders past, present and emerging, and celebrate the diversity of Aboriginal peoples and their ongoing cultures and connections to the lands and waters of New South Wales. I also acknowledge and pay my respects to any Aboriginal or Torres Strait Islander people joining us today. I welcome Premier Perrottet and accompanying officials to this hearing. Today the Committee will examine the proposed expenditure for the portfolio of Premier.

Before we commence I will make some brief comments about procedures for today's hearing. Today's proceedings are being broadcast live via the Parliament's website, and 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 upper House in 2018. There may be some questions that a witness could answer only if they had more time or with certain documents to hand. In that circumstance, 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 may do so through the Committee staff. Premier, 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, everyone should please turn their mobile phones to silent for the duration of today's hearing.

**Mr MICHAEL COUTTS-TROTTER**, Secretary, New South Wales Department of Premier and Cabinet, on former oath

**The CHAIR:** Today's hearing will be conducted from 9.30 a.m. until 12.45 p.m. with the Premier and from 2.00 p.m. until 3.00 p.m. with the departmental witnesses, with questions from Opposition and crossbench members only. If required, an additional 15 minutes is allocated at the end of each session for Government questions. I note that the Committee will hear from witnesses from independent bodies later this afternoon. As there is no provision for any witnesses to make an opening statement before the Committee commences with questioning, we will begin with questions from the Opposition.

**The Hon. PENNY SHARPE:** Good morning.

**MICHAEL COUTTS-TROTTER:** Good morning.

**Mr DOMINIC PERROTTET:** Good morning, Ms Sharpe.

**The Hon. PENNY SHARPE:** Good morning. Congratulations, Premier, on your new baby.

**Mr DOMINIC PERROTTET:** Thank you.

**The Hon. PENNY SHARPE:** It is very exciting; we love babies here.

**Mr DOMINIC PERROTTET:** There are a lot of children in the upper House.

**The Hon. SCOTT FARLOW:** No offence taken.

**The Hon. PENNY SHARPE:** Those two over there are yours.

**The Hon. TAYLOR MARTIN:** We have some got questions later on, Premier.

**Mr DOMINIC PERROTTET:** How are you?

**The Hon. PENNY SHARPE:** We will see how you go; that will decide whether you get questions or not. Premier, can you give us the base salary of a graduate teacher?

**Mr DOMINIC PERROTTET:** The base salary?

**The Hon. PENNY SHARPE:** Yes.

**Mr DOMINIC PERROTTET:** I would say it is around \$70,000, but I will get the exact amount. I am probably in the ballpark there.

**The Hon. PENNY SHARPE:** You are in the ballpark, that is right. What about a level one bus driver?

**Mr DOMINIC PERROTTET:** Are we going to go through the entire public service? I can take them on notice for you.

**The Hon. SCOTT FARLOW:** Why don't you ask about the employment rate? That might be a good one. He might know that one.

**The Hon. PENNY SHARPE:** No, we are just going—you will understand why.

**Mr DOMINIC PERROTTET:** I can see where this is going. Why don't we just jump to it?

**The Hon. PENNY SHARPE:** I am trying to understand if you know how much our frontline workers are paid.

**Mr DOMINIC PERROTTET:** Yes, I do.

**The Hon. PENNY SHARPE:** For bus drivers—it is alright—it is about \$58,000.

**Mr DOMINIC PERROTTET:** There you go.

**The Hon. PENNY SHARPE:** And a hospital assistant grade one earns about what?

**Mr DOMINIC PERROTTET:** Sixty?

**The Hon. PENNY SHARPE:** No, how about 50.

**Mr DOMINIC PERROTTET:** Okay.

**The Hon. PENNY SHARPE:** How do you explain giving every member of your Government, except the poor old member for East Hills, a pay bump of between \$5,000 and \$150,000?

**Mr DOMINIC PERROTTET:** As you would be aware, just like members in the upper House, if you take on extra roles and responsibilities in your parliamentary duties, there is an additional entitlement that is provided in respect of those roles, whether that is in a government position as a Parliamentary Secretary or whether that is as a committee Chair, and many members on all sides of politics take those roles, including members in the Labor Party.

**The Hon. PENNY SHARPE:** But, Premier, you have 62 members and 61 of them got a pay rise well and above 2.5 per cent as a result of these decisions, is that not correct?

**Mr DOMINIC PERROTTET:** You are not comparing—no, that is an unfair characterisation.

**The Hon. PENNY SHARPE:** Tell me why.

**Mr DOMINIC PERROTTET:** That is because the 2.5 per cent pay increase, which occurs for public servants in New South Wales, is an annual increase not just in the public service but also with parliamentarians. If additional roles of responsibility are taken on, then they receive additional entitlement. That is the case for parliamentarians; it is also the case for members in the public service in whatever roles they are in.

**The Hon. PENNY SHARPE:** Premier, okay, if that is what you want to say. Do you believe that it is reasonable that every single member of your Government—except, of course, the poor member for East Hills—gets an extra job? Do you think that all of them are needed?

**Mr DOMINIC PERROTTET:** I think the roles of committees play an important part in our democratic processes here in the New South Wales Parliament. The committee work that members in the upper House and members in the Legislative Assembly take on provides important advice to the Executive. I know that myself from my own personal experience because when I was elected to Parliament in 2011 I was appointed immediately. I know some of these members have just come in, including Mr Rath, and taken on those committee roles. I was appointed Chair in 2011 of the Legal Affairs Committee. We conducted an inquiry into synthetic drugs, for example, and we made—

**The Hon. PENNY SHARPE:** Thank you, but I am really asking about your decisions as Premier, so I do not want to hear the history of your committee work, which I am sure is very fascinating. But actually what I am asking—

**Mr DOMINIC PERROTTET:** It was, actually. It was a fascinating inquiry which led to legislative change.

**The Hon. SCOTT FARLOW:** You should read the reports, Penny.

**The Hon. PENNY SHARPE:** I do want to know the number of—

**The CHAIR:** Members need to speak one at a time because Hansard need to keep a record of this. Let us have the question followed by the answer.

**The Hon. PENNY SHARPE:** If I can stop you there. The decision on the number of Ministers is your decision, is it not?

**Mr DOMINIC PERROTTET:** Yes.

**The Hon. PENNY SHARPE:** And there are 26 Ministers, are there not?

**Mr DOMINIC PERROTTET:** There are 26 brilliant Ministers in the New South Wales Government, yes.

**The Hon. PENNY SHARPE:** The largest ministry ever to serve in New South Wales.

**Mr DOMINIC PERROTTET:** Another record.

**The Hon. PENNY SHARPE:** And the most expensive with the most staff. Are you happy with that?

**Mr DOMINIC PERROTTET:** I am focused on outcomes, Ms Sharpe. Ultimately a strong ministerial team—members who are Parliamentary Secretaries, and people who chair committees, I think do important work. If the question goes to—

**The Hon. PENNY SHARPE:** So you are very happy that you have got the largest ministry ever to serve in New South Wales being paid the most amount of money?

**Mr DOMINIC PERROTTET:** I am more focused on the outcomes.

**The Hon. PENNY SHARPE:** It was your decision to have 18 Parliamentary Secretaries, wasn't it, Premier?

**Mr DOMINIC PERROTTET:** Yes.

**The Hon. PENNY SHARPE:** Again, that is the largest number of Parliamentary Secretaries ever to serve in New South Wales? Are you happy with that?

**Mr DOMINIC PERROTTET:** That is the case.

**The Hon. PENNY SHARPE:** How do you justify that when the most that the workers who we were talking about earlier—the teachers, the bus drivers and the hospital assistants—can earn as extra pay this year is \$1,800 if they are a teacher or \$1,200 if they are a hospital-grade assistant? Do you think that is justifiable?

**Mr DOMINIC PERROTTET:** When it comes to public sector wages, there is no doubt that my expectation is that we do not just have the best public service in the country, but that we have the best paid. Over the last 10—

**The Hon. PENNY SHARPE:** Sorry, Premier, let's be honest here, cost of living is through the roof—over 4 per cent for almost everything. You are offering public sector workers 2.5 per cent.

**Mr DOMINIC PERROTTET:** Yes, and parliamentarians nothing.

**The Hon. PENNY SHARPE:** And yet every single one of your MPs gets extra pay on top of theirs.

**Mr DOMINIC PERROTTET:** They do not get a pay rise. I froze pay rises for parliamentarians.

**The Hon. PENNY SHARPE:** If you want to argue that, that is fine.

**The Hon. SCOTT FARLOW:** It is the truth.

**The Hon. PENNY SHARPE:** When you have given 61 out of 62 an extra job that pays them at least another \$5,000 a year, if you are a Chair another \$21,000 a year and if you are a Parliamentary Secretary another \$33,000 a year—

**Mr DOMINIC PERROTTET:** Yes.

**The Hon. PENNY SHARPE:** —do you think that you can justify that to public sector workers?

**Mr DOMINIC PERROTTET:** You are not comparing like for like. If we are looking at annual increases—

**The Hon. PENNY SHARPE:** I think if nurses were listening to this, they would be understanding that.

**The Hon. SCOTT FARLOW:** Point of order—

**The CHAIR:** I will hear the point of order.

**The Hon. SCOTT FARLOW:** I think the Premier got about three words in before the Hon. Penny Sharpe interrupted him. I ask that she allow him to answer the questions that she puts to him.

**The CHAIR:** I uphold the point of order. Premier, you can answer the question.

**Mr DOMINIC PERROTTET:** Thank you for the ruling, Ms Moriarty. As I said, you are not comparing like for like. On an annual increase basis across the board, parliamentarians have not received any pay increase annually. Public servants have received 2.5 per cent annually. Since 2011 wages in real terms in the public sector have increased by 5.3 per cent. In the public sector they have increased by 5.3 per cent and in the private sector they have increased at 4 per cent. What we have seen over the term of our Government is that pay increases are at over 2.5 per cent plus productivity savings, if found, in departments have outpaced private sector wage growth. Now we are coming into a period of time where inflation is due to rise. We have had flat wage growth across the country for some time now and we would expect private sector wages to increase. I have said that I will be looking at, and will continue to work with, the unions in relation to public sector wage increases. But let us look at the facts. The facts are that over the past 10 years public sector wage increases in New South Wales have outstripped private sector wage increases. I look at other Labor States around the country that have frozen wages.

**The Hon. PENNY SHARPE:** Premier, I am actually asking you about the justifications and the decisions that you have made as Premier to provide extra salary and allowances to every single one.

**Mr DOMINIC PERROTTET:** But they are taking on additional work.

**The Hon. PENNY SHARPE:** Yes, but how do you explain to a graduate teacher why Peter Poulos, who was elected in May 2021 and then took six months before he did his inaugural speech to Parliament in November, was made a Parliamentary Secretary in December last year?

**Mr DOMINIC PERROTTET:** The cream rises to the top. Talent is—



**The Hon. PENNY SHARPE:** So Peter Poulos is worth that extra \$34,000 having said nothing in Parliament for the first six months that he was here?

**The Hon. SCOTT FARLOW:** That was because of COVID. Come on, Penny.

**The Hon. TAYLOR MARTIN:** He was locked down, Penny.

**The Hon. MARK LATHAM:** He worked for Matt Kean, come on.

**Mr DOMINIC PERROTTET:** This comes down to my expectations of Ministers and Parliamentary Secretaries to deliver outcomes for the people of our State, whether that is in the members of the Parliament or members of the public service. You are conflating, as I said, two issues. One is the annual pay increase across the board of up to 2.5 per cent. We have always provided 2.5 per cent as the most—

**The Hon. PENNY SHARPE:** We can go over this again; we are going to disagree.

**Mr DOMINIC PERROTTET:** But there is nothing to disagree on.

**The Hon. PENNY SHARPE:** The fact is, Premier, that every single one of your members, except the poor member for East Hills, is receiving between 2.9 per cent on top of their base salary to over 90 per cent if they are a Minister.

**Mr DOMINIC PERROTTET:** Where do you get the 2.9 per cent?

**The Hon. PENNY SHARPE:** The 2.9 per cent is for Public Accountability Committee members. They get an additional \$4,900 a year sitting in that position.

**Mr DOMINIC PERROTTET:** Aren't Labor Party members on the Public Accountability Committee?

**The Hon. PENNY SHARPE:** That is not the question. Can you explain to a hospital assistant why Chris Rath was elected to Parliament on 24 March—I note that he is here for his inaugural estimates committee meeting—

**Mr DOMINIC PERROTTET:** Doing good work.

**The Hon. PENNY SHARPE:** —and only three days later was appointed as chair for the Standing Committee on Law and Justice and received a \$21,551 pay rise. Do you think that is reasonable?

**Mr DOMINIC PERROTTET:** In 2011 I was appointed as the chair of the Legal Affairs Committee I think in a shorter period of time than that. That committee conducted important work that led to legislative change in relation to an important issue.

**The Hon. PENNY SHARPE:** You can just say, yes, you think it is reasonable. That is fine; just say that.

**Mr DOMINIC PERROTTET:** Okay, I think it is reasonable.

**The Hon. PENNY SHARPE:** Okay, that is great.

**Mr DOMINIC PERROTTET:** Do you?

**The Hon. PENNY SHARPE:** Not when nurses, teachers and hospital assistants are lucky if they can get an extra \$1,200 this year I don't, no.

**Mr DOMINIC PERROTTET:** Why don't you ask—

**The Hon. PENNY SHARPE:** You do not get to ask the questions.

**Mr DOMINIC PERROTTET:** Why don't you ask Greg Donnelly—

**The Hon. PENNY SHARPE:** You can get the young people over there—

**The CHAIR:** Order!

**Mr DOMINIC PERROTTET:** Why don't you ask Greg Donnelly—

**The CHAIR:** Order! We need one person at a time.

**The Hon. PENNY SHARPE:** If you want your people to ask you some questions, you can ask them over there.

**Mr DOMINIC PERROTTET:** The chair of this Committee, will you forego your committee—

**The CHAIR:** I am going to chair this Committee by calling everyone to order. We need one person speaking at a time so that Hansard can properly record this. We will have the question followed by the answer.

**Mr DOMINIC PERROTTET:** You are getting an additional entitlement as chair of the Committee. She is doing good work.

**The CHAIR:** Yes, I am.

**Mr DOMINIC PERROTTET:** She is presiding over this Committee incredibly well—

**The CHAIR:** We will have the question followed by the answer.

**Mr DOMINIC PERROTTET:** —and she deserves her pay rise.

**The Hon. PENNY SHARPE:** When you appointed Tim James as the chair of the Legislative Assembly Committee on Transport and Infrastructure, he received a \$21,000 increase. On that committee is Melinda Pavey, who has 20 years experience in the Parliament and has served as a Minister. Why do you think Tim James deserves to be the chair of that committee rather than Melinda Pavey?

**Mr DOMINIC PERROTTET:** I think they are both very capable and intelligent people who have made a substantial contribution.

**The Hon. PENNY SHARPE:** Did Tim James need the extra money? Is that why he is the Chair?

**Mr DOMINIC PERROTTET:** I think it is really important, particularly for young members coming into the Parliament, that they are given roles and responsibilities so that they can make a contribution in an immediate way. I certainly, from my experience—you are asking me why I made those decisions. I found, from my experience, that it really helped me as a new member of Parliament to cut my teeth on committee work and make a contribution, which it did. I think I learned a lot in that role as a committee Chair, and we made substantive recommendations that made a real difference on a specific issue.

**The Hon. PENNY SHARPE:** I am glad you enjoyed your committee work.

**Mr DOMINIC PERROTTET:** I did.

**The Hon. PENNY SHARPE:** No-one is arguing about the importance of committee work. We are asking you about whether it is reasonable that every single one of your members of Parliament gets additional salary and allowances because you have given them all a job?

**The Hon. MARK LATHAM:** Except East Hills.

**The Hon. PENNY SHARPE:** Except for the poor member for East Hills.

**The Hon. MARK LATHAM:** What has she done wrong?

**The Hon. PENNY SHARPE:** Do you decide all these positions on the basis that everyone gets extra money, because that is the outcome? If you are interested in outcomes, the outcome of your decision is we have the biggest and most expensive ministry New South Wales history, we have the largest number of Parliamentary Secretaries, the most expensive in New South Wales history, and every single one of your backbenchers, except the poor member for East Hills, is all getting a pay rise of at least \$5,000, and for some of them it is around \$150,000. You think that is perfectly reasonable, do you, Premier?

**Mr DOMINIC PERROTTET:** I can say to you that any increase in entitlement is certainly not a focus of mine in relation to appointments of committee Chairs.

**The Hon. PENNY SHARPE:** How do you explain that outcome, then?

**Mr DOMINIC PERROTTET:** Because I think that they do important work on those committees that make a difference, and you would know that all too well being a member of the upper House, Ms Sharpe, who served on numerous committees that have delivered great outcomes for the people of our State.

**The Hon. COURTNEY HOUSSOS:** Premier, did you give a directive, "Let's share it around"?

**Mr DOMINIC PERROTTET:** No.

**The Hon. COURTNEY HOUSSOS:** So it is just a coincidence that everybody has a second job?

**Mr DOMINIC PERROTTET:** No—yes, it is.

**The Hon. COURTNEY HOUSSOS:** It is a complete coincidence that every single member of your Government, except for the poor member for East Hills, has a second job? You did not give a directive to say, "We're going to share it around"?

**Mr DOMINIC PERROTTET:** No.

**The Hon. COURTNEY HOUSSOS:** You actually want us to believe that it is a coincidence?

**Mr DOMINIC PERROTTET:** Yes.

**The Hon. COURTNEY HOUSSOS:** Premier, come on. That does not pass the believability test.

**Mr DOMINIC PERROTTET:** Okay.

**The Hon. COURTNEY HOUSSOS:** You did not give a directive to your Whips and you did not give a directive your party room?

**Mr DOMINIC PERROTTET:** No.

**The Hon. COURTNEY HOUSSOS:** Okay.

**The Hon. PENNY SHARPE:** So you are happy with that outcome? You said you are a man who is into outcomes, so you are happy with this outcome?

**Mr DOMINIC PERROTTET:** That remains—

**The Hon. PENNY SHARPE:** You think this is a reasonable thing to say to nurses, teachers, hospital workers, ambos and bus drivers who are fighting for a bit of extra money so that they can actually pay their rent and their mortgages? You think this is a reasonable thing?

**Mr DOMINIC PERROTTET:** That remains to be seen based on the outcomes of the committee work that those new Chairs complete. I will wait for the work that, for example, Mr Rath does. I will wait for the work that all my members on those committees do, and I expect outcomes.

**The Hon. COURTNEY HOUSSOS:** Have you given them any directives about what your expectations are?

**Mr DOMINIC PERROTTET:** I always spend time with committee Chairs to speak to them about what work they are doing. I ask committee Chairs to work very closely with Ministers and Parliamentary Secretaries in terms of lines of inquiry that would provide assistance of public policy development that would make an outcome.

**The Hon. COURTNEY HOUSSOS:** So, Premier, your expectation is that they will initiate inquiries within a certain period of time?

**Mr DOMINIC PERROTTET:** In relation to the time that takes, obviously I would expect inquiries to commence. That is the role of those committees. I know from my—

**The Hon. PENNY SHARPE:** Tim James' committee has done one inquiry in this entire Parliament. Gee, that is a heavy workload.

**The Hon. SCOTT FARLOW:** He only just got appointed. He got appointed a couple of weeks ago.

**The Hon. PENNY SHARPE:** That is what I am saying. If you are saying these committees actually do work, they do not, but that is okay.

**Mr DOMINIC PERROTTET:** My experience is that—

**The Hon. PENNY SHARPE:** I would like to move on, Premier.

**The Hon. SCOTT FARLOW:** Maybe Tim will change it.

**Mr DOMINIC PERROTTET:** I want to finish the answer to Ms Houssos' question.

**The Hon. COURTNEY HOUSSOS:** I am comfortable with the answer that you have provided. I am happy for us to move on.

**Mr DOMINIC PERROTTET:** I am not happy with it because I did not get a chance to finish it.

**The Hon. PENNY SHARPE:** These guys can mop it up later if you need to.

**The Hon. SCOTT FARLOW:** No, the Premier can answer.

**Mr DOMINIC PERROTTET:** Sometimes finding the right line of inquiry may take longer than others. But, ultimately, my expectation is that the committee Chairs work with Ministers in relation to those areas which they think would add value, and I expect the committee to do that work and provide substantive recommendations

to the Government to act on. That is what I will judge the success in relation to those committees on, and those members who are Chairs of those committees.

**The Hon. PENNY SHARPE:** Premier, why is the member for East Hills—given the largesse and your support of your entire team, all 61 of them—the only member in your Government who has not got an extra job and an extra salary?

**Mr DOMINIC PERROTTET:** First of all, I reject the proposition in the question. As I said to you earlier—

**The Hon. PENNY SHARPE:** Sixty-one out of 62 have an extra job, do they not?

**Mr DOMINIC PERROTTET:** That was not a focus. I said that to you at the start.

**The Hon. PENNY SHARPE:** What has the poor old member for East Hills done? Why is she out in the cold?

**Mr DOMINIC PERROTTET:** You have raised with me 61 out of 62 members. I was not even aware of that until I read that in the paper today, and that just shows that it is not my focus.

**The Hon. PENNY SHARPE:** So you are not concerned about the amount of money that is spent on your Government and your members of Parliament?

**Mr DOMINIC PERROTTET:** I would be in circumstances where those committees do not achieve outcomes. I want those committees to do important work and make a real difference. That is why it is not comparable, Ms Sharpe, to say that setting up committee Chairs, who do important parliamentary work, equates—

**The Hon. PENNY SHARPE:** I am talking about your record number of Ministers and Parliamentary Secretaries.

**The Hon. SCOTT FARLOW:** Point of order—

**The CHAIR:** I will hear the point of order from Mr Farlow.

**The Hon. PENNY SHARPE:** I know you want to talk about committees, but let us talk about the decisions that the Premier has directly made.

**The CHAIR:** I will hear the point of order.

**The Hon. SCOTT FARLOW:** Penny, if you want to talk about committees—

**The Hon. PENNY SHARPE:** I want to talk about Parliamentary Secretaries. Remember, you got dropped as one so now you just have to be the Deputy Whip.

**The CHAIR:** I will hear the point of order.

**The Hon. TAYLOR MARTIN:** He is the actual Whip.

**The Hon. SCOTT FARLOW:** My point of order, Madam Chair, is that the Premier is trying to answer Ms Sharpe's question and she is not giving him the opportunity to answer the question. We do allow a bit of to and fro in these inquiries, but allowing the Premier to answer is important. I ask you to call her to order.

**The CHAIR:** I am not going to do that. We will have a question followed by an answer et cetera.

**The Hon. PENNY SHARPE:** Thank you. I would like to move on. Premier, you appointed your Cabinet on 21 December last year, did you not?

**Mr DOMINIC PERROTTET:** That sounds about right.

**The Hon. PENNY SHARPE:** You have previously said:

Unlike Labor, the coalition is not blinded by political and class interests. There is no meaningless quota system to ensure that a cabinet reflects the beautiful symmetry of gender, class, race, age and sexual orientation.

Do you still believe that?

**Mr DOMINIC PERROTTET:** What eloquent words—yes.

**The Hon. PENNY SHARPE:** Do you believe that because you have the largest Cabinet in New South Wales history, it reflects a strictly merit-based approach from you?

**Mr DOMINIC PERROTTET:** Yes.

**The Hon. PENNY SHARPE:** There are no other factors taken into account?

**Mr DOMINIC PERROTTET:** Like what?

**The Hon. PENNY SHARPE:** You tell me; it is your Cabinet.

**Mr DOMINIC PERROTTET:** Yes, merit based.

**The Hon. PENNY SHARPE:** It is all merit based. So there is not a quota for National Party members?

**Mr DOMINIC PERROTTET:** Sorry, that is true. It is a coalition, so the Liberal Party is given a certain amount of—

**The Hon. PENNY SHARPE:** Just to be clear, it is alright if you stand by every merit-based appointment—that is fine.

**Mr DOMINIC PERROTTET:** It is a bit different, obviously given our marriage with the National Party.

**The Hon. PENNY SHARPE:** Some would argue that is a quota, but that is okay.

**Mr DOMINIC PERROTTET:** Fair enough.

**The Hon. PENNY SHARPE:** Premier, there are 13 Liberal women in the Parliament. Why are only four of them Cabinet Ministers?

**Mr DOMINIC PERROTTET:** As I have said, I have appointed the Cabinet that I believe has the best capabilities of representing the people of our State. As I have said in the past, would I like there to be greater representation of women in the Cabinet? Yes. Do I think diversity is important in terms of decision-making and different backgrounds? I think that makes a real difference and that is something we can do better on, particularly in the Liberal Party; I have said that in the past.

**The Hon. PENNY SHARPE:** Okay, so 22 per cent. Premier, there are also no Liberal women in senior ministerial roles. Is that correct?

**Mr DOMINIC PERROTTET:** No.

**The Hon. PENNY SHARPE:** Please tell me which Liberal woman is a senior Minister.

**Mr DOMINIC PERROTTET:** How do you describe "senior"?

**The Hon. PENNY SHARPE:** The ones who get the big pay rises, the ones who are basically earning an extra \$157,000.

**Mr DOMINIC PERROTTET:** Why are you are so focused on pay?

**The Hon. PENNY SHARPE:** I think equal pay is quite important. I think the way that women are paid is quite important too, Premier.

**Mr DOMINIC PERROTTET:** You just wanted to kick a whole lot of them off committee Chairs.

**The Hon. PENNY SHARPE:** Tell me who your senior Minister is.

**Mr DOMINIC PERROTTET:** You have spent the first half hour saying all these women should not get pay rises for being committee Chairs.

**The Hon. PENNY SHARPE:** That is not true. You tell me who your senior Liberal woman is who is getting paid as a senior Minister. Please tell me.

**Mr DOMINIC PERROTTET:** There are two senior women in the Cabinet, and one is Bronnie Taylor.

**The Hon. PENNY SHARPE:** Who is a National Party member, you just explained.

**Mr DOMINIC PERROTTET:** And the other one is Sarah Mitchell.

**The Hon. PENNY SHARPE:** Who is also a National Party member. She is also not a senior Minister, by the way. There is only one woman in your Cabinet who is not paid as a senior Minister.

**Mr DOMINIC PERROTTET:** Sarah Mitchell?

**The Hon. PENNY SHARPE:** It might be a surprise to you; perhaps you should fix that.

**The Hon. SCOTT FARLOW:** I think that is because she is the deputy leader in the upper House.

**The Hon. MARK LATHAM:** She is useless, that is why.

**The CHAIR:** Now it is time for the crossbench. Ms Boyd?

**Ms ABIGAIL BOYD:** I will continue in relation to that issue of the number of women in your Cabinet. We had a discussion at the last estimates session in November, where I was asking about the number of women in your Cabinet at that time. You asserted that you should be judged on your actions and not by what you say, and that we should wait until after the reshuffle. Do you remember saying that?

**Mr DOMINIC PERROTTET:** That sounds familiar.

**Ms ABIGAIL BOYD:** Before the reshuffle, women were 29 per cent of your Cabinet and now they are 26 per cent. Do you think that that shows that you are committed to increasing the number of women in leadership positions?

**Mr DOMINIC PERROTTET:** It is not as simple as that. Let us be fair dinkum here. The reality is there are members who are elected to Parliament. I have to make decisions in terms of appointments of a team that I believe has the right expertise to take the State forward. I promoted an additional woman into the Cabinet from the Liberal Party. The number of women in the Cabinet overall has increased. Can we do better? Yes, I have said that. We had a number of by-elections, and we obviously ran women in those seats. I have always said that I think the Liberal Party needs to do better in terms of—

**The Hon. PENNY SHARPE:** No Liberal women were elected.

**The Hon. SCOTT FARLOW:** Labor ran blokes.

**Mr DOMINIC PERROTTET:** I am not arguing the point. The point is, yes, we need to do better in relation to representation of women in the Cabinet.

**Ms ABIGAIL BOYD:** Of the top 10 most senior Ministers in your Cabinet, only two are women and they are both Nationals, as we just covered.

**Mr DOMINIC PERROTTET:** Yes.

**Ms ABIGAIL BOYD:** And of the 10 least senior Ministers in your Cabinet, four are women and three of them are Liberals. Do you think that looks like anything approaching equality within your Cabinet?

**Mr DOMINIC PERROTTET:** I think what you are missing, Ms Boyd, is the fact that a lot of those— if you look at the junior Ministers, they are new Ministers as well. So it is a great opportunity, and I would like to see those junior Ministers become senior Ministers. Over time you get the experience and you work through. The reality is I inherited the members of the Parliament that we have. I think that we have very talented people right across the Liberals and National Party, who make a great contribution to our State. I accept the proposition that we should do better, and we will.

**Ms ABIGAIL BOYD:** Are you aware that the women in your Cabinet have significantly less primary legislative responsibility than the men in your Cabinet? The women Ministers are primarily responsible for an average of around 14 pieces of legislation, some of them have none, whereas the men Ministers are responsible for an average of around 37?

**Mr DOMINIC PERROTTET:** No.

**Ms ABIGAIL BOYD:** Why is that? Why do they get so much more responsibility, on average, than the average woman?

**Mr DOMINIC PERROTTET:** It is just not a focus.

**Ms ABIGAIL BOYD:** I can tell it I not a focus.

**Mr DOMINIC PERROTTET:** It is not important.

**Ms ABIGAIL BOYD:** That is the problem, though, isn't it?

**Mr DOMINIC PERROTTET:** What is important is that we get strong, high quality women into the New South Wales Parliament and into the Cabinet—that is a focus. I do not sit up at night and go through the allocation of Acts of every one of my ministerial colleagues.

**Ms ABIGAIL BOYD:** So gender equality is not a focus for you and your Government?

**Mr DOMINIC PERROTTET:** I did not say that. I have just said, over this period of time in answer to these questions, that I believe we need to do better in getting—

**Ms ABIGAIL BOYD:** So it is just an issue outside of the Government, but you are not prepared to actually take significant steps to improve gender equality within your own Government?

**Mr DOMINIC PERROTTET:** No, I have said that we need to do better and that we will. Since becoming Premier I have appointed more women to the New South Wales Cabinet. The National Party obviously has our two senior women. In relation to the allocation of Acts, I am happy to take that on notice and go through it. I would expect—and you are quoting figures at me—that the allocation of Acts is disproportionately skewed by the fact that the Attorney General would preside over a number of them. So I would like to see if that has been taken into account and that you are using these—

**Ms ABIGAIL BOYD:** I did quote averages at you but I have done the analysis with the tops and tails taken off. That is fine, but you go ahead and do that.

**Mr DOMINIC PERROTTET:** But if you excluded the Attorney General, what would you be left with?

**Ms ABIGAIL BOYD:** You still end up with some women having absolutely nothing and having, on the whole, a much lower number. But please go and do the analysis yourself.

**Mr DOMINIC PERROTTET:** I will.

**Ms ABIGAIL BOYD:** This year in the upper House two Government members have resigned and they have both been replaced by men, one Nationals member and one Liberal. I understand that the Liberal member did not even face a preselection. Why did you make no effort to appoint a woman to that vacancy, given how few Liberal women we have in Parliament?

**Mr DOMINIC PERROTTET:** They are a matter for the New South Wales division of the Liberal Party.

**Ms ABIGAIL BOYD:** So you had no role in that?

**Mr DOMINIC PERROTTET:** No.

**Ms ABIGAIL BOYD:** You could not find a transferred woman who you wanted to parachute into that role?

**Mr DOMINIC PERROTTET:** These are matters for the New South Wales Liberal Party.

**Ms ABIGAIL BOYD:** If we could turn to the recent statements that have been made in relation to trans issues by yourself. I am looking at the text message that was sent, I understand, to Mr Morrison in relation to the Warringah candidate. Are you aware that trans people, particularly trans kids, have a far higher rate of depression and anxiety and are far more likely to self-harm than other members of the population—considerably, sometimes three times the rate? Are you aware of that?

**Mr DOMINIC PERROTTET:** I am not across that exact figure. What I will say is that I am certainly aware of the sentiment towards those statistics, and that is why I made it very clear in my statement yesterday—or the day before, whenever it was—that these matters are obviously delicate in nature and need to be dealt with sensitively. We should be able to have discussions in our country on sensitive issues, but it needs to be done in a way that brings people together.

**Ms ABIGAIL BOYD:** Are you aware that in the past few days, organisations like ACON and Twenty10 have seen a real spike in numbers of trans people who are incredibly distressed, contacting them for help?

**Mr DOMINIC PERROTTET:** I think that is exactly why, if those figures are true, any debate in areas of sensitivity—particularly, as you say, in areas where you are talking about mental health issues for young children—when there are these debates, which are important to have—

**Ms ABIGAIL BOYD:** Sorry, are we debating someone's existence? Is that what you are saying? What sensitive issue are you referring to?

**Mr DOMINIC PERROTTET:** I think when you are talking about views in relation to women and sport and those areas where people may be transitioning, particularly at a young age, they are delicate issues that need to be dealt with in a sensitive way, and that is exactly what I said.

**Ms ABIGAIL BOYD:** You said in one of the news reports that you support girls playing girls. But the Sport NSW webpage literally has a photo of girls and boys playing together, as is common in our schools, as you would expect. Are you saying that all sport needs to be segregated? Where are you going with this?

**Mr DOMINIC PERROTTET:** No, we are talking about competitive sport.

**Ms ABIGAIL BOYD:** What evidence is there that you are aware of that there is a problem with trans women in competitive sport? What evidence is there?

**Mr DOMINIC PERROTTET:** There have been a number of—there has been anecdotal evidence of this becoming—

**Ms ABIGAIL BOYD:** Anecdotal evidence, right.

**Mr DOMINIC PERROTTET:** There is a case in the United States.

**Ms ABIGAIL BOYD:** In the United States, right. Are you aware that the actual statistics that are taken from people in Australia show that this is just not an issue and that competitive women athletes do not view this as a concern? This is an absolute furphy.

**Mr DOMINIC PERROTTET:** There was a famous swimmer, Emma McKeon, who was out this morning raising her concerns in relation to this issue. What I am saying, Ms Boyd, is that—if you want an example of someone, there was a professional swimmer out today who has won medals for our country—

**Ms ABIGAIL BOYD:** I am sure we can find "a" person.

**The Hon. SCOTT FARLOW:** It is not just "a" person.

**Mr DOMINIC PERROTTET:** I was reading it in the newspaper this morning.

**Ms ABIGAIL BOYD:** That is okay, but let us look at some evidence. The Australian Human Rights Commission put out the *Guidelines for the inclusion of transgender and gender diverse people in sport (2019)*. It said:

There is no evidence of a person transitioning in order to gain a competitive advantage. For transgender athletes, as for all athletes, sport is about the physical, social and mental health benefits of participation.

This is an incredibly over-inflated issue that is damaging the mental health of young people who are doing nothing but seeking to present themselves as who they are. Why would you stand on the side of the transphobes on this issue and sell out the tens of thousands of trans people in New South Wales who are looking for support?

**Mr DOMINIC PERROTTET:** I think that is a really unfair characterisation of my statements. I was asked questions in relation to what my view was. My personal view is that when it comes to competitive sport, young girls should compete against young girls. I think we should have a commonsense approach to it and approach the issue in a sensitive way. That is exactly what I said. I believe my views are more in line with fair-minded Australians than yours.

**The Hon. SCOTT FARLOW:** Hear, hear.

**Ms ABIGAIL BOYD:** Fine, you can think that all you like. The evidence does not support it.

**The Hon. SCOTT FARLOW:** Take a poll.

**Ms ABIGAIL BOYD:** I am very happy to take a poll.

**The Hon. SCOTT FARLOW:** Go for it.

**Ms ABIGAIL BOYD:** In fact, I have evidence showing in a recent article about exactly how many women find this to be a concern. Astonishingly, you will find that hardly any women are concerned about this but men find it to be quite an issue for them. I just do not understand why, and this is the question, why—

**Mr DOMINIC PERROTTET:** The person who has raised this issue is a Liberal candidate who is a woman—

**Ms ABIGAIL BOYD:** Yes, who you preselected, who you interfered to preselect.

**Mr DOMINIC PERROTTET:** —in Warringah—

**Ms ABIGAIL BOYD:** Someone who also thinks that gay men should not have children and all sorts of horrible views.

**Mr DOMINIC PERROTTET:** —who has raised this as an issue. As Premier of this State I was asked a question; I am entitled to my opinion.

**Ms ABIGAIL BOYD:** But you also preselected this person during your paternity leave, didn't you?

**The CHAIR:** We will have to come back to this, time is up.

**Mr DOMINIC PERROTTET:** I believe that my opinion is in line with the views of fair-minded Australians. I will also make the point, as I have said through this entire debate, that it should be dealt with in a very sensitive way.



**Ms ABIGAIL BOYD:** Shame on you, Premier.

**Mr DOMINIC PERROTTET:** There are complicated issues and I am entitled, Ms Boyd, to my opinion.

**The Hon. MARK LATHAM:** Thanks, Premier, for being here. It is always good to see you in a committee of upper House.

**Mr DOMINIC PERROTTET:** It is great to see you too. I wish we were in the Jubilee room, actually. This room does not really have the gravitas.

**The Hon. SCOTT FARLOW:** It is disappointing.

**The Hon. TAYLOR MARTIN:** It doesn't have the water damage.

**The Hon. MARK LATHAM:** You need something grander after that think tank that you are setting up. I also want to thank you for the decision yesterday to try to end the public health orders for the workplace vaccination mandates. What is your expectation for when the 11,000 New South Wales teachers who have either been sacked or stood down by these mandates can actually get back into the classroom and end the critical teacher shortage problem we have in New South Wales, scheduled to start up again next week when the schools return?

**Mr DOMINIC PERROTTET:** I think the first point I would make in relation to that is we are in a very strong position here in our State in relation to the pandemic. We have made a lot of effort and sacrifices to get to this point. Our vaccination rate at 95 per cent is incredibly pleasing. There is a long way to go on getting those booster shots to where they should be, and we obviously need to sustain that effort. But the change we made yesterday was to move away from those public health orders, to some degree, and that in certain areas across the New South Wales Government, as the largest employer, a risk-based assessment be conducted. I have asked Ministers to ensure that that occurs and that work commences immediately. There will be cases, in my expectation, particularly in health, as there was pre-pandemic, that certain vaccination requirements would need to be in place. One example that would spring to mind would be midwives, for example, who would need to get a vaccination for whooping cough. There will be certain areas in health and perhaps in education as well if you are dealing with immunocompromised children. There may be a requirement there, and we will work through those issues and have a result. Obviously that would go some way to dealing with the shortages that we are seeing not just in teaching but right across the board as we move through the next phase of the pandemic.

**The Hon. MARK LATHAM:** Shouldn't these risk assessments already have been conducted? How were the mandates imposed in the first place if the Government had no awareness of whether or not these teachers and public servants posed a risk in the workplace? Shouldn't they be in the can already?

**Mr DOMINIC PERROTTET:** I think it was very clear at that point in time, Mr Latham, when those mandates and those public health orders were made—we were in a very different situation to where we are now. At that point of time we had either no vaccination rate in the State—or, if there was, a very low one—and we had a more severe variant of the disease, both under the Alpha and Delta variants.

**The Hon. MARK LATHAM:** The schools mandate was imposed on 8 November when—

**Mr DOMINIC PERROTTET:** And we extended it.

**The Hon. MARK LATHAM:** —when vaccination rates were steaming towards 90 or 95 per cent.

**Mr DOMINIC PERROTTET:** They were not where they are now.

**The Hon. MARK LATHAM:** You are really saying that there were no risk assessments undertaken before the mandates were in place?

**Mr DOMINIC PERROTTET:** I will take that on notice. If those risk assessments have been conducted, that will ensure—

**The Hon. MARK LATHAM:** That is what I am saying: Shouldn't they now happen quickly because the risk assessments would have been undertaken—

**Mr DOMINIC PERROTTET:** I will take that on notice.

**The Hon. MARK LATHAM:** —and we can get the teachers back into the classrooms next week or the week after.

**Mr DOMINIC PERROTTET:** My intention is to have the matter resolved as expeditiously as possible, and if risk assessments have been made then that will obviously speed up the process.

**The Hon. MARK LATHAM:** The education department, basically hiding behind these public health orders with a compliant trade union, has been dreadful in terms of throwing decent industrial relations standards out of the window, and the mistreatment of teachers has been appalling. It has been a reign of tyranny from that PES unit in sacking the teachers who have been on leave—

**Mr DOMINIC PERROTTET:** What is the PES unit?

**The Hon. MARK LATHAM:** It is the Professional and Ethical Standards unit that has been sacking the teachers. They have sacked teachers who are on maternity leave, on annual leave and on sick leave. Will you apologise to the teachers and encourage them to come back into the classroom, because a lot of these teachers are really browned off with the mistreatment and, at this stage, are reluctant to come back into public education, where previously they had dedicated their careers?

**Mr DOMINIC PERROTTET:** This is a situation that is not unique to New South Wales. Our success as a State in relation to this pandemic has been the high vaccination rate, and we have encouraged people right across the board to be vaccinated. As a result of those efforts that we have seen across our State, we have been able to put downward pressure on the health system, keep people safe, keep people in work and keep the economy moving. We put those mandates in place not to discriminate; those mandates were in place to keep people safe.

**The Hon. MARK LATHAM:** But will you urge those teachers to come back into the classroom? At the moment you have 11,000—it is a huge number—stood down or sacked and you have got to encourage them to come back otherwise you will continue with teacher shortages in the classroom.

**Mr DOMINIC PERROTTET:** I do want to encourage them to come back.

**The Hon. MARK LATHAM:** And you will not allow these work health and safety assessments to be used by the Department of Education as an alibi for keeping them out?

**Mr DOMINIC PERROTTET:** I do not think that would be the intention of the Department of Education.

**The Hon. MARK LATHAM:** Are you sure?

**Mr DOMINIC PERROTTET:** No, the intention of the Department of Education is to keep our kids safe and our teachers safe.

**The Hon. MARK LATHAM:** What about the provisions of the—

**Mr DOMINIC PERROTTET:** That has been our focus during the entire pandemic. I accept that people have disagreed with our decisions throughout the pandemic from time to time; that is just part of life. We were making a number of decisions, and our focus has always been keeping people safe and keeping the economy moving. In the main I think we have got it right. I know you disagree in relation to mandates, but I think where we sit today we are in a very strong position to shift to more of an occupational health and safety approach.

**The Hon. MARK LATHAM:** I thank you for your attempt to end the mandates. I am just wanting to make sure that other provisions are not used as an alibi for keeping them—the risk assessments. The Teaching Service Act, that will not be used as an alibi, will it? There is the determination that has been made by Secretary Harrison that is to be reviewed in July. Will you bring that review forward so that teachers can get back to the classroom before July?

**Mr DOMINIC PERROTTET:** I will take that on notice; I do not know about that.

**The Hon. MARK LATHAM:** What about employment contracts and policy in the public sector in general? There are reports that the new employment contracts require COVID vaccination—again, a mandate by another means. Will you ensure that, if you are trying to lift the mandates, you do not have an employment policy of that kind?

**Mr DOMINIC PERROTTET:** That will be matter in a similar vein to health and teaching, where I would expect that Mr Coutts-Trotter would take on those assessments in relation to, for example, the Department of Premier and Cabinet and look at those areas where there may be a high risk, ultimately with a view that ensures that we keep people safe in the workplace. That is our responsibility. That has to be a balanced approach, and that is my expectation.

**The Hon. MARK LATHAM:** You are not ruling that out. Why would you lift the mandates through public health orders to reimpose them through employment contracts?

**Mr DOMINIC PERROTTET:** No, that is not—

**The Hon. MARK LATHAM:** Why would you do that?

**Mr DOMINIC PERROTTET:** A mandate is a black-and-white position of "you cannot go to work or be employed in this area of government if you have not received a vaccination". Shifting it to a more risk-based assessment on an occupational health and safety basis ensures that there is greater flexibility and understanding, and ensures that the employer can make a determination in taking on those concerns about, as I said, keeping people safe, and that is incredibly important. There are also different views, Mr Latham. There will be people who would really want in certain workplaces people to be vaccinated. So you have got to get the balance. I think what we achieved yesterday was ensuring that balance occurs, and I think you will be happy with the outcome.

**The Hon. MARK LATHAM:** I am glad of that. Our education committee, which works very hard, will be keeping a close eye on it. Can I drill down on the other thing you have done with isolation rules?

**Mr DOMINIC PERROTTET:** Yes.

**The Hon. MARK LATHAM:** Wouldn't it be ridiculous to say, as you are now positioning, that a teacher who literally shares a bedroom with someone who has got COVID can go into the classroom and teach but an unvaccinated person might not be able to teach, the first person having a greater chance of carrying COVID into the classroom?

**Mr DOMINIC PERROTTET:** That is why we have relaxed the restriction.

**The Hon. MARK LATHAM:** So it would be inconsistent to lock out the unvaccinated teacher, a teacher who is sharing a bedroom with someone who has COVID.

**Mr DOMINIC PERROTTET:** Mr Latham, I have lived through COVID for two years and there is nothing consistent in relation to the approach that governments have taken from time to time.

**The Hon. MARK LATHAM:** The upper House demands rational and consistent decision-making.

**Mr DOMINIC PERROTTET:** You cannot let perfection be the enemy of the good.

**The Hon. MARK LATHAM:** That is a cop-out.

**Mr DOMINIC PERROTTET:** We have taken an approach every step of the way that we believe is balanced. People have disagreed. I am sure you will have a position that Ms Boyd would completely disagree with you on in relation to a COVID response, but ultimately I think we have found the middle road and we have done incredibly well as a State.

**The Hon. MARK LATHAM:** Standing in the middle of the road, why were these mandates ever going to be imposed, say, in the department of planning, where a worker there can go at lunchtime to a cafe and sit next to several people unvaccinated, but apparently unvaccinated people cannot sit in the workplace? Do you acknowledge that in all those departments with no customer service interface, these mandates should automatically be lifted and, in fact, should never have been considered in the first place?

**Mr DOMINIC PERROTTET:** No, I do not think so, because the health advice that we were considering back at the time was that, particularly in relation to transmission, there was a view early on when evidence was not to hand that it may be very likely that vaccination impacted transmission. In circumstances where that were to be the case, in order to keep people safe and put downward pressure on the spread of the virus, those changes were necessary. Whilst in certain segments unpopular, they were necessary in our focus as a State Government to keep people safe. Mr Latham, if you look across the board, we have one of the lowest death rates. Our unemployment rate at the moment is 3.9 per cent. There are other factors—

**The Hon. MARK LATHAM:** It is 3.7 per cent. Don't do an Albanese.

**Mr DOMINIC PERROTTET:** No, it is 3.9 per cent.

**The Hon. MARK LATHAM:** Isn't it 3.7 per cent?

**Mr DOMINIC PERROTTET:** It was 3.7 per cent and then it went up to 3.9 per cent. Do not test me on economic figures; test me on the ages of my kids. In relation to where we sit, I understand that sometimes consistency is not always there. But I believe that where we have lined up across the board, we have done a very good job in achieving the ultimate outcome: keeping people safe and keeping people in work. I think the changes we made yesterday were proportionate and measured, and will resolve a number of the issues that you have been speaking about for some time.

**The Hon. PENNY SHARPE:** Premier, I want to go back to where we were. You do accept now that there are no Liberal women who are paid as senior Ministers in your Cabinet?

**Mr DOMINIC PERROTTET:** If that is the case, yes.

**The Hon. PENNY SHARPE:** Can you tell me who the most senior Liberal woman in the Cabinet is?

**Mr DOMINIC PERROTTET:** I do not sit there and start ranking them.

**The Hon. PENNY SHARPE:** They are ranked in seniority. When you announce them, you do actually rank them in seniority. You are aware of that, aren't you?

**Mr DOMINIC PERROTTET:** You seem obsessed with this, Ms Sharpe. I do not think any Minister in my Cabinet cares one iota what their number in the batting order is. It is not a focus.

**The Hon. PENNY SHARPE:** All right, I might ask Natalie Ward whether she is happy that she is 15 out of 26 and she is the most senior woman.

**Mr DOMINIC PERROTTET:** We are focused on the people of our State.

**The Hon. SCOTT FARLOW:** There you go, you answered it yourself.

**Mr DOMINIC PERROTTET:** We have a roads Minister, a planning Minister—they are all important Ministers in the Government. I do not sit there and go, "Actually, I'll put this person here because of where they sit on a numerical listing." It is just obsessive.

**The Hon. COURTNEY HOUSSOS:** But, Premier, you accept that there are structures in the Government that differentiate between Ministers, and that in the list you released that was drafted by you, it announced the seniority of Ministers, and the top Liberal woman is at number 15. Do you accept that?

**Mr DOMINIC PERROTTET:** I do not see it that way.

**The Hon. COURTNEY HOUSSOS:** So why don't you pay Liberal women at a senior ministerial rate?

**Mr DOMINIC PERROTTET:** On the one hand you are saying, "Why are you paying women for being committee Chairs", now you are running an argument and you are saying that I should give pay rises.

**The Hon. PENNY SHARPE:** They are your decisions, Premier.

**The Hon. COURTNEY HOUSSOS:** No, Premier, let's be very clear. We are asking why you decided that every one of your team deserves an extra pay rise, except for the poor member for East Hills, but at the same time you cannot find a single female Liberal MP to be a senior Minister.

**Mr DOMINIC PERROTTET:** I very much appreciate your concern in relation to this matter. I do not believe that any Minister in my Cabinet, man or woman, is focused on those issues. They are focused on the people of our State.

**The Hon. PENNY SHARPE:** Premier, the Treasurer, Matt Kean, recently demanded that publicly listed companies should have 50 per cent of women on their boards, saying, "The time for talk is over. Women make up half our population and should make up half our boardrooms." Do you agree with your Treasurer?

**Mr DOMINIC PERROTTET:** Yes.

**The Hon. PENNY SHARPE:** He has also announced that you will be introducing formal gender diversity targets for State-owned corporations and public financial corporation boards. Do you agree with this approach?

**Mr DOMINIC PERROTTET:** What I can say is that last year I put together my own body of work in relation to board appointments. I think we should have greater diversity in respect of those board appointments. I do not think that is necessarily about just increasing women's representation on boards; I think it is much deeper than that. I think we should be—

**The Hon. PENNY SHARPE:** To be clear, the Treasurer has gone out very hard saying that 50 per cent of boards should have women on them. You have just said that you agree with that. Are you now saying that it depends?

**Mr DOMINIC PERROTTET:** What I am saying is that I think we need to look at it holistically and have an approach that increases diversity across the board. The reason I am saying that is not as an end in itself, because I think greater diversity on boards and a mix of talent, professional skills and youth is ultimately important. I think when it comes to—

**The Hon. PENNY SHARPE:** But the 50 per cent—

**Mr DOMINIC PERROTTET:** I cannot finish—Ms Sharpe, you do not let me—

**The Hon. PENNY SHARPE:** No, because it is actually important.

**Mr DOMINIC PERROTTET:** Ms Sharpe, I get about eight words out and—I am happy to just sit here and you run through all the questions so you get your headline in the newspaper or I can actually try and respond. What I am looking at in relation to overall board composition is a move away from just the same old people putting their hands up every time to be on government boards. I think we need to look at doing things in a more expansive way, and that is what I am looking at. Matt, the Treasurer, is obviously focused and he has got strong views in relation to female representation on boards. I appreciate where he is coming from.

**The Hon. PENNY SHARPE:** But you are not going to apply that across all of your government appointments?

**Mr DOMINIC PERROTTET:** No, I am working on that and I will announce, at some point in time, some work I am putting together in relation to board composition across government.

**The Hon. PENNY SHARPE:** You might have to take this on notice, but can you tell the Committee how many women chair government boards and committees?

**Mr DOMINIC PERROTTET:** I will take it on notice.

**The Hon. PENNY SHARPE:** Are you able to also tell us the percentage of board members who are women?

**MICHAEL COUTTS-TROTTER:** It is 47 per cent.

**Mr DOMINIC PERROTTET:** That is pretty good, 47 per cent. How good is that? We are already there.

**The Hon. PENNY SHARPE:** It is a start, but also—

**Mr DOMINIC PERROTTET:** We are already there.

**The Hon. PENNY SHARPE:** If you are saying that is the case, I do not think that is—

**Mr DOMINIC PERROTTET:** It is 47 per cent; that has got to be a record.

**The Hon. SCOTT FARLOW:** I would like to see it under Labor.

**The Hon. PENNY SHARPE:** I am glad that Mr Coutts-Trotter was able to provide that important thing.

**Mr DOMINIC PERROTTET:** I would like to see any Labor Government in the country that has 47 per cent—

**The Hon. PENNY SHARPE:** Can you let me finish asking the question that we asked you?

**Mr DOMINIC PERROTTET:** You just did not like the answer.

**The Hon. PENNY SHARPE:** No, I loved the answer, actually, because some of us actually think this is important and do not think it is a joke.

**Mr DOMINIC PERROTTET:** Yes. Clearly, at 47 per cent, we do too.

**The Hon. PENNY SHARPE:** That is right. Can we get that provided by a breakdown of the names of the boards and committee?

**MICHAEL COUTTS-TROTTER:** Yes, of course.

**The Hon. PENNY SHARPE:** Because, as you would also appreciate, Mr Coutts-Trotter, there is a lot of variance. There are some committees where there are no women.

**MICHAEL COUTTS-TROTTER:** I am happy to take that on notice, Ms Sharpe.

**The Hon. COURTNEY HOUSSOS:** Premier, are there any government boards where there are no women on them? Perhaps Mr Coutts-Trotter might answer that.

**Mr DOMINIC PERROTTET:** We will take that on notice. But 47 per cent, as an overarching figure, is very positive.

**The Hon. COURTNEY HOUSSOS:** I accept that it is a positive. But I am wondering, Mr Coutts-Trotter, are you aware of any government boards that do not have women on them?

**MICHAEL COUTTS-TROTTER:** I will take that on notice so I can make sure I am accurate. I think the answer to that is no, but I will take it on notice.

**The Hon. PENNY SHARPE:** And you will be able to provide a breakdown of the number and the number of women?

**MICHAEL COUTTS-TROTTER:** Yes.

**Mr DOMINIC PERROTTET:** By what? By every board?

**The Hon. PENNY SHARPE:** Yes.

**Mr DOMINIC PERROTTET:** Okay.

**The Hon. PENNY SHARPE:** You seem to think that it is important, Premier.

**Mr DOMINIC PERROTTET:** I do.

**The Hon. PENNY SHARPE:** That is good.

**The Hon. COURTNEY HOUSSOS:** Premier, do you think it reasonable that every government board should have at least one woman on there?

**Mr DOMINIC PERROTTET:** That sounds reasonable.

**The Hon. COURTNEY HOUSSOS:** So that would be a target, you would say, that having one woman on each government board would be a target? That is a target that you would accept?

**Mr DOMINIC PERROTTET:** That is your definition.

**The Hon. COURTNEY HOUSSOS:** I am asking you. Do you consider that saying there should be one woman—

**Mr DOMINIC PERROTTET:** I think that we should have greater diversity on boards as much as possible, because that brings a level of experience from people from different backgrounds that will ensure that we get the best outcomes, particularly with our State-owned corporations. So that is something that I am focused on.

**The Hon. COURTNEY HOUSSOS:** Excellent.

**Mr DOMINIC PERROTTET:** And that is why I launched that work last year, and I will be announcing something shortly.

**The Hon. COURTNEY HOUSSOS:** It is great that after a decade in government you are finally doing something about this, Premier.

**Mr DOMINIC PERROTTET:** Thank you.

**The Hon. COURTNEY HOUSSOS:** I am interested to know, if there is a target of one woman on each board then why shouldn't 50 per cent of boards be women?

**Mr DOMINIC PERROTTET:** No, you just said that.

**The Hon. COURTNEY HOUSSOS:** I said is it reasonable for there to be one woman on every government board.

**Mr DOMINIC PERROTTET:** And I said that is reasonable.

**The Hon. COURTNEY HOUSSOS:** Okay, so why isn't it reasonable that 50 per cent of them should be?

**The Hon. SCOTT FARLOW:** It is 47 per cent at the moment.

**Mr DOMINIC PERROTTET:** We are at 47 per cent.

**The Hon. COURTNEY HOUSSOS:** Okay, great. So why not 50 per cent?

**The Hon. PENNY SHARPE:** You keep using that life raft.

**Mr DOMINIC PERROTTET:** It is a pretty good answer.

**The Hon. SCOTT FARLOW:** It is not a life raft; it is a fact.

**The Hon. PENNY SHARPE:** It has been a surprise to all of you; you have obviously been paying attention.

**Mr DOMINIC PERROTTET:** No, because we take it seriously, Ms Sharpe. As I said to you at the outset of the question—

**The Hon. COURTNEY HOUSSOS:** Premier, I asked you a question. Do you think it is reasonable for government boards to have 50 per cent women?

**Mr DOMINIC PERROTTET:** I do not think you should focus on that being the level of success in and of itself. It may be the case that you could have a board with 100 per cent of women on the board, and that could be a very good thing as well. The fact that we are sitting on 47 per cent across the board is a positive thing. As I have said from the start, can we look at things in a way that brings greater diversity? That is exactly what we are doing. I look forward to reporting on it and I think, based on your interest today, you will as well.

**The Hon. COURTNEY HOUSSOS:** But there is plenty of global research that shows that a minimum of 30 per cent women on a board makes a difference. Will you commit to 30 per cent?

**Mr DOMINIC PERROTTET:** We have got 47 per cent.

**The Hon. COURTNEY HOUSSOS:** Excellent.

**Mr DOMINIC PERROTTET:** I do not want to go backwards.

**The Hon. COURTNEY HOUSSOS:** But why won't you commit to a figure, Premier? You said one, but you will not commit to 50 per cent.

**Mr DOMINIC PERROTTET:** I think you will see, when we release the work that we are doing shortly, that you will be impressed with it, based on your line of questioning. But it will not just be focused on women representation on boards; it will be focused on greater diversity across the board.

**The Hon. COURTNEY HOUSSOS:** Excellent. Premier, does that mean you will extend those targets to your own parliamentary party?

**Mr DOMINIC PERROTTET:** It is not a target; it is a focus.

**The Hon. COURTNEY HOUSSOS:** Okay. But, Premier, you are saying that your Treasurer is happy to lecture the business community. You are saying that on government boards you are looking at a different way of appointing women. Why won't you do that for the representatives of the community in this Parliament, in this place, who are making laws?

**Mr DOMINIC PERROTTET:** The Treasurer—

**The Hon. COURTNEY HOUSSOS:** You just said that greater diversity brings better decision-making.

**Mr DOMINIC PERROTTET:** That is what I am working on.

**The Hon. COURTNEY HOUSSOS:** Why won't you bring targets for the Liberal Party to bring more women into the Parliament?

**Mr DOMINIC PERROTTET:** That is a matter for the Liberal Party.

**The Hon. COURTNEY HOUSSOS:** You are the Premier. You are the one who just wanted to say that you had female candidates in three seats in by-elections.

**Mr DOMINIC PERROTTET:** They are doing better.

**The Hon. SCOTT FARLOW:** And you had two blokes.

**The Hon. COURTNEY HOUSSOS:** So why won't you commit at the next election, when you are Premier, to having targets for female—

**Mr DOMINIC PERROTTET:** Why not focus on the Labor Party?

**The Hon. PENNY SHARPE:** We do not need to.

**The Hon. COURTNEY HOUSSOS:** We do not need any focus, Premier.

**The Hon. PENNY SHARPE:** We have got 50 per cent, thanks. We actually do not need to; we have done that work.

**Mr DOMINIC PERROTTET:** Congratulations.

**The Hon. MARK LATHAM:** You have not got many women in the upper House.

**The Hon. COURTNEY HOUSSOS:** And we did it 20 years ago. Premier, I would like to know whether you are going to do it now, at the next election, for your candidates?

**Mr DOMINIC PERROTTET:** My focus for the next election is on the people of our State and making sure that we have as much diversity as possible within our Parliament. I think that makes for a better Parliament. I have said that is a focus for us. I think the party has demonstrated, particularly at the last round of by-elections, that they are taking that seriously. I think that is positive. What I will say in relation to representation on boards is that you will see greater diversity. I think if you look at that 47 per cent, we should also, Mr Coutts-Trotter, get some information in relation to how that has increased over time. You will be very interested to see what the percentage was back in 2010.

**The Hon. PENNY SHARPE:** We would also like the breakdown of those who are paid and those who are not.

**Mr DOMINIC PERROTTET:** Fair enough.

**MICHAEL COUTTS-TROTTER:** I will take that on notice, Premier.

**Mr DOMINIC PERROTTET:** Thank you. We will get you both.

**The Hon. PENNY SHARPE:** Terrific.

**Mr DOMINIC PERROTTET:** We will get you 2010 and we will get you 2022.

**The Hon. COURTNEY HOUSSOS:** Premier, perhaps you can provide us the proportion on Treasury boards.

**Mr DOMINIC PERROTTET:** That is part of it.

**The Hon. COURTNEY HOUSSOS:** Excellent, because you were the most recent Treasurer who was appointing them to government boards. Is that correct?

**Mr DOMINIC PERROTTET:** Yes.

**The Hon. COURTNEY HOUSSOS:** So while you were Treasurer, what was the breakdown of numbers?

**Mr DOMINIC PERROTTET:** I will take that on notice. By the way, in terms of what you said about the Treasurer, yes, he gave a speech in relation to his comments in relation to the private sector, but he has also taken a strong approach in relation to the public sector too, and I welcome that.

**The Hon. PENNY SHARPE:** He did take the female board chair of Sydney Water and replaced her with a man, just to be clear.

**Mr DOMINIC PERROTTET:** Yes, but that is just one example.

**The Hon. PENNY SHARPE:** That is okay, Premier. We would like to move on. Have you spoken to the member for Kiama since the criminal charges were made public?

**Mr DOMINIC PERROTTET:** No.

**The Hon. PENNY SHARPE:** You have not spoken to him at all?

**Mr DOMINIC PERROTTET:** No, I texted him. I tried to contact him.

**The Hon. PENNY SHARPE:** You did not actually speak to him but you texted him. Did you text him to express the view that he should not be in Parliament?

**Mr DOMINIC PERROTTET:** Yes.

**The Hon. PENNY SHARPE:** You have obviously made it clear that that was the case and you were seeking to expel him. He has been suspended.

**Mr DOMINIC PERROTTET:** No, I did not say "expel". I said "removed".

**The Hon. PENNY SHARPE:** We can that have argument.

**Mr DOMINIC PERROTTET:** It is important.

**The Hon. PENNY SHARPE:** It is important because you did not get legal advice beforehand, let's remember.

**Mr DOMINIC PERROTTET:** Yes, we did.



**The Hon. PENNY SHARPE:** No, not before you made that announcement you didn't.

**Mr DOMINIC PERROTTET:** Yes, we did.

**The Hon. PENNY SHARPE:** The time line shows differently, Premier. My real question is that then Acting Premier Toole indicated that the Government is looking at every other action to suspend salary and other entitlements. What is happening with that?

**Mr DOMINIC PERROTTET:** I understand that is going to a committee, isn't it?

**MICHAEL COUTTS-TROTTER:** Yes, the Privileges Committee.

**The Hon. PENNY SHARPE:** So that is going to be the place in which this is dealt with?

**MICHAEL COUTTS-TROTTER:** And it will be furnished with legal advice on the issue as well.

**The Hon. PENNY SHARPE:** In relation to that?

**MICHAEL COUTTS-TROTTER:** Yes.

**The Hon. PENNY SHARPE:** There had been some public statements that suggested that the Government is going to bring forward legislation in relation to this matter. That is not happening, is that right?

**Mr DOMINIC PERROTTET:** Not that I am aware of.

**The Hon. PENNY SHARPE:** Do you know when the Privileges Committee is due to report?

**MICHAEL COUTTS-TROTTER:** No. I will take that on notice.

**Mr DOMINIC PERROTTET:** We will take it on notice.

**The Hon. PENNY SHARPE:** In the meantime, just to be clear, the member for Kiama is being paid, and he has access to his electorate office and, I assume, all of his electorate staff?

**Mr DOMINIC PERROTTET:** I will take that on notice, but I think so.

**MICHAEL COUTTS-TROTTER:** Yes.

**Mr DOMINIC PERROTTET:** He is an elected member of Parliament.

**The Hon. PENNY SHARPE:** Do we know how much money he has spent communicating with voters about his current situation?

**Mr DOMINIC PERROTTET:** No.

**The Hon. COURTNEY HOUSSOS:** Have you made any inquiries?

**Mr DOMINIC PERROTTET:** No.

**The Hon. PENNY SHARPE:** Okay. The Minister for Education and Early Learning, after we were asked questions in relation to this, basically said he has been banned from attending local schools. What other actions have been taken to limit the access of the member for Kiama to public facilities?

**Mr DOMINIC PERROTTET:** I will take that on notice.

**The Hon. PENNY SHARPE:** You do not know?

**Mr DOMINIC PERROTTET:** No.

**The Hon. COURTNEY HOUSSOS:** Have you taken any steps?

**Mr DOMINIC PERROTTET:** I think schools are important in light of the circumstances. My view in relation to—obviously the member for Kiama should be afforded the presumption of innocence. But in respect of being in public office, I think there are certain duties that we have to entail in our roles that I think need to be looked at. I know the Department of Education and the Minister for Education and Early Learning acted in relation to attendance at schools, and I think that is certainly appropriate in the circumstances.

**The Hon. PENNY SHARPE:** Are you aware of any other action that has been undertaken?

**Mr DOMINIC PERROTTET:** No, but I will look into that for you.

**The Hon. PENNY SHARPE:** Do you know whether, for example, his conduct has been reported to the Children's Guardian and whether there are any moves to put an interim bar on his Working With Children Check?

**Mr DOMINIC PERROTTET:** I will take that on notice.

**The Hon. PENNY SHARPE:** Do you think that this is something that should be looked at?

**Mr DOMINIC PERROTTET:** Yes.

**The Hon. PENNY SHARPE:** Given that you wanted him removed from Parliament, we now know that we have got a committee that is looking into this but he is pretty much free to continue on as normal. Is that correct?

**Mr DOMINIC PERROTTET:** There are obviously conditions in relation to the courts and bail in relation to his situation, like any other citizen.

**The Hon. PENNY SHARPE:** Sure, but as a member of Parliament he is basically able to operate within his electorate pretty much with no—there are no restraints other than the one imposition that the Minister for Education and Early Learning has done in terms of banning him from schools.

**Mr DOMINIC PERROTTET:** I will take on notice your views on those points and I will come back to you.

**The Hon. PENNY SHARPE:** He is out on social media, he has been doing street stalls and he has been giving out awards. Do you believe this is appropriate?

**Mr DOMINIC PERROTTET:** I think he is entitled to do that as a member of Parliament.

**The Hon. PENNY SHARPE:** And you are going to wait for this committee to see what else can occur?

**Mr DOMINIC PERROTTET:** He is a democratically elected member of Parliament, and he is entitled to the presumption of innocence. But having said that—

**The Hon. PENNY SHARPE:** Sure, but you are not frustrated that after all of this he is still in the Parliament able to continue on pretty much unaffected? The only difference is that he cannot come in this building. Is that the only difference?

**Mr DOMINIC PERROTTET:** I thought it would be better in the circumstances for both Mr Ward personally in relation to the Parliament, facing such serious charges, that he should consider his position. But, ultimately, we are in a democratically elected place and he is entitled to the presumption of innocence. I take your points in relation to—and that is why I took the view that I did, that ultimately that is not a matter within clearly my powers; it is a matter for him. In relation to the areas where he should be entitled to attend events and certain locations, we have obviously made a point in relation to education and schools because that is within our ambit with the Department of Education. But I will look into those other matters.

**The Hon. PENNY SHARPE:** But other than referring it to the committee, you have not done anything else before today?

**Mr DOMINIC PERROTTET:** What would you propose I do?

**The Hon. PENNY SHARPE:** I am asking you about whether you have taken any further action to limit the activities that he is able to undertake, but you are saying no. And until we asked you today, you were not planning on doing that either. Is that right?

**Mr DOMINIC PERROTTET:** No, I said I will take it on notice in relation to what action has been taken for those areas from the Children's Guardian and the like. But ultimately as well there are conditions in relation to his bail, and they are a matter for the courts.

**The Hon. PENNY SHARPE:** No-one is quibbling with those, Premier. Were you aware of any complaints made against Mr Ward prior to becoming Premier?

**Mr DOMINIC PERROTTET:** No. Complaints about what?

**The Hon. PENNY SHARPE:** His behaviour.

**Mr DOMINIC PERROTTET:** Like what?

**The Hon. PENNY SHARPE:** I am just asking you whether you were aware of any.

**The Hon. SCOTT FARLOW:** He was already stood down as a Minister.

**Mr DOMINIC PERROTTET:** I am aware of complaints of members of Parliament's behaviour for probably every single person in this place. What are you referring to?

**The Hon. PENNY SHARPE:** I am referring to the specific complaints that were made to your predecessor in relation to his behaviour. I am just wondering whether you were aware of those.

**Mr DOMINIC PERROTTET:** I am not aware of what you are referring to.

**The Hon. PENNY SHARPE:** It has been publicly reported.

**The Hon. MARK LATHAM:** He was wandering around Kings Cross in the nicky noo na, knocking on family doors.

**The Hon. PENNY SHARPE:** If you are not aware of them, you are not aware of them, that is fine.

**Mr DOMINIC PERROTTET:** I am aware of what I may have read in the media, but that is it.

**The Hon. COURTNEY HOUSSOS:** It has been publicly reported that there was a formal complaint made to Premier Berejiklian about Minister Ward prior to these latest allegations. Were you aware of that complaint that was made to Premier Berejiklian?

**Mr DOMINIC PERROTTET:** No.

**The Hon. PENNY SHARPE:** You and your office have never received inquiries in relation to concerns being expressed by Ministers about the member for Kiama?

**Mr DOMINIC PERROTTET:** Not that I am aware of.

**The Hon. PENNY SHARPE:** Okay.

**The Hon. COURTNEY HOUSSOS:** Premier, are you aware of any complaints that have been made to DPC about any of your current Ministers?

**Mr DOMINIC PERROTTET:** In relation to what?

**The Hon. COURTNEY HOUSSOS:** I am asking if there have been any formal complaint made to DPC about any of your current Ministers.

**Mr DOMINIC PERROTTET:** Not that I am aware of.

**The Hon. COURTNEY HOUSSOS:** Mr Coutts-Trotter, have you received any complaints?

**MICHAEL COUTTS-TROTTER:** Not that I am aware of, but I am happy to take that on notice.

**The Hon. COURTNEY HOUSSOS:** Thank you very much. I think our time is about to expire.

**The CHAIR:** Yes, there are seconds left. We will go to the crossbench. Ms Faehrmann?

**Ms CATE FAEHRMANN:** I want to turn to the lifting of close contact rules. My first question is in relation to Dr Kerry Chant's advice in relation to the lifting of those close contact rules. She supported the lifting of those, did she?

**Mr DOMINIC PERROTTET:** She was at the press conference yesterday.

**Ms CATE FAEHRMANN:** So the advice that NSW Health provided your Government and the advice that she provided your Government—she recommended lifting close contact rules at this point in time?

**Mr DOMINIC PERROTTET:** In relation to the close contacts?

**Ms CATE FAEHRMANN:** Yes.

**Mr DOMINIC PERROTTET:** I think she made that very clear at the press conference yesterday in relation to the work that the AHPPC had done. She worked with the Victorian Chief Health Officer in relation to providing advice, and we worked through that with her.

**Ms CATE FAEHRMANN:** What concerns did she raise at the time about the scrapping of close contact rules?

**Mr DOMINIC PERROTTET:** That is Cabinet-in-confidence.

**Ms CATE FAEHRMANN:** So she raised concerns?

**Mr DOMINIC PERROTTET:** Any discussions in relation to the position that we reach is a matter for Cabinet.

**Ms CATE FAEHRMANN:** I am asking you about concerns that the Chief Health Officer has raised with your government during a pandemic about the scrapping of close contact rules and you are saying that it is Cabinet-in-confidence?

**Mr DOMINIC PERROTTET:** Yes.

**Ms CATE FAEHRMANN:** So she is coming out and standing with you at a press conference. Did she say, for example, that masks should continue to be worn? Was there anything that you would care to tell the public that she did advise you during that discussion other than the sanitised version that was agreed that she could come out and talk to the cameras about?

**Mr DOMINIC PERROTTET:** Through the entire pandemic, over two years, the COVID and Economic Recovery Committee and previously the crisis cabinet would receive health advice in relation to the decision-making that we made, and we would balance that health advice with other concerns and other issues facing the State. Whether that was the economic advice, which I used to provide as Treasurer; the health advice; broader concerns in relation to mental health—there is a whole array of perspectives that come into the decision-making process. The health advice and Dr Chant's advice from a public health perspective is obviously an incredibly important part of that, but that does not mean necessarily, clearly, that that is the only thing that we factor in in making our decisions. But obviously, as the leading health officer in the State—the public health officer in the State—her advice is very much valued.

**Ms CATE FAEHRMANN:** It is valued, Premier, but what is the reason to keep it from the public during a pandemic?

**Mr DOMINIC PERROTTET:** It will probably end up in an SO52 at some stage, won't it?

**Ms CATE FAEHRMANN:** Why wait for an SO52?

**Mr DOMINIC PERROTTET:** Because Cabinet needs to make decisions. The whole purpose of Cabinet is that we receive frank and fearless advice from our public servants in relation to reaching a decision. That system is undermined if Cabinet cannot be in confidence. So it is incredibly important to instil public confidence that those matters remain in confidence. But what you did see yesterday was a press conference in relation to the easing of restrictions in this State, and Dr Chant was present at that press conference. Not only did she speak to the easing of the restrictions in relation to close contacts, but she took questions. The position that we took is consistent with the advice from the AHPPC.

**Ms CATE FAEHRMANN:** The AHPPC, as I understand, also suggested potentially to continue encouraging people to wear masks; is that correct?

**Mr DOMINIC PERROTTET:** That advice would be Cabinet-in-confidence.

**Ms CATE FAEHRMANN:** Premier, you are suggesting seriously that—I am asking you whether the AHPPC has recommended wearing masks or whether Dr Kerry Chant has suggested recommending wearing masks. You are telling this estimates inquiry hearing that it is Cabinet-in-confidence?

**Mr DOMINIC PERROTTET:** Yes.

**Ms CATE FAEHRMANN:** During a pandemic you are not going to say whether the two bodies that are advising you in terms of public health orders and whether masks should be worn to contain the spread of COVID at this point in time, you are not prepared to release that advice?

**Mr DOMINIC PERROTTET:** No. The policy position that we came out with yesterday, Ms Faehrmann, in relation to close contacts was that the guidelines that are subject to the public health order—

**Ms CATE FAEHRMANN:** Which is largely based on an economic imperative.

**Mr DOMINIC PERROTTET:** But face masks are required, in certain settings, to be excluded. So in aged care, disability care and correction facilities, you are unable to attend if you are a close contact.

**Ms CATE FAEHRMANN:** So that the public is able to be satisfied that this is based on public health advice as well, is that what the advice you have received says? Does it stop at aged-care facilities? Does it stop where you have just suggested or would the public health advice suggest that it goes a bit further?

**Mr DOMINIC PERROTTET:** The position in relation to face masks that came out of yesterday's decision was that face masks, as part of the guidelines in the public health order, are required in indoor settings for close contacts. So I do not see how further she could—

**Ms CATE FAEHRMANN:** But that is the compromised position, isn't it?

**Mr DOMINIC PERROTTET:** From what?

**Ms CATE FAEHRMANN:** From the advice that was given to you by NSW Health and Dr Kerry Chant in relation to masks. The question is: Was it a compromised position? Have they suggested, recommended or advised that mask wearing should be more comprehensive than what you announced yesterday?

**Mr DOMINIC PERROTTET:** But how could it be more comprehensive? Because face masks—

**Ms CATE FAEHRMANN:** That is the question I am asking you. You can clarify if you wish, Premier, the advice that you received. Have Dr Kerry Chant and her public health officials suggested to you that mask wearing should perhaps be widened beyond what was announced yesterday? It is a simple yes or no. If it is no, fine. I am seeking information for the public.

**Mr DOMINIC PERROTTET:** No.

**Ms CATE FAEHRMANN:** So she has not recommended anything further?

**Mr DOMINIC PERROTTET:** In relation to face masks? No.

**Ms CATE FAEHRMANN:** Okay, thank you for clarifying that. We could have been done with that minutes and minutes earlier.

**The Hon. SCOTT FARLOW:** It was more fun this way.

**Mr DOMINIC PERROTTET:** It was a good beat-up.

**Ms CATE FAEHRMANN:** Premier, I want to turn to the issue of nurses' pay, conditions and pandemic bonuses. It has been nearly two months since you promised a pandemic bonus for nurses. You stated at the time—at a press conference you were asked this question—that the New South Wales Treasurer is working on something. When is that something going to be produced?

**Mr DOMINIC PERROTTET:** My expectation would be prior to the budget, part of the budget.

**Ms CATE FAEHRMANN:** Wonderful. So nurses and midwives who are currently struggling through—continuing, as you are well aware—this pandemic, the budget is in?

**Mr DOMINIC PERROTTET:** Two months.

**Ms CATE FAEHRMANN:** Two months' time, and they may get something then in the financial year beginning 1 July.

**Mr DOMINIC PERROTTET:** I have made it clear that they will.

**Ms CATE FAEHRMANN:** So that is a pandemic bonus or just their CPI pay rise?

**Mr DOMINIC PERROTTET:** I have met with—

**Ms CATE FAEHRMANN:** Or below CPI, I think it is.

**Mr DOMINIC PERROTTET:** Yes, true. Once again, I go back to the previous Labor questions in relation to this. The Federal budget and the updated economic forecast in relation to inflation and wage price increases across the State and the country, particularly over the next two years, is a challenge facing cost-of-living pressures right across the board. Over the past 10 years, or at least since 2013-14, public sector wages have increased at a greater rate than CPI and the Wage Price Index across the board, and have outstripped private sector wages. Since 2011 to today, real wage increases in the public sector have been around 5.4 per cent and at 4 per cent in the private sector. In relation to the negotiations on those sectors, I do want our nurses to be well paid, just like I want all of our public servants to be well paid in this State, and I will work through those issues right across the board.

Ms Sharpe asked questions earlier on about teachers' pay and about transport workers' pay, and I accept the sentiment and the proposition in the question that we need to do what we can to ensure that we have the highest paid public servants and ensure that we have a fair system in place. Obviously that has to be balanced against the challenges from the budget position. As you would be aware, since the pandemic we have invested \$46 billion in our pandemic response in order to keep people safe, in order to keep people in work and in order to keep businesses open. In context, if you go back a couple of years, that is half the size of the often annual expenditure in a budget alone just on COVID expenses. I made the decision when I was the former Treasurer to put a pause on public sector pay at a time when 270,000 people lost their jobs. It was an unpopular decision. I did say at the time that as soon as we could get back to 2.5 per cent we would. We brought that forward ahead of expectations, based on where we sat economically.

Once again now I have said that I will do whatever we can to provide that extra support. I am working with the unions on it. I have met Brett Holmes; I understand his concerns. I know that we are working with other unions well to ensure that right across the board that support is there. I also make this point, that at 2.5 per cent there is no other jurisdiction outside Queensland that has pay increases for public servants at 2.5 per cent—no

other jurisdiction. So we are at the highest point now compared to every other State. That is for comparison, but where we can do more we will. I am working through it, and as soon as we get to a landing we will announce it.

**The Hon. MARK LATHAM:** Premier, here this morning and elsewhere over the past couple of days you have repeatedly said that in competitive sport biological girls should compete against biological girls. Can I draw your attention to the recommendations of the upper House education committee, a recommendation supported by Mr Farlow—

**The Hon. SCOTT FARLOW:** I knew you were going to do that.

**The Hon. MARK LATHAM:** —Wes Fang and Catherine Cusack from your Government.

**Mr DOMINIC PERROTTET:** Is this a committee?

**The Hon. MARK LATHAM:** It is a committee, yes.

**Mr DOMINIC PERROTTET:** A committee that is doing good work with a Chair?

**The Hon. MARK LATHAM:** You have got to support more of them.

**The Hon. SCOTT FARLOW:** A committee chaired by Mr Latham.

**Ms CATE FAEHRMANN:** Incredible work.

**The Hon. MARK LATHAM:** And also Ms Houssos from the Labor Party.

**Mr DOMINIC PERROTTET:** Do you believe that Chairs should be paid for the extra work that they do?

**The Hon. MARK LATHAM:** I work very hard, harder than any other Chair. So I am happy—

**Mr DOMINIC PERROTTET:** Ms Moriarty, do you believe in the proposition that Chairs—

**The CHAIR:** Let's let Mr Latham continue with his question, Premier. Mr Latham has the call.

**Mr DOMINIC PERROTTET:** Do you believe in the proposition, because Ms Sharpe is arguing against your financial support?

**The Hon. PENNY SHARPE:** No, I am arguing [disorder].

**The CHAIR:** Mr Latham has the call.

**The Hon. PENNY SHARPE:** The biggest Ministers and most Parliamentary Secretaries; it is all on you, Premier.

**The Hon. MARK LATHAM:** Premier, you are not back in 2011, when you are asking the questions on the committee; you are supposed to answer the questions. If you are so supportive of our committee and the good work that we are doing, why is it that, with the support of three members of your own Government—we made a recommendation:

In school sport, once students reach high school (Year 7) they should not compete outside of their biological gender. This policy recognises the strength advantages teenage boys develop over girls.

And the Government response is "not supported". So why aren't you supporting something that publicly you say you do support? Ben Fordham quoted it to you this morning as well, so it should be top of mind.

**Mr DOMINIC PERROTTET:** Where did he get that from?

**The Hon. MARK LATHAM:** He got that from going to the website, undoubtedly.

**The Hon. SCOTT FARLOW:** He is known for his research.

**The Hon. MARK LATHAM:** They get well paid for research too.

**Mr DOMINIC PERROTTET:** I would say on that—and this goes to Ms Boyd's point—that it is very black and white. So you are saying that in school sport, once students reach high school they should not compete outside of their biological gender?

**The Hon. MARK LATHAM:** Isn't that what you are saying?

**Mr DOMINIC PERROTTET:** No, but this is black and white. To Ms Boyd's point, this could cover things like playing on a soccer field at recess.

**The Hon. MARK LATHAM:** No, it says competitive—"compete".

**Mr DOMINIC PERROTTET:** As we have said in our response, we would look through this on a case-by-case basis.

**The Hon. MARK LATHAM:** No, you said "not supported".

**Mr DOMINIC PERROTTET:** But that is a black-and-white response to a black-and-white recommendation. There is merit in the view. I have made my position very clear, from a baseline perspective you should have a situation where, when it comes to competitive sport, girls should be competing against girls. I have said that; that is my view.

**The Hon. MARK LATHAM:** Why don't you do that in our schools?

**Ms ABIGAIL BOYD:** What about the 1.7 per cent of intersex children?

**Mr DOMINIC PERROTTET:** But, to that point, there are sensitive issues here that need to be worked through, and that is what we will do. Our response, I think, is pretty reasonable:

Existing Sport and Physical Activity policies and associated sport safety guidelines give effect to the Government's commitment to the right of all students to safely participate in school sports. Schools manage these issues on a case by case basis in line with the policies.

I will look at it, but I think that is a pretty reasonable response. And, in addition to that, we did agree with a number of your recommendations as well.

**The Hon. MARK LATHAM:** You agreed with three out of 22—

**Mr DOMINIC PERROTTET:** That is a number.

**The Hon. MARK LATHAM:** —that were essentially the woke ones. Anything else that was commonsense, you opposed. Can I bring you to this point about sensitivity? Is it not the biggest sensitivity that 50 per cent of the school population is female? How do you handle the sensitivity of a 16-year-old Mitchell Johnson bowling thunderbolts at girls' cricket, knocking them out, literally, and driving them out of the sport? How do you handle the sensitivity of a 16-year-old Jared Waerea-Hargreaves running at girls in a competitive footy match? Why don't you do something about it and back up your rhetoric?

**Mr DOMINIC PERROTTET:** When I say sensitivity, you are taking it only on one side of things.

**The Hon. MARK LATHAM:** I am talking about the big sensitivity.

**Mr DOMINIC PERROTTET:** I am saying to you that it is not just sensitive in relation to transgender issues; it is sensitive in relation to women's issues too.

**The Hon. MARK LATHAM:** What are you doing about it to protect these girls?

**Mr DOMINIC PERROTTET:** I have made my position clear.

**The Hon. MARK LATHAM:** You are doing nothing.

**Mr DOMINIC PERROTTET:** That is not true. We will work through these issues in a methodical way. These issues are new issues. They have not been around since the history of time. They certainly were not relevant when I was at school. They have been raised now. As Premier, I have said that I will work through them. You say that we are not doing anything, but we did accept a number of recommendations. You would have enough committee experience in your time in Parliament, Mr Latham, to know that simply because we do not support something does not mean we are not open to the idea of doing work in relation to that space.

**The Hon. MARK LATHAM:** What is this? The Mad Hatter's tea party?

**Mr DOMINIC PERROTTET:** No, it is not.

**The Hon. MARK LATHAM:** You say you do not support something, so you are not open to it. You said you are not supporting it.

**Mr DOMINIC PERROTTET:** You have got black-and-white recommendations here. What we are saying is that we supported some of those recommendations and we noted others. In those areas that we do not support, I have made my comments very clear on what my personal view is. I will work through those issues with the relevant Ministers and the Cabinet.

**The Hon. MARK LATHAM:** Is this going back to Cabinet, then? Will you take it back to Cabinet?

**Mr DOMINIC PERROTTET:** I have said that I have made a commitment that I will look at those issues. My position on that was made very clear yesterday. In relation to sensitivity, as you say, I agree with you. Sensitivity goes—

**The Hon. MARK LATHAM:** You keep that.

**Mr DOMINIC PERROTTET:** I will keep it.

**The Hon. MARK LATHAM:** You keep it because I am going to come to another recommendation you have not supported. This morning and elsewhere you said that parents are the primary educator.

**Mr DOMINIC PERROTTET:** I agree.

**The Hon. MARK LATHAM:** How can you possibly not support a recommendation—

**Mr DOMINIC PERROTTET:** Which recommendation are we going to now?

**The Hon. MARK LATHAM:** It is a couple above number eight, so maybe six. You have the sheet. How can you possibly not support a recommendation that a child should not be able to say to the school, "Don't tell my parents about a gender transition"? How can you possibly keep parents in the dark?

**Mr DOMINIC PERROTTET:** As I said very clearly, my position is that parents are the primary educators of their children. Your recommendation, once again, is very black and white. There would be, I would think, circumstances in relation to counselling and other matters that would need to be examined in relation to that. I have said that we will look at that matter. Whilst we have not supported directly your recommendation, from a sentiment perspective, I agree that parents should be informed and provided advice in relation to their children at all times.

**The Hon. MARK LATHAM:** Why didn't you say that in the response?

**Mr DOMINIC PERROTTET:** I have said to you—this is the Government response.

**The Hon. MARK LATHAM:** Isn't it the truth that your woke Cabinet—The Nationals and the Liberal Party—will not support the things that you talk about? You are captive to these people.

**Mr DOMINIC PERROTTET:** No, I am not. No-one has ever called me woke in my life.

**The Hon. MARK LATHAM:** Why don't you back up what you are saying?

**Mr DOMINIC PERROTTET:** You are more woke than me.

**The Hon. MARK LATHAM:** Why don't you support my recommendations, then?

**Mr DOMINIC PERROTTET:** Because your recommendations might not be the right ones.

**The Hon. MARK LATHAM:** You mentioned your own children earlier on. As a parent, would you seriously contemplate a situation where your children, if they undertook these issues at school, have the right to tell the school not to tell you?

**Mr DOMINIC PERROTTET:** I am agreeing with you. I am saying that I would want to have the information. I do not just necessarily believe your black-and-white recommendation is the right one. We will come out with a better one.

**The Hon. MARK LATHAM:** When will you do that? Can you put a time frame on it? These are urgent issues. Do you acknowledge that keeping parents—

**Mr DOMINIC PERROTTET:** Every issue is urgent in a way. I am sure Ms Faehrmann would have issues that she believes are urgent that are different to yours.

**Ms CATE FAEHRMANN:** I am sure that is true.

**Mr DOMINIC PERROTTET:** I will look at them.

**The Hon. SCOTT FARLOW:** I would be surprised if they were the same.

**The Hon. MARK LATHAM:** I am saying that it is urgent for this reason. I have received several representations from parents kept in the dark. This is a family destroyer. This is one of the worst things that I have ever seen in public life. I will tell you in private the accounts that I have had—

**Mr DOMINIC PERROTTET:** This is the difference: You are focused on getting a headline.

**The Hon. MARK LATHAM:** No, I am not.

**The Hon. SCOTT FARLOW:** Point of order—

**The CHAIR:** Order! Mr Latham, Premier, please come to order.



**The Hon. MARK LATHAM:** You withdraw that. I have sat on the phone with parents crying in despair about these issues, kept in the dark. How dare you say that.

**The CHAIR:** Mr Latham—

**The Hon. MARK LATHAM:** You talk to these mothers.

**Mr DOMINIC PERROTTET:** I am saying to you that I have taken these matters seriously. I have made my position very clear. I have said that I will look at it and go through it. I am focused on getting an outcome and doing things in a way that I believe is measured and ensures that the sensitive nature of these issues is dealt with appropriately.

**The Hon. MARK LATHAM:** I will tell you in private what these mothers are saying about how their families have been absolutely destroyed by schools keeping them in the dark. It is the worst thing that I have seen in 30 years of politics. If you understand those things, you will start supporting commonsense recommendations. If I can come to another one earlier in the report—

**Mr DOMINIC PERROTTET:** You raise those issues with me privately.

**The Hon. MARK LATHAM:** You say that parents are the primary educators of their children.

**Mr DOMINIC PERROTTET:** Yes.

**The Hon. MARK LATHAM:** You knocked back a recommendation that at the beginning of every school year parents get an outline of what is in the school curriculum—a "no surprises" policy of knowing what is coming up.

**Mr DOMINIC PERROTTET:** What recommendation?

**The Hon. MARK LATHAM:** It is earlier in the report there. We recommended that parents get a full outline of the curriculum and that they know what is coming up in the class during the year. You knocked that back. Why can't parents have that information so that there are no surprises and so that when their daughter comes home in year eight and says, "English today was gender studies again," the parent is not surprised and cannot do anything about it because the problem has already happened in the school? Why can't they get the information at the beginning of the school year?

**Mr DOMINIC PERROTTET:** We are doing a review in relation to curriculum here in our State.

**The Hon. MARK LATHAM:** But you knocked it back.

**Mr DOMINIC PERROTTET:** Hold on. We are systematically working through a review and implementation of that review. In respect of K1 and K2—those early years, as you know—we want a greater focus of going back to basics of numeracy, literacy and a greater focus on phonics. I think this is an absolute step in the right direction.

**The Hon. MARK LATHAM:** That is not answering the question. Why can't parents have an outline of the curriculum at the beginning of every school year?

**Mr DOMINIC PERROTTET:** I will take that on notice and raise that with the Department of Education. There may be merit into the reasons as to why. I will look at it.

**The CHAIR:** It is 10.57 a.m. and we are due to have a break at 11.00 a.m. We will break now and return at 11.15 a.m. Thank you, everybody.

**(Short adjournment)**

**The CHAIR:** Welcome back. We will continue with questions from the Opposition.

**Mr DOMINIC PERROTTET:** We were just commenting on only four out of 14 female representation for the Labor Party in the upper House.

**The Hon. COURTNEY HOUSSOS:** It is still more than your Cabinet.

**Mr DOMINIC PERROTTET:** It is very disappointing.

**The Hon. PENNY SHARPE:** I don't think you want to talk about yours in the upper House. If you want to talk about that, that is okay.

**Mr DOMINIC PERROTTET:** I am just saying, it is well below our board rate.

**The Hon. PENNY SHARPE:** Premier, do you agree with the convention that Parliamentary Secretaries are considered part of the Executive and are required to follow Cabinet solidarity conventions?

**Mr DOMINIC PERROTTET:** Yes.

**The Hon. PENNY SHARPE:** Are you aware of the comments made by your Parliamentary Secretary for Planning, the member for Mulgoa, in relation to vaccine mandates, questioning health advice of the Government and spreading misinformation in relation to vaccines?

**Mr DOMINIC PERROTTET:** I am aware she has her personal views. As I said, I have my own personal views which I raised in relation to an issue yesterday.

**The Hon. PENNY SHARPE:** No, I am asking about her as a Parliamentary Secretary. These are not just personal views. This was standing out the front of Parliament House at a protest basically attacking the Government's position in relation to vaccines, its role with children and vaccine mandates. She is a Parliamentary Secretary. Do you believe this is behaviour befitting a Parliamentary Secretary?

**Mr DOMINIC PERROTTET:** I think she is entitled to her views.

**The Hon. PENNY SHARPE:** But you do not believe she has to follow Cabinet solidarity?

**Mr DOMINIC PERROTTET:** My position yesterday in relation to the transgender sport and my views in relation to that—

**The Hon. PENNY SHARPE:** I am not asking you about that.

**Mr DOMINIC PERROTTET:** —was probably out of kilter based on your previous questions in relation to documents.

**The Hon. PENNY SHARPE:** Premier, I am asking you about the member for Mulgoa and her role as a Parliamentary Secretary, who you appointed.

**Mr DOMINIC PERROTTET:** I respect the member for Mulgoa. She is a talented woman who has been promoted to a Parliamentary Secretary, and I am all in favour of promoting talented women into positions in the Government just in line—

**The Hon. PENNY SHARPE:** Are you okay with any of your Parliamentary Secretaries standing out the front of Parliament undermining all of the public health messages in relation to vaccines—

**Mr DOMINIC PERROTTET:** Well, that is untrue.

**The Hon. PENNY SHARPE:** —in terms of its role with children and the need for public health orders? You are okay with that?

**Mr DOMINIC PERROTTET:** I disagree with the member for Mulgoa's views in relation to a number of matters, but her position—

**The Hon. PENNY SHARPE:** But you believe she has the right to say them in front of Parliament House directly contrary to the view of the Cabinet and the Executive Government, which she is part of as a Parliamentary Secretary.

**Mr DOMINIC PERROTTET:** She is not bound by the Cabinet's decisions.

**The Hon. PENNY SHARPE:** You just said to me that Parliamentary Secretaries should follow Cabinet solidarity conventions. What is it, Premier?

**Mr DOMINIC PERROTTET:** She is not bound by them.

**The Hon. PENNY SHARPE:** So she does not have to follow them?

**Mr DOMINIC PERROTTET:** I would prefer that we would have Parliamentary Secretaries and Cabinet chairs all singing from the same hymn book. From time to time that does not happen. That is okay. People are entitled to their different views.

**The Hon. PENNY SHARPE:** You have now given your Parliamentary Secretaries a green light to go out and say whatever they like.

**Mr DOMINIC PERROTTET:** I hope they do not take that too—

**The Hon. PENNY SHARPE:** That is clearly what you are doing for the member for Mulgoa. Did Ms Davies consult you prior to attending the anti-vaxxer rally?

**Mr DOMINIC PERROTTET:** No. But the thing is even some of the member for Mulgoa's views in relation to mandates are in line with some of the changes we made yesterday. She is entitled to her views. We should not hound people out of—

**The Hon. PENNY SHARPE:** She gets paid \$34,000 extra to do this role and you said that she should follow the conventions. But that is okay. If you are okay—

**Mr DOMINIC PERROTTET:** You should not hound people out of town because they have different views.

**The Hon. PENNY SHARPE:** You have 18 Parliamentary Secretaries; it has never been higher. You think all of them are there on merit. You have them running around, standing out the front of Parliament House basically completely undermining all of the public health messages that your Government has actually worked very hard over the last two years to share with the public. That is okay. I just wanted to ask you, you are clearly okay with it?

**Mr DOMINIC PERROTTET:** I am saying I disagree with her views. I respect her capacity as a member of Parliament to have different views to me or to you. That is okay. Members of the Labor Party are out there protesting with the unions on Macquarie Street every second day of the week without actually endorsing their position.

**The Hon. PENNY SHARPE:** I am just trying to understand how you manage your team. But that is okay, I understand now. That is fine, thanks, Premier.

**Mr DOMINIC PERROTTET:** It is a great team and I enjoy robust discussion and robust debate and I encourage it. Probably not too much sometimes but—

**The Hon. PENNY SHARPE:** If you think undermining public health messages was a good thing and you are okay with it, that is up to you.

**Mr DOMINIC PERROTTET:** She is not—I never said that. I did not say that.

**The Hon. PENNY SHARPE:** That is what you are saying.

**The Hon. SCOTT FARLOW:** That is unfair.

**Mr DOMINIC PERROTTET:** That is not true.

**The Hon. COURTNEY HOUSSOS:** Premier, on Monday 28 March there were reports in *The Daily Telegraph* and *The Sydney Morning Herald* that David Elliott had ruled out running for the Liberal Party preselection for the Federal seat of Parramatta. Prior to those articles appearing, did the transport Minister tell you he intended to resign as a Minister and from Parliament and run for Parramatta?

**Mr DOMINIC PERROTTET:** That is a private discussion. How is that relevant to anything?

**The Hon. COURTNEY HOUSSOS:** I am asking you whether a Minister indicated to you whether they were going to cease doing their role.

**Mr DOMINIC PERROTTET:** He told me he was interested in running for the seat of Parramatta.

**The Hon. COURTNEY HOUSSOS:** When did those discussions occur?

**Mr DOMINIC PERROTTET:** Prior to the article.

**The Hon. COURTNEY HOUSSOS:** In the days leading up to that article?

**Mr DOMINIC PERROTTET:** Perhaps.

**The Hon. PENNY SHARPE:** Perhaps?

**Mr DOMINIC PERROTTET:** Perhaps.

**The Hon. PENNY SHARPE:** Yes or no?

**Mr DOMINIC PERROTTET:** Perhaps. I can't remember.

**The Hon. SCOTT FARLOW:** This is black and white.

**The Hon. PENNY SHARPE:** "Can't remember", "perhaps".

**The Hon. SCOTT FARLOW:** There were a few things on. He was having a seventh child. He was pretty busy.

**Mr DOMINIC PERROTTET:** Seriously, I have stayed here now for an hour and a half. You have not asked a question on floods. You are asking me all these questions about batting orders of the line-up in terms of the ministerial team. You are asking me about points on salaries, which you are not comparing like-for-like issues. I am demonstrating to you these are not matters that I am focused on every single day. I am focused on the

pandemic, getting people through floods, building the infrastructure that makes a difference to people's lives and keeping the cost of living down. You have not asked one question.

**The Hon. COURTNEY HOUSSOS:** Premier, we are the ones asking the questions and I am asking you did you—

**Mr DOMINIC PERROTTET:** I know.

**The Hon. PENNY SHARPE:** And also tolls up, infrastructure blowouts everywhere. Seriously.

**The Hon. SCOTT FARLOW:** Where are those questions?

**The Hon. PENNY SHARPE:** Do you want to go there?

**Mr DOMINIC PERROTTET:** Ask me the questions.

**The Hon. PENNY SHARPE:** We are coming to them.

**The Hon. TAYLOR MARTIN:** Two hours.

**The Hon. COURTNEY HOUSSOS:** Premier, did you subsequently have a conversation with the Minister where you told him he will need to resign as a Minister prior to the next election?

**Mr DOMINIC PERROTTET:** I am not going into my private discussions with Ministers that are not relevant to the issues facing the people of New South Wales. I have discussions with Ministers, Parliamentary Secretaries and members of Parliament every single day. Ms Houssos, ask me the question where you want to go and I will answer it. I am not going to go into private discussions. Unless you are in text messages that get leaked, I am not going to go into those—

**The Hon. PENNY SHARPE:** You have a lot of experience with that.

**Mr DOMINIC PERROTTET:** Yes, I do, I do.

**The Hon. PENNY SHARPE:** So does Gladys.

**The Hon. COURTNEY HOUSSOS:** Premier, have you committed to making Melanie Gibbons the Minister for Veterans Affairs prior to the next election?

**Mr DOMINIC PERROTTET:** I think Melanie Gibbons would make a great Minister. She is a very talented woman.

**The Hon. COURTNEY HOUSSOS:** Have you made that commitment?

**Mr DOMINIC PERROTTET:** I am not going into my private discussions in relation to my ministerial team or Parliamentary Secretaries or members of Parliament. I do not see how that is in any way relevant to the people of our State.

**The Hon. COURTNEY HOUSSOS:** It is incredibly relevant—

**Mr DOMINIC PERROTTET:** How?

**The Hon. COURTNEY HOUSSOS:** —about who are going to be the Ministers of this State and who are going to be the ones in leadership positions.

**Mr DOMINIC PERROTTET:** You will have to wait and see.

**The Hon. COURTNEY HOUSSOS:** We are interested to know. We discovered this morning that almost every single one of your team has a second pay packet coming in, while nurses and teachers and hospital cleaners are not getting pay raises even to keep up with inflation.

**Mr DOMINIC PERROTTET:** Members of Parliament are not getting pay rises.

**The Hon. COURTNEY HOUSSOS:** No, but the members of your team—

**Mr DOMINIC PERROTTET:** I have made it clear—I know it does not run to your narrative, Ms Houssos—I have made it very clear that there is a substantive difference between annual pay increases at the 2½ per cent when politicians are not getting a pay increase and when extra workload is given. Whether that is in the public sector in public service or in the Parliament, that when people take on extra responsibilities they should be paid for those duties that they take on.

**The Hon. PENNY SHARPE:** But teachers, nurses and hospital workers have taken on a lot of extra work—

**Mr DOMINIC PERROTTET:** Yes, but—

**The Hon. PENNY SHARPE:** —and they will be lucky to get 1,200 bucks out of you. Every one of yours is on at least \$5,000 extra.

**Mr DOMINIC PERROTTET:** And yours.

**The Hon. COURTNEY HOUSSOS:** Let us go to the performance of Minister Elliott. You would be aware that almost one in three Sydney trains are late?

**Mr DOMINIC PERROTTET:** Obviously in circumstances where there has been a pandemic, and I do not know the exact stat you are referring to and over what period of time that relates to—

**The Hon. COURTNEY HOUSSOS:** Well, I can tell you that in March the Sydney train punctuality was 71 per cent. In the same month last year it was 93 per cent.

**Mr DOMINIC PERROTTET:** And I think I you would say in the period of March—

**The Hon. SCOTT FARLOW:** And I remember when you were government it was in the 40s.

**Mr DOMINIC PERROTTET:** —where there have been substantial weather events it would have potentially impacted service delivery. That would go to fact that, if you are comparing like for like over that annual period, that would explain why that service delivery time may have been slightly down. But obviously I am pretty impressed by the fact that last year it was 90-something per cent.

**The Hon. COURTNEY HOUSSOS:** And this year it is 71 per cent, just as you are telling people that they need to be returning to the office.

**Mr DOMINIC PERROTTET:** Yes. And I just raised the point in relation to the clear weather challenges that we faced in that period of time. I am happy to take on notice the circumstance which is an equivalent period of time where we faced the same weather situation across metropolitan Sydney about what the impact on train services were during that period of time.

**The Hon. COURTNEY HOUSSOS:** Premier, can you tell us once for and all if you have a business case for stage 2 of the Parramatta Light Rail?

**MICHAEL COUTTS-TROTTER:** I will check.

**Mr DOMINIC PERROTTET:** We will take that on notice.

**The Hon. COURTNEY HOUSSOS:** You would be aware that this was first promised in 2017 and construction was supposed to start in 2020?

**Mr DOMINIC PERROTTET:** Stage 2?

**The Hon. COURTNEY HOUSSOS:** Stage 2.

**Mr DOMINIC PERROTTET:** As I have said, in terms of the infrastructure agenda of our State, we are obviously along the way with Parramatta stage 1, and we see investment particularly in western Sydney on infrastructure projects as incredibly important. We have never been building more in the history of our State. We know that certain projects may, in terms of time lines, have been at a challenge particularly as a result of COVID and particularly as a result of labour shortages in the market, so we are working through that. They are not unique to New South Wales. They are not just nationwide. They are global issues that we are grappling with.

**The Hon. COURTNEY HOUSSOS:** Mr Coutts-Trotter, do you have an answer?

**MICHAEL COUTTS-TROTTER:** No, not to the specifics of your question. There is \$50 million committed to advanced planning work on stage 2 but I will take on notice the status of that work.

**The Hon. COURTNEY HOUSSOS:** You would be aware, Premier, though, that you had two of your Ministers out there, one who is also the member for Parramatta, saying, "The Federal Government needs to give us some money for this project," and then you had your Minister saying, "I can't give him a quote. I can't give him a business case. So why would he even consider giving us the money?" It is a pretty incredible situation where you have got Ministers fighting over a specific project.

**Mr DOMINIC PERROTTET:** Not really.

**The Hon. COURTNEY HOUSSOS:** Sorry?

**Mr DOMINIC PERROTTET:** Not really. I mean, Minister Lee is a passionate member for the seat of Parramatta. I would expect nothing less of him than to be prosecuting the case to get funding from the Federal

Government. We do that all the time. I think the Federal Government does need to do more when it comes to providing extra support for infrastructure investment in New South Wales. I feel, many times, that we are taken for granted because we are building so much here in our State and that other States that do not have the infrastructure agenda that we have in New South Wales, typically Labor States, with the same philosophical approach—

**The Hon. COURTNEY HOUSSOS:** Okay, okay.

**Mr DOMINIC PERROTTET:** —of the Labor Opposition here in our State, against privatisation, against asset recycling. What does that lead to? That leads to poor infrastructure investment. And they cry out to the Federal Government to get further financial support. So I think it is incredibly fair for the member for Parramatta to be saying the Federal Government should be providing more infrastructure investment in our State, particularly on a project that is important to him.

**The Hon. COURTNEY HOUSSOS:** Okay. Thanks very much, Premier.

**Mr DOMINIC PERROTTET:** Thanks.

**The Hon. COURTNEY HOUSSOS:** I think we will move on to a different issue.

**The Hon. PENNY SHARPE:** Premier, how many flood disaster recovery grants have been approved as of today?

**Mr DOMINIC PERROTTET:** So, small business grants, it has been 13,000 applications. Of those 13,000 applications, 1,074 have been paid out. There are 8,180 in progress. In relation to primary producers, which is those grants up to \$75,000, it has been 1,968 applications and 575 have been paid out. The average damage quote is \$55,000. Small rural landholder grants of up to \$25,000, there have been 171 applications received and 38 have been approved. Rental support, which is a new grant that we announced recently, between \$6,000 and \$18,000, we have had 7,300 of those grants paid. That is to a value of \$8.46 million. For the Back Home grant—

**The Hon. PENNY SHARPE:** How many have been applied for?

**Mr DOMINIC PERROTTET:** Of the rentals?

**MICHAEL COUTTS-TROTTER:** We got probably figures at different points in time, but broadly 7,000 applications, of which a bit over 4,000 were ineligible. Of the remainder, over 1,000 have been approved to a value of about \$9 million and the balance are under assessment.

**The Hon. PENNY SHARPE:** Just to be clear, of the rental support—obviously extremely important, given the challenges up there—

**Mr DOMINIC PERROTTET:** Yes.

**The Hon. PENNY SHARPE:** —one thousand have been approved out of 7,000 that have been applied for. Is that right?

**MICHAEL COUTTS-TROTTER:** Well, 7,000 or so applied for but 4,000 of those were ineligible.

**The Hon. PENNY SHARPE:** What is the reason for the ineligibility?

**MICHAEL COUTTS-TROTTER:** I would need to take that on notice. But you will recall you need to show you were living in a house that has been damaged in the area. They were light touch but some criteria to it, so I will take it on notice and tell you the reasons for 4,000 of those applications being ineligible. But over 1,000 households are receiving private rental support.

**Mr DOMINIC PERROTTET:** The last one we can give you information on is the back to home grants, which are for the eight LGAs, seven up in the Northern Rivers and one in Hawkesbury. That is up to \$20,000. There are 5,900 people that preregistered and 125 have been processed this morning. They were opening this week.

**The Hon. COURTNEY HOUSSOS:** Can you explain why those back to home grants were not extended to areas of Blacktown and Penrith, who were also flood affected?

**Mr DOMINIC PERROTTET:** These back to home grants—I am very happy to look at that but, from my perspective in relation to these specific grants, we believed that this was an important focus for those areas in the Northern Rivers. We looked at those areas that have been affected outside the Northern Rivers. Obviously the Hawkesbury LGA is the next most substantive one. Obviously it is pleasing to see now that the Federal Government has come in and provided some financial support but this is something that we believe was incredibly

important to the Northern Rivers. But I do not want to discriminate based on postcode, and obviously if that support is needed we will look at it.

**The Hon. COURTNEY HOUSSOS:** Let me say this, Premier, that you have received representations, and I know the Treasurer has received representations, from the member for Blacktown on this issue of extending it to Blacktown. There is also Penrith. Those LGAs were on the most severely affected list and it was not extended to them. Can I ask that you undertake to look into that instead of just flicking it off to the emergency services Minister?

**Mr DOMINIC PERROTTET:** I did say I would do that. I will look at it.

**The Hon. COURTNEY HOUSSOS:** No, I am saying that that is what your response to the member for Blacktown was. Can you look into that, please?

**Mr DOMINIC PERROTTET:** Yes.

**The Hon. PENNY SHARPE:** Premier, with the disaster recovery grants, there is still—just even the first figures—less than 10 per cent have actually been paid. Why has it been so slow?

**Mr DOMINIC PERROTTET:** Well, the main reason, I think, behind that issue—and I do not think it is good enough; I have said from the outset that I wanted to get money out the door as quickly as possible—there are probably two issues, one that we have dealt with, and that was personnel in Service NSW, which, once that issue came to light, we increased personnel in terms of processing. The advice I have received now is that that is not the issue—

**The Hon. PENNY SHARPE:** How many extra processors did you put on? You can take it on notice.

**Mr DOMINIC PERROTTET:** I will take that on notice.

**The Hon. PENNY SHARPE:** Can you tell us how many you started with and how many—

**Mr DOMINIC PERROTTET:** I will provide that for you. What I do know is that that is not the issue. The issue now is the guidelines, because obviously these programs have been jointly funded between the State and Commonwealth. The guidelines that are in place, I believe, lack flexibility at a Commonwealth Government level. I have raised that with the Prime Minister. Because they are jointly administered in terms of the funding, not only have I spoken to him, I have written to him recently—I think earlier this week—in relation to the changes that I believe should be made. I think that will give greater flexibility. It is always a balancing act between ensuring that you mitigate against fraud but at the same time we get the financial support to those who need it. Now, when we were in the pandemic and we had this issue and, you know, fair criticism from the Opposition in relation to getting money out to businesses, we changed—

**The Hon. PENNY SHARPE:** Sure. Everyone accepts the fraud issue but there is still only 10 per cent have been paid and the vast majority of people are not trying to rort the system, they are simply trying to get back into their houses and their businesses.

**Mr DOMINIC PERROTTET:** Agreed.

**The Hon. PENNY SHARPE:** Ten per cent is there. How many assessors do you actually have on the ground in the Northern Rivers?

**Mr DOMINIC PERROTTET:** We will take that on notice.

**MICHAEL COUTTS-TROTTER:** There are 83 people.

**The Hon. PENNY SHARPE:** Yes, but do they actually do the—the final tick-off on the assessor—

**MICHAEL COUTTS-TROTTER:** Their location, I am not sure—I will take that on notice.

**The Hon. PENNY SHARPE:** Yes, because my advice is that the people who are doing the final tick off are based in Sydney. We are asking people for paperwork for a whole range of things. If you had assessors on the ground taking a photo of the damage, they could pretty much tick it off from there. The Government consistently says, "We've got assessors there," but they are not actually doing the final assessment, which would slow that down, probably.

**Mr DOMINIC PERROTTET:** We will take that on notice, and if that is to be true, we will remedy it. But I still think you will find, Ms Sharpe, the substantive issue here is getting flexibility from the Federal Government in relation to their guidelines and processing of the applications. It is not an issue we had with COVID.

**The Hon. PENNY SHARPE:** But, Premier, we have had a number of different disasters that had similar problems. We had the same problem in Bega and with the bushfires all over the State. Are we learning nothing from this? Surely the discussions with the Commonwealth in relation to the tightness and flexibility of eligibility criteria should be something that we are ahead of, not constantly pointing the finger at while people are waiting to try to pull their lives back together?

**Mr DOMINIC PERROTTET:** I think that is disconnected from the concern on the ground. I think there is no doubt that the money needs to get out the door as quickly as possible. I think we have learnt many things from the natural disasters in the past. Certainly things could be better.

**The Hon. PENNY SHARPE:** Two months on where 10 per cent of grants have been paid?

**Mr DOMINIC PERROTTET:** A lot has been achieved.

**The Hon. PENNY SHARPE:** No-one is saying that. I just do not understand how you say you want it to be better. We have had to deal with the joint Commonwealth-State stuff with bushfires, there have been a number of inquiries and there are more reviews are going on but we can still only hit 10 per cent two months after this.

**Mr DOMINIC PERROTTET:** And I am working through it. Anything that was in control at a State Government level we have enhanced to mitigate against that, and we are working with the Commonwealth Government to get greater flexibility in relation to that. I am hopeful we will get a response from their teams, and that flexibility, I believe, will get money out the door in a more expeditious way.

**Ms CATE FAEHRMANN:** Premier, do you accept that climate change is going to result in an increase in natural disasters here in New South Wales?

**Mr DOMINIC PERROTTET:** I think we are seeing that. I think we are certainly seeing an increase in natural disasters. If you look at the most recent flood in Lismore: 14½-metre flood, followed up very shortly by another one. These were once seen to be once-in-500-year events; they are now happening within five years of each other and sometimes months. It is obviously something that we need to be working on. That is why in terms of the inquiry that I have put together with Professor Mary O'Kane, I wanted to specifically look at those issues in terms of flood mitigation and development going forward.

**Ms CATE FAEHRMANN:** That is excellent. Were you consulted by the planning Minister before he scrapped the requirements to consider the risks of floods and fires for new homes? Did he consult with you about that?

**Mr DOMINIC PERROTTET:** I will take that on notice.

**Ms CATE FAEHRMANN:** An article in *The Sydney Morning Herald* on 22 March was in relation to him scrapping what were ministerial directives by his predecessor, Rob Stokes, which outlined nine principles for sustainable development, one of which was to include managing the risks of climate change. In that article, the reason why it was scrapped was apparently because the Minister had been given a clear set of priorities to deliver a pipeline of new housing supply and act on housing affordability by the Premier. So you are saying that he was acting in relation to an order from you but he did not tell you that this would mean that we would be scrapping considerations of things like building in flood plains and in fire-prone land?

**Mr DOMINIC PERROTTET:** I think there is a balance here. We have a real housing affordability issue in our State. That is not just in New South Wales, that is across the country, but I think it is pronounced not just in Sydney but in regional New South Wales. I believe that red tape and regulation has got in the way of slowing down a number of developments. I do not believe that we should be building in a way that is not considerate of external issues and flood mitigation. Absolutely I accept that point. But at the same time, what we cannot have is increased layers of red tape and bureaucracy slowing down the development of land release for homes and also social and affordable housing. These are major issues facing our State now.

I do accept that when you do go down a path—as I have said to Minister Roberts—in terms of driving the development of housing in our State, that that will naturally need to be balanced by other considerations as well. But I think where we sit today, Ms Faehrmann, is the balance is skewed towards extra red tape and regulation at the expense of getting things moving in our State. I do not want to be in a position as Premier of our State where we cannot house our children. Housing affordability is a real challenge. We need to look at it and we need to look at a whole ambit of areas in which we deal with those issues. I want him to have greater—I want there to be greater flexibility in development. But to your question, I do accept and I want to make sure that we learn the mistakes of the past so that where we do build, we do not build in a position which creates not just homelessness down the track when we have events like bushfires and floods, but ultimately as well that we get things done in a way that gets people into homes.



**Ms CATE FAEHRMANN:** Thank you, Premier. I understand, in fact, that the directives that were scrapped by Minister Roberts, which were issued on 2 December and were due to come into effect on 1 March, were designed to actually simplify the planning system and, in fact, cut red tape.

**Mr DOMINIC PERROTTET:** Good, good.

**Ms CATE FAEHRMANN:** It is not good—

**Mr DOMINIC PERROTTET:** That is good.

**Ms CATE FAEHRMANN:** —because Minister Roberts scrapped them. Minister Roberts scrapped these and now—

**Mr DOMINIC PERROTTET:** He is getting things done. We need to get things done in this State. We have got to get things moving. I am sick to death of progress being blocked by red tape and regulation. We need to move; we need to get people in jobs.

**Ms CATE FAEHRMANN:** Exactly, Premier. That is what I am saying—

**Mr DOMINIC PERROTTET:** We have got to drive development.

**Ms CATE FAEHRMANN:** —is that Minister Stokes had these guidelines, these principles, that in fact were about cutting red tape, and Minister Roberts comes in and scraps them. Not only that, but these principles were about looking at where buildings were taking place, where developments were taking place and making sure that they were not being built on flood-prone land or in areas that were going to be too prone to bushfires, for example.

**Mr DOMINIC PERROTTET:** I would not read too much into that. I think the bottom line is we certainly want to make sure that where development occurs, it occurs in places where we mitigate risk against flooding, against bushfires and against natural disasters. Having said that, we also need to make sure that we are driving development across the board, not for developers' sake but to get particularly our young people into homes. I have certainly seen that up in the northern—

**Ms CATE FAEHRMANN:** Are you going to guarantee to the people who you are committing to potentially building more affordable homes for, if that is your commitment, are you committing to them that those people will not be the ones who are left with houses on flood-prone land?

**Mr DOMINIC PERROTTET:** I do not want to see that. We have got a situation now in the northern rivers where we have got 4,000 people who are without a home. We have got about 1,200 people or so in emergency accommodation, but we have got a lot many more staying with friends, staying with other members of their family. It is very clear to me that there is a lack of affordable housing in the northern rivers and more needs to be done. And also we need to make sure that when we do build, we build back in a way that when events like this occur in the future we are building in places which are not as flood prone. So I am very focused on that. I think the Reconstruction Corporation that we established earlier this week will do substantive work in making sure we cut through some of the red tape and regulations that are in place and get development happening as quickly as possible. That should not be seen to be a bad thing; it should be seen to be a positive thing.

**Ms CATE FAEHRMANN:** It should be a positive thing as long as the affordable housing and the new houses, of course, are not built in places that are at risk.

**Mr DOMINIC PERROTTET:** Of course.

**Ms CATE FAEHRMANN:** Premier, I want to ask you about the Reconstruction Corporation as well to get your confirmation that when they are referring or looking at land swaps, that that is not just for businesses, public utilities and infrastructure, but that that will also include land swaps for home owners?

**Mr DOMINIC PERROTTET:** We have not made a commitment in relation to that. But, in my view, I will look at those issues and make a determination on them, and everything should be on the table as we work through this. The way I see the corporation operating, it will sit within Regional NSW. It will look at various areas, including land use and reconstruction of infrastructure, but also it will look at the findings that come through the work that Professor Mary O'Kane and Mick Fuller put together. I would expect—

**Ms CATE FAEHRMANN:** What is the reporting date on that again? Is there one?

**Mr DOMINIC PERROTTET:** I have not given them a deadline but my expectation would be some time this year. I do not want it to be too long but I need to get the corporation moving now. And ultimately that body will report back, and my expectation is there will be a focus on land use that the corporation will act on. But

I will get that advice first and with the Deputy Premier, who takes the lead on this, I will consider it and make some decisions.

**Ms CATE FAEHRMANN:** Do you think it is pertinent on you perhaps to reassure the thousands of people who have lost their homes in Lismore? I have also visited the area and spoken with some of them. When they are hearing positively about the potential for land swaps, do you think it is good to potentially reassure them that they will be on the table alongside private interests?

**Mr DOMINIC PERROTTET:** What I have said is that I will look at every aspect of it. We have not made a commitment to that. I do accept the sentiment in your question in relation to providing certainty. I think certainty is important, but I cannot rush to certainty and get a poor outcome. We need to make sure we go through that process. What I have said as a commitment to the people of Northern Rivers is I want to build back those communities. I want to build them back as quickly as possible and get them back on their feet. But we also need to do that in a way that builds resilience going forward, which means that things may be different to the way they were in the past. What we cannot do is have a situation where what was previously seen to be a one-in-1,000-year flood happens twice in five years and be back here in five years again having the same conversation. I believe it is not going to happen overnight and change takes time, but I want to get it right. I accept the sentiment in your question in relation to lack of certainty, but sometimes you have to accept a lack of certainty to get the right outcome.

**Ms CATE FAEHRMANN:** Thank you, Premier; I appreciate that response. I wanted to move to paramedics in the short time I have left. A survey released today by the Australian Paramedics Association has found that 80 per cent of paramedics have said they are too tired to drive home safely at the end of their shift. They have been asking for 1,500 more paramedics from your Government for quite some time now and, in fact, your predecessor as well. Do you think they are acceptable working conditions? Why is your Government not responding to their request for more paramedics?

**Mr DOMINIC PERROTTET:** The first thing I would say in relation to increasing paramedics is that we did exactly that a number of years ago and we increased paramedics in the State. I may be incorrect, but I think it was 750.

**MICHAEL COUTTS-TROTTER:** I thought it was 790.

**Mr DOMINIC PERROTTET:** In that vicinity. Where we can do more, we will. I have met with the HSU twice, I think, in relation to this specific issue.

**Ms CATE FAEHRMANN:** And the Australian Paramedics Association? That is the union I just quoted as well.

**The Hon. PENNY SHARPE:** They are not a union [disorder].

**Mr DOMINIC PERROTTET:** I cannot recall if it was the Paramedics Association, but either way, the issues are similar and I will work through them to get an outcome. I do not want to have a situation where our paramedics are tired. They have done an amazing job during the last two years and always have. So as much support as we can—we will. I am due to work through those issues like I am working through all of the issues with the union movement right across the State.

**The Hon. PENNY SHARPE:** Look at that smile.

**The Hon. MARK LATHAM:** Mr Premier, earlier on you mentioned housing affordability. Why have you failed to move forward with your stamp duty reforms, given that they are a big boost to growth, productivity and affordability? Even the House has voted for my motion to support the reform whereby people can avoid up-front stamp duty and pay a lower long-term recurrent payment. I am very struck by this piece of data in your modelling that 25 per cent of people feel stuck in their home—their current location—because they cannot cope with the up-front stamp duty cost, now averaging over \$50,000 in Sydney. This is a big micro reform, is it not, in a more mobile labour market, a more mobile workforce, to give people the flexibility to move to where their job might have moved.

**Mr DOMINIC PERROTTET:** I agree and that is why we need to progress this in a way that puts downward pressure on house prices, giving younger people the opportunity to get the keys to their very first home. I reject the first part of the question about why I have not progressed it. Reform like this takes time. By going down this path of consultation with the progress report, we are identifying issues in relation to the model. One of the most substantive issues we have is obviously the cost to the State in foregone stamp duty. Having said that, stamp duty is a terrible tax. It is the worst tax that we have at a State-based level and it was never envisaged to be operating, when it was established in the first place, to increase in such a way that would provide an impediment

to people. There are two things. One is an up-front cost so that people cannot get in the property market. Secondly, I think, as you correctly identified, is an impediment to transfer a property.

That impediment stops concerns from Labor members here in relation to nurses and teachers. We have many of our public service who move around the State and end up in a cycle of paying rent. If you had a system where there was not that impediment, you would probably get greater access to purchase a property and greater enhancement of wealth, and that is a positive thing. There are a number of issues that have been identified in the progress report that the Treasurer is currently working through. But ultimately there are substantial issues in relation to the fiscal cost by the removal of stamp duty and secondly—

**The Hon. MARK LATHAM:** You have mentioned that and we are in furious agreement. The big question we come across with your administration all the time is when will you stop talking about it and actually do something?

**Mr DOMINIC PERROTTET:** We have incorporated a number of measures to help drive home ownership. The advantage of going down a path like this is it helps drive economic growth and jobs growth. But my view is you have to get the model right that works for as many people as possible and that no-one is worse off as a result. They are the key elements of reform. Your former adversary John Howard said that often in terms of embarking on reform.

**The Hon. MARK LATHAM:** Not with WorkChoices.

**Mr DOMINIC PERROTTET:** Not with WorkChoices.

**The Hon. MARK LATHAM:** That did not end well.

**Mr DOMINIC PERROTTET:** That did not end well.

**The Hon. MARK LATHAM:** We are not talking about John Howard.

**Mr DOMINIC PERROTTET:** I am talking about the GST.

**The Hon. MARK LATHAM:** What is your legislative timetable for getting something done prior to the next election? You could be out on your ear and nothing happens.

**Mr DOMINIC PERROTTET:** That is not going to happen.

**The Hon. MARK LATHAM:** Are you getting something done this year?

**Mr DOMINIC PERROTTET:** I will work through those issues. The challenge that we have is getting Federal support. We have approached the Federal Government in relation to it. But whether it is healthcare reform, stamp duty reform, all these productivity-enhancing areas, we need to have that coordination and cooperation with the Federal Government.

**The Hon. MARK LATHAM:** So nothing will happen unless the Federal Government tick it off.

**The Hon. PENNY SHARPE:** It is not going well, is it?

**Mr DOMINIC PERROTTET:** No, that is not the case. I am not saying that.

**The Hon. MARK LATHAM:** That is what you just indicated.

**Mr DOMINIC PERROTTET:** No. What I am saying is if you look through the progress report and some of the issues that are there, some can be addressed, others are more of a challenge, and if we can get to a point where those reform issues can be addressed—namely, a lot of them—and we can get some support from the Federal Government to progress these areas, we should do it. If we learnt anything from the pandemic, it is that it has become very challenging for State governments, given our balance sheets, given the level of revenue and our sources of revenue, to actually take on sustained change without the support of the Commonwealth Government. I would like to see—whoever wins the next Federal election, whether that be the Liberal Party or the Labor Party—that we go back to those periods of times where there were competition payments, there were asset-recycling incentives that drive reform at a State level that provides that financial benefit so that those changes, which end up driving economic growth and GDP across the country of which the Commonwealth will benefit from, make it a reality.

**The Hon. MARK LATHAM:** Back to education and the parental rights response, do you acknowledge, Premier, that under the current public education Act people of religious faith have a legal right to withdraw their children from classes that do not accord with their religious beliefs?

**Mr DOMINIC PERROTTET:** Sorry, do I what?

**The Hon. MARK LATHAM:** Do you acknowledge that in the public education Act—

**Mr DOMINIC PERROTTET:** I am assuming that is—I am not across—

**The Hon. MARK LATHAM:** That is the truth. That is in the report and when you read the report, you will see it there. It is a longstanding part of the public education Act. Why is it that people of no religious faith have not got the same right? Someone like myself, for instance. I and basically hundreds of thousands like me around the State are not able to say that if our children are in classes that are being taught critical race theory, unconscious bias, white privilege, attacks on Australia Day, black lives matter, gender fluidity and gender studies—why have we not got a right to take our children out of those classes in government schools?

**Mr DOMINIC PERROTTET:** What is under the current Act?

**The Hon. MARK LATHAM:** Religious people have a right to take their children out of classes that do not accord with their religious beliefs.

**Mr DOMINIC PERROTTET:** I do not know the answer to that question.

**The Hon. MARK LATHAM:** You had a chance to support the extension of these rights to non-religious people, and in the response to the parental rights bill report the Government response was "not supported". Why do you not support—

**Mr DOMINIC PERROTTET:** I will look at it.

**The Hon. MARK LATHAM:** Why do you not support—

**Mr DOMINIC PERROTTET:** I will look at it. It is a fair point.

**The Hon. MARK LATHAM:** You looked at it here and said "not supported".

**Mr DOMINIC PERROTTET:** I will take another look.

**The Hon. MARK LATHAM:** Are you aware at Umina Beach—

**Mr DOMINIC PERROTTET:** But you are saying under the current Act, you can take your children out for religious reasons but you cannot—

**The Hon. MARK LATHAM:** You can—a person of religious belief. You can take your kids out if the teaching does not accord with your religious philosophy and beliefs. But if you are of no religious faith, then you cannot take your kids out for any of those classes that I mentioned.

**Mr DOMINIC PERROTTET:** Why don't you just convert?

**The Hon. MARK LATHAM:** I am waiting for the signal.

**Mr DOMINIC PERROTTET:** I will look at it.

**The Hon. MARK LATHAM:** Do you acknowledge that extending the right of parents to take their children out of these classes will actually keep more families in government schools? Because if you are so annoyed and unhappy with these classes—we are seeing the rise of homeschooling and non-government enrolments. Don't we need to give parents more rights in government schools for them to have faith to stay in the government school system?

**Mr DOMINIC PERROTTET:** I am not sure that one necessarily leads to the other. There is no doubt that there has been an increase in relation to homeschooling, but I think the pandemic has played a substantive role in relation to that. But I am more than happy to look at it.

**The Hon. MARK LATHAM:** Are you aware that at Umina Beach Public School, as part of what was called a child protection unit, year two—so these are seven-year-old children—were taught a lesson about gender diversity?

**Ms ABIGAIL BOYD:** Excellent.

**Mr DOMINIC PERROTTET:** No.

**The Hon. MARK LATHAM:** And are you aware that the deputy principal sent a note out to parents that said:

The lesson provides students with the opportunity to explore the topic of gender and gender diversity. Gender refers to the way that you feel on the inside.

Do you think that is how gender should be taught in our schools—it is a feeling, not a biological science reality?

**Ms ABIGAIL BOYD:** Gender versus sex; they are two different concepts.

**The Hon. MARK LATHAM:** Is your gender something you feel on the inside, or anyone else?

**Mr DOMINIC PERROTTET:** Look, what I would say is I do not—I will answer your question in some way. I do not think kids who are in those early formative years, in kindergarten, year one—what year was that—

**The Hon. MARK LATHAM:** Year two.

**Mr DOMINIC PERROTTET:** —year two, should be being taught about gender fluidity or anything like that. I think—

**The Hon. MARK LATHAM:** Why are they, in your schools?

**Mr DOMINIC PERROTTET:** I will look into that.

**The Hon. TAYLOR MARTIN:** You know why they are, Mr Latham. You know why.

**Mr DOMINIC PERROTTET:** I will look into that. But I make this point, there is something beautiful about the innocence of children that should be maintained, and when I hear those things, they do not sit comfortably with me at all. I will look at it.

**The Hon. MARK LATHAM:** What was the point in banning Safe Schools if this gender fluidity class for seven-year-old students at Umina actually used the Safe Schools document?

**Mr DOMINIC PERROTTET:** As I said, my view is that young children should not be getting taught in the classroom matters in relation to gender fluidity, all of those issues. We should be preserving children's innocence, and I will take a look at that.

**The Hon. MARK LATHAM:** The deputy principal said it was child protection. Are you aware that the Director, Educational Leadership for Brisbane Water, actually said it is a legitimate part of the PDHPE curriculum?

**Mr DOMINIC PERROTTET:** No.

**The Hon. MARK LATHAM:** So what are you going to do to change the curriculum to make sure that no primary school student is taught this kind of stuff?

**Mr DOMINIC PERROTTET:** I said I will look at it.

**The Hon. MARK LATHAM:** You will look at it?

**Mr DOMINIC PERROTTET:** Yes.

**The Hon. MARK LATHAM:** Will you do something?

**Mr DOMINIC PERROTTET:** Yes.

**The Hon. MARK LATHAM:** You as Treasurer, in a very fine notional reform, announced the beginning of outcome-based budgeting in New South Wales. You said schools would be the first instance of this reform. How do you think that is all going?

**Mr DOMINIC PERROTTET:** Really well.

**The Hon. MARK LATHAM:** We will come back to it.

**The CHAIR:** The Opposition?

**Mr DOMINIC PERROTTET:** You are not done? That would have been a good ending.

**The Hon. MARK LATHAM:** The bell went. We follow the rules here. You were saved by the bell.

**The Hon. COURTNEY HOUSSOS:** Premier, when is the review that you ordered by DPC and the Productivity Commissioner into Government grants due?

**MICHAEL COUTTS-TROTTER:** Very soon. I am happy to take it on notice or maybe respond this afternoon, but very, very soon.

**The Hon. COURTNEY HOUSSOS:** Okay.

**MICHAEL COUTTS-TROTTER:** We are at the phase of finalising the report.

**Mr DOMINIC PERROTTET:** Yes, I think June.

**The Hon. COURTNEY HOUSSOS:** June? I think it was originally due by April?

**MICHAEL COUTTS-TROTTER:** I think we can make the April time frame, based on what I have seen.

**The Hon. COURTNEY HOUSSOS:** Excellent.

**Mr DOMINIC PERROTTET:** Are we sure it was April?

**The Hon. COURTNEY HOUSSOS:** That is the information that I have here.

**The Hon. PENNY SHARPE:** It is the twenty-first today.

**MICHAEL COUTTS-TROTTER:** Yes, that is right. I am accepting that as an assumption.

**Mr DOMINIC PERROTTET:** Let us not accept the assumption in there, in the question from Ms Houssos.

**MICHAEL COUTTS-TROTTER:** April-ish.

**Mr DOMINIC PERROTTET:** It is coming.

**The Hon. COURTNEY HOUSSOS:** It is coming. It sounds like it is imminent. That is excellent. So I will ask you the next question, Premier, which sounds like it is a "yes". Have you seen the outcomes of the review?

**Mr DOMINIC PERROTTET:** No.

**The Hon. COURTNEY HOUSSOS:** You have not seen draft outcomes of the review?

**Mr DOMINIC PERROTTET:** No.

**The Hon. COURTNEY HOUSSOS:** Okay.

**Mr DOMINIC PERROTTET:** I will see them when they are ready.

**The Hon. COURTNEY HOUSSOS:** Will you accept all of the recommendations from that review?

**Mr DOMINIC PERROTTET:** Yes.

**The Hon. COURTNEY HOUSSOS:** All of them?

**Mr DOMINIC PERROTTET:** Well, Mr Coutts-Trotter is working on it, so I have full confidence in relation to the—

**MICHAEL COUTTS-TROTTER:** That is an invitation to—

**Mr DOMINIC PERROTTET:** Yes, this is—well, Mr Coutts-Trotter and Ms Boyd are conducting that review—

**MICHAEL COUTTS-TROTTER:** And Peter Achterstraat—

**Mr DOMINIC PERROTTET:** Sorry, Peter Achterstraat, yes.

**MICHAEL COUTTS-TROTTER:** —the Productivity Commissioner.

**Mr DOMINIC PERROTTET:** So I see no reason as to why I would not accept those recommendations.

**The Hon. COURTNEY HOUSSOS:** Will you release the review to the public in full?

**Mr DOMINIC PERROTTET:** I will take that on notice.

**The Hon. COURTNEY HOUSSOS:** It is a pretty simple question, Premier. Are you prepared to release a report into the way that the Government should commit grants?

**The Hon. SCOTT FARLOW:** And the Premier has given you a simple answer—he will take it on notice.

**Mr DOMINIC PERROTTET:** I will take it on notice. I would like to just get some advice on that.

**The Hon. COURTNEY HOUSSOS:** Okay.

**Mr DOMINIC PERROTTET:** But I would obviously always err on the side of transparency and accountability, because that is what this Government is all about.

**The Hon. COURTNEY HOUSSOS:** I think when it comes to your track record on Government grants—

**The Hon. PENNY SHARPE:** Did you say that with a straight face?

**The CHAIR:** An eye roll, for the *Hansard*.

**Ms ABIGAIL BOYD:** He is under oath.

**The Hon. COURTNEY HOUSSOS:** Yes, exactly, you are under oath, Premier.

**Mr DOMINIC PERROTTET:** Yes.

**The Hon. SCOTT FARLOW:** And happy to be.

**The Hon. COURTNEY HOUSSOS:** Will you give an undertaking—will the recommendations—

**Mr DOMINIC PERROTTET:** How is this Government not transparent? The accountability and transparency of this Government, never before in the history of any government has there been more government documents—

**The Hon. SCOTT FARLOW:** That is right.

**Mr DOMINIC PERROTTET:** —that have been provided to the upper House.

**The Hon. COURTNEY HOUSSOS:** Yes, exactly.

**The Hon. SCOTT FARLOW:** There is the Mookhey wing.

**Mr DOMINIC PERROTTET:** You have completely—

**Ms ABIGAIL BOYD:** How is that you being transparent?

**Mr DOMINIC PERROTTET:** I love this Committee, I love the upper House, but you have completely abused—

**Ms ABIGAIL BOYD:** We have had to force those documents from you—

**Mr DOMINIC PERROTTET:** No, no, you have abused—

**Ms ABIGAIL BOYD:** —because you have been so non-transparent.

**Mr DOMINIC PERROTTET:** —you have abused the production of papers through SO 52s.

**The Hon. MARK LATHAM:** We built the Mookhey library.

**Ms ABIGAIL BOYD:** My goodness.

**Mr DOMINIC PERROTTET:** We are building teams in the public service just to keep up with the SO 52s that you are issuing.

**Ms ABIGAIL BOYD:** More jobs.

**The Hon. MARK LATHAM:** So are we.

**Mr DOMINIC PERROTTET:** Yes, more jobs.

**The Hon. COURTNEY HOUSSOS:** That is why I am asking you, Premier, if you will release this report to the public.

**Mr DOMINIC PERROTTET:** And that is why I am saying, under oath, we are the most accountable and transparent government in this State's history.

**The Hon. COURTNEY HOUSSOS:** You cannot sit there with a straight face and tell us that you have been open and transparent when it comes to administering grants programs?

**The Hon. SCOTT FARLOW:** He is.

**Mr DOMINIC PERROTTET:** When have I not been?

**The Hon. COURTNEY HOUSSOS:** We have produced two reports into how you can improve grant administration in this State and you could have just adopted either of those, but instead you are conducting your own review. That is why I am asking you—

**Mr DOMINIC PERROTTET:** I am getting the experts to do it.

**The Hon. COURTNEY HOUSSOS:** —about this review, will the recommendations apply to all future grants programs?

**MICHAEL COUTTS-TROTTER:** We have not seen the recommendations—

**Mr DOMINIC PERROTTET:** How do I know?

**MICHAEL COUTTS-TROTTER:** —so I would reserve judgement.

**The Hon. COURTNEY HOUSSOS:** This is a review that is going to tell you how the recommendations—

**Mr DOMINIC PERROTTET:** But I have not seen it yet.

**The Hon. COURTNEY HOUSSOS:** It is an independent review that is going to provide you with advice about how Government grants should be administered in this State. Do you commit to saying, "Yes, I will take this independent advice"?

**The Hon. SCOTT FARLOW:** He will take the advice.

**Mr DOMINIC PERROTTET:** Ms Houssos, you should trust my judgement on those matters.

**The Hon. PENNY SHARPE:** No, we don't, funnily enough.

**Mr DOMINIC PERROTTET:** Well, you should.

**The Hon. COURTNEY HOUSSOS:** You were the Treasurer when \$252 million of public funds was raced out the door, including for a pet project in the now Treasurer's project—

**Mr DOMINIC PERROTTET:** Hold on, I was the chair of the Expenditure Review Committee. The way we structured those grant programs back at that point in time—

**The Hon. PENNY SHARPE:** Ninety per cent—

**The Hon. COURTNEY HOUSSOS:** That required an application form that was pre-completed?

**Mr DOMINIC PERROTTET:** Hold on, as a former Treasurer, my responsibility in my role—and let me make this point to the question—my responsibility in my role is to set the guidelines, to set the framework and to set the envelopes. Then it is up to the Ministers, who I completely agree with the proposition in your question—they need to be accountable, it needs to be transparent, and they are the ultimate person who is responsible and accountable to—

**The Hon. PENNY SHARPE:** It is always someone else, isn't it, with you, Premier?

**Mr DOMINIC PERROTTET:** No, it is not.

**The Hon. SCOTT FARLOW:** Point of order—

**The Hon. MARK LATHAM:** No, that is the Morrison line.

**The CHAIR:** What is the point of order?

**The Hon. SCOTT FARLOW:** The Premier is trying to give a very detailed answer to Ms Houssos' question and he cannot get it out with the interjections of the Hon. Penny Sharpe.

**Mr DOMINIC PERROTTET:** I have demonstrated—

**The CHAIR:** I think he has had a pretty good go.

**Mr DOMINIC PERROTTET:** I have demonstrated that I am completely focused on driving greater transparency and accountability in relation to grant programs and greater ministerial accountability. The best thing to do in those circumstances is to have a practice where the Expenditure Review Committee sets the guidelines, sets the envelopes, and in the majority of cases the Minister makes the decisions and they are responsible. They are responsible to the public, they are accountable to the Parliament through the upper House. And any additional changes that need to be made to drive transparency and accountability that come through this review, I will endorse and adopt.

**The Hon. COURTNEY HOUSSOS:** Premier, you are saying that as the chair of the Expenditure Review Committee you were comfortable with guidelines that said that \$252 million, a quarter of a billion dollars of public money, could be spent and the only guideline that applied was that they were projects that had to be identified by the New South Wales Government? This was a grants program where councils received the



application form when they were told they were going to get the money. Do you think that is an appropriate way to be administering a grants program?

**Mr DOMINIC PERROTTET:** That what is?

**The Hon. COURTNEY HOUSSOS:** Are you not familiar with the—

**Mr DOMINIC PERROTTET:** I have read about it.

**The Hon. PENNY SHARPE:** You were the chair of the ERC.

**Mr DOMINIC PERROTTET:** Just go back to—I am just failing to—

**The Hon. PENNY SHARPE:** You oversaw the guidelines, as Treasurer.

**Mr DOMINIC PERROTTET:** Yes but what aspect of the guideline are you referring to, Ms Houssos?

**The Hon. COURTNEY HOUSSOS:** The only criteria for the Stronger Communities fund was that it had to be a project identified by the New South Wales Government and the only time that an application form was received was after they had been told they had received the funding. It was pre-completed by the Office of Local Government.

**Mr DOMINIC PERROTTET:** Yes, but that was not a matter for me.

**The Hon. COURTNEY HOUSSOS:** You cannot say that you are for transparency—

**Mr DOMINIC PERROTTET:** That was not a matter for me.

**The Hon. COURTNEY HOUSSOS:** You just said that you claimed the credit—

**Mr DOMINIC PERROTTET:** No, the decision—

**The Hon. COURTNEY HOUSSOS:** You said your role is to set up the guidelines.

**Mr DOMINIC PERROTTET:** Yes, in the original form. There were amendments made.

**The Hon. PENNY SHARPE:** Well, how is it possible—

**The Hon. COURTNEY HOUSSOS:** So now it is someone else's fault?

**The Hon. PENNY SHARPE:** So the Ministers can just change the guidelines, can they?

**Mr DOMINIC PERROTTET:** No. What I am saying—

**The Hon. PENNY SHARPE:** Well, that is what you are saying.

**Mr DOMINIC PERROTTET:** Look, let's take a step back. We have processes in place in relation to driving accountability and transparency. The fact that concerns have been raised in relation to grant programs is a good thing because Ministers should be accountable for the decisions that they make. They need to operate within the guidelines that are set by the Expenditure Review Committee and, following that, they are accountable and all of those grant decisions should be completely transparent because if you are concerned about transparency, well, the grants should not be issued in the first place. I have said, on becoming Premier—

**The Hon. PENNY SHARPE:** Have you got rid of the shredders?

**Mr DOMINIC PERROTTET:** —that we will do a review in relation to the grant programs and guidelines and all the issues that are involved in that. I have full faith in that review to come back with strong recommendations and I will adopt them.

**The Hon. COURTNEY HOUSSOS:** You will adopt them? And will it apply to WestInvest?

**Mr DOMINIC PERROTTET:** And you know what? I will even provide them to you.

**The Hon. COURTNEY HOUSSOS:** I look forward to that, Premier.

**Mr DOMINIC PERROTTET:** I'll chuck that in. I will provide them to you.

**The Hon. COURTNEY HOUSSOS:** Will they apply to WestInvest?

**Mr DOMINIC PERROTTET:** WestInvest is an interesting one. WestInvest currently has a steering committee in relation to those projects. Obviously, there is a \$5 billion fund, as you would be aware.

**The Hon. COURTNEY HOUSSOS:** Yes.

**Mr DOMINIC PERROTTET:** So \$3 billion is in relation to State Government projects and \$2 billion is from the community. Of those funds, \$3 billion are going to a steering committee, of which the members are Mr Coutts-Trotter, the Treasury secretary—

**The Hon. COURTNEY HOUSSOS:** Premier, I do not need a rundown of the WestInvest fund; I understand how it works. I would like to know if the recommendations from the review are going to apply to the way that the funding is allocated.

**MICHAEL COUTTS-TROTTER:** I think the design of WestInvest anticipates the fundamental recommendations of the review. So the key thing is—

**The Hon. COURTNEY HOUSSOS:** We are going to run out of time, Mr Coutts-Trotter, so we might come back to you this afternoon.

**Mr DOMINIC PERROTTET:** But, just so you know, the steering committee of three senior public servants will provide recommendations into the Treasurer and the Treasurer, in relation to WestInvest, will make the decision, and the Treasurer will be accountable for the decisions that are made. I know the Labor Party is very triggered by WestInvest; I accept that. You were triggered last year by it. You are not happy with the \$5 billion going to western Sydney; I accept that.

**The Hon. COURTNEY HOUSSOS:** I do not need your analysis about our response to WestInvest.

**Mr DOMINIC PERROTTET:** Triggered.

**The Hon. PENNY SHARPE:** You oversaw hundreds of millions of dollars handed out.

**The Hon. COURTNEY HOUSSOS:** I am asking serious questions about how public money is going to be allocated in this State.

**Mr DOMINIC PERROTTET:** You are a little sensitive about WestInvest. Didn't like the video.

**The Hon. COURTNEY HOUSSOS:** How will the changes be implemented? Will it be through a DPC circular?

**Mr DOMINIC PERROTTET:** What was that?

**The Hon. COURTNEY HOUSSOS:** How will the changes from the review be implemented? Will it be through a DPC circular?

**Mr DOMINIC PERROTTET:** I will take the advice from DPC.

**The Hon. COURTNEY HOUSSOS:** Perhaps you might want to take that on notice, then.

**Mr DOMINIC PERROTTET:** Let's do this: What I have committed to, Ms Houssos, is I will get the grants review; that will come to me. I will accept the recommendations in that review. They will be applied across government. I will take on notice in relation to whether we provide that report publicly, but my sense is to always err on the side of transparency, but I will come back to you in relation to that. I will have to wait for the period of time. I will seek advice and I will respond.

**The Hon. COURTNEY HOUSSOS:** Premier, do you accept that we had an upper House inquiry into government grants that spent months trying to find out who was the actual Minister responsible for signing off a quarter of a billion dollars in public funding, but that is not—

**Mr DOMINIC PERROTTET:** In relation to what?

**The Hon. COURTNEY HOUSSOS:** In relation to the Stronger Communities Fund.

**Mr DOMINIC PERROTTET:** I have said that I do not believe that that is acceptable.

**The Hon. COURTNEY HOUSSOS:** You accept that that will not occur again?

**Mr DOMINIC PERROTTET:** Yes. I want to make it abundantly clear to this Committee that my expectation as Premier is that Ministers are completely accountable for the decisions they make in relation to the provision of grants. Any recommendations that come through from this Committee, we will adopt.

**The Hon. COURTNEY HOUSSOS:** So why do you not then commit to voting for the private member's bill that is sitting in the lower House right now that will introduce those measures?

**Mr DOMINIC PERROTTET:** Because I am conducting my own inquiry and getting my own advice from the Department of Premier and Cabinet and the Productivity Commissioner. I will take on that advice and I will act appropriately.

**The Hon. PENNY SHARPE:** Premier, I want to ask you about icare.

**Mr DOMINIC PERROTTET:** Again?

**The Hon. PENNY SHARPE:** Yes. The Auditor-General's report was released yesterday. In that report the Auditor-General says that in 2021 icare changed the risk margin applied to measure the Nominal Insurer's outstanding claims liability, applying a different probability of adequacy of 75 per cent instead of the previously applied 85 per cent. The Auditor-General said that this:

... reduced the value of the Nominal Insurer's outstanding claims liability by \$519 million when it was first applied on 1 July 2020, caused the reported outstanding claims liability to be \$557 million less at 30 June 2021 and consequently the net result was a positive \$63.3 million, instead of a \$494 million loss had the previous risk margin been applied ...

Do you want to explain why that has been changed?

**Mr DOMINIC PERROTTET:** I think what you will find is the POA is in line with other jurisdictions, and that is the approach that icare has taken. I will seek advice on that, but my recollection in relation to this matter is that that change was made in line with other jurisdictions, and they would have taken advice in respect of that issue from the actuaries and from the board. I will chase that up for you and I will give you an answer, but I think what you will find with the 85 per cent POA, that is in line with other jurisdictions. I think it is certainly in line with Victoria, but I will take it on notice.

**The Hon. PENNY SHARPE:** Yes, if you could take that on notice that would be great. The Auditor-General also talked about how icare assessed its capital position, from using the accounting ratio basis to the insurance ratio. This uses a higher discount rate and again gives a more favourable outcome. Why have they done that?

**Mr DOMINIC PERROTTET:** They have not been directed to do that. I think what you will find is that that is in line with current proper reporting, and they would have taken advice on that. The impact of that change may be in line with the proposition you are making. That in and of itself does not make the change the incorrect one.

**The Hon. PENNY SHARPE:** So you see where our concerns are?

**Mr DOMINIC PERROTTET:** Absolutely.

**The Hon. PENNY SHARPE:** I mean, you have had headline after headline. It is a pity that Mr Mookhey was not here today. As you know, he has worked very hard on this issue and worked through all of the issues—

**The Hon. MARK LATHAM:** Where is he?

**The Hon. SCOTT FARLOW:** You should have let him in.

**The Hon. PENNY SHARPE:** —with the oversight and the parliamentary committee.

**Mr DOMINIC PERROTTET:** Where is he?

**The CHAIR:** The ladies are in charge.

**The Hon. PENNY SHARPE:** If you could let me finish, that would be great. The issue here, though, is that by making these two changes there is a massive change in terms of the reported position in relation to icare and its ability to actually provide support to injured workers, which is actually its purpose. So the question here is, if you cannot explain these changes, are they simply accounting tricks to make the books look better than what they did before, in a similar way to how you treated TAHE?

**Mr DOMINIC PERROTTET:** I reject the proposition in the question. Our track record in terms of financial management—

**The Hon. PENNY SHARPE:** You cannot explain to me why the changes were made.

**Mr DOMINIC PERROTTET:** What I can assure you of is that the changes would have been made in line with best practice.

**The Hon. PENNY SHARPE:** It is a half a billion dollar turnaround as a result of the application of these.

**MICHAEL COUTTS-TROTTER:** If you use the accounting ratio, which does not anticipate the earnings you get from the funds in the scheme, you overvalue the liability and you run the risk of charging employers more than you need to charge them. That is why I think the insurance ratio is the preferred ratio.

**Mr DOMINIC PERROTTET:** We will provide for you from icare the rationale behind the change. Ms Sharpe, I would completely reject any proposition in the question that the motivation behind—

**The Hon. PENNY SHARPE:** You are not cooking the books, Premier?

**Mr DOMINIC PERROTTET:** —that change was not to provide a better looking financial result. Ultimately, these schemes are there to provide support for injured workers, balanced by putting downward pressure on business premiums, and for having a sustainable system now and into the future. I will take on notice those specifics—or I can send them straight to Mr Mookhey—in relation to the rationale from icare for that change.

**The Hon. COURTNEY HOUSSOS:** Premier, I wanted to come back to the question on grants. So you will now give a guarantee that any Minister who acts outside of these guidelines will be sacked?

**Mr DOMINIC PERROTTET:** It would depend on the circumstances but, ultimately—

**The Hon. PENNY SHARPE:** Maybe or maybe not.

**Mr DOMINIC PERROTTET:** Ultimately, my expectation with Ministers in relation to grant programs is that guidelines are followed and accountability and transparency follows that.

**The Hon. COURTNEY HOUSSOS:** Why will you not just give us a guarantee, Premier? There are serious questions about public confidence with the way that public money is being used for grants programs. Why will you not just say, "If a Minister does not act in accordance with my guidelines, then they will get the sack"?

**Mr DOMINIC PERROTTET:** I will make it very clear that that is my expectation. Based on the circumstances, if it does merit that action, I will take it. The handling of public moneys is incredibly grave and important. Every Minister who has a responsibility for the issuing of grants across the State has a strong responsibility to follow guidelines and act in accordance with those guidelines in a transparent way.

**The Hon. COURTNEY HOUSSOS:** Okay. Premier, can you just tell me when—

**Mr DOMINIC PERROTTET:** Ms Houssos, I cannot make it any clearer.

**The Hon. COURTNEY HOUSSOS:** That's fine. Premier, obviously you are going to receive this review imminently, or it will be released imminently. When will it be implemented?

**Mr DOMINIC PERROTTET:** As soon as it can.

**The Hon. COURTNEY HOUSSOS:** Okay. Can we get a commitment within a month? Can we get a commitment within a—

**Mr DOMINIC PERROTTET:** I have not seen the report. What I will do is, once I receive the report, I can commit to you today that I will implement those recommendations as quickly as possible.

**The Hon. COURTNEY HOUSSOS:** But you understand that nothing has actually changed with the administration of grants programs since we uncovered shredding that was occurring in the Premier's office? Not a single administrative change has occurred in the way the grants programs are administered.

**Mr DOMINIC PERROTTET:** I do not believe, since being Premier, that there have been any issues at all in relation to the allocation of grants.

**The Hon. COURTNEY HOUSSOS:** Okay. Premier, you would be aware that the Auditor-General's audit of the State finances 2021 report found that the NSW Treasury failed to adequately cooperate with the Audit Office. This was in relation to TAHE. You would be aware of that? Have you sought an explanation from the Treasurer or Treasury officials as to why they have failed to adequately cooperate with the Audit Office?

**Mr DOMINIC PERROTTET:** What I can say on that is this goes back some time. These issues had already been ventilated going back to—

**The Hon. PENNY SHARPE:** When you were Treasurer.

**Mr DOMINIC PERROTTET:** Yes, going back to when I was Treasurer.

**The Hon. PENNY SHARPE:** So your department was actively not helping, and you were supporting them in doing that, were you?

**Mr DOMINIC PERROTTET:** No, not at all. There is no doubt that the relationship and the provision of information between the Treasury and the Auditor-General could have been improved. I, at the time, raised that with the then Treasury secretary. That was my expectation. Not just with Treasury. I think, in line with the

Auditor-General's comments, they are not just specific to Treasury; that should occur across the board. Having said that—

**The Hon. COURTNEY HOUSSOS:** Thank you very much. Premier, you answered my question.

**Mr DOMINIC PERROTTET:** No, I have not answered it. Let me finish. Having said that, I accept the Auditor-General's views but sometimes, for very specific reasons, there may be challenges across agencies in departments in the provision of information. That would need to be taken into account. But I understand and I want to make sure that the Auditor-General takes the view that all levels of government are providing information to her and to the Audit Office in a timely way.

**The Hon. COURTNEY HOUSSOS:** Premier, have you ever had discussions with the ratings agencies about TAHE?

**MICHAEL COUTTS-TROTTER:** No, but they have been the subject of discussions—

**The Hon. COURTNEY HOUSSOS:** Sorry, Mr Coutts-Trotter, I am asking the question of the Premier. Have you had discussions with the ratings agencies about TAHE?

**Mr DOMINIC PERROTTET:** Not that I can recall, but I will take that on notice.

**The Hon. COURTNEY HOUSSOS:** Okay. Have you been briefed on the financial implications of changing TAHE?

**Mr DOMINIC PERROTTET:** Specifically when? TAHE has been a long journey, Ms Houssos.

**The Hon. COURTNEY HOUSSOS:** I understand that.

**Mr DOMINIC PERROTTET:** Over the five- or six-year period—in fact, when I became Treasurer—obviously TAHE was on the pathway for implementation. During that period of time it has been well ventilated in the media, well ventilated through section 52s that have been brought through, that there was obviously tension—and natural tension—between Treasury and Transport in relation to the implementation—

**The Hon. PENNY SHARPE:** Bit more than natural tension.

**Mr DOMINIC PERROTTET:** There is.

**The Hon. COURTNEY HOUSSOS:** That is an interesting characterisation of the process, Premier.

**Mr DOMINIC PERROTTET:** Thank you. I think it is accurate—natural tension. Then, obviously, there were different reports that came in—

**The Hon. COURTNEY HOUSSOS:** A pretty sanitised version of it.

**Mr DOMINIC PERROTTET:** Hold on. And conflicting advice. Now, as part of that journey and as part of that process as Treasurer, there were ongoing discussions both with me, with Treasury, with Transport, with the then transport Minister in relation to implementation. And there would naturally have been a discussion of all aspects of that implementation.

**The Hon. COURTNEY HOUSSOS:** Okay. Have you been briefed on the safety implications—

**The CHAIR:** It is crossbench time. We will have to go to Ms Boyd.

**Ms ABIGAIL BOYD:** Thank you. Just on that, last week Minister Stokes was put in charge of the TAHE legislation. Why was that?

**Mr DOMINIC PERROTTET:** I thought it more appropriate.

**Ms ABIGAIL BOYD:** Why?

**Mr DOMINIC PERROTTET:** Why?

**The Hon. MARK LATHAM:** On the success of the koala SEPP—

**Mr DOMINIC PERROTTET:** Minister Stokes is the Minister responsible for the Infrastructure cluster. Given his responsibilities in that space, I thought he would be the most appropriate Minister to have responsibility for a transport asset holding entity—given that he is the Minister for Infrastructure across the Government. And, when I made the change—when I became Premier—it was to put Infrastructure as a cluster to oversee all the various areas of infrastructure investment and delivery across the State, given it is \$110 billion over the next four years. So, to me, he was the most appropriate Minister for responsibility for that entity.

**Ms ABIGAIL BOYD:** Does that mean that the TAHE board now report to Minister Stokes?

**Mr DOMINIC PERROTTET:** Yes.

**Ms ABIGAIL BOYD:** Is he the shareholding Minister as well?

**Mr DOMINIC PERROTTET:** I will take that on notice. That would obviously be the expectation.

**Ms ABIGAIL BOYD:** Thank you. In relation to the recent quite horrific floods and the damage and the delays in services, as you said, including to transport infrastructure et cetera, do you believe that your Government could have been better prepared for that disaster?

**Mr DOMINIC PERROTTET:** I am not sure. Obviously that is why I have set up an inquiry with Professor Mary O'Kane and Mick Fuller. Ultimately, from my perspective, I want to be in a position where, when those major events occur, that not only are we prepared prior to the event, but also that the response is the best that it can be and that we recover well from it. I think there are things, Ms Boyd, that went well. I think there are things, just from my observations being in the Northern Rivers, that could have been better. I have spoken to both Professor O'Kane and Mick Fuller about my views in relation to that. I will await their findings. Anything that comes through, I will adopt those recommendations.

**Ms ABIGAIL BOYD:** Why is New South Wales the only State not have a climate change adaptation plan?

**Mr DOMINIC PERROTTET:** I don't know.

**Ms ABIGAIL BOYD:** In 2016, under the Baird Government, the New South Wales Government made a commitment for that statewide climate adaptation plan to be completed by the end of 2017. So it is five years out of date.

**Mr DOMINIC PERROTTET:** Sorry, what was that?

**Ms ABIGAIL BOYD:** There was a commitment made by your Government in 2016 to have a climate change adaptation plan put in place by 2017. We are now in 2022 and there is still—

**Mr DOMINIC PERROTTET:** I am quite aware of that.

**Ms ABIGAIL BOYD:** —no such thing. For a big period of that time you were Treasurer. Why do we not have a climate change adaptation plan?

**Mr DOMINIC PERROTTET:** I will take it on notice.

**Ms ABIGAIL BOYD:** Is there one now coming? Is there one in development?

**Mr DOMINIC PERROTTET:** I will take it on notice.

**Ms ABIGAIL BOYD:** Minister Kean, when I asked him, said that there was one coming shortly.

**Mr DOMINIC PERROTTET:** Well, there you go.

**Ms ABIGAIL BOYD:** Is that true? Have you seen it? Do you know anything about it?

**Mr DOMINIC PERROTTET:** I am sure that if that is what Minister Kean says, then it must be true.

**Ms ABIGAIL BOYD:** The floods are a pretty important topic at the moment.

**Mr DOMINIC PERROTTET:** Yes, very much so.

**Ms ABIGAIL BOYD:** It is one thing to arguably shelve responsibility by putting it onto an inquiry to advise, but surely there are things that you could do right now that would stop this happening again—or at least mitigate the damage of it happening again. One of them would be actually working out what you need to do with the State's assets to better protect them against climate change. Wouldn't that be right?

**Mr DOMINIC PERROTTET:** I think that the event that occurred in Lismore was of a biblical scale. I do not think it is something that we have seen before. Having said that, I think a crucial part is not just focusing on the response and the recovery and the rebuild, but also on—actually the rebuild of those communities, particularly in the Northern Rivers, falls in line with preparation. They are very similar issues in terms of how we prepare for the next flood and how we rebuild in a way that ensures that we mitigate against substantial damage and loss of life going forward. That is something that I expect will come through the inquiry in relation to the work that you are referring to. As I said, I will look into that, and that is what the environment Minister—that is what the Treasurer—

**Ms ABIGAIL BOYD:** The Auditor-General reported on this lack of a plan for statewide climate change adaptation and, quite rightly, commented that it really hinders the ability of government agencies to manage their

climate change risk. Without a plan, how are you going to have any concrete plans to actually upgrade the infrastructure across the State in preparation for these climate change events?

**Mr DOMINIC PERROTTET:** There is an imputation that we do not have a plan.

**Ms ABIGAIL BOYD:** You do not have a climate change adaptation plan. We have just agreed on that.

**Mr DOMINIC PERROTTET:** Okay. A climate change adaptation plan does not necessarily mean that its lack of existence means we do not have a plan in relation to mitigation for—

**Ms ABIGAIL BOYD:** Where is your plan?

**The Hon. PENNY SHARPE:** Mitigation is not adaptation.

**Ms ABIGAIL BOYD:** No, it is not. They are two separate things. Where is the adaptation plan?

**Mr DOMINIC PERROTTET:** Well, you raised with me that Minister Kean said it was imminent.

**Ms ABIGAIL BOYD:** The Auditor-General said that you did not have any plan and the lack of that plan has led to the agencies of the Government being unable to prepare itself for climate change risk, and yet we still have no plan.

**Mr DOMINIC PERROTTET:** Mm-hm.

**Ms ABIGAIL BOYD:** So we definitely do not have a plan. Are you now agreeing with that?

**Mr DOMINIC PERROTTET:** No, what I am saying—

**Ms ABIGAIL BOYD:** Everyone else is saying that you do not have a plan. The Treasurer is saying that there is no plan. The Auditor-General is saying that there is no plan. We have \$365 billion in physical assets owned by this Government where there is no plan to actually protect them from the risks of climate change.

**Mr DOMINIC PERROTTET:** That is untrue.

**MICHAEL COUTTS-TROTTER:** I think there is a distinction between an overarching plan and plans that individual asset-owning agencies have in relation to their own assets. I know that agencies have been doing work over the last few years to try and better understand the risk of climate change.

**Ms ABIGAIL BOYD:** I am glad you mentioned that because there are a bunch of those agencies that are not covered by the Treasury's internal audit risk management policy or asset management policy.

**Mr DOMINIC PERROTTET:** Like what?

**Ms ABIGAIL BOYD:** For example, TAHE. TAHE is not required by this Government to have any kind of plan in relation to adapting the State's rail infrastructure for climate change.

**Mr DOMINIC PERROTTET:** Okay.

**Ms ABIGAIL BOYD:** Are you not concerned about that?

**Mr DOMINIC PERROTTET:** We will look at it.

**Ms ABIGAIL BOYD:** Right. So when I asked you before whether or not you thought the State could be better prepared for not just the horrific damage in Lismore but across the State from the floods and the ongoing delays in services that have resulted in trains not running on time for quite some time et cetera, the answer to whether or not your Government was adequately prepared on the basis that you had no plan would have to be "no," wouldn't it?

**Mr DOMINIC PERROTTET:** No, not necessarily.

**Ms ABIGAIL BOYD:** On 5 March you made Minister Steph Cooke the new Minister for Flood Recovery, but that is not actually a ministry listed under the Allocation of Acts and Agencies. Is that a real ministry?

**Mr DOMINIC PERROTTET:** Yes.

**Ms ABIGAIL BOYD:** There are other ministries listed under that order that do not have Acts or agencies allocated to them, but they are still listed.

**Mr DOMINIC PERROTTET:** Yes.

**Ms ABIGAIL BOYD:** That is how you appoint the ministry. How has Steph Cooke been appointed as Minister for Flood Recovery?

**Mr DOMINIC PERROTTET:** I am assuming she walked down to Government House and the Governor was there and she got sworn in.

**Ms ABIGAIL BOYD:** And you have not reflected that in the Allocation of Acts and Agencies.

**Mr DOMINIC PERROTTET:** I have given Steph, Minister Cooke a very clear line of responsibility, and that is to coordinate the recovery, particularly in those areas of the northern rivers. We have a recovery coordinator in Deputy Commissioner Mal Lanyon, and I know that Steph Cooke is working very closely with him in doing everything we can to coordinate right across government those services to help drive that recovery. Her role, not just as the emergency services Minister but enhanced through her work in flood recovery, I believe, will ensure that we get those communities back on their feet as quickly as possible. In addition to that, I think that other Ministers across Government are aware of her responsibility and the fact that she has a coordinating role. I think it was important that we appointed a Minister in that spot.

**Ms ABIGAIL BOYD:** Are you saying that after 5 March she walked down to the Governor and got an additional ministerialship at that time and it was the Minister for Flood Recovery?

**Mr DOMINIC PERROTTET:** I do not know if that was the date, but that is how you generally get sworn in.

**Ms ABIGAIL BOYD:** She was sworn in as a Minister for the other portfolios. I accept that. But in terms of this additional Minister for Flood Recovery that was announced on 5 March—

**Mr DOMINIC PERROTTET:** Is this a trick question?

**Ms ABIGAIL BOYD:** No, I am very curious to know how this became a thing because it is not in the Allocation of Acts.

**The Hon. SCOTT FARLOW:** There was a flood and there needs to be recovery from it.

**Mr DOMINIC PERROTTET:** I called Minister Cooke and the Deputy Premier and the Deputy Premier and I said, "Minister Cooke, we are going to appoint you as the Minister for Flood Recovery. You need to go and get sworn in", and because of the urgency of the matter as quickly as she could. My recollection at the time was that we were up in the northern rivers. I expressed my view to Minister Cooke that she needed to go to Government House as soon as possible to do that. I understand that DPC then would have spoken to the Governor's residence and said, "Can you please make the Governor available at some point in time?" That would have been coordinated with Minister Cooke. Minister Cooke either walked or drove down to Government House. They would have opened the gate, they would have opened the door and she would have walked in—

**Ms ABIGAIL BOYD:** Nice use of a waste of time. Premier—

**Mr DOMINIC PERROTTET:** —and they would have presented the paper and she would have signed the document and, therefore, that is how we appoint a Minister.

**Ms ABIGAIL BOYD:** So there has just been an oversight with the Allocation of Acts.

**The CHAIR:** It is Mr Latham's time.

**The Hon. MARK LATHAM:** Premier, a while back there you said that you thought the outcome-based budgeting in schools was going very well. Have you had a chance—

**Mr DOMINIC PERROTTET:** Did I?

**The Hon. MARK LATHAM:** You did, yes. Just as the bell rang, you said "very well".

**Mr DOMINIC PERROTTET:** Very well.

**The Hon. MARK LATHAM:** Have you had a chance to look at the strategic improvement plans of any schools around New South Wales that are a product of this reform of yours and Minister Mitchell? I can take you to this one, Ashcroft High School, which is—

**Mr DOMINIC PERROTTET:** Sorry, what is this?

**The Hon. MARK LATHAM:** This is the Strategic Improvement Plan. The Department of Education said that they were going to set statewide targets for school improvement and measure school performance in uplifting student results. As a product of one of our Standing Order 52s, we have uncovered this Ashcroft High School document.

**Mr DOMINIC PERROTTET:** I bet you did.

**The Hon. MARK LATHAM:** I will take you to page 3, column three.



**The CHAIR:** Mr Latham, are you tabling this document, for the record?

**The Hon. MARK LATHAM:** Yes, I table it and I will distribute copies of it.

**Mr DOMINIC PERROTTET:** Does every school have one of these?

**The Hon. MARK LATHAM:** Yes, they do.

**Mr DOMINIC PERROTTET:** Okay.

**The Hon. MARK LATHAM:** This is where the rubber hits the road for your reform.

**Mr DOMINIC PERROTTET:** Are you talking outcome-based—linked to the outcome-based budgeting approach?

**The Hon. MARK LATHAM:** Yes, and setting targets for school performance and uplifting student results.

**Mr DOMINIC PERROTTET:** Yes, we are on the same page.

**The Hon. MARK LATHAM:** You will see at the top of page 3 it says, "Strategic Direction 1: Student growth and attainment." That is the core purpose of why a school exists. If you look at column three, it lists the success criteria for this strategic direction. Can I just say that Ashcroft, which I know very well, was part of the Green Valley public housing estate and they are still a fairly disadvantaged area. The expectations of parents have always been around "Can my children learn to read and write and hopefully get a job?" Can you explain what Target 2 would mean to parents in Ashcroft trying to understand what the school is trying to do to give their children those skills? It reads:

Specific: Trial matrix, including 1. QT + Whole person—

**Mr DOMINIC PERROTTET:** I have got it.

**The Hon. MARK LATHAM:** Have you got all that?

**Mr DOMINIC PERROTTET:** We are in column three.

**The Hon. MARK LATHAM:** Yes. Have you got your Rosetta Stone handy?

**Mr DOMINIC PERROTTET:** I can understand what 10 means. It says:

Increase the proportion of students meeting or exceeding expected growth for NAPLAN Numeracy in 2023 by at least 8.2% from the 2016-2018 baseline.

**The Hon. MARK LATHAM:** Can you explain the rest of it to the parents of Ashcroft High School?

**Mr DOMINIC PERROTTET:** Point 11 says:

Increase the proportion of students meeting or exceeding expected growth for NAPLAN Reading in 2023 by at least 6.0% from the 2016-2018 baseline.

**The Hon. MARK LATHAM:** The earlier points that I started to quote are just gobbledegook, aren't they?

**Mr DOMINIC PERROTTET:** I do not understand what "Continue development of integrated Learning + SSS + LC" means.

**The Hon. MARK LATHAM:** Are you aware that in this supposedly statewide system—

**Mr DOMINIC PERROTTET:** Hold on, let me get an understanding. Is this a public interfacing document?

**The Hon. MARK LATHAM:** Yes. It is on the website and parents can go to it and be dazzled by that gobbledegook. Are you aware that Ashcroft, in what is supposed to be a statewide system, has opted out of these targets that the department tried to set? In fact, in the Standing Order 52 the principal wrote, "What specifically are we supposed to be improving?" This is student results. "How and at what level and is it worth it? Does it match an objective? Is it just all about measuring NAPLAN?" Why would any school be allowed to opt out of this system under Minister Mitchell? They are basically saying to the department, "You're trying to set targets but we don't believe that they're needed or valid. What is it actually all about?" It is appalling, isn't it? I am assuming your answer to that is that you are not aware.

Are you aware that this system is a dog's breakfast across the State? Some schools have got three-year targets, some have got four, some have got five, and there appears to be a suite of targets that schools can adopt and they cherry-pick the ones that might suit them. There are about 12 that you could possibly adopt and schools

are picking the three, four or five that suit them. There is no standardised uniform system of performance targets across the State. Your Minister is useless, isn't she?

**Mr DOMINIC PERROTTET:** I reject the proposition in that question. I think Sarah Mitchell is an excellent Minister.

**The Hon. MARK LATHAM:** How has this been allowed to happen?

**Mr DOMINIC PERROTTET:** So a couple of things. I have not seen this document before. I have not seen this document before.

**The Hon. MARK LATHAM:** Did you know that these plans existed?

**Mr DOMINIC PERROTTET:** Hold on. Let's get to the point. I have not seen this document before. To your question, I do not know what these things mean in terms of "Trial matrix, including ... whole person ... FoR + Faculty Identified skills". Okay? I do not understand that—probably like yourself. I do think having clear, specific outcomes for schools and for parents is the best way to go in achieving great educational outcomes. I think we have made a lot of progress in relation to that. In respect of your point of why would certain objectives be over different periods of time or different schools, I would expect they would have different needs and that may lead to different periods of time for those assessments to be achieved.

**Now, in respect of this, I will take it on notice.** It would appear to me what is set out here as targets, in terms of the language that is used, is probably more appropriate for internal dissemination and understanding within the department than it would be for the public. So even though this was online it does not necessarily mean that it was set up for, you know, a guidance for teachers or for parents. But, having said that, I want to instil confidence in the system and I will look at this.

**The Hon. MARK LATHAM:** I have visited Ashcroft High and studied this improvement plan. Can you have a read of the whole document? Because what is happening at that so-called high school is that the principal is opting out of performance targets and openly turning the school into a community health centre. Do you think that is a legitimate role for a school? I mean, in New South Wales we have the fastest-falling school academic results in the world.

**Mr DOMINIC PERROTTET:** I do not know what the specific circumstances are around that.

**The Hon. MARK LATHAM:** How can any school in New South Wales turn its back on uplifting student performance and become a community health centre?

**Mr DOMINIC PERROTTET:** Well, I am not aware of that information.

**The Hon. MARK LATHAM:** If you can have a read of it—

**Mr DOMINIC PERROTTET:** What I will do is I will read this. Is that set out in this?

**The Hon. MARK LATHAM:** Yes, that is for you. There are lots of things happening in education that we need to get across.

**Mr DOMINIC PERROTTET:** I will read this, I will get advice from the department and I will directly come back to you on it. But I think we are on the same page in terms of if you have clear metrics and it is easy to consume and understand then that leads to better outcomes.

**The Hon. MARK LATHAM:** Yes. Well, there are lots of things happening in schools and it ain't pretty, I can assure you. Can I take you to the Sydney Science Park at Luddenham, where this Government, in one of the most remarkable land development activities I have seen in the history of western Sydney, has bent over backwards with a whole series of development approvals, heads of agreement, memoranda of understanding about all sorts of things, funding a \$200 million water facility at the Sydney Science Park. Most particularly, why are you running an \$11 billion metro through Badgerys Creek—Luddenham to St Marys—when the benefit-cost ratio for the project was just 0.75, with just 18 per cent of the benefits flowing to public transport usage and 64 per cent to urban development—namely, the Celestino developers at the Sydney Science Park?

And will you conduct an inquiry into how all this Government largesse has been able to unfold when— if you visit the site, as I did last week—there is nothing there? It is cow paddocks and horse paddocks across a vast area of Luddenham, with Sydney Water spending \$200 million in the middle of it for a water facility to service who—the cows and the horses, the blades of grass? Can you investigate what has happened with Sydney Science Park and will you re-examine the utility of this metro heavy expenditure and have a look at moving the expenditure to the expansion of the Leppington heavy rail line?

**Mr DOMINIC PERROTTET:** Is this the issue you raised—

**The Hon. MARK LATHAM:** Yes, the rail line out there through Leppington. You see, from Leppington out to the airport there are actually houses being built—not cows and horses. They need public transport. Why is that not the subject of rail services instead of this fiasco for Celestino at the Sydney Science Park?

**Mr DOMINIC PERROTTET:** What I do know is that the Minister is looking at that issue. Obviously, when you are building major infrastructure projects, particularly as we are—record amounts in western Sydney and north-west Sydney and south-west Sydney where you are referring to—there will always be different views in relation to the route or where the stations should be. I know that you have raised this issue with me previously, as well as—

**The Hon. MARK LATHAM:** Rob Stokes.

**Mr DOMINIC PERROTTET:** —Minister Stokes, and we will look at it. I know he has looked at it and we will see. Mr Latham, when you are building so much, as this Government is, there will always be different opinions in relation to consultation that comes through ahead of the construction phase. What good governments do is look at those issues, reach a determination and provide reasoning behind it, and that is what we will do for you.

**The Hon. MARK LATHAM:** Okay. Why is the Government siting a metro station at this Sydney Science Park at Luddenham when there is nothing there, other than your Sydney Water investment?

**Mr DOMINIC PERROTTET:** Well, the difference between us—

**The Hon. MARK LATHAM:** Public transport in western Sydney is critical.

**Mr DOMINIC PERROTTET:** Because I know that—

**The Hon. MARK LATHAM:** Why would you put a station for a ghost science park where there is not a single job, a single building, a single private investment after seven years of this thing promoting itself?

**Mr DOMINIC PERROTTET:** This is your inner Labor Party coming out in you, and—

**The Hon. MARK LATHAM:** No, it is my inner western Sydney—

**Mr DOMINIC PERROTTET:** No, it is not. It is this—

**The Hon. MARK LATHAM:** —where resources are scarce and you are washing them down the drain.

**Mr DOMINIC PERROTTET:** It is this approach of you wait until things are built before you put in the public transport network. What we are focused on is actually building the public transport ahead of the curve. That is what sets up a vision. If you have got a vision about where the State is going you do not wait until the population comes in, you build the infrastructure. I know this as somebody who grew up in north-west Sydney when the Labor—

**The Hon. MARK LATHAM:** That is what I am saying about the Leppington line.

**Mr DOMINIC PERROTTET:** No, when the Labor Government—

**The Hon. MARK LATHAM:** The Leppington line has got people.

**Mr DOMINIC PERROTTET:** Yes, but the difference—

**The Hon. MARK LATHAM:** Are you going to put cow and horse carriages on the train for Luddenham?

**Mr DOMINIC PERROTTET:** No. But, Mark, I can tell you in north-west Sydney when the Labor Party did not invest in the north-west metro for years we finally had to retrofit it in areas where there was substantial development because the public needed and the population growth needed that public transport network. I accept the principle in your question in terms of making sure that we get the locations of the stations in the right area and the right form of transportation is invested in. As I said, I will look at that. But simply—

**The Hon. MARK LATHAM:** Someone needs to investigate this scandal. It is scandalous, I am telling you.

**Mr DOMINIC PERROTTET:** I am saying simply because there may be paddocks there now does not mean there will be paddocks there in the future.

**The CHAIR:** For everyone's information, there are a couple of minutes left so we will split them evenly for the last couple of questions.

**Mr DOMINIC PERROTTET:** Are you happy with that? Do you want me to come back to you on that?

**The Hon. MARK LATHAM:** Yes, if you can. Yes, I said that six months ago.

**Mr DOMINIC PERROTTET:** Yes, but I can—

**The Hon. MARK LATHAM:** We need to re-examine it. It is a waste of money.

**Mr DOMINIC PERROTTET:** I can assure you we were looking at it.

**The Hon. COURTNEY HOUSSOS:** Premier, we have only got a couple of minutes to go. Since becoming Premier, have you received any formal complaints regarding any of your Ministers?

**Mr DOMINIC PERROTTET:** No, not that I am aware of.

**The Hon. COURTNEY HOUSSOS:** Has your office received any complaints?

**Mr DOMINIC PERROTTET:** I will take that on notice.

**The Hon. COURTNEY HOUSSOS:** Are there any existing complaints that are currently being investigated?

**Mr DOMINIC PERROTTET:** I will take that on notice. I do not think so.

**The Hon. COURTNEY HOUSSOS:** Okay. If you can come back to us with, if there are any, who the Ministers are or who the complaints are against?

**Mr DOMINIC PERROTTET:** I will take advice on whether I can provide that information to you. But I can assure you, Ms Houssos, from my understanding, my office and I have not received any complaints. But I will take that on notice and if I am wrong I will let you know.

**The Hon. COURTNEY HOUSSOS:** Okay. Thanks very much.

**The CHAIR:** Ms Boyd, do you have any final questions?

**Ms ABIGAIL BOYD:** I do, thank you. Why is it that the new Northern Rivers Reconstruction Corporation will report to the Deputy Premier and not the so-called Minister for Flood Recovery?

**The Hon. PENNY SHARPE:** Yes, good question.

**Mr DOMINIC PERROTTET:** Because the remit—it is a good question, Ms Sharpe; it is a very good question. Because the—

**The Hon. PENNY SHARPE:** You have got a lot of coordinators.

**Mr DOMINIC PERROTTET:** I am acutely aware of that and I took that—

**The Hon. PENNY SHARPE:** Resilience NSW, Mr Lanyon.

**The Hon. SCOTT FARLOW:** He gave you a compliment and look at you now.

**Ms ABIGAIL BOYD:** Okay. An answer to the question?

**The Hon. PENNY SHARPE:** I cannot help it. I cannot help it.

**Mr DOMINIC PERROTTET:** Well, Ms Sharpe, you know what, it is actually—

**The Hon. PENNY SHARPE:** Our time is short.

**Mr DOMINIC PERROTTET:** —the member for Lismore, Janelle Saffin—

**The Hon. PENNY SHARPE:** Who is a legend.

**Mr DOMINIC PERROTTET:** Absolutely, and she has done a great job up there. I give her credit for that.

**The Hon. PENNY SHARPE:** An extraordinary job.

**Mr DOMINIC PERROTTET:** She also supports the view of setting up a corporation. To the question in relation to why does the corporation report to the Deputy Premier, well, because the Minister for Flood Recovery's focus is more of a shorter-term horizon in coordinating the public service issues and the needs that are there on the ground now. That includes the clean-up—which has gone incredibly well, in my view—and the coordination by Resilience NSW on the ground in terms of mental health services, housing services. That is a

here-and-now issue that she needs to be focused on. What I expect from the corporation is more a medium- to long-term horizon as we go into the future and we rebuild those towns.

**Ms ABIGAIL BOYD:** A final question then: Given the difficulties that people with disability have had during the floods, and have been overlooked in a lot of ways and have experienced particular discrimination and hardship, will this new Northern Rivers Reconstruction Corporation ensure that all new housing will be built to minimum accessibility standards?

**Mr DOMINIC PERROTTET:** I will take that on notice, but my expectation is that that would not just be relevant in the recovery; that would be relevant into the medium to long term, as you say, and I will make sure that is factored into any advice that we receive.

**The Hon. MARK LATHAM:** Premier, I am sure you acknowledge that the Hunter Valley needs jobs because of all the unacceptable attacks on the coal industry from most parties—

**Mr DOMINIC PERROTTET:** No government has done more for the Hunter Valley than the Liberals and Nationals over the last 10 years.

**The Hon. MARK LATHAM:** Okay. What are you doing to unscramble the shockingly anticompetitive arrangements you put in place stopping the construction of the Newcastle port container terminal, which would not only be an employment boom for the Hunter Valley, but also a major productivity and micro reform for all of northern New South Wales?

**Mr DOMINIC PERROTTET:** I will have a look at that, but they are well below capacity. You know they are well below capacity as it is, at the terminal.

**The Hon. MARK LATHAM:** They have not got container facilities, so obviously they are well below capacity because you have not let them build anything there because of the anticompetitive deal struck by Berejiklian and Constance.

**Mr DOMINIC PERROTTET:** But you are also aware of the importance of having an overarching transport strategy that brings in freight and port—

**The Hon. MARK LATHAM:** Everything to Botany.

**Mr DOMINIC PERROTTET:** Hold on—and the road network that supports that. That takes State investment in those networks. It is not as simple as saying, "Here is the Newcastle port. We should be lifting restrictions in relation to it." The decision that was made, all those years ago, that has been subject to proceedings which found in the favour of government—that decision was made to provide greater coordination: Port Botany, Port Newcastle and also the road networks that ensure that we get freight to location as quickly as possible. And that investment from the State needs to come off the back of it. It is not an isolated issue. Having said that, I accept there are legitimate concerns. Whenever there are legitimate concerns, the benevolent Government that I lead will always look into them.

**The CHAIR:** On that note, does the Government have any final questions?

**The Hon. SCOTT FARLOW:** The benevolent Government has just a few.

**Mr DOMINIC PERROTTET:** Really?

**The Hon. SCOTT FARLOW:** Yes. It will only be quick. You might like it.

**The Hon. TAYLOR MARTIN:** These are the ones you do not want.

**The Hon. PENNY SHARPE:** Peter Phelps has been busy; he has been sending them over.

**The Hon. SCOTT FARLOW:** No, this doesn't come from Phelps. This comes from me. Mr Premier, we spent a lot of time today talking about Parliamentary Secretaries and the like. Are you aware that Labor and crossbench members changed the Legislative Council Standing Order 25 to actually prohibit parliamentary secretaries from chairing committees?

**Mr DOMINIC PERROTTET:** No, I am not aware of that.

**The Hon. SCOTT FARLOW:** That happened in 2019.

**Mr DOMINIC PERROTTET:** So when was that?

**The Hon. SCOTT FARLOW:** In 2019.

**The Hon. PENNY SHARPE:** What is your point?

**Mr DOMINIC PERROTTET:** Labor did that?

**The Hon. SCOTT FARLOW:** Labor did that.

**The Hon. PENNY SHARPE:** It is not the case in the Legislative Assembly.

**Mr DOMINIC PERROTTET:** That would have been just four of their 14 women who were members of the upper House.

**The Hon. SCOTT FARLOW:** It would have been four of the 14 were part of it, yes.

**The Hon. COURTNEY HOUSSOS:** It is still more than your Cabinet.

**Mr DOMINIC PERROTTET:** Less than our boards.

**The Hon. SCOTT FARLOW:** Mr Premier, are you aware that the Government has, actually, through the—

**The Hon. PENNY SHARPE:** You have two women in the Legislative Council. I would be a bit careful if I were you.

**The Hon. SCOTT FARLOW:** The Procedure Committee's review of standing and sessional orders tried to remove this prohibition so that Parliamentary Secretaries could serve as committee chairs, thereby saving further additional committee—

**Mr DOMINIC PERROTTET:** I was not aware, but I find that very interesting.

**The Hon. SCOTT FARLOW:** That is all from me.

**The CHAIR:** Great. Thank you, Premier, for your attendance today.

**Mr DOMINIC PERROTTET:** Can I just say, Ms Moriarty, I think you are doing a great job as a committee chair. I value the work you do for the New South Wales Parliament and I think you should be paid, particularly as a strong woman in this place, for that important work that you do for the New South Wales Parliament.

**The CHAIR:** Yes, well done, Premier. Thank you for your time today. We have concluded our proceedings and you are excused.

**(The Premier withdrew.)**

**(Luncheon adjournment)**

Ms **KATE BOYD**, Deputy Secretary, General Counsel, NSW Department of Premier and Cabinet, on former affirmation

**The CHAIR:** Welcome back, everybody. We will continue this afternoon with questions from the Opposition.

**The Hon. PENNY SHARPE:** Thank you for coming back. My understanding is that when the new Ministers were sworn in, with the larger number of Ministers, there will have to be renovations done and offices created. Can you take us through the upgrade of facilities that has been required as a result of the new ministry?

**MICHAEL COUTTS-TROTTER:** Sure. As you would recall, most of the ministry are located at 52 Martin Place, together with DPC and some other agencies. We are just squeezing in a bit tighter, so some of that space will be given over to the creation of offices for two additional ministers.

**The Hon. PENNY SHARPE:** Is that for Minister Coure and Minister Franklin?

**MICHAEL COUTTS-TROTTER:** It is for Ministers Tuckerman and Franklin, I think. So the lease costs remain the same there. We are in the process of getting quotes for the modest refit and creation of the offices. We are going to squeeze up a bit tighter in the building.

**The Hon. PENNY SHARPE:** Can you take on notice how much those renovations will cost?

**MICHAEL COUTTS-TROTTER:** Yes.

**The Hon. PENNY SHARPE:** Have you also had to do changes to Parliament House arrangements?

**MICHAEL COUTTS-TROTTER:** Not that I am aware of, but I am happy to take that on notice.

**KATE BOYD:** DPC would not be—

**The Hon. PENNY SHARPE:** Yes. As soon as I said that, I thought, "It's these guys."

**MICHAEL COUTTS-TROTTER:** Yes. It should have occurred to me too.

**The Hon. PENNY SHARPE:** I just wanted to check that. Are you able to tell us what the total budget for the Premier's office is for salary and wages and employee on-costs?

**MICHAEL COUTTS-TROTTER:** Let me see if I have that to hand. I think I probably do. I think this is published on the DPC website from time to time. As at 31 December 2021, there are 180 full-time equivalent ministerial staff, which actually, from memory, is about the lowest number since 2013. The Premier's office—

**The Hon. PENNY SHARPE:** Would you be able to provide that to us, on notice, broken down year by year from 2013?

**MICHAEL COUTTS-TROTTER:** Yes, I could do it from then.

**The Hon. PENNY SHARPE:** Why don't we say 2011.

**MICHAEL COUTTS-TROTTER:** Okay, 2010-2011?

**The Hon. PENNY SHARPE:** Yes.

**MICHAEL COUTTS-TROTTER:** Alright. The Premier's office, again at 31 December, had 29 full-time equivalent staff.

**The Hon. PENNY SHARPE:** Just to be clear, that is Premier Perrottet?

**MICHAEL COUTTS-TROTTER:** That is Premier Perrottet, yes.

**The Hon. PENNY SHARPE:** Did you say 29 or 39?

**MICHAEL COUTTS-TROTTER:** It is 29. The total employment costs for the Premier's office was \$5.58 million. I do have a point-in-time comparison: That compares to \$5.6 million in 2009-2010. So, in nominal dollar terms, it has remained constant.

**The Hon. PENNY SHARPE:** How does that compare to 2015-16?

**MICHAEL COUTTS-TROTTER:** Happy to take that on notice.

**The Hon. PENNY SHARPE:** Thank you. Are you able to tell us what was the total cost of the redundancies from the former Premier's office when she resigned?

**MICHAEL COUTTS-TROTTER:** I have a figure which I think is accurate. The costs are, as you say, redundancies triggered by the retirement of Premier Berejiklian and other associated ministers. They come to a total of—including our support costs—about \$4.3 million.

**The Hon. PENNY SHARPE:** So that is not just Premier Berejiklian; that is the changes in the ministries? That is the whole thing?

**MICHAEL COUTTS-TROTTER:** No, that is everything triggered by the Premier's resignation.

**The Hon. PENNY SHARPE:** Are you able to provide that to us broken down in terms of actual numbers of staff and payout, obviously not identifying them?

**MICHAEL COUTTS-TROTTER:** Obviously not identifying them, but yes, I think so—the aggregate number of staff. Yes.

**The Hon. PENNY SHARPE:** Are you able to also tell us how many staff were retained compared to how many left—or are still employed, I suppose?

**MICHAEL COUTTS-TROTTER:** I think so. I will check that for you and if we can respond, I will.

**The Hon. PENNY SHARPE:** Thank you. Are you able to provide to us the number of staff employed in each Minister's office as of today? Obviously, you will have to take that on notice.

**MICHAEL COUTTS-TROTTER:** Yes, I would have to take that on notice.

**The Hon. PENNY SHARPE:** Broken down by office and salary classification?

**MICHAEL COUTTS-TROTTER:** I will take it on notice.

**The Hon. COURTNEY HOUSSOS:** Obviously, a lot of new ministers have come in and some changeover would have occurred at that period. Are all of the ministerial offices fully staffed now?

**MICHAEL COUTTS-TROTTER:** I suspect not because typically, it seems, from looking at the financials for the past couple of years, available budgets are not fully spent. I do not think they are fully spent at this point in the year either, so my assumption would be probably not. But I will take that on notice.

**The Hon. COURTNEY HOUSSOS:** If you are able to provide us with a list of the vacancies per office as well, that would be helpful.

**MICHAEL COUTTS-TROTTER:** Okay, I will do my best.

**The Hon. COURTNEY HOUSSOS:** That is great, thank you.

**The Hon. PENNY SHARPE:** When you are providing this—I am just trying to think—are you able to advise how many DLOs are in each office as well, because they are often not counted in that count?

**MICHAEL COUTTS-TROTTER:** Yes, we can.

**The Hon. PENNY SHARPE:** Thank you. My last one on these ones is can you also provide to the Committee the cost of the establishment of the new cluster headed by Minister Ayres?

**MICHAEL COUTTS-TROTTER:** The Department of Enterprise, Investment and Trade?

**The Hon. PENNY SHARPE:** Yes.

**MICHAEL COUTTS-TROTTER:** Yes.

**The Hon. PENNY SHARPE:** Thank you.

**The Hon. COURTNEY HOUSSOS:** Mr Coutts-Trotter, earlier today I asked you a question about complaints, which you took on notice.

**MICHAEL COUTTS-TROTTER:** Yes.

**The Hon. COURTNEY HOUSSOS:** If it does come back that there are any complaints, are you able just to provide us with who those complaints are against?

**MICHAEL COUTTS-TROTTER:** We checked briefly in the break and there were no formal complaints.

**The Hon. COURTNEY HOUSSOS:** Okay. Are you able to table the document that you were just reading from with the list of numbers?



**MICHAEL COUTTS-TROTTER:** No, this is the Minister's staff numbers over time, which I do have. I will not table it; I will respond on notice.

**The Hon. COURTNEY HOUSSOS:** Okay.

**The Hon. PENNY SHARPE:** How do you define "formal complaint"?

**MICHAEL COUTTS-TROTTER:** A complaint is a complaint; it is either made or not made.

**The Hon. PENNY SHARPE:** It is just that you said "formal complaint", so I am trying to understand whether there is a—

**MICHAEL COUTTS-TROTTER:** I am not trying to do a Sir Humphrey impersonation. If there is a complaint, it is a formal complaint, but it is to distinguish it from—you cannot work around a parliament or a public sector without hearing kind of hearsay; that is not a complaint.

**The Hon. PENNY SHARPE:** So a complaint becomes a complaint when it is in writing?

**MICHAEL COUTTS-TROTTER:** A complaint is someone coming forward and making a formal complaint—

**The Hon. PENNY SHARPE:** And that means that there is something in writing?

**MICHAEL COUTTS-TROTTER:** —within in a formal process, yes.

**The Hon. PENNY SHARPE:** I want to go back to a couple of things on the floods. We did not get to this with the Premier this morning but when was the Premier first briefed about the increased flood risk? Obviously the biggest flooding was 24 and 25 February.

**MICHAEL COUTTS-TROTTER:** I would need to take that on notice.

**The Hon. PENNY SHARPE:** Sure.

**MICHAEL COUTTS-TROTTER:** I do recall a media story about a presentation to, for example, the National Cabinet. There are briefings from time to time from State Emergency Service agencies that are typically summer readiness, preparedness, bushfires, floods and the like. So they would have happened; I can get the details. They, though, while generally helpful are not specifically helpful. Of course, one of the issues that affected the response in the northern rivers was that the Bureau of Meteorology's best estimates required the State Emergency Service to deploy its people, its equipment and its control centres from the Illawarra all the way to the Queensland border, because there was the possibility of extreme events right across that geography. So while you can be warned about a general threat, it does not actually necessarily enable you to have the right people in the right place at the right time, as was sadly the case in Lismore.

**The Hon. PENNY SHARPE:** That leads me to my next question, which is about the ADF offer of support in relation to the floods and when DPC became aware of that.

**MICHAEL COUTTS-TROTTER:** I would have to take that on notice because it is a pretty detailed chronology. Parts of it have been canvassed, and I am sure parts of it will be canvassed by Mary O'Kane and former Police Commissioner Mick Fuller as well.

**The Hon. PENNY SHARPE:** That is okay. Can you give me a quick overview though of where DPC sits in terms of emergency response?

**MICHAEL COUTTS-TROTTER:** Yes. So we facilitate a lot of the decision-making. Obviously we facilitate the formal decision-making through any Cabinet committees, and we play a coordinating and supportive role behind those agencies that have specific responsibilities established in the plans connected to the State emergency management Act. We are involved but those plans are very clear about who the lead agency is and the specific roles performed by committees that are then established to support that response—so the response phase, in this case, of course led by the SES, and the recovery phase led by Resilience NSW with associated governance that comes into play when you move into recovery.

**The Hon. PENNY SHARPE:** And there is also this new body as well.

**MICHAEL COUTTS-TROTTER:** Then there is the Reconstruction Corporation. But it has a three-to-five-year time frame, whereas the immediate recovery task is a three-to-six-month time frame.

**The Hon. PENNY SHARPE:** I wanted to ask you about the grants review.

**MICHAEL COUTTS-TROTTER:** Yes.

**The Hon. PENNY SHARPE:** Obviously we had a lot of discussion about that. It is imminent and I am not going to ask more about the time frame. I am going to ask you, though, in terms of what is in scope. Is it defined as something where the grants, as generally known, are within scope in terms of practice within government?

**MICHAEL COUTTS-TROTTER:** Yes, I think so. I think it would meet people's expectations. They are discretionary grants. So it does not canvass, for example, contracts with non-government out-of-home care providers or public services that are delivered through a third party.

**The Hon. PENNY SHARPE:** No, that is right.

**MICHAEL COUTTS-TROTTER:** But it does cover all the discretionary grants that have been the focus of parliamentary committees and public discussion.

**The Hon. PENNY SHARPE:** On the weekend there was an announcement made by Minister Griffin in relation to heritage Blue Plaques. They are quite well known. The reason I am very interested in this is in the first round that has been announced, not one has been provided within a Labor-held seat. That is quite a surprise to us. My question is—and I am not asking you to talk about the policy of it—in terms of scope, it is a good program, it is going to recognise local heritage heroes with these Blue Plaques. They are quite well known overseas. But do you think that a program like that, given the outcome—I do not think Minister Griffin has been listening to all the open, transparent and needs-based funding that apparently is happening across the Government—is there any way that that can fall within scope or do you think that is out of scope?

**MICHAEL COUTTS-TROTTER:** I do not know a lot about the detail of the program, but I would assume it is out of scope.

**The Hon. MARK LATHAM:** Blacktown Civic Centre, surely—1972, surely.

**MICHAEL COUTTS-TROTTER:** They are administrative decisions by a Minister to—

**The Hon. PENNY SHARPE:** Yes.

**MICHAEL COUTTS-TROTTER:** Yes, I assume that is out of scope.

**The Hon. MARK LATHAM:** Blacktown sports club, 1993—surely.

**The Hon. SCOTT FARLOW:** Blacktown or Bankstown?

**The Hon. COURTNEY HOUSSOS:** In terms of the current requirements governing grants, is it still the DPC circular from 2010 that governs the grants?

**MICHAEL COUTTS-TROTTER:** Yes, that is the operative circular.

**The Hon. COURTNEY HOUSSOS:** How is that communicated to government departments?

**KATE BOYD:** It is published online and all government departments have codes of conduct which require their employees to comply with all circulars and memos. That is generally how it is communicated.

**The Hon. COURTNEY HOUSSOS:** We spent a very frustrating couple of hours with the Office of Local Government trying to ascertain whether circulars actually apply. That is the most succinct and helpful answer that I have got, so thank you very much, Ms Boyd.

**MICHAEL COUTTS-TROTTER:** I think that is a compliment.

**The Hon. SCOTT FARLOW:** Estimates over.

**The Hon. PENNY SHARPE:** I do not think so. I wanted to ask you about the Premier's Priorities.

**The Hon. SCOTT FARLOW:** You should have asked the Premier.

**The Hon. PENNY SHARPE:** No, because he does not actually provide the answer, I have found. Mr Coutts-Trotter is far more useful in relation to this.

**MICHAEL COUTTS-TROTTER:** No, I do not accept that premise.

**The Hon. PENNY SHARPE:** I will make sure I tell him that you said that.

**MICHAEL COUTTS-TROTTER:** In fact, I actively reject that premise.

**The Hon. PENNY SHARPE:** Obviously we have had this discussion several times now at a variety of estimates and meetings.

**MICHAEL COUTTS-TROTTER:** Yes.

**The Hon. PENNY SHARPE:** What is the current status of the Premier's Priorities? Essentially, why don't you tell me about that and then I will ask a question?

**MICHAEL COUTTS-TROTTER:** They remain. Obviously DPC is home to the Premier's Implementation Unit, which works in partnership with agencies to drive progress, track progress and report on progress and support a process by which the status of performance is brought to Ministers and to the Premier on a regular basis. We have our most recent delivery report with the Premier at the moment. I do not think it has been published yet, but the process of supporting the routines behind the delivery of those priorities from central agency DPC continues, and I know from talking with colleagues they remain high priorities for my colleagues.

**The Hon. PENNY SHARPE:** Do you anticipate that they are going to be reviewed by the new Premier?

**MICHAEL COUTTS-TROTTER:** I do not think they are going to be reviewed in this term of Parliament. They will remain priorities for this term of Parliament certainly.

**The Hon. PENNY SHARPE:** The 16 that are there you anticipate are going to stay.

**MICHAEL COUTTS-TROTTER:** Yes.

**The Hon. PENNY SHARPE:** There has been different messages about whether these are changing or not.

**MICHAEL COUTTS-TROTTER:** No, they remain.

**The Hon. PENNY SHARPE:** So there are the Premier's Priorities. My understanding is that the Premier has also committed to across government the Closing the Gap targets.

**MICHAEL COUTTS-TROTTER:** Yes.

**The Hon. PENNY SHARPE:** Then he has also at various points outlined some other priorities in terms of things that he talked about in the Bradfield Oration, for example.

**MICHAEL COUTTS-TROTTER:** Yes.

**The Hon. PENNY SHARPE:** How do they all come together?

**MICHAEL COUTTS-TROTTER:** In a kind of technical sense, partly through charter letters to incoming Ministers. Charter letters went out and they articulated to Ministers focus areas of government—quality of life, strong foundations, lifelong learning, home ownership, modern services, manufacturing in New South Wales' six cities. They reiterate that Closing the Gap targets remain important priorities for Government and responsibilities for Ministers and they also highlight existing Premier's Priorities. The lead Minister responsible would be identified in the charter letter to the lead Minister responsible.

**The Hon. PENNY SHARPE:** You really have three sets of Premier's Priorities then.

**MICHAEL COUTTS-TROTTER:** Three priorities, one set of formally termed Premier's Priorities.

**The Hon. COURTNEY HOUSSOS:** Does the Premier's Implementation Unit track the information that is in the charter letters?

**MICHAEL COUTTS-TROTTER:** Yes, they do. Sorry, whether they do or we do, but we through DPC do, yes.

**The Hon. PENNY SHARPE:** You have the implementation unit and then there is the board of secretaries. What is their role within these?

**MICHAEL COUTTS-TROTTER:** We meet every two weeks to hopefully mostly make decisions but sometimes just to share information so we all know what is going on. It is an administrative body in the sense that it is not established by regulation or statute or anything. It is just the heads of agencies plus the Police Commissioner and the Public Service Commissioner coming together to ensure that we try and act as good stewards and leaders in the sector. We do have a pattern of regularly dealing with quarterly reports of progress on the Premier's Priorities. We do meet prior to connected Closing the Gap proposals going through to Cabinet committees. We try and make sure that if there are any points of disagreement or issues of concern, they kind of get ventilated there before something goes in either directly to the Premier or into a Cabinet committee.

**The Hon. PENNY SHARPE:** The oversight of the charter letters and what is set out in there, where does that rest?

**MICHAEL COUTTS-TROTTER:** We are supporting that and supporting the Premier and his office in that.

**The Hon. PENNY SHARPE:** That is separate from the Closing the Gap and the Premier's Priorities.

**MICHAEL COUTTS-TROTTER:** Yes, in the sense that they identify further priorities for Ministers. But obviously, as you know because you know them all very well, some of the Closing the Gap targets are actually the same quantified targets as some of the Premier's Priorities, so there is that overlap.

**The Hon. PENNY SHARPE:** Just to go back to the Premier's Priorities targets and leaving aside the others, which are a little bit more opaque in terms of their tracking, there have been 16 targets. There are six that are going backwards or have made no progress.

**MICHAEL COUTTS-TROTTER:** Yes.

**The Hon. PENNY SHARPE:** Is there just an acceptance now that these are not going to be met? What is being done about trying to turn those around?

**MICHAEL COUTTS-TROTTER:** I might take a couple by way of illustration. There is a target to try and reduce the proportion of children reported to the child protection system who are then re-reported.

**The Hon. PENNY SHARPE:** The latest figures are worse again.

**MICHAEL COUTTS-TROTTER:** Yes. Actually, that has moved from a sort of red traffic light assessment to an amber red because we have seen some improvements. There were some things done. You have not seen it yet, it has not been published.

**The Hon. PENNY SHARPE:** I was going to say the most recent ones had it tracking up again.

**MICHAEL COUTTS-TROTTER:** Yes. There are really very clear plans of action behind each of them that in the routine of review are expressed as, "These are the things we are going to do in the next 12 weeks." Then there is a check at the end of the 12 weeks to say, "Have those things been done or are they on track?" and then, most importantly, "Are they having an impact on performance?"

**The Hon. PENNY SHARPE:** In terms of the six that are not going well, the numbers in terms of Aboriginal students attaining year 12—not on track.

**MICHAEL COUTTS-TROTTER:** No.

**The Hon. PENNY SHARPE:** Obviously there is an election in less than 12 months. These have been in place for a long time because they actually are similar to the ones that Premier Baird had and Premier Berejiklian kept those, as I understand it.

**MICHAEL COUTTS-TROTTER:** Yes. I probably would not be doing my colleagues in education or elsewhere justice in summarising their work, but there are—

**The Hon. PENNY SHARPE:** I am just talking about the ones that are clearly not on track.

**MICHAEL COUTTS-TROTTER:** Yes.

**The Hon. PENNY SHARPE:** The proportion of Aboriginal students attaining the HSC is going backwards. Are we basically accepting that these are not achievable?

**MICHAEL COUTTS-TROTTER:** No. I think there is clear assessment both by the agency and through the Premier's Implementation Unit that leads to those green, amber, red, and if something is red with 12 months left to run, it is unlikely to be met but it does not mean that the broad objective is not still being pursued. We are still trying to reduce the number of domestic violence perpetrators who reoffend. We will not hit the target but we are trying to do it.

**The Hon. MARK LATHAM:** Lock them up.

**MICHAEL COUTTS-TROTTER:** The policing intervention centre worked really well for a lot of people.

**The Hon. PENNY SHARPE:** You have the six that are not on track.

**MICHAEL COUTTS-TROTTER:** Yes.

**The Hon. PENNY SHARPE:** Sorry, they have gone backwards or are making no progress. Then there are another six that are not on track. What I am getting to is that there are 16 targets. Two have been met and at this point only another two are on track to be achieved by 2023. That means that essentially 12 of the 16 are not on track.

**MICHAEL COUTTS-TROTTER:** Actually, I am not sure about that. Improving outpatient and community care looks to be on track. Reducing street homelessness—the most recent statewide street count was a slight increase on the year before but it is still actually below the target we have set for ourselves by 2025. Right here, right now, the target has been met but of course it is never static. The cost of housing is rising and the pressures on street homelessness are rising, so there is caution about declaring victory because it is just a constant and consistent effort required. Reducing recidivism in the prison population—we have now seen six consecutive quarters where the reoffending rate on that measure has fallen. That is really good news. Towards Zero suicides looks to be on track. In terms of the diversity measures in the public service, on the female senior leader target of 50 per cent, we are sitting at 43 per cent. For senior Aboriginal leaders, we have 130 against a target of 114. The element of diversity where we are not doing well enough is recruiting, retaining and helping develop the careers of people with disability, yes.

**The Hon. PENNY SHARPE:** That has been going backwards for a while too.

**MICHAEL COUTTS-TROTTER:** Yes. Actually, it went backwards; it has come forward but only modestly.

**The Hon. PENNY SHARPE:** Yes, the numbers are small.

**MICHAEL COUTTS-TROTTER:** Yes.

**The Hon. PENNY SHARPE:** Are you aware that in terms of the green tree canopy—and, really, I am heading towards the issue of heat island effect in western Sydney, where we know it is 10 degrees hotter on those hottest days—we are nowhere near meeting the commitment around tree planting?

**MICHAEL COUTTS-TROTTER:** I am not familiar with that. The note I have got says there are 708,926 trees planted against a target of one million.

**The Hon. PENNY SHARPE:** Yes, that sounds about right. That was supposed to be done by this year.

**MICHAEL COUTTS-TROTTER:** And, again, the assessment is the target is on track to deliver in 2022—so, calendar 2022. A lot of spade work, but that does look achievable.

**The Hon. PENNY SHARPE:** I do not believe it is.

**The Hon. COURTNEY HOUSSOS:** Can I ask specifically around the increase in proportion of public school students in the top two NAPLAN bands for literacy and numeracy by 15 per cent—where are you at on that? Sorry if you said it earlier.

**MICHAEL COUTTS-TROTTER:** The performance is behind trajectory.

**The Hon. COURTNEY HOUSSOS:** So what are the latest figures telling you?

**MICHAEL COUTTS-TROTTER:** I should probably defer to my colleagues in Education, so I will take that on notice.

**The Hon. COURTNEY HOUSSOS:** Can you tell us what is the plan for how they are going to meet that target?

**MICHAEL COUTTS-TROTTER:** Sure. I will take it on notice.

**The Hon. COURTNEY HOUSSOS:** You do not have that for us today?

**MICHAEL COUTTS-TROTTER:** No, I do not.

**The Hon. COURTNEY HOUSSOS:** Okay.

**MICHAEL COUTTS-TROTTER:** Some of these I am familiar with from a former life, that is all.

**The Hon. COURTNEY HOUSSOS:** I understand that. I am just interested to know what is being done and when you think that is likely to be achieved.

**MICHAEL COUTTS-TROTTER:** Yes.

**The CHAIR:** The crossbench? Ms Boyd?

**Ms ABIGAIL BOYD:** Thank you, Chair. I am going to use the excuse that the Opposition has stolen most of my questions, so I may not have a full 15 minutes either. Just coming back to the Premier's Priorities, in relation to the numbers or the proportion of people with disability working in the public sector I understand the target is 5.6 per cent and it has been around mid-2 per cent pretty much forever.

**MICHAEL COUTTS-TROTTER:** Yes.

**Ms ABIGAIL BOYD:** I have been asking about this for at least three years and I keep being told that there are measures in place to improve this. Clearly, they are not working and it does not actually seem like that big a task. Has there been any decision to do things differently?

**MICHAEL COUTTS-TROTTER:** There has been a heap of decisions to do things differently—everything from how people's capabilities and match for a job are assessed through to, particularly, the information technology that is available to people, the requirement for accessible technology, things about the physical environment—but, most importantly, serious work to confront department leaders with the actual experience of people with disability who are working in their organisations or have worked in their organisations. I think that has actually been the most effective thing that we have done. Having senior people actually listen to what it is like as a person with disability to work in your own organisation can be profoundly discomfoting. The simple matters of respect—you know, simple things that could and should have been done to adjust the workplace to enable someone to do the job that they want to do and that they have the capability to do—do not get done. Often that is less senior people in management not feeling like they have the organisation's authority to do that. It costs money to make some of those changes.

From that, there are all sorts of practical things that have been done to change where budgets for workplace adjustments are held. They are not held by less senior managers. They are held centrally, so the decision you take is not a decision you have to worry about in terms of delivering your own budget; it is funded by the organisation. We are working on passports so that if you move from one job to another, one department to another, you do not have to tell your story all over again. The kind of supports that you need in the workplace go with you. That can change over time, but it gets updated and moves with you over time.

There are networks of public servants with disability, so disability employee networks are now important decision-makers with other department leaders in a whole bunch of issues associated with recruiting, retaining and developing people with disability. You have got people identified as disability allies or champions in organisations. We have got formal supports for those people. It is attitudinal, it is cultural, it is frustrating, it is way too slow to move. But if you look across different workplaces, you have got Legal Aid with 6.5 per cent of its employees are people with disability. So there are stand-out examples where people who really bring a bit of attention to it can really demonstrate to the rest of us what is possible.

**Ms ABIGAIL BOYD:** It sounds like there have been some inroads made into challenging a culture of ableism, I guess, and culturally once people are in the job. But what has been done to recruit more people with disability into the jobs and, specifically, what accountability measures are in place to ensure that at every step of the recruitment process a certain percentage of people with disability are being considered?

**MICHAEL COUTTS-TROTTER:** There has been a lot done to try to help departments become better recruiters and employers of people with disability. Quite a number, including my former department, sought accreditation as disability-confident employers through the Australian Network on Disability—so using external expertise and, really, a kind of process by which you learn from good employers, you assess yourself, but then you have somebody outside the organisation that challenges you on your sometimes too sunshine-and-lollipop self-assessment. So it is a process of measuring yourself against agreed standards of what disability-confident employers look like—what they do well, what people know and can do in leadership and management positions.

There is a lot of data gathered on the proportion of people approaching the organisation who identify as people with disability, the proportion who make it through various stages of the recruitment process. We have got disability-specific talent pools—so we have run particular recruitments for people who are neurolinguistically diverse, who are in hot demand in a whole range of roles in the public sector and the private sector. So there is a bunch of things happening; it is just that across the whole of the workforce it is just not moving the aggregate number sufficiently quickly.

**Ms ABIGAIL BOYD:** It sounds like there are quite a lot of subjective measures, but you did say that you do take data on percentages approaching the organisation et cetera. Are you able to provide, on notice, the percentage of people who do apply for a job in the public sector who identify as a person with disability?

**MICHAEL COUTTS-TROTTER:** Yes, sure.

**Ms ABIGAIL BOYD:** And then, also, if there are other stages—for example, those who then make it through to an interview—what percentage that would be?

**MICHAEL COUTTS-TROTTER:** Okay.

**Ms ABIGAIL BOYD:** And then could you tell me what you proactively do to identify those departments or managers who are underperforming on the basis of those numbers?

**MICHAEL COUTTS-TROTTER:** I am not sure about the last bit, so I will take it on notice. I do not think the data would allow you to go, "Michael Coutts-Trotter is doing less well than someone in his role should be expected to do." It is not at that level of refinement and possibly never could be, but certainly at a broader workplace and certainly agency level we do know who is doing well and who is doing less well, and who is moving forward and who is not.

**Ms ABIGAIL BOYD:** You said earlier in response to Ms Sharpe's questions that in a lot of these Premier's Priorities we will not hit the target but we are trying to do it.

**MICHAEL COUTTS-TROTTER:** Yes.

**Ms ABIGAIL BOYD:** It is quite frustrating, though, when we see something like this measure that has stayed at this 2 per cent, and although it sounds like some work has been done—we are trying—we are certainly not hitting the target. At what point does a priority actually result in significant action being taken to ensure that the target is met?

**MICHAEL COUTTS-TROTTER:** I could not claim it is consistent across a very big collection of agencies, but this is a target that is taken very seriously certainly by a lot of my colleagues and by people at every level in the organisation. It is not a "nice to have"; people are held to account for it. We talk about it every three months as a group of secretaries. There is a focus on it. It is just a tough one. It is a tough one for the private sector too. There was a notion that we were grossly underperforming compared to private sector employers but, as I learn more about it, that is just not true. There are some employers with particular sections of the financial services industry that for a whole range of good reasons have gone after people who are neurolinguistically diverse, and they have done very well with one dimension of people with disability, but across the board the sort of performance we see in our better performing New South Wales departments is as good as anything you would see in the private sector.

**Ms ABIGAIL BOYD:** It is great that neurolinguistic people are now valued in our community in some levels and some jobs, but we are talking about a much broader group of very valuable workers. I know that there are examples within the private sector where quotas have been put in place, where you simply must employ a certain percentage of people with disability, and that has had amazing impacts on challenging a quite ableist culture. Why is the Government not doing the same?

**MICHAEL COUTTS-TROTTER:** I think that is probably a policy question for government. What you conclude from this is a little uncertain but, when you look at how people identify themselves for the purposes of the annual staff engagement survey—completely anonymous—you have reporting rates where workforces are seeing 5 per cent to 6 per cent of respondents and it is like 75 per cent of their workforce responding, so it is incredibly—

**Ms ABIGAIL BOYD:** Is that particular departments or agencies?

**MICHAEL COUTTS-TROTTER:** Yes. For example, in Stronger Communities—an organisation I knew well—the formal workforce data on people who have, in the workforce data system, said, "Look, I am a person with a disability," it is 3 per cent of the workforce, but the respondents to the annual staff engagement survey, it is 5.2 per cent of the workforce of people who identify as people with disability. Of course, the assumption there is because they are concerned about identifying themselves as a person with disability because they feel they could face disadvantage or discrimination in the workforce. I think it is probably a bit more complex than that, but I do think the workforce data that we have—the 2.6 per cent—understates the share of the workforce who are people with disability. It is consistently the case that the annual survey shows double the rate.

**Ms ABIGAIL BOYD:** We could have a big conversation about why people may or may not identify as people with disability. Particularly there are people with disability who do not believe that they need workplace adjustments.

**MICHAEL COUTTS-TROTTER:** Absolutely.

**Ms ABIGAIL BOYD:** And where much of the ableism comes from is where you need to provide a workplace adjustment. I think there is limited—perhaps—benefit in that data and, in any case, it is well below your target.

**MICHAEL COUTTS-TROTTER:** Well, that is the thing, it is close to—I mean, it is below the target but it is close to the target. But, just to your point, the point we often make is, everybody to some extent needs some adjustment in the workplace—we all do. Workplaces are better at providing adjustments for some people in some circumstances than they are for others. Many of the people who workplaces are not good at providing adjustments for are people with disability.

**Ms ABIGAIL BOYD:** Absolutely. Could you provide me please on notice with a breakdown—if some of the departments or clusters are doing better than others, that means that some of them are doing a lot worse than 2 per cent. Could you please provide a breakdown of the percentage of people with disability in each of those clusters and departments?

**MICHAEL COUTTS-TROTTER:** Yes.

**Ms ABIGAIL BOYD:** In the time I have left, I want to ask about the iVote decision.

**MICHAEL COUTTS-TROTTER:** That is a decision for the State Electoral Commissioner—his call.

**Ms ABIGAIL BOYD:** Yes, and I will be asking him on this also later. But when that decision was notified to the Premier's office—which I assume it was notified at some point?

**MICHAEL COUTTS-TROTTER:** Yes.

**Ms ABIGAIL BOYD:** Was it considered—what measures the Government could now put in place—to ensure that voters with a disability, particularly those who are blind and low vision, are able to cast anonymous and independent votes?

**MICHAEL COUTTS-TROTTER:** I think the short answer is yes, but I really think I should leave it to the State Electoral Commissioner to talk about that.

**KATE BOYD:** The commissioner's letter to the Premier advising of the decision specifically addressed the fact that the Electoral Commission would be looking at alternatives to facilitate independent voting by low vision and blind electors at the upcoming State election.

**Ms ABIGAIL BOYD:** So the Government does not see itself as having an additional role in that? We are trusting that the commissioner will make it so that that is going to happen?

**KATE BOYD:** I think that would be consistent with the Electoral Commission's statutory responsibilities.

**Ms ABIGAIL BOYD:** Yes, but the Government still has a responsibility to provide for people with disability to ensure that they can participate in democracy.

**MICHAEL COUTTS-TROTTER:** And we have and will stay in close contact with Mr Schmidt as he works through it and provide him with any assistance he asks for.

**Ms ABIGAIL BOYD:** I will take that up with him later.

**The Hon. MARK LATHAM:** Thank you, Ms Boyd and Mr Secretary. Mr Secretary, what is the definition you use as the head of the New South Wales public service and that applies across the public sector for the meaning of "woman"? What is a woman?

**Ms ABIGAIL BOYD:** I will have to explain it to you, Mr Latham.

**MICHAEL COUTTS-TROTTER:** You are asking me a personal opinion.

**The Hon. MARK LATHAM:** No, the position as head of the public sector—or both, if you can.

**MICHAEL COUTTS-TROTTER:** Sure. A mature biological female, so that is a definition of sex, but the definitions that are applied in other contexts include concepts of gender and gender identity, and that is in line with both the New South Wales Anti-Discrimination Act and the Sex Discrimination Act at the Commonwealth level as well.

**The Hon. MARK LATHAM:** So it is possible, say, in the NSW Woman of the Year Awards for someone identifying as a woman, having been born biologically male—

**Ms ABIGAIL BOYD:** Hear, hear.

**The Hon. MARK LATHAM:** —to nominate and to win them?

**MICHAEL COUTTS-TROTTER:** Yes, it is. From memory there was a trans woman of that nature who was a local awardee a couple of years ago. It was a really lovely story.

**The Hon. MARK LATHAM:** This is from Wagga?

**MICHAEL COUTTS-TROTTER:** Yes, I think so.



**The Hon. MARK LATHAM:** There is a back story there that I will not go into. This is a definition, then, different to the one the Premier has been giving publicly that for him a "woman" is an adult female, and I think he means biological female.

**MICHAEL COUTTS-TROTTER:** Again, there is a distinction between sex, gender and gender identity, and there are requirements in anti-discrimination legislation that we have to satisfy. I have not listened closely to the Premier's comments. I could not comment on that.

**The Hon. MARK LATHAM:** They are on the public record, and at law then the Premier's definition really does not matter because you have a different one that is applied in the different statutes that you have mentioned.

**MICHAEL COUTTS-TROTTER:** I would not summarise it that way, but there are concepts that apply in anti-discrimination legislation that we respect and adhere to.

**The Hon. MARK LATHAM:** Mr Secretary, what role do you play at Infrastructure NSW?

**MICHAEL COUTTS-TROTTER:** Because of my taking on this job, you automatically become a board member of Infrastructure NSW.

**The Hon. MARK LATHAM:** Have you been briefed on irregularities in the way in which the Central Barangaroo development has been handled?

**MICHAEL COUTTS-TROTTER:** I would not agree with the characterisation. I am aware that there are negotiations that Infrastructure NSW has been engaged in through that process but I am not across the detail.

**The Hon. MARK LATHAM:** You would not agree with the characterisation. Why were the sightline notifications—effectively, the harbour views—sold twice, to Lendlease-Crown and also to Grocon?

**MICHAEL COUTTS-TROTTER:** I would have to take that on notice, Mr Latham.

**The Hon. MARK LATHAM:** What deal with Lendlease and Crown did the State Government—originally under Barangaroo Development Authority, now under the organisation where you are a board member—do with those organisations after they sued and won, and why has the nature of the arrangements never been made public?

**MICHAEL COUTTS-TROTTER:** Again, I will take it on notice. I point out that the board is an advisory board, not a kind of core governance board. It has some distinct responsibilities, but the day-to-day management of those kind of details are questions best directed to the chief executive Simon Draper.

**The Hon. MARK LATHAM:** Central Barangaroo at the moment is a hole in the ground with no sign of completing what had been a grand vision, also with the construction of a very expensive metro station in a place where there is no development nearby. When you say you are an advisory board, do you give some advice about how this conundrum, this debacle can be sorted out?

**MICHAEL COUTTS-TROTTER:** No, the detail of that has never come to the board. Sorry—it has not come to the board on the two occasions I have met as a member of the board.

**The Hon. MARK LATHAM:** Are you aware of why Grocon was promised sightline notifications consistently over a three-year period, 2016 to 2019, always promised day after day, time after time, that they were coming soon but never delivered?

**MICHAEL COUTTS-TROTTER:** No.

**The Hon. MARK LATHAM:** Are you aware of a series of WhatsApp messages in 2019 where Tim Robertson from Infrastructure NSW, formerly an adviser to Mike Baird, was collaborating with the department, the Premier and Cabinet officials, Infrastructure NSW officials and commercial competitors to Grocon to do in Grocon—or in Robertson's words, expressed in this WhatsApp message on 10 May 2019, "If we give a 1-10 notice, the sight lines notice to Daniel, Grocon, we'll all be fucked"?

**MICHAEL COUTTS-TROTTER:** No.

**The Hon. MARK LATHAM:** Do you believe in general there is an obligation for an outfit like Infrastructure NSW to be neutral between companies rather than making a deliberate decision to do in one company and advantage others?

**MICHAEL COUTTS-TROTTER:** The general proposition is an easy one to agree to, but I just have no knowledge of these details, Mr Latham.

**The Hon. MARK LATHAM:** What sort of guidelines does Infrastructure NSW have for its senior staff on how to avoid this example of crony capitalism?

**MICHAEL COUTTS-TROTTER:** I am happy to refer to Infrastructure NSW the thrust of the question, which is, What are the internal policies to manage the Code of Conduct and related policies?

**The Hon. MARK LATHAM:** Is this a matter that has been raised at board level at any stage?

**MICHAEL COUTTS-TROTTER:** Only the conduct of the negotiation. I am sketchy on the detail, so I am happy to take it on notice.

**The Hon. MARK LATHAM:** And get back with information. Are you aware that Tim Robertson wrote a memo to your predecessor, Tim Reardon, also to Simon Draper, on 23 August 2019, saying as follows, "The project team considers that the best opportunity for the Central Barangaroo project to progress in a manner that's consistent with the sender and minimises ongoing risk to Infrastructure NSW is for the transfer of development rights from Grocon to Aqualand"? Why would this level of favouritism to one commercial party exist to the disadvantage of a different one? This is quite extraordinary, isn't it?

**MICHAEL COUTTS-TROTTER:** I cannot accept the premise of the question. I am happy to again refer the question to Infrastructure NSW for a response on notice.

**The Hon. MARK LATHAM:** Thanks for that. Could you also ask them in that response why is it, after three years of waiting for these sightlines—you know, very valuable commercial property effectively, because it is a sightline to Sydney Harbour and the harbour bridge—three years have been promised for the sightlines. The day after Grocon was forced to sell because of commercial difficulties caused by the three-year delay—they sold to Aqualand on 26 September 2019—the day after, the sightlines were then delivered to Aqualand. How could this be? How could one outfit be disadvantaged waiting for three years, they sell out, and the very next day these valuable sightlines are provided, delivered to Aqualand, the new owner, within 24 hours?

**MICHAEL COUTTS-TROTTER:** Again, I cannot accept the premise of the question because I just have no knowledge of it. Again, I will refer it to Infrastructure NSW.

**The Hon. MARK LATHAM:** Are you aware that the principal at Aqualand, very high up in the company, was Warwick Smith from the Liberal Party, a friend of the then Premier Gladys Berejiklian and part of her so-called moderate faction? Doesn't this again point to crony capitalism?

**MICHAEL COUTTS-TROTTER:** No, I was not aware of that. Again, I will refer that, without commenting on the assumption and the question, to my colleagues at Infrastructure NSW.

**The Hon. MARK LATHAM:** As a board member, when you get this information back and have a chance to look more substantially at what I can see to be an outrageous scandal and misuse of Government power, if you thought it sufficient, would you take it to the board and say, "We've got to have a good look at how this could possibly happen?"

**MICHAEL COUTTS-TROTTER:** I don't know if it would turn on my participation as a member of the advisory board. Obviously, I have a general responsibility to deal appropriately with matters of serious concern and would do what I needed to do. I have no knowledge of the detail contained in your questions. All I can do is refer them to the organisation for a response.

**The Hon. MARK LATHAM:** As head of the public service, what guidelines are there and what training or instructions do staff get about the neutral treatment of commercial and corporate interests—being told to avoid the favouritism here that is quite stunning in the Central Barangaroo development debacle?

**MICHAEL COUTTS-TROTTER:** Again, I took earlier a question on the policies, the code of conduct and the governance structure within Infrastructure NSW, so happy to respond.

**The Hon. MARK LATHAM:** Ms Boyd, as the general counsel, can you shed some light on what legal parameters, training, instructions are given to senior staff to make sure they remain neutral in matters where there are competing commercial interests?

**KATE BOYD:** I would just confirm what Mr Coutts-Trotter said about codes of conduct, statements of business ethics, other internal policies and legal obligations that apply to all public officials in terms of conducting themselves ethically and appropriately.

**The Hon. MARK LATHAM:** In your experience, did Mr Reardon ever enforce any of those codes of conduct or have concern that at Central Barangaroo they were being breached and seek advice from you?

**KATE BOYD:** No, I am not aware of that.

**The Hon. MARK LATHAM:** Can you supply us with the documents that you have mentioned that would be available to Robertson, Draper, Reardon at Infrastructure NSW, that should have guided their conduct?

**KATE BOYD:** Yes, I can take that on notice.

**The Hon. MARK LATHAM:** Thank you very much.

**The Hon. COURTNEY HOUSSOS:** Mr Coutts-Trotter, have any of the independent organisations who have to make requests to DPC for additional funding—ICAC, the Auditor-General, the Electoral Commission—have any of them made additional requests for funding this financial year?

**MICHAEL COUTTS-TROTTER:** Obviously the Government received—sorry, it is long-winded. The short answer is that we are working in support of a number of independent agencies, but what we are doing is no longer mediating their relationship either directly with the Treasury or, more importantly, with the Expenditure Review Committee of Cabinet. The Premier has written to the heads of independent agencies proposing a range of changes to the way in which funding decisions in respect of independent agencies are handled, as he undertook to do. So he undertook to consult with those agencies in response to the parliamentary inquiry report, the Auditor-General's report. He has done that. I would expect that there will be further decisions made about making some changes to the way it works.

**The Hon. COURTNEY HOUSSOS:** Okay. With respect, Mr Coutts-Trotter, have they made requests? I understand if you are not mediating those responses anymore. Are you aware of any requests from the ICAC, the Auditor-General or the Electoral Commission that have come in?

**MICHAEL COUTTS-TROTTER:** Yes, but I should let them speak to those.

**The Hon. COURTNEY HOUSSOS:** Okay. And that the process has changed?

**MICHAEL COUTTS-TROTTER:** Yes.

**The Hon. COURTNEY HOUSSOS:** Does that mean that DPC, or the Premier, is no longer required to support those applications?

**MICHAEL COUTTS-TROTTER:** The Premier remains the Minister, together with the Attorney General, who are responsible for the agencies. So the Premier remains involved in the process. But the previous process saw DPC, as a cluster lead, effectively receiving, considering and then forwarding the proposals from independent agencies. We are taking ourselves out of that mediation role.

**The Hon. PENNY SHARPE:** So there is not a brief on top of those that goes to the Premier? Is that the change?

**MICHAEL COUTTS-TROTTER:** Well, the process of consultation and decision-making about a new way of dealing with funding requests has not been finalised. So I should not talk to it until it is done.

**KATE BOYD:** Are you talking about supplementary funding requests, rather than requests through the budget process?

**The Hon. COURTNEY HOUSSOS:** That is exactly right.

**MICHAEL COUTTS-TROTTER:** I am sorry, I was confused.

**KATE BOYD:** So there have been no supplementary funding requests.

**MICHAEL COUTTS-TROTTER:** No.

**The Hon. COURTNEY HOUSSOS:** None? Okay. But this is for the budget for the new financial year, there is a different process and that is still being finalised.

**MICHAEL COUTTS-TROTTER:** New year, new dawn, new staff.

**The Hon. COURTNEY HOUSSOS:** I understand. That is very helpful. Thanks very much, Ms Boyd.

**The CHAIR:** There are no further questions. Thank you for your attendance today, we appreciate it.

**(The witnesses withdrew.)**

**(Short adjournment)**

**Mr MATTHEW PHILLIPS**, Executive Director Corporate, NSW Electoral Commission, sworn and examined

**Mr ROY WALDON**, Executive Director Legal, NSW Independent Commission Against Corruption, on former oath

**Mr PHILLIP REED**, Chief Executive Officer, NSW Independent Commission Against Corruption, on former affirmation

**Mr PETER HALL**, Chief Commissioner, NSW Independent Commission Against Corruption, on former oath

**Mr IAN GOODWIN**, Deputy Auditor-General of NSW, Office of the Auditor-General, on former oath

**Ms MARGARET CRAWFORD**, Auditor-General of NSW, Office of the Auditor-General, on former affirmation

**Mr JOHN SCHMIDT**, Electoral Commissioner NSW, NSW Electoral Commission, on former affirmation

**The CHAIR:** Welcome back to the final session of our estimates hearing. We have a panel of our independent agencies this afternoon. We will start with questioning from the Opposition.

**The Hon. PENNY SHARPE:** Thank you, everyone, for coming along. My questions are to you, Mr Schmidt. I have a series of questions that are essentially about the impact of the loss of iVote for blind and vision-impaired voters. Commissioner, you have determined not to use the technology-assisted iVote for the 2023 election. What were the considerations that led you to make that determination?

**JOHN SCHMIDT:** Thank you for the question. It is not an easy decision to make to take away a channel such as iVote. I should say what it was not based on to start with. It was not based on a cybersecurity issue. It was not based on the issues before the Supreme Court, and to some degree are still before the Supreme Court, arising out of the local government elections. It comes down to a simple operational matter. We use a software provider, Scytll, who provides the system. They are bringing out a major revision of that system. If it has not been released now, it will be sometime in April, according to their timetable. I first became aware in early March that not only was the new version coming out but the existing version would not be supported. That is fine. We would have to implement and install and, more importantly, test a new version of the software if we were going to use it for the March 2023 State general election.

**The Hon. PENNY SHARPE:** Sorry, Commissioner, when were you informed of this?

**JOHN SCHMIDT:** Early March.

**The Hon. PENNY SHARPE:** Early March this year?

**JOHN SCHMIDT:** This year. The answer is that we simply do not have time to test. I mean, I have appeared before this Committee and other committees in recent times pointing out some of the challenges I have with my systems across the board. We have to do, as you would expect and hope, massive testing of the systems and the integration of those systems in the lead-up to major events. We are starting that very soon. I do not have time to have a new system come out, which then has to be customised because they have a base frame of a system. We would have to customise it to our particular legislative requirements and we would have to test those customisations. There is no way, with my hand on my heart, that I could have said that I could roll out to the community in March next year a system that we could rely upon with that lead time.

**The Hon. PENNY SHARPE:** You say that you cannot do that and I believe you, but what are the specifics that mean that you cannot do it? Is it a lack of people? If you were to get 10 more people, could you get it on deck? What is actually the barrier to being able to test and have this ready for 2023?

**JOHN SCHMIDT:** There are a number of levels in answering that. One is that if everything else was perfect and you had all the resources in the world and you had top-grade systems with no underlying challenges—which, of course, I do not—and even with customisation and testing to give you stability, I do not believe we would have had the time to do it. But when you look at the aging systems I have got—I mean, this is one of the problems we often face with the funding arrangements we have now. We have money given to us around election times for major events but we do not have continuous funding, which is what you require to operate systems. You could throw all the money in the world—you could give me \$100 million tomorrow and 100 people—and I could not put in place a system in that time frame to deliver that, let alone get my other systems fully tested as we approach March.

**The Hon. PENNY SHARPE:** There is no ability for you just to continue to use the old version? Basically, it just will not work?

**JOHN SCHMIDT:** It is not going to be supported.

**The Hon. PENNY SHARPE:** It is not supported.

**JOHN SCHMIDT:** Yes, that is the end of that system or that version.

**The Hon. COURTNEY HOUSSOS:** Sorry, Mr Schmidt, I wanted to confirm, you were first advised of this in early March 2020. You have an ongoing relationship with Scytl. Is that right?

**JOHN SCHMIDT:** If I could clarify, we knew that a new version was coming out. What I was advised of in March, which was new, was that the existing version would not be supported into the future. There was some discussion about if we could come to some arrangement, but it would have been exorbitantly expensive to try. We did not even delve down into that, so I cannot give any more information. It just was not going to be practical. I am not criticising the company; I am just saying that was the reality of the situation.

**The Hon. COURTNEY HOUSSOS:** I know that we have talked about this extensively in the electoral matters committee. So do you have an ongoing agreement with Scytl?

**JOHN SCHMIDT:** It is pronounced Scytl.

**The Hon. COURTNEY HOUSSOS:** Sorry, I am going to say that wrong all day now.

**JOHN SCHMIDT:** We have an agreement, which was coming up for an extension this month. I made the decision that, in light of that development, I would not renew the arrangement. Now, moving on from that, informed by the local government election issues—not only the issues which were before the Supreme Court but there are significant policy considerations, which I will not go through here. Obviously JSCEM are going to be very interested in this with the volume of people who obviously wanted to use internet voting, but how that fits in with the framework of the legislation and the categories of people who the Parliament intended should be able to use it there is a significant policy discussion to be had about what a future iteration of such an arrangement would look like.

If I can have a moment of your time, I have just recently written to the Premier and the Treasurer proposing that I be able to carry forward some unspent money from the local government elections to set up an independent review, which would involve not only government and central agencies but also the interest groups who I met with a couple of weeks ago to talk about this. They have expressed their genuine concerns and I understand their genuine concerns. I have already got an iVote advisory panel, which has been put in place based on another JSCEM recommendation.

**The Hon. PENNY SHARPE:** Sorry, what is JSCEM?

**JOHN SCHMIDT:** The Joint Standing Committee on Electoral Matters, apologies.

**The Hon. PENNY SHARPE:** Sorry, I do not know it as that acronym.

**JOHN SCHMIDT:** I think it is appropriate to try and get on the front foot. It is not possible for SGE23, but for future events, particularly for cohorts such as the blind and low vision and people with disability. Another cohort I would like to focus on is overseas voters. With postal voting now it becomes almost impossible to vote overseas. My intention is to run a review process engaging all stakeholders. I am before the Joint Standing Committee on Electoral Matters on 13 May, in a few weeks' time, and I will talk about it further there. But this is an appropriate discussion, I think, that we have to have going forward.

**The Hon. COURTNEY HOUSSOS:** I will be questioning you in that capacity as well.

**JOHN SCHMIDT:** I look forward to it.

**The Hon. COURTNEY HOUSSOS:** Mr Schmidt, I should be very clear that I have been very critical of the expansion of iVote, but I am very supportive of its original purpose. I do want to put on the record that it was a Labor government led by then disability services Minister Peter Primrose who introduced it to allow people with disability, particularly vision-impaired people, to vote for the first time. It was a really important step. Is there any possibility that we could just draw out that very narrow scope of voters and allow them to vote through iVote at the next State election? I appreciate your efforts going forward, but is there some way that we can allow the original purpose of the iVoters to at least vote at the next State election?

**JOHN SCHMIDT:** There are a couple of answers I will give there. When you are talking about an online voting system, the answer is no for two reasons. One, of course, I have talked about, with the problems of the changing of versions. But the landscape has changed somewhat following the Supreme Court decision where the court has held that the absolute number—if, for example, that problem were to replicate itself, a small number of people who registered but were prevented from getting their credentials and so could not vote. When we did

our assessment of the potential materiality of such a deficiency, we did various modelling about the pattern of voting through other channels and through iVote itself to form a conclusion about which contests seemed to be in doubt.

The court has taken a much more black-and-white view that it is the absolute number of ballots that could not be cast. So there is a real risk, particularly in the upper House, when you come to some of the distribution of preferences and some of the points in the distribution of preferences. But even in a close lower House seat, that could throw into doubt the validity of that election. So I am not in a position—I have not got the capacity to do it and I would be reluctant to do it if I did. It is not 100 per cent a solution but the AEC is using it for the Federal election and we did use this for the recent by-elections—the three State by-elections—and two local government by-elections, which is the telephone voting system. It goes some way to addressing the concerns of the interest groups.

A major concern, of course, is a secret ballot. The way it operates is the elector rings in and talks to a person who takes their details, confirms that they are entitled to vote, gives them an identification number which does not identify who they are and they are then transferred to a completely different person who has no idea who they are speaking to and there is another person also monitoring the process who takes their preferences, fills in—literally in the State by-elections—a ballot paper for them and puts it in the box. The advocacy groups have expressed concern, of course, that it takes away the ultimate autonomy of a person to exercise their vote, but they are casting a secret ballot. We will be monitoring what the AEC is doing with a much bigger-scale operation in the coming Federal election. That is the model I am looking for SGE23. It is not perfect, but it does address to some degree the concerns that have been raised.

**The Hon. PENNY SHARPE:** This is a big deal for blind citizens and low-vision disability community members, who have raised it extensively. I mean, this is a big change in terms of their democratic right where they have been able to access what was considered to be a groundbreaking, secret and independent ballot. The AEC version, as you say, still is not completely independent, although it could arguably be secret. But I do not think that would be accepted by blind citizens in relation to that. Are you really telling us that there is just not going to be any alternative that will deliver that secret and independent vote for the 2023 election for blind and vision-impaired people?

**JOHN SCHMIDT:** No. Telephone voting is the halfway house, if I can put it that way, as the solution.

**The Hon. COURTNEY HOUSSOS:** Mr Schmidt, I just wanted to ask you about some contracts that IVE or IVE Group have been awarded by the NSW Electoral Commission since 23 March 2019. What contracts have they been awarded?

**JOHN SCHMIDT:** I would have to take that on notice. If I remember correctly, it is some of our printing contracts. It is a very small field out there in the marketplace with some of these contracts.

**The Hon. COURTNEY HOUSSOS:** My understanding is that it is the postal votes.

**JOHN SCHMIDT:** It is the fulfilment or printing. It is in that space. But I will take on notice the exact contracts.

**The Hon. COURTNEY HOUSSOS:** When we are talking about the postal votes, we are talking about the actual ballot papers, the envelopes and the voting system for the postal ballots. Mr Phillips, you look like you are nodding. Do you have any more information?

**MATTHEW PHILLIPS:** No, I do not.

**The Hon. COURTNEY HOUSSOS:** Are you able to tell us how many contracts have been awarded to the IVE Group?

**JOHN SCHMIDT:** I will take that on notice.

**The Hon. COURTNEY HOUSSOS:** And the amounts for those contracts?

**JOHN SCHMIDT:** I will take it on notice.

**The Hon. COURTNEY HOUSSOS:** Do you know how many of these contracts went to open tender?

**JOHN SCHMIDT:** We follow the procurement guidelines, so some of our contracts will be a combination of open tender or rollover in certain specific circumstances. But, again, on notice we will come back to you with all the details.

**The Hon. COURTNEY HOUSSOS:** That would be very helpful. As part of those procurement guidelines, are you required to make a disclosure if you are a political donor?

**JOHN SCHMIDT:** I am not sure. I mean, it is done under the Government's procurement guidelines so I must confess that it is not something which I deal with on a day-to-day basis. I genuinely do not know.

**The Hon. COURTNEY HOUSSOS:** That is fine. But the expectation is that if you are a permanent employee of the NSW Electoral Commission, you are not a member of a political party. Is that correct?

**JOHN SCHMIDT:** Yes. Any employees, including our temporary staff at elections, have to make declarations about political neutrality.

**The Hon. COURTNEY HOUSSOS:** That means you cannot be a member of the Labor Party or a member of The Greens or a member of One Nation or a member of the Liberal Party and turn up and work on election day?

**JOHN SCHMIDT:** That is correct.

**The Hon. COURTNEY HOUSSOS:** Even as a temporary employee.

**JOHN SCHMIDT:** That is correct.

**The Hon. COURTNEY HOUSSOS:** Mr Schmidt, would you be aware what the political donations cap to a registered political party was for the 2018-19 financial year?

**JOHN SCHMIDT:** Not offhand. It is on our website but if you want me to take it on notice, I shall.

**The Hon. COURTNEY HOUSSOS:** That is okay. I have got them here. In 2018-19 it was \$6,300. My understanding is that the penalty for breaching that would be \$44,000 or up to two years in prison. Is that correct?

**JOHN SCHMIDT:** I am willing to accept that is the case.

**The Hon. COURTNEY HOUSSOS:** This is obviously something that we take very seriously about breaches to the donation caps.

**JOHN SCHMIDT:** Absolutely.

**The Hon. COURTNEY HOUSSOS:** Mr Schmidt, are you aware that the IVE Group—I am not sure if it is IVE or IVE Group—which also trades as Blue Star Group, had a cap of \$5,800 in 2015-16 but, according to documents that are available on your website, made a total of \$71,350 worth of donations? Can you explain why that would be the case and why that would be permissible?

**JOHN SCHMIDT:** I would have to take that on notice. I just need to put on the record and then you can continue asking questions that I am here as the Electoral Commissioner. Of course, it is the commission chaired by Arthur Emmett, the new chair, who deals with enforcement and regulation of political fundraising and political—there is overlap. I am a member of the commission when it sits in that sphere, but I am the commissioner in the sense of the electoral matters. I am always sensitive at these hearings about not transgressing into territory of the chair himself as he currently is not here. But I will happily take the questions on notice.

**The Hon. COURTNEY HOUSSOS:** I can provide you with a copy of the print out from your website which shows the reportable political donations made to the Liberal Party Australia New South Wales branch, which totals \$71,350. If you just turn to the third page that you have got there.

**JOHN SCHMIDT:** Yes.

**The Hon. COURTNEY HOUSSOS:** Can you explain why that might be the case that they would be able to make that donation when the cap is \$5,800 for that period?

**JOHN SCHMIDT:** No, not offhand. I would have to go back and have my people do the analysis and come back and give it to you.

**The Hon. COURTNEY HOUSSOS:** Let me ask you then, if we can find this with a simple search on your website, what enforcement mechanisms are in place to ensure that people who are donating over the cap are being caught?

**JOHN SCHMIDT:** This is not the first time this sort of question is asked. We often get them from the media who look at the figures on the website, My experience to date has been that when you drill down, which we will now do in answer to your questions, there is a legal and rational explanation as to how those figures fit within the cap. It may not be the case, but that is the starting point I come from because this is a fairly regular line of inquiry which we have. I will hold judgment. I will have the analysis done and you will get the response and the world can see what that is. But, yes, we have a team of investigators who go through the disclosures. If we find that there have been donations above the cap, we report them in our annual report every year, where parties

either voluntarily have spotted themselves that they have made a donation over the cap or we have brought it to their attention, who pay the money to the commission as they are required to under the legislation.

**The Hon. COURTNEY HOUSSOS:** I can show you here the other two pages that I have presented you with for the years 2018-19. In that year the cap was \$6,300. Here we have got donations from the IVE Group which total \$18,764. Can you explain why that would be acceptable?

**JOHN SCHMIDT:** I am not saying acceptable or not acceptable. We will come back with an analysis to show you how that fits within the legislative caps.

**The Hon. COURTNEY HOUSSOS:** Mr Schmidt, it goes to the point that this a group that is a very significant political donor. It is well publicised that Blue Star Group for many, many years have been a key donor to the Liberal Party and have also done lot of their printing. Why then do your procurement guidelines not identify the fact that they are a political donor or that they are working with the Liberal Party?

**JOHN SCHMIDT:** We apply the Government's procurement guidelines. I mean, I am not unaware of this issue; this issue has had some media coverage at different points. My starting point is that it is a very limited field of people who supply some of the key services that we use. But we do have in place measures and undertakings—which I will come back to you with more information about that—about neutrality when it comes to the provision for services that we require and security around ballot papers and the processes et cetera.

**The Hon. COURTNEY HOUSSOS:** I might get to that in a minute. I am interested to know, first of all, what action has the NSW Electoral Commission taken to identify these breaches of the caps previously?

**JOHN SCHMIDT:** I am not saying that they are breaches of the cap. I simply do not know. But we will come back to you with an analysis, which will describe whether they are breaches or not. As I keep saying, this line of questioning—not on this particular matter—is not unusual, where people look at the data which is on the website and form the conclusion that there has been a breach. To date, I do not recall an occasion where that has actually been the case. This may be the case, but I just do not know. We will come back to you with the information.

**The Hon. MARK LATHAM:** Can I start with a comment to Ms Crawford. I tend to be a fairly hard mark, but can I just say your office and your team is doing outstanding work. I try to read as many of your reports as I can. I think they are all exceptionally good and may you long continue as one of our important accountability agencies and the work you do.

**The Hon. COURTNEY HOUSSOS:** Hear, hear!

**MARGARET CRAWFORD:** Thank you.

**The Hon. MARK LATHAM:** Now turning to ICAC, I am a little bit worried in terms of the corruption commission. Why does it take so long to produce your reports? I was elected three years ago and the Ernest Wong matter had been up and running and only recently reported on; Sidoti, three years rubbed out of the ministry, no report, no finalisation. I know it is a cliché about justice delayed, but how hard is it to write reports?

**PETER HALL:** Mr Latham and Madam Chair, I just note that I have not been sworn in, if you want me to be sworn in.

**The CHAIR:** You have in a previous session, so it still counts.

**PETER HALL:** I see, it carries forward. Thank you. I just note I am here today with Mr Roy Waldon, principal lawyer, head of the legal division and commission, and our CEO, Phillip Reed. Mr Latham, turning to your question, the matter you raise is a matter I have been throughout my tenure concerned about. We do have processes. We have KPIs. Those KPIs have been revised in relatively recent times. By reason of the added complexity of our investigations, we have to revise our KPIs in order to be able to make a sound and proper estimate of the time required to fully investigate. As I have told the parliamentary joint committee on previous occasions, it comes back, in part, to two things. One is, as I have just made mention, the increasing complexity of our investigations. We have data which we have provided and can provide to show, for example, the increase in electronic data that we have collected from year to year, and it is a massive increase to what it was. All of that has got to be analysed by our analysts and investigators and that gives leads and they have got to be followed up and so on. That is one factor.

The other important factor riding through the whole of it is the inadequacy of resources. That comes back to the funding issue, both by reason of the three commissioner model being established, which means that there can be more work being done at the commissioner level, and the fact that our applications to increase staff have fallen on deaf ears, notwithstanding that our requests for additional funding to increase our staffing levels have been fully validated by external consultants and, in particular, KPMG. In dollar terms in a comparative budget,



overall budget sense, these are not big numbers, but they are fairly significant numbers for our commission to be able to employ at different levels, different departments of the commission, additional staff to be able to move the work at all levels. Regrettably, our requests, fully validated by KPMG, come back with an answer "no". Any reasons provided? No. Any justification identified for refusal of our requests for increasing funding? No.

This is part and parcel of the problem caught up with the existing funding system. It has been one of the drivers for myself initiating a new funding model for the commission, which is hopelessly inadequate. I think that, at least, we have reached the stage now with communications in Government of a recognition indeed. The current funding model for ICAC is broken. It is inadequate. I think there is an agreement that we must do something to devise a methodology which has an in-built flexibility, so that there can be a funding model that responds to increasing demand that the commission experiences throughout a year. The nature of our work is that very often matters come to us without notice. We cannot predict when the appropriation bill is before Parliament, how much we need during the course of a year. Without assured funding through a proper funding system, we cannot supplement the existing permanent staff at short notice.

**The Hon. MARK LATHAM:** Right.

**PETER HALL:** So these are part and parcel, Mr Latham. I am happy to continue to go into some—

**The Hon. MARK LATHAM:** Yes, I am aware of the arguments about funding and I supported the Borsak measures in our Chamber. I am not a critic overall. I think the work you have done on Berejiklian, Wong, Obeid and Macdonald over the years has been incredibly valuable, crucial, for the integrity of our system of government in this State. But what about productivity? Given the funding model you have got, shouldn't there be a benchmark that from the end of an inquiry to the delivery of a report should take no more 12 months?

**PETER HALL:** If we were producing widgets of all the same type, of course you would be able to do that sort of exercise.

**The Hon. MARK LATHAM:** I have written a lot of reports. You can just get some extra report writers in there, can't you, or work the existing staff overtime—productivity.

**PETER HALL:** There is overtime. We also supplement from time to time contract investigators. But bear in mind, it takes months for an investigator to get up to speed with what this particular matter that has been running for perhaps 12 months is all about. If we do it the other way, that is, we put the temporary contracted investigator onto an existing investigation to release investigators so they can go onto another team, all of that is done as a matter of course. But in no way do I seek to contest what you are saying that the delays are unacceptable. They have been constantly of concern to me and to the members of the commission. We have done everything within our power with an extremely dedicated staff, I underline, who are highly experienced, to try and expedite things. It is with great regret—investigations, I have to say, take so many twists, turns. Investigating leads have to be pursued and followed and witnesses who do not cooperate have to be put through compulsory examinations, of which we have multiple examinations. Usually or very often new information pops out in those compulsory examinations which requires us to run down other burrows.

One thing that I am very strong about is, and it is contrary to some of the wild accusations sometimes levelled at the commission, we will only make serious adverse findings against anyone when we have cogent evidence which has been verified, corroborated from different sources, because of the importance of personal reputation. That does take a lot of time sometimes, as you would well know. Those engaged in corrupt conduct do not leave paper trails. Indeed, they destroy any material to show what happened, who was party to the decision. It sometimes takes a lot of time to track down who was the decision-maker, what information did they have, how did they come to this decision, et cetera, et cetera. We are not going to take the word of a single person on matters whereby an adverse finding could result to anyone. So it does take time, I regret to say. If we had more staff, which we have sought for in the most recent budget case, we would be much better placed to be able to handle the workload that is going on.

**The Hon. MARK LATHAM:** You have your critics out there, including the Prime Minister of the country, which is quite extraordinary. I just see a maximum reporting time performance standard as something that would really enhance and bat away some of the critics. Can I just also take you to the proposition, do you think it is true generally in your work, which overall I very much support, that you are only as strong as your weakest inquiry? And looking back under my namesake, for instance, the Cunneen matter caused you a huge amount of damage in the public arena and ongoing controversy? Do you think the Sidoti matter is shaping up the same way? I have followed some of that and it looks like—and I know you cannot canvass the details of these things—a member of Parliament rang a council planning officer and said, "I'm a member of Parliament. I am not ringing about that. I am ringing as the land owner and I want my property included in the zoning." Why is he rubbed out of the ministry for three years for that?

**PETER HALL:** Mr Latham, you would appreciate I am unable to talk about a matter that is under investigation. I am fully aware of everything that has happened in that matter. All I can say is that personally there was a long delay occasioned through the COVID period. One of the delays, in particular, was that we had planned search warrant executions, three at least, as I recall it, which we were unable to execute in the COVID period by reason of the health issues. We eventually devised a protocol which enabled us to at least get in there and get those warrants served and executed. That was one reason for delay in the Sidoti matter. I think all I can say is you can be assured that that matter has been, and is now today, receiving close attention in order to bring it to finality. I think that is about as far as I can go.

**The Hon. MARK LATHAM:** Good on you for locking up crooks like Obeid and Macdonald and so forth. But, on the flip side, can I say that public life can be a crap life and people make a lot of sacrifices. I have got no brief for Sidoti; I barely know the man. But I do have a brief for natural justice. It seems to me someone rubbed out of the ministry, starting as a Minister, that three years—

**PETER HALL:** Could I say something?

**The Hon. MARK LATHAM:** Again, getting the reporting time reduced is important. Do you have a bailout trigger, where at any stage the ICAC says, "We've had a look at this. It's not really shaping up. We're going to have to pull out and apologise to the individual," or is there an institutional pride where you never do that and you bat on, in this case, at enormous expense to John Sidoti's political prospects and his whole reputation.

**PETER HALL:** Again, leaving that matter to one side, because I cannot talk about it in this forum, we do have a system whereby matters that have been undertaken as a preliminary investigation, obviously they are usually the shorter-term proposition. The full investigations are reviewed in our IMG meetings, which is a monthly meeting that we hold, and decisions are taken as to whether or not there is any point in proceeding any further with matters. They are regularly reviewed with KPIs in focus. So there is a system, it is applied and matters are kept fully under review not only by the legal and particular investigators in a matter but by the head of investigations.

**The Hon. MARK LATHAM:** In your 35-year history, how many times have you bailed out once you have started a public inquiry?

**PETER HALL:** None in my time.

**The Hon. MARK LATHAM:** None?

**PETER HALL:** Not in my time, in my tenure. But you said 34 years, and I cannot stretch—

**The Hon. MARK LATHAM:** On notice, can I get an answer? I am interested in that. In 35 years, how often have you bailed out once a public inquiry starts? I think it is relevant to the matter of the individual who I raised and the reputational damage that it has caused. Is there an institutional pride where you never pull out?

**PETER HALL:** There is no hard and fast rule on that. I am trying to assist your answer. I have given you an answer so far as my term is concerned.

**The Hon. MARK LATHAM:** How far does that go back?

**PETER HALL:** It is approaching five years. However, there is somebody in the room who has been associated with the commission at a high level for many years—Mr Waldon. I do not wish to throw the ball to him without notice, but I am sure he may have a recollection reaching back beyond five years.

**The Hon. MARK LATHAM:** He is not here for a haircut, so what is the answer?

**ROY WALDON:** Sorry, what was the question again?

**The Hon. MARK LATHAM:** In your 35-year history, having started a public inquiry how many times have you bailed out on the basis of "It's just not shaping up and we need to pull out here knowing there's nothing of substance that can be pursued"?

**ROY WALDON:** I am not quite sure that I accept the term "bailout", but the purpose of a public inquiry is to establish what happened. What happened might constitute corrupt conduct or it might not. At the end of the inquiry we are required by the Act to produce a report, under section 74 of the Act. That report must set out how the investigation was conducted, the factual findings that we make and whether or not there was any corrupt conduct. So it may well be at the end of that investigation, if there was a public inquiry and no corrupt conduct was found, then the report would state that. But I do reiterate what the chief commissioner said. There are many investigations that are conducted by ICAC that never get anywhere near a public inquiry, because by the time you have conducted your investigation you realise that either there is nothing in it or there might be something in it but it is not serious or system corrupt conduct so it is not for us.

**The Hon. MARK LATHAM:** But a public inquiry is more serious level, isn't it?

**ROY WALDON:** Yes.

**The Hon. MARK LATHAM:** For an MP like Sidoti, who was a Minister for 10 minutes and then has to go to the crossbench and backbenches, it is extremely damaging and, I would assume for him, distressing. I feel, for you, is this the new Cunneen matter?

**ROY WALDON:** Once again, I do not think we can comment on that specific matter because we have not completed our report on it. There are a number of matters that must be taken into account under our legislation before a decision is made to go to a public inquiry, and certainly damage to reputation is one of them. It has to be weighed against the other information that is before the commission in order to make that decision.

**The Hon. PENNY SHARPE:** I will follow up on some of those questions. Mr Hall, you talked about revising your KPIs, and I assume that means you had to revise them down in terms of the number of investigations. Can you give me a bit of detail about what the actual change to the KPIs has meant as a result of your funding situation?

**PETER HALL:** I can tell you the effect of it but I cannot tell you the detail.

**The Hon. PENNY SHARPE:** Sure.

**PETER HALL:** Maybe somebody here has got the detail, but if not then we could supply it.

**The Hon. PENNY SHARPE:** If you could take it on notice, that would be great.

**PETER HALL:** But, in general terms, it was becoming apparent that we had to revise the KPIs for investigations. The head of our investigations division put together a review, an analysis, indicating that we would be required to segment our investigations into what might be regarded as the more complex matters from other categories, and the KPIs that were in place up to the time of that review were clearly impossible to meet with the complex investigations. As to the actual period—

**The Hon. PENNY SHARPE:** So, in effect, have you had to triage? There could be corrupt conduct happening, but the increasing complexity means that your attention is drawn there and some of these other matters have to be left behind?

**PETER HALL:** Yes, it can happen. Again, it comes back to the resources problem, which we have to deal with daily. It means that some matters have to be parked. It may mean that matters that we would have pursued we simply cannot afford to spend time and resources on. That is because there are other matters of a complex nature which are sucking up the resources, particularly where you have got a matter, for example, where there are multiple people involved and it requires extensive investigation. I might inquire, if I might, Chair, with one of our CEOs as to whether he does have the statistics or figures in relation to our revised KPIs.

**PHILLIP REED:** We have published all of that information in the annual report of the last year. Page 34 of the 2020-21 annual report goes through the review and amendments, the investigation and KPIs, separating them into different categories.

**The Hon. PENNY SHARPE:** Great, okay.

**PHILLIP REED:** At this point in time, any matter that was initiated as an investigation after that change is being dealt with on the new KPIs, and currently all matters are within KPI time frames.

**The Hon. PENNY SHARPE:** But they have been revised to obviously give you—

**PHILLIP REED:** No. But from that particular point forward, they are operating under the revised KPIs but they are within those KPIs. Any of the historic matters that exist before that are still being carried through on the previous KPIs, and they are reported on in our annual report.

**The Hon. PENNY SHARPE:** In terms of the staffing requests that you have made that are continually denied, how many extra staff do you need, which have been verified by KPMG, to do what the Parliament asks you to do?

**PETER HALL:** Perhaps it might be quicker if I ask Mr Reed to answer.

**PHILLIP REED:** So for the last financial year, not the current one—

**The Hon. PENNY SHARPE:** So that is 2021?

**PHILLIP REED:** Sorry, in the last financial year we put forward a bid for the 2021 financial year. In that we asked for the addition of 23 additional staff. We put forward a bid of \$8 million, of which there was a

baseline component and there was an additional staff component. We have reported this in our annual report, and the foreword of the annual report as well, of 2021, even though it was something that came afterwards. So that was 23 additional positions. That component of the bid, \$2.4 million was not agreed to by the Government. So we are revising, or revisiting, that as part of the current budget process.

**The Hon. PENNY SHARPE:** I have got one more question, which will go to you but I think it is actually for each of you. In the previous session it was alluded to that there are discussions underway for a slightly different funding mechanism for the independent agencies. Are you able to explain to me what that is looking like, if you are able to?

**PETER HALL:** Yes, I am happy to do that. I received a letter from the Premier on 14 February raising more suggestions, I suppose, or what probably could be categorised as proposals for change to a new model. The significant, as I read it, part of the proposals put was an attempt to introduce transparency into the funding process, which is under the control of Treasury and then goes to the ERC. The proposals put forward in terms of transparency would certainly represent an improved position to the existing. However, in my response of 3 March, I raised a number of matters indicating that we, with respect, identified that there were shortcomings in what was being proposed.

The question of funding of the commission now has been on foot for two years and more, as you would be aware. We took a very eminent senior counsel's legal advice and he indicated in effect it has to be a parliamentary solution—what was termed a "parliamentary solution". That is contained in his opinion, which is part of the special report we brought under the Act and was tabled. Subsequently, the Auditor-General for New South Wales, sitting further down the table, was requested by Government to do a performance audit on the question of the funding of the so-called integrity agencies, which included ours. I say without hesitation, without wishing to embarrass the Auditor-General, that it was an absolutely excellent report. There is no suggestion that it is anything other than that. It is entirely in line with, importantly, the legal analysis of Mr Walker's senior counsel.

The important focus from our point of view so far as the commission is concerned, as the Auditor-General identified, is that the existing system undermines the Independent Commission Against Corruption and is a threat to its independence. That has been going on for far too many years in this system whereby there was no transparency et cetera, no opportunity to be consulted about the budget case submissions that were put forward. It brings me then to the point, well, what is the situation now? It has really come down to this. Is the control over funding to remain in the hands of the Executive Government or should it be done under the auspices of the Parliament of New South Wales?

The parliamentary solution that Mr Walker spoke of, the analysis of the Auditor-General who said that the parliament should be consulted in the formation of a new funding model and the role of Parliament in determining funding is critical. The commission was established by this Parliament as an independent parliamentary agency, a fact that is lost sometimes in the discourse. We are, in a sense, the eyes and the ears of Parliament in respect of the oversight of the Executive. We are funded by the Parliament. We have to report to the Parliament. We are ultimately responsible to the Parliament and to no-one else. It is of course the Parliament that, through the appropriation bills, makes provision, but as the Auditor-General has explained in detail, all the lead-up to the appropriation bill is done through the Executive Government.

**The Hon. PENNY SHARPE:** Correct.

**PETER HALL:** That is the issue of control. That is the issue. Will we be able to have from the Government a proposal that acknowledges what Mr Walker has said, that will acknowledge and do what the Auditor-General says must be done, bearing in mind the Government asked the Auditor-General to advise on this matter? She has advised. It is—trying to use neutral language—regrettable in the extreme that the Auditor-General's report was delivered and tabled in October 2020. It is a major report, not only major from our point of view but all the other integrity agencies here, and yet we are here still in a position where nothing material has happened other than there has been a dialogue between the Premier and myself to which I earlier referred. The problem is that though we have, as Premier Greiner said when the commission was set up, undoubted statutory independence free of any form of influence or control by the Executive Government, in a situation where the Executive Government determines without explanation, without Parliament being involved, what we will get, what we do get is not enough to staff the commission and that has been the position now for some years.

Mr Latham raised earlier the question of delay in getting the reports out. I earlier indicated in the answer I gave him there that it is caught up with this question of funding. We are not adequately funded. That has affected our productivity, our capability, not just this year but in past years. We have tried our best to rectify that by getting reputable external consultants to provide analysis to show, yes, you do indeed need to have additional staffing, and yet, as I have said before, the control being exercised by the Executive Government results in a negative. "No,

you cannot have it." "Why?" "We're not going to tell you." But even if they do tell us, if there is a transparency about it, control remains, under any system that is anything like the present, in the hands of the Executive. It is absolutely contrary to legislation, to principle, that ICAC is made subject to the financial strictures, financial control by those whom we oversight. It is not only a paradox, it is contrary to the ICAC Act, as Mr Walker has said and as elaborated upon by the Auditor-General.

This is serious business. This is not something around the edges. This goes to the heart of the commission's operations. We act only in the public interest in accordance with section 12. The public interest is the paramount consideration that affects every function that the commission exercises. We are here for the people of New South Wales. We wish to do our bit to enhance integrity and honesty in government so that the trust and confidence in government remains high, at a level that Mr Greiner said will satisfy the community that they do have a government they can rely upon. That is the benefit of a properly funded commission under the control of the Parliament.

The answer is not complex. We have set out the methodology, which would be simple in the extreme, that an officer of Parliament who has all the qualifications to understand and work out budgets would assist the Parliament, both in core funding and supplementary funding as necessary, as to what is a proper thing. I think the approach by the Government is that there is a constitutional principle that we are responsible for the public purse in effect. I acknowledge that principle, but there is a principle that trumps that one and that is: It is the principle that the Parliament has established the ICAC Act as its parliamentary agency of an independent kind and that that must mean that the control resides in it. That is the nub of the issue. That is the central issue that will determine, going forward—

**The Hon. PENNY SHARPE:** And it remains, at this point, unresolved?

**PETER HALL:** It does.

**The Hon. PENNY SHARPE:** Thank you very much for that. That has actually been very helpful. Ms Crawford—and I will come to you also, Mr Schmidt—I am interested in your feedback in terms of approaches from the Government in relation to resolving the issues for your agency. I assume that they are all similar—there was a little bit of nodding going on there.

**MARGARET CRAWFORD:** Thank you. Yes, similarly, I received a letter from the Premier on 14 February this year. That letter was on a Cabinet-in-confidence basis and that set out a proposal which was also designed to address the findings of my performance audit.

**The Hon. PENNY SHARPE:** Sorry, just to be clear, that is the 2020 one that Mr Hall referred to?

**MARGARET CRAWFORD:** It was October 2020.

**The Hon. PENNY SHARPE:** Yes, that is right. Thank you.

**MARGARET CRAWFORD:** I responded to the Premier on 3 March and I asked that my response be on the public record, not be Cabinet in confidence, and I am happy, if you so wish, to table that here today.

**The Hon. PENNY SHARPE:** Yes, we would appreciate that. Thank you very much.

**The Hon. COURTNEY HOUSSOS:** That would be very helpful.

**MARGARET CRAWFORD:** My response, in general terms, certainly—as the commissioner has just said—commented that the proposal would improve transparency of the process but did not go far enough to resolve the threats to the independence of agencies that were raised in my audit report. I also outlined a series of questions regarding the proposal, because a lot of it was quite high level and would need to be worked through. Since that time, really, we have received no response.

**The CHAIR:** Ms Crawford, do you have a copy of that response now?

**MARGARET CRAWFORD:** Yes, I do.

**The CHAIR:** Or we can make one. But you can keep it if you are referring to it.

**MARGARET CRAWFORD:** No, that is all right.

**The CHAIR:** Great, thank you.

**The Hon. PENNY SHARPE:** That is great. Mr Schmidt?

**JOHN SCHMIDT:** Thank you. If I could spend 30 seconds just in relation to a previous line of questioning and we will come back with much more detail in response to the questions on notice. My staff are obviously monitoring this back in the office. With those donations, the belief at this stage—they have not seen

the document—is you have this situation where some political parties disclose donations which relate to Federal matters, which are not subject to the cap but because they are disclosed to us we still put them on the website. So that may well be the case, but we will confirm that with you.

**The Hon. COURTNEY HOUSSOS:** Thank you very much.

**JOHN SCHMIDT:** I have been playing this violin perhaps longer than anybody here with the budget process. I take heart from the approaches from the Government and the offer of a new model. As I say and I have said on a number of occasions, the proof will be in the pudding. The structures that they are proposing to put in place offer an opportunity for perhaps righting some of the problems we have encountered in the past. One of the promising elements of the proposal was that there would be a rebaselining of the budgets for the agencies. Now the letter foreshadowed that would happen in the current budget round, but that is impossible. A rebaselining requires a comprehensive and detailed assessment of the needs, and each of these organisations are very different in that regard.

So in my response I went back and said, "That is fantastic, but it's going to take a couple of years, potentially. I have some absolutely pressing requirements. I have put funding proposals in, including an amount of money so I can actually deliver the State general election. My staffing model is a disaster. I have a significant number of positions where, in theory, the funding ceases on 30 June. I would just have to close up shop." I will get the money, but I do not get the money on an ongoing basis. My systems, my IT systems—I will use unparliamentary language—some of them are crap. They are old, they are out of support. I get funding as part of the election cycle but this is work that you cannot do at the last minute in the lead-up to the election. The older the systems are the longer it takes to fix them and even testing will not—forget about iVote, there were problems at the local government elections.

I know there is a question on notice in the Parliament about—because we have electronic mark off, when it is operating, in pre-poll and it was going down. It was going down because of an out-of-date system, which we had tested but the configuration did not show up the problem. I had a highly paid contractor who was sitting there at a computer shutting down things in the background and bringing the system up. What it meant in practice for a person turning up to vote, first off, they might be marked off electronically but that was not recorded on the mark off. Then, when they come to the next one, it is not working so they have to physically write down the details, which slows the whole process down and then human error can come in.

The question on notice relates to the problem that people have now received apparent failure to vote notices, but they did turn up. I take people's word, if they say they turned up. But that was running through the entire pre-poll period and that was just one of the problems. For the first few days of the local government elections, my website crashed and we had to go to a very, very basic set of links to get people the information. We had to switch off the search function. We were given money a couple of years ago to redevelop our website. We were given no ongoing funding for maintenance or anything of that nature. Anyway, so in good faith I am engaging with the Government. I believe that there has been a change of attitude and we will see further details. My hope and belief is that the bids we have put in this year are not the end of the process; they are the beginning, because this is a major exercise.

The Federal Australian Electoral Commission has a 10-year program—Project Indigo—to completely redo its IT systems. We need to have that process. So in addition to writing to the Treasurer and the Premier about rolling over some funding for the iVote issues or technology-assisted voting going forward, I have also asked for a rollover of some funds so I can set up a separate group of people, separate from the day-to-day work, to look at systems modernisation. I had previously put in a budget bid in the previous financial year to do that. There was no point putting it in again because I have no capacity to do anything with it, but it is now too urgent. It is too dangerous to let it run. So this group of people or experts will come in, work separately from the organisation to develop a business case. We are now looking at 2027 and unless the funding comes through we are looking at 2031. By then, I will not be commissioner and my systems will not be operating. This cannot go on. It must be resolved.

**The Hon. PENNY SHARPE:** Thank you. That is it from me for now.

**The Hon. COURTNEY HOUSSOS:** Mr Schmidt, I just wanted to come back to the questions we were talking about earlier with the IVE Group. Just to confirm, you are not aware of any requirements under existing contract arrangements for contractors who provide services to the NSW Electoral Commission to make some kind of political neutrality disclosure—the same kind of disclosure that an employee is required to make?

**JOHN SCHMIDT:** We have a statement of business ethics—I will be doing this in a haphazard fashion, so we will come back to you with details.

**The Hon. COURTNEY HOUSSOS:** Yes, I understand.

**JOHN SCHMIDT:** We do have to satisfy ourselves that in the delivery of that particular service, particularly if it is printing ballot papers or fulfilment for postal votes, that we have comfort about the integrity of that process like any of our other processes. So, rather than trying to speculate, I think it would be more productive if I came back with a comprehensive answer. If you wish to further drill down, we have only got a couple of weeks to go before we are together again at JSCEM and I will have a larger group of people who might be able to provide a more comprehensive answer.

**The Hon. COURTNEY HOUSSOS:** Okay. I am just interested to know what policies are in place and, specifically, why you felt the need to go to this group who not only contracts to the Liberal Party but is also a major political donor, given the requirement on someone taking even a temporary job on the day—what is it, \$35 an hour or something—for political neutrality. This is an organisation that for many decades, I would say, has made political donations and done political printing for the Liberal Party and yet they are being provided with a very significant contract from the NSW Electoral Commission. You are aware that IVE Group does provide services to the Liberal Party? Did they disclose that to you?

**JOHN SCHMIDT:** I am not sure how I first became aware of it. I think we had an inquiry from one of the media outlets a couple of months ago along the same lines. I know there have been some reports in the media. The questions you ask do not surprise me. But I come back to it—when I have had internal discussions in the past, my recollection is that there was satisfaction with the probity of the tender process, and we are dealing in Australia. When it comes to large-scale, short-term volume and rapid turnaround services of this nature, there is a very, very limited market. We will explore that further in more detail, perhaps on another occasion.

**The Hon. COURTNEY HOUSSOS:** Perhaps you can provide on notice the list of services that the IVE Group has provided because my understanding is there was the 2019 election, there may have been some services for the 2015 election and also for the recent by-elections as well. If you can provide us with those, that will be very helpful.

**JOHN SCHMIDT:** Happy to do so.

**The Hon. COURTNEY HOUSSOS:** I might move on to a slightly different set of questions to the Auditor-General. I too would echo the sentiments of Mr Latham. We very much appreciate the incredibly accurate and informative work that you do, and it certainly informs our work as members of the upper House and as members of Parliament. Thank you very much to you and to your team. We are very gracious to your team as well. We are very appreciative of that important work that you do.

**MARGARET CRAWFORD:** Thank you.

**The Hon. COURTNEY HOUSSOS:** I wanted to ask you about the report you released last week on flammable cladding, which I was awaiting very enthusiastically. First of all, I wanted to ask whether, as part of that report, you looked into the notification process of potential owners, people who might be living in the property currently as tenants—yes, they are the major two groups that I am concerned about.

**MARGARET CRAWFORD:** I am not sure that I have that level of detail. Ian, can you help with that or not?

**IAN GOODWIN:** Can I, through the Chair, clarify the question again, please?

**The Hon. COURTNEY HOUSSOS:** The question of where flammable cladding is—I was wondering whether you look at the notification process. I notice you talked about the lack of central records obviously being a huge challenge. I am also interested in whether you look at the ways that either potential tenants or potential owners are being notified about the presence of flammable cladding once they actually work out that it is there. For example, in the United Kingdom recently they established an online portal where renters can actually go and check the progress of remediation on their buildings. I understand we do not have much progress with remediation of our buildings in New South Wales, but there is a clear expectation that the public should be notified of that. I was wondering if you have done any work around that?

**IAN GOODWIN:** On that point of detail, I think the audit was more focusing on—

**MARGARET CRAWFORD:** Sorry, I just got advice from my staff that said, "Not specifically".

**IAN GOODWIN:** It was not specific to the notifications. It was looking at the data that both the department and Fire and Rescue NSW have and how those assessments would be made, and not so much the notification to residents or tenants.

**The Hon. COURTNEY HOUSSOS:** That is helpful. In your report you talked about how around 40 per cent of the buildings brought to the attention of councils have been cleared by either rectification or have been found that they do not have an unacceptable fire risk. I note that you went on to talk about the fact that there

is no work that is being done on low risk, and I think that was a really important addition to the debate. I was wondering whether you had a breakdown of those figures of how many of those buildings were actually rectified and how many of those were found not to have an unacceptable risk?

**MARGARET CRAWFORD:** I think that information is in the report. Ian?

**IAN GOODWIN:** Yes. In terms of the high-risk ones, I believe that is in the detail of the report, but not so much for the low risk or anything about the low risk, but it was important to recognise those because it is not that they are no risk. The risk still remains.

**The Hon. COURTNEY HOUSSOS:** I think that was a really important point that had kind of been lost in the debate. The more general debate at the moment is that if you are cleared, then that is okay. Actually that is not the case and there is no program at the moment to remove those. In compiling your report, did you compare the New South Wales approach with other States or other countries? Did you look at any comparison?

**MARGARET CRAWFORD:** I am not sure that we did a comparison per se, but we certainly would have looked at the experience elsewhere to gauge where New South Wales sat. I do not think we commented specifically on that in the report.

**IAN GOODWIN:** That is right. There is no comment specifically in the report, but the audit team would have had regard to what was going on elsewhere to have a sense of what "good" looks like, given that this was all fairly new for everyone involved.

**The Hon. COURTNEY HOUSSOS:** Yes, but it is a common thing that is being faced. The Victorians are going to have to do—I mean, my understanding is that New South Wales and Victoria are the largest States that are going to have to confront this problem, but that we have taken a very different approach to the Victorians.

**MARGARET CRAWFORD:** I know that not from the audit but just from being a normal human being who lives in a building that has cladding. So, yes, I certainly watched with interest what Victoria was doing, and they provided funding and a whole series. New South Wales, as you say, has a different approach. There is now Project Remediate—I think that is what it is called—which took effect after the period we looked at in our audit. Again, we look at it from a context perspective rather than the detail of that remediation program.

**The Hon. COURTNEY HOUSSOS:** We found out in budget estimates of those six initial buildings that were identified in the first tranche of Project Remediate one of them had already dropped out because of the high costs, and possibly a second. So the Victorian approach has had very real results. I think they have remediated 47 buildings and they have 100 or something underway. It is a very different approach, which has had different results.

**IAN GOODWIN:** I think, if I may also add, that one important point is that the systems and the processes in each of those other jurisdictions are different, so it does become quite hard to necessarily do a benchmark to benchmark because they have different systems.

**The Hon. COURTNEY HOUSSOS:** But the Victorians did establish a separate agency to coordinate the response. Surely that would have actually been more helpful. Your key findings are the lack of central knowledge, is that right?

**MARGARET CRAWFORD:** I would not say that was a key finding because there is a central—but there are a number of players. As always, you are coordinating across different agencies, and also the interface between the State and councils. So getting the coordination in place took a bit of time and probably there were some gaps in information, but there is quite a strong group now that is pretty much managing this process.

**The Hon. COURTNEY HOUSSOS:** That is the Cladding Taskforce?

**MARGARET CRAWFORD:** That is my understanding.

**IAN GOODWIN:** Yes.

**The Hon. COURTNEY HOUSSOS:** That is very helpful. Thank you very much. To follow up on my colleague's question, I did actually ask the secretary of DPC in the previous session, right at the end—which you might not have seen—"Have there been any supplementary submissions from the independent agencies for additional funding?" He said, "No, there weren't." Is that accurate? Mr Schmidt, I understand your very forthright comments previously, but if each of you could say whether there has been a formal submission or whether there is a need for more or what specifically your ask would be if you were trying to get that.

**MARGARET CRAWFORD:** I might go first, if I may. We have made a submission as part of this year's budget process, but that is not supplementary. That is just a submission as part of the process.



**PETER HALL:** Our position is the same as the Auditor-General's position. We have submitted our business case as part of the core funding going forward.

**JOHN SCHMIDT:** In addition, we have six budget bids as part of the normal budget process. And as to the language about supplementary funding, we actually have put in quite a number of carry-forward requests, some of which are to complete work already underway or, as I indicated with a couple of examples I gave you, to redirect an underspend of a protected funding stream to other purposes. That might be considered supplementary because it is new, but they are in the mix as well.

**The Hon. PENNY SHARPE:** But essentially you have all got budget bids in. You have six. How many have you got, Ms Crawford? Just one?

**MARGARET CRAWFORD:** One little one.

**The Hon. PENNY SHARPE:** Mr Hall?

**PETER HALL:** I am sorry?

**The Hon. PENNY SHARPE:** How many separate bids do you have, or does it depend on the way you deal with it?

**PETER HALL:** It is really one bid.

**PHILLIP REED:** It is just the single bid.

**The Hon. PENNY SHARPE:** It is just the one bid. You consider it one bid.

**PETER HALL:** Yes.

**The Hon. PENNY SHARPE:** Could have been a bit tricky in the supplementaries.

**The Hon. COURTNEY HOUSSOS:** Yes, that was why I wanted to put it to the agencies directly.

**The CHAIR:** Anything from the Government?

**The Hon. TAYLOR MARTIN:** Yes, if this the end of the session and if you do not mind. I will begin with Mr Hall and then I will turn to Mr Schmidt. On 30 September 2019 the ICAC heard evidence that Ernest Wong was engaged in a straw donor scheme with the aim of assisting the current Leader of the Opposition to receive funds from unidentified donors emerging from a dinner at the Sunny Harbour Chinese restaurant fundraiser in Hurstville. On 2 October 2019 the commissioner of the ICAC and counsel assisting had a discussion at the commencement of the beginning of that day's hearing, where counsel assisting stated:

The investigation, the subject of this public inquiry, does not include an investigation into whether Mr Chris Minns had any involvement in the issue of the ALP Chris Minns cheques. Whether or not there should be such an investigation into that question is a matter, at least in the first instance, for the NSW Electoral Commission ...

Section 13 of the ICAC Act states:

The principle functions of the Commission are as follows—

(a) to investigate any allegation or complaint that, or any circumstances—

**The Hon. COURTNEY HOUSSOS:** Point of order: We do allow a bit of a preamble but this is a long preamble and I would say rather out-of-date information. If there is a question, then perhaps the member could come to it fairly quickly.

**The Hon. TAYLOR MARTIN:** Sure thing. I will take it that the commissioner of the ICAC actually does know what section 13 of the Act says, which is what I was stating, so I will skip that part. Given your commission uncovered a scheme involving straw donors, which worked to the direct benefit of Mr Minns' personal campaign, would you agree that this scheme is, in all material respects—

**The Hon. PENNY SHARPE:** Have you actually read the report?

**The Hon. TAYLOR MARTIN:** —identical to that which operated to allow Mr Huang Xiangmo to illegally donate \$100,000 to the New South Wales Labor Party?

**The Hon. COURTNEY HOUSSOS:** Are you serious, Taylor?

**The Hon. TAYLOR MARTIN:** I am. That is my question.

**PETER HALL:** What is the question?

**The Hon. PENNY SHARPE:** Other than smearing people.

**The Hon. TAYLOR MARTIN:** Would you agree that this scheme is, in all material respects, identical to that which allowed Huang Xiangmo to illegally donate \$100,000 to the Labor Party?

**PETER HALL:** I will see if I can assist. That matter, which is called Operation Aero, was referred to us under the new provisions of our Act from the Electoral Commission, that already had its own internal investigations and then was referred to us because there was a need for use of our powers to fully drill down into the matter. This was an Electoral Commission matter. It was not an investigation such as we normally undertake into matters generally either on complaint or report or our own initiated investigations. There was evidence that came out that there had been some moneys paid purportedly by way of a donation. As far as the matter that Mr Minns' name was mentioned, there was no relationship between that particular alleged donation and the donation scheme that Mr Wong and others were party to.

The question, as you put it, of the pseudo donors, or some similar description, was an apt term to apply to those in what was an organised enterprise by named persons, including Mr Wong, to have the straw donors falsely, as it were, validate that they had donated when they had not. On the findings of the commission, the money came from Mr Huang Xiangmo. It was in the course of the evidence on the matter that Mr Minns' name was raised. It was apparent that it had no relationship whatsoever to the scheme that I have just described, and then the statement you have read was then made. If it involved any matter that was worthy of inquiry, it was obviously again in the context of this being an electoral matter. It was part and parcel of the evidence, but it did not relate to the scheme. Hence we said, well, if there is any reason to look at it, this is a matter the Electoral Commission typically looks at.

**The Hon. TAYLOR MARTIN:** Understood. Thank you. I will turn to the Electoral Commissioner. It has been 934 days since that evidence was seen of a corrupt straw donor scheme that was brought to light. It has been 932 days since the ICAC suggested that the Electoral Commission should investigate this matter in the first instance. I ask you, What steps has the Electoral Commission taken to investigate that particular matter?

**JOHN SCHMIDT:** I have—

**The Hon. COURTNEY HOUSSOS:** There is no need to.

**JOHN SCHMIDT:** Sorry?

**The CHAIR:** Commissioner?

**The Hon. TAYLOR MARTIN:** It is okay, Commissioner. The member is not giving evidence, you are.

**JOHN SCHMIDT:** I have appeared before this Committee and the Joint Standing Committee on Electoral Matters on a number of occasions and the commission's position has been made quite clear. I can only operate in terms of my legislation, and my legislation is absolutely crystal clear. In fact, the chief commissioner, I think, has commented on this in his report, Operation Aero, as has the Joint Standing Committee on Electoral Matters in recommendations for change. I cannot comment. I cannot say whether we are or maybe are not examining any particular matter. You can draw no conclusions from that. Literally that is all I can say.

**The Hon. TAYLOR MARTIN:** Who provided the money to Chris Minns' campaign?

**JOHN SCHMIDT:** I cannot make any observations. The legislation is absolutely clear. This Committee has accepted that and the ICAC has come to the same conclusion. The Joint Standing Committee on Electoral Matters has looked into it and made recommendations for legislative change.

**The Hon. PENNY SHARPE:** Have you looked at any of those, Taylor, or are you just deciding to throw it all out there?

**The Hon. TAYLOR MARTIN:** I prefer to hear the answer from the Electoral Commissioner actually.

**JOHN SCHMIDT:** The answer is that I cannot say anything and no-one should draw any conclusions of any sort from that observation.

**The Hon. TAYLOR MARTIN:** It has been close to 1,000 days now since that scheme was uncovered and effectively both of you are saying that it is not your problem.

**The Hon. PENNY SHARPE:** That is pretty outrageous from you lot.

**The Hon. COURTNEY HOUSSOS:** Point of order: The Electoral Commissioner has clearly outlined that there is no ability for him to answer this question. The member is trying to rehash something that is clearly a desperate attempt at a smear campaign. The ICAC commissioner has just said that there is nothing to investigate. I ask, Chair, that you ask the member to move on to a new question or to conclude his questioning.

**The Hon. TAYLOR MARTIN:** Sorry, that is actually not the—

**The CHAIR:** Excuse me, I am hearing a point of order. You can be quiet while I listen to it.

**The Hon. TAYLOR MARTIN:** It is not a point of order.

**The CHAIR:** It is, and I uphold the point of order. The commissioner has answered the question. If you have a new question, you are welcome to ask it.

**The Hon. TAYLOR MARTIN:** I will go back to the ICAC commissioner. Was what Ms Houssos just said a fair summary of your answer—there is nothing to see here?

**PETER HALL:** I have already answered it. There is nothing I can do. I am relying on memory only, of course. You have read from something as to what I said or what was said by counsel assisting.

**The Hon. TAYLOR MARTIN:** Yes.

**PETER HALL:** That speaks for itself. There was no suggestion that there was something in particular to be investigated. It simply was that it came up in the course of evidence. Whether or not it was going to be chased down by anybody or should be chased down by anybody or needed to be is certainly what is unknown and is still unknown.

**The Hon. TAYLOR MARTIN:** So it has to be referred?

**PETER HALL:** It does not have to be referred. That is not my remit. We did and said what you have read. That was not indicative of the fact that there should or should not be any further investigation or inquiry into the matter. I am afraid I cannot assist you any further than I have. There is no other information that I can usefully volunteer, I am afraid.

**The Hon. TAYLOR MARTIN:** So it was raised and it has not been further investigated and nobody has been cleared.

**PETER HALL:** I do not know whether it has ever been—

**The CHAIR:** The question is not in order.

**The Hon. COURTNEY HOUSSOS:** No, let us not mis-characterise what he is saying.

**The Hon. TAYLOR MARTIN:** I am asking a question.

**The Hon. PENNY SHARPE:** You are not. You are verballing the witness.

**The CHAIR:** He has answered the question.

**The Hon. COURTNEY HOUSSOS:** No, you are trying to verbal the witness.

**The Hon. TAYLOR MARTIN:** No, I asked a question. I put it to him.

**The Hon. COURTNEY HOUSSOS:** You said that "nobody has been cleared".

**The Hon. PENNY SHARPE:** If you have got concerns about these agencies, we have listened to them for the last half an hour in relation to how they do not have the money they need to actually do their job. Perhaps it would be more helpful if you were more concerned about that.

**The Hon. TAYLOR MARTIN:** And that is why it is not being investigated?

**The Hon. COURTNEY HOUSSOS:** We have got another hour. Do we want to spend an hour rehashing the ICAC investigations into the structural efforts by the Liberal Party and those Liberal MPs, particularly on the Central Coast near where you are from, to subvert the electoral laws? Should we go and do that?

**The Hon. TAYLOR MARTIN:** Exactly. So you are saying there are double standards now? Some get investigated and some do not, is that what you are saying?

**The Hon. PENNY SHARPE:** No. We are saying you are misusing the Committee.

**The CHAIR:** Are there any other questions? Thank you for your attendance today. I am sorry for that last part. We appreciate your attendance and evidence. There were questions taken on notice and the secretariat will be in touch with you to provide answers within 21 days. That concludes today's proceedings.

**(The witnesses withdrew.)**

**The Committee proceeded to deliberate.**