

# **PORTFOLIO COMMITTEE NO. 6 - TRANSPORT AND CUSTOMER SERVICE**

**Friday 5 March 2021**

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

## **BETTER REGULATION AND INNOVATION**

**CORRECTED**

**The Committee met at 9:30.**

### **MEMBERS**

Ms Abigail Boyd (Chair)

The Hon. Lou Amato  
The Hon. Mark Banasiak (Deputy Chair)  
The Hon. Scott Farlow  
The Hon. John Graham  
The Hon. Courtney Houssos  
The Hon. Shayne Mallard  
The Hon. Daniel Mookhey  
Mr David Shoebridge

### **PRESENT**

**The Hon. Kevin Anderson, *Minister for Better Regulation and Innovation***

## **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 public hearing for the inquiry into the budget estimates 2020-2021 initial hearings. Before I commence, I acknowledge the Gadigal people, who are the traditional custodians of this land. I pay respect to the Elders past, present and emerging of the Eora nation and extend that respect to other Aboriginals present. I welcome Minister Anderson and accompanying officials to this hearing. Today the Committee will examine the proposed expenditure for the portfolios of Better Regulation and Innovation. Today's hearing is open to the public and is being broadcast live via the Parliament's website. In accordance with the broadcasting guidelines, while members of the media may film or record Committee members and witnesses, people in the public gallery should not be the primary focus of any filming or photography. I also remind media representatives that you must take responsibility for what you publish about the Committee's proceedings. The guidelines for the broadcast of proceedings are available from the secretariat.

All witnesses in budget estimates have a right to procedural fairness according to the procedural fairness resolution adopted by the House in 2018. If anyone needs to see a copy of that, I have one available. There may be some questions that a witness could only answer if they had more time or with certain documents to hand. In these circumstances, witnesses are advised that they can take a question on notice and provide that answer within 21 days. Minister Anderson, 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. Any messages from advisers or members' staff seated in the public gallery should be delivered through the Committee secretariat. We expect that the transcript of this hearing will be available on the web from tomorrow morning. Finally, could everyone please turn their mobile phones to silent for the duration of this hearing. All witnesses will be sworn prior to giving evidence. Minister Anderson, I remind you that you do not need to be sworn, as you have already sworn an oath to your office as a member of Parliament.

**EMMA HOGAN**, Secretary, Department of Customer Service, affirmed and examined

**ROSE WEBB**, Deputy Secretary, Department of Customer Service, affirmed and examined

**JOHN TANSEY**, Executive Director, Policy and Strategy, Department of Customer Service, affirmed and examined

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

**TONY WILLIAMS**, Executive Director, Compliance and Dispute Resolution, SafeWork NSW, sworn and examined

**TERRY O'BRIEN**, Director, Office of Racing, Department of Customer Service, affirmed and examined

**MEAGAN McCOOL**, Director, Chemicals, Explosives and Safety Auditing, SafeWork NSW, affirmed and examined

**The CHAIR:** Today's hearing will be conducted from 9.30 a.m. to 12.30 p.m. with the Minister and from 2.00 p.m. to 5.00 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. As there is no provision for any witness to make an opening statement before the Committee commences questioning, we will begin with questions from the Opposition.

**The Hon. DANIEL MOOKHEY:** Greetings to you, Minister, and thank you for your appearance.

**Mr KEVIN ANDERSON:** Good morning, Mr Mookhey.

**The Hon. DANIEL MOOKHEY:** It is good to see you. Greetings to you as well, Ms Hogan, and thank you for your appearance and the appearance of your officials. Minister, do you have any concerns with how SafeWork NSW is responding to serious incidents that are reported to it?

**Mr KEVIN ANDERSON:** I do want to make sure, Mr Mookhey, that when serious incidents are reported, SafeWork NSW has the right mechanisms in place to respond to those incidents in a timely manner.

**The Hon. DANIEL MOOKHEY:** Do you have any concerns with whether SafeWork NSW is responding to them in a timely manner?

**Mr KEVIN ANDERSON:** The way that they are responded to is part of the triage framework, which was modelled or set up by Labor a couple of years ago, Mr Mookhey. They were model laws and there was a national triage framework that New South Wales at that time signed up to and believed that that was the right way to go when receiving information and then subsequently responding. The national triage framework is what SafeWork NSW responds to when it does receive a call.

**The Hon. DANIEL MOOKHEY:** And are you confident that SafeWork NSW is applying that triage framework appropriately in all circumstances?

**Mr KEVIN ANDERSON:** In terms of operational matters, that is a matter for SafeWork NSW, Mr Mookhey. But there is that national triage framework they operate under.

**The Hon. DANIEL MOOKHEY:** True, Minister, but I am not asking you about operational details. I am asking you whether you are confident that SafeWork NSW is applying that framework appropriately.

**Mr KEVIN ANDERSON:** Through that national triage framework, they would do that assessment and respond accordingly.

**The Hon. DANIEL MOOKHEY:** Have you, as Minister, taken any steps to check whether SafeWork NSW is triaging appropriately?

**Mr KEVIN ANDERSON:** My understanding, Mr Mookhey, is that each and every request to SafeWork NSW is run through that national triage framework and responded to according to the triage process.

**The Hon. DANIEL MOOKHEY:** I have no doubt that that is your expectation, but what steps have you taken to check?

**Mr KEVIN ANDERSON:** Mr Mookhey, it is something that is an operational matter in relation to the triage framework that they operate under. So if there is a concern, it certainly would have been brought to my attention. But at this point in time, it is an operational matter in the way that they triage.

**The Hon. DANIEL MOOKHEY:** So you have taken no steps to check the appropriate application of the triage framework?

**Mr KEVIN ANDERSON:** No, Mr Mookhey.

**The Hon. DANIEL MOOKHEY:** You have not taken any?

**Mr KEVIN ANDERSON:** No.

**The Hon. DANIEL MOOKHEY:** Fair enough. You said that you expect things to be brought to your attention. Is that correct?

**Mr KEVIN ANDERSON:** If there is an issue, then certainly SafeWork NSW will deal with it accordingly.

**The Hon. DANIEL MOOKHEY:** I table this document and ask that it be provided to the witness. Minister, I want to take you to a complaint that I have recently received from the construction union, which you received as well. It is about a whole series of incidents—matters that were reported to SafeWork NSW—but there are some specific incidents I want to talk to you about. On 21 October last year SafeWork NSW was notified of an incident at the Sydney Metro site, which was managed by Laing O'Rourke. A worker had their hand caught in rigging, their finger was amputated and they were rushed to hospital. SafeWork NSW released the site over the phone and did not send an inspector. This was brought to your attention. What did you do when you received that complaint?

**Mr KEVIN ANDERSON:** Mr Mookhey, this is the first time I have seen this letter. If you like, I can take some time to read this letter from the Construction, Forestry, Mining and Energy Union [CFMEU].

**The Hon. DANIEL MOOKHEY:** Yes. It is addressed to you. If you wish to read it now, now is an appropriate time.

**The Hon. LOU AMATO:** You can take it on notice, Minister.

**The Hon. DANIEL MOOKHEY:** No. I am going to ask you some questions, Minister, so you may wish to read it.

**Mr KEVIN ANDERSON:** Certainly. If you like, I will read this letter and we will respond.

**Mr DAVID SHOEBRIDGE:** What was the date, for the record?

**The Hon. DANIEL MOOKHEY:** It was 9 November 2020. I will provide a copy for the other Committee members and for the Chair.

**The Hon. MARK BANASIAK:** Maybe get some copies made so that everyone can see what we are looking at, in fairness.

**The Hon. DANIEL MOOKHEY:** Mr Anderson, I do not want to cut short your reading time, but my time is somewhat limited.

**Mr KEVIN ANDERSON:** No. Sorry, Mr Mookhey. If you wish me to respond accordingly—this is an important matter.

**The Hon. DANIEL MOOKHEY:** Take your time.

**Mr KEVIN ANDERSON:** I do like to take important correspondence—

**The CHAIR:** That is absolutely fine, Minister.

**The Hon. DANIEL MOOKHEY:** You can see that the CFMEU wrote to you directly and informed you about two incidents. Let me talk about the first one first, in which a worker has their hand caught in rigging and their finger amputated and they are rushed to hospital; yet SafeWork NSW releases the site without any inspection and does not send an inspector out there. How is it possible that a worker could lose their finger at work and that does not justify an immediate SafeWork NSW inspection?

**Mr KEVIN ANDERSON:** Let me ask our SafeWork NSW official, Mr Williams, to respond to that operational matter, Mr Mookhey.

**The Hon. DANIEL MOOKHEY:** Very briefly, because we will go into it this afternoon with the officials.

**Mr KEVIN ANDERSON:** Certainly.

**Mr WILLIAMS:** Thank you, Minister. Thank you, Mr Mookhey. I can confirm in that incident that I believe you are speaking about, it involved an experienced rigger placing his hand near a lifting chain and making a final adjustment at the same time the lift was being made. He suffered injuries to his finger. It did cause his finger to be jammed between the chains and the components he was using to undertake that lift. That matter was assessed through our triage framework, as the Minister pointed to. We consider a range of factors, such as the experience of the worker. In this case, they were highly experienced in undertaking that work. We consider issues such as: Is there a need for us to preserve evidence? Is there a need for us to take actions to prevent reoccurrence? In this particular incidence, it was identified that the triage officer formed the view that there was no imminent risk to any other worker, that the worker that was injured was very experienced and that it was triaged but with the follow-up visit being identified as required to ensure, or verify, that any actions that were required, if any, were taken.

**The Hon. DANIEL MOOKHEY:** Great, but let us be clear: That triage took place in a call centre, did it not?

**Mr WILLIAMS:** Correct.

**The Hon. DANIEL MOOKHEY:** The triage was not conducted by an inspector on site, was it?

**Mr WILLIAMS:** No, by an inspector in the office.

**The Hon. DANIEL MOOKHEY:** That is consistent with the policies that SafeWork NSW applies, which we will get to. I want to talk about the next incident. On the very same day at a site in Circular Quay a beam falls on the hand of a worker and crushes their finger. That too leads to the finger being amputated, yet SafeWork's response is the same. It releases the site over the phone and does not send an inspector. Why?

**Mr KEVIN ANDERSON:** Mr Williams?

**The Hon. DANIEL MOOKHEY:** To be fair, Minister, the question is to you. How is it possible that two workers can lose their fingers on the same day, yet SafeWork NSW does not think a finger being amputated justifies an immediate inspection?

**Mr KEVIN ANDERSON:** Mr Mookhey, any injury on a worksite is a concern to me, and that is why we have put some pretty tough legislation in place to prevent injuries on worksites and ultimately deaths. We want zero injuries on worksites. In terms of the triage that SafeWork did in those particular incidents, they are operational. In that second case, I am happy to have Mr Williams enlighten me.

**The Hon. DANIEL MOOKHEY:** We will have the opportunity to explore the operational response of SafeWork NSW this afternoon. But you are the Minister responsible, hence it is your responsibility here. It is a basic question. Explain to a layperson how is it that you can lose your fingers at work and not have a SafeWork inspector turn up?

**Mr KEVIN ANDERSON:** Mr Mookhey, again, the national triage framework is a national triage framework under model laws adopted by this State and set by model laws at a national level. The triage happening at that time, I would expect, was followed and the operator at the time would have triaged and made a judgement call in terms of what was to happen at that time.

**The Hon. DANIEL MOOKHEY:** But, Minister, that is what is concerning. Under the policy that you are applying and that you certainly seem to be arguing is being followed, it is possible that SafeWork can follow your policy and still workers can lose their fingers at work and nothing takes place. That is what is the concern. I am not accusing SafeWork of not following your policy. I am saying that the policy here is creating undue risk which could be avoided if SafeWork was turning up after these major incidents have been reported. The issue is not the operational response, it is that the policy is wrong. Do you want to respond?

**Mr KEVIN ANDERSON:** Again, Mr Mookhey, I understand your point but we do operate under the national triage framework, which is model laws set by the Commonwealth, and in fact the Labor Government several years ago. That is the policy framework. That is how those operators appropriately respond and triage when they receive those calls.

**The Hon. DANIEL MOOKHEY:** Minister, are you seriously suggesting that the national policy requires you to triage through a call centre?

**Mr KEVIN ANDERSON:** That is how SafeWork and that is how our inspectors, in terms of the response times—and we set up the SafeWork app last year when tragically there was a death at the workplace. We worked with stakeholders and the Cassaniti family to provide better pathways for people to be able to report

unsafe incidents or accidents. SafeWork will triage according to the national framework that they are operating under.

**The Hon. DANIEL MOOKHEY:** That is not the answer to my question. It is your choice to triage through a call centre, not the national framework's. Why is it that we are triaging through call centres instead of sending inspectors out to major incidents?

**Mr KEVIN ANDERSON:** In the first instance, people will contact, either through an app—which has been very successful—or a phone call, when there is an emergency. They will be triaged through that SafeWork operation and then respond accordingly, Mr Mookhey.

**The Hon. DANIEL MOOKHEY:** I take you to another incident that took place on 4 November 2020. This incident took place at a private girls school in Schofields. At this incident a concrete pump fails and a hose blows off causing concrete to spray on children who are on an excursion at the time. This incident is notified by both the union and the builder to SafeWork NSW. SafeWork NSW releases the site, again over the phone, and does not send an inspector. Here we have a circumstance where a building accident results in schoolchildren being sprayed with concrete and that does not result in a SafeWork NSW inspection. How is that possible?

**Mr KEVIN ANDERSON:** Again, that is an operational matter. I can ask Mr Williams for the details on that particular incident. It would have been triaged again, and I can keep pointing you to the policy and the professional response that would have been provided and the triage process that would have happened at that time.

**The Hon. DANIEL MOOKHEY:** Minister, all of these incidents were reported to you directly.

**The Hon. SCOTT FARLOW:** Point of order: The Minister was answering the Hon. Daniel Mookhey's question by referring it to Mr Williams for further answer and Mr Mookhey cut across him to prevent him from being able to answer his own question.

**The Hon. DANIEL MOOKHEY:** To the point of order: I think it is right in this time for me to be able to ask questions of the Minister and be able to take the operational details this afternoon. That is according to the practice in budget estimates.

**Mr DAVID SHOEBRIDGE:** Finally, the Minister keeps saying these are operational matters. This is not the Minister for Police and Emergency Services, where there is a statutory division between the Minister and the ministry. This is the head of the department. He is responsible for the operational matters, quite distinct from how the Minister for Police and Emergency Services or the Attorney General might be.

**The CHAIR:** Minister, you are free to refer questions to another member of your team; however, it is up to the member asking the questions as to whether or not they wish to take that suggestion on board or whether they bring it up again this afternoon. Mr Mookhey, if you could continue on that basis.

**The Hon. DANIEL MOOKHEY:** Minister, all these incidents were reported to you and your office. I will table another one as well. You can read this one but we might not have to interrupt proceedings for you to do it. You referred all these incidents to your department for a standard response. Why was this not brought to your attention when you arrived as Minister, and why did it not prompt a far more immediate response from you when you were told just three months ago that this was taking place?

**Mr KEVIN ANDERSON:** Mr Mookhey, I take you to the letter that you have just tabled dated 9 November from the CFMEU. My office receives thousands of letters in the course of our business and on this occasion it was an operational matter. It went straight through to the deputy secretary and the department, as is the case. They responded accordingly and wrote back to the CFMEU with their response. In terms of that, my understanding is there was a timely response to the request for information from the union.

**The Hon. DANIEL MOOKHEY:** But serious incidents are reported to you, serious concerns are raised with you about the failure of your agency. It is raised with you directly and all that takes place is a standard acknowledgement of correspondence. Do you not think that creates the perception that perhaps you are not doing your job?

**Mr KEVIN ANDERSON:** Mr Mookhey, I take exception to you saying the "failure" of the agency. The amount of effort that SafeWork puts into workplace health and safety right across the board, whether it be building and construction or whatever the incident may be, the response times and the national triage framework policy set in place by SafeWork operates according to each particular individual accident. In my view, it would be a perfect world to have zero accidents, zero deaths on worksites. That is what we would like to see. But we will continue to do what we do at a SafeWork level in triaging those in a timely fashion.



**The Hon. DANIEL MOOKHEY:** Let me talk to you about a serious a matter, which led to a fatality. In January 2021 a worker at AWB Contractors, located at Rozelle, was killed in a workplace facility. I am happy to give you the incident notification form. It is to do with AWB Contractors. Is it the case that in December 2019, or 2020 to be fair, SafeWork NSW received reports about unsafe practices at AWB Contractors? You can confer if you need to.

**Mr KEVIN ANDERSON:** Yes, thank you.

**The Hon. DANIEL MOOKHEY:** This is another circumstance in which a matter is drawn to the attention of SafeWork NSW. It is not investigated as far as anyone can see, then a fatality takes place.

**Mr KEVIN ANDERSON:** I will clarify, Mr Mookhey, in terms of "not investigated as far as anyone can see". I will ask Mr Williams in relation to this matter.

**The Hon. DANIEL MOOKHEY:** Yes, sure. It is a serious matter. That would be helpful.

**Mr KEVIN ANDERSON:** Yes, it is.

**Mr WILLIAMS:** Yes, I confirm this matter is currently under investigation by SafeWork NSW. As was noted, we received a notification on 6 December in relation to that workplace.

**The Hon. DANIEL MOOKHEY:** When you received that notification on 6 December did you send an inspector out?

**Mr WILLIAMS:** An inspector did attend the site. At the time they attended no work was occurring. The gates were locked. It was determined that they would reopen at a later stage. Between that initial visit by an inspector when the site was not open to the fatality—unfortunately, a fatality did occur—but an inspector did attend the site. The site was closed.

**The Hon. DANIEL MOOKHEY:** I will unpack the details again. Basically, I do understand the evidence. A report was received, an inspector went out and could not see anything. Did the inspector go back at any point?

**Mr WILLIAMS:** So they did attend the site initially, as I say. It was locked. Unfortunately, the fatal incident occurred prior to another visit taking place.

**The Hon. DANIEL MOOKHEY:** But you had received complaints about AWB Contractors previously to 6 December complaint, hadn't you?

**Mr WILLIAMS:** About this specific contractor?

**The Hon. DANIEL MOOKHEY:** Yes.

**Mr WILLIAMS:** I would need to take that on notice, Mr Mookhey, to confirm it.

**The Hon. DANIEL MOOKHEY:** Minister, this is another example about why there is this perception that SafeWork NSW is asleep at the wheel. I understand, of course, you have a triage and you get a lot of complaints but ultimately you are responsible here. Can you give us any assurance that SafeWork NSW is responding to serious incidents? I return to my very first question. After hearing this evidence, do you still have confidence in how SafeWork NSW is triaging the complaints that it is receiving?

**Mr KEVIN ANDERSON:** I do have confidence. When you look at the numbers, on average, SafeWork receives over 700 incident notifications and more than 950 requests for servicing complaints every month. So that is why you have to have that very robust national triage framework in place. I have confidence and I can assure you that they respond as they should through that triage process.

**The Hon. DANIEL MOOKHEY:** Of those 700 complaints that are received per month, how many lead to an inspector visit?

**Mr KEVIN ANDERSON:** Again, we would need to take that on notice or you can ask that of the official this afternoon.

**The Hon. DANIEL MOOKHEY:** Is it circa 220?

**Mr KEVIN ANDERSON:** I am happy to take that on notice, Mr Mookhey, or ask one of our officials this afternoon for the exact numbers.

**The Hon. DANIEL MOOKHEY:** I will pursue that this afternoon, Minister. If fingers being amputated and school kids being sprayed with concrete does not justify a visit, what is actually getting inspected? What is the threshold for inspection?

**Mr KEVIN ANDERSON:** No-one wants to see anyone injured, Mr Mookhey, in the workplace so every effort is made to keep them safe.

**The Hon. DANIEL MOOKHEY:** Yes, but that is not my question. What is the actual threshold? How seriously injured do you have to be before SafeWork NSW turns up?

**Mr DAVID SHOEBRIDGE:** Two fingers?

**Mr KEVIN ANDERSON:** They will be able to receive any call and if anybody has any concerns whatsoever, regardless of the level or measure of injury, please contact SafeWork and report it and it will be responded to accordingly.

**The Hon. MARK BANASIAK:** Welcome, Minister. Minister, are you familiar with Minister Dominello's comments in the *Australian Financial Review* on 17 December on future plans for SafeWork and Fair Trading?

**Mr KEVIN ANDERSON:** Yes, Mr Banasiak, I am.

**The Hon. MARK BANASIAK:** Are you aware that the article states "Get rid of Fair Trading, get rid of SafeWork" and the Minister describes this outcome as the Holy Grail?

**Mr KEVIN ANDERSON:** I read the article, Mr Banasiak.

**The Hon. MARK BANASIAK:** Are those comments representative of the Government's position?

**Mr KEVIN ANDERSON:** No.

**The Hon. MARK BANASIAK:** So Minister Dominello stepped outside his box when he went to the *Financial Review* with this story, did he?

**Mr KEVIN ANDERSON:** That is a question for Minister Dominello, Mr Banasiak.

**Mr DAVID SHOEBRIDGE:** It is an operational matter.

**The Hon. MARK BANASIAK:** Did the matter go to Cabinet? I am not asking what you discussed in Cabinet, but did the matter go to Cabinet before this article went to print?

**Mr KEVIN ANDERSON:** I cannot talk about what happens in Cabinet. It is in confidence, Mr Banasiak.

**The Hon. MARK BANASIAK:** Did he speak to you before the story broke? Did he give you a heads up that he wanted to get rid of Fair Trading and SafeWork NSW?

**Mr KEVIN ANDERSON:** No.

**The Hon. MARK BANASIAK:** Has he spoken to you after that fact?

**Mr KEVIN ANDERSON:** Yes.

**The Hon. MARK BANASIAK:** That was not Cabinet in confidence, was it? Can you tell us?

**Mr KEVIN ANDERSON:** I can tell you. It is an operational matter.

**Mr DAVID SHOEBRIDGE:** Fair point.

**Mr KEVIN ANDERSON:** It was an operational matter, but I had a conversation with Minister Dominello after the article and we talked about that. He indicated that he was misquoted and that was not his intention.

**The Hon. MARK BANASIAK:** It was not his intention to get rid of Fair Trading and get rid of SafeWork NSW?

**Mr KEVIN ANDERSON:** That was what he told me and that was his view. He said he was misquoted.

**The Hon. SCOTT FARLOW:** You can ask him on Monday.

**The Hon. MARK BANASIAK:** I will ask be asking some follow-up questions on Monday. Was Minister Dominello misquoted when he said rather than orbiting around "these mongrels" they—the regulators— orbit around the citizens. Was he misquoted when he called the regulators "mongrels"?

**Mr KEVIN ANDERSON:** That is a question for Minister Dominello. It is certainly not my view.

**The Hon. MARK BANASIAK:** It is not your view that SafeWork NSW and Fair Trading are mongrels?

**Mr KEVIN ANDERSON:** If I were to call them that, I do not think they would be sitting with me today. So it is not my view.

**The Hon. MARK BANASIAK:** I think we can agree that it is not conducive to a positive relationship with your regulators. Did he give any indication as to how many jobs losses would have occurred if this great purge or great merger were to occur?

**Mr KEVIN ANDERSON:** No.

**The Hon. MARK BANASIAK:** So it was essentially a Dominello thought bubble?

**The Hon. SCOTT FARLOW:** You should ask him on Monday.

**The Hon. MARK BANASIAK:** I will be asking him on Monday—or someone will be asking him on Monday. Maybe the assistant to the deputy might ask him on Monday. So there was no indication as to potential losses within the department in terms of this great merger?

**Mr KEVIN ANDERSON:** That is a question for Minister Dominello. He did not discuss that with me.

**Mr DAVID SHOEBRIDGE:** Minister, nice to see you.

**Mr KEVIN ANDERSON:** Thank you. Likewise.

**Mr DAVID SHOEBRIDGE:** Thanks for coming.

**Mr KEVIN ANDERSON:** Thank you.

**Mr DAVID SHOEBRIDGE:** I might be easiest if I, first of all, table the correspondence that you helpfully gave to the Public Accountability Committee about cladding.

**Mr KEVIN ANDERSON:** I have a copy, Mr Shoebridge.

**Mr DAVID SHOEBRIDGE:** Minister, I assume you are familiar with this, given it is the correspondence you sent?

**Mr KEVIN ANDERSON:** Yes.

**Mr DAVID SHOEBRIDGE:** This is the update on where your Government is at in terms of what you call Project Remediate. Is that right?

**Mr KEVIN ANDERSON:** Correct.

**Mr DAVID SHOEBRIDGE:** Can you remind me how many interest-free loans have been given under Project Remediate?

**Mr KEVIN ANDERSON:** Project Remediate, which is a landmark three-year program to remove unsafe cladding from residential buildings, is yet to begin. That planning is continuing.

**Mr DAVID SHOEBRIDGE:** Would it be true there have been no loans?

**Mr KEVIN ANDERSON:** Not to my knowledge, because the program has not been set up yet.

**Mr DAVID SHOEBRIDGE:** Will you remind me how many buildings have been remediated and had dangerous flammable cladding removed from them under Project Remediate to date?

**Mr KEVIN ANDERSON:** In terms of Project Remediate, it has not started yet but we are targeting 214 buildings as of today.

**Mr DAVID SHOEBRIDGE:** And not one of them has been done?

**Mr KEVIN ANDERSON:** The program has not started yet, Mr Shoebridge.

**Mr DAVID SHOEBRIDGE:** You made the announcement last year and said it would be up and running at the end of last year. That was your initial commitment. We are now in March, we are now three years after the

Grenfell Tower disaster. When is your landmark cladding reform going to remediate and make safe a single building?

**Mr KEVIN ANDERSON:** We would hope in the coming months, given the fact that there is a significant amount of work being done not only from the Office of the Building Commissioner working and looking at going out to tender for a managing contractor to provide that quality assurance program and then, obviously, further discussions with Treasury and financial institutions about how that loan facility will be set up.

**Mr DAVID SHOEBRIDGE:** Will you identify for the Committee how many high-risk buildings are the subject of Project Remediate?

**Mr KEVIN ANDERSON:** High-rise residential, 214 as of today.

**Mr DAVID SHOEBRIDGE:** What about shopping centres or hospitals with dangerous flammable cladding on them? Are they in your priority 214 list?

**Mr KEVIN ANDERSON:** Mr Shoebridge, it is high-rise residential Class 2.

**Mr DAVID SHOEBRIDGE:** So you do not have any strategy to remove high-risk flammable cladding from those kinds of public buildings—hospitals, shopping centres, cinemas? That is not part of Project Remediate?

**Mr KEVIN ANDERSON:** Mr Shoebridge, as you would know, there is a list sitting in the upper House, which is under privilege. What we are dealing with at this point of time is Class 2 high-rise residential, which is the most immediate, given the fact that there are people still living in these buildings and we want to provide a safe environment for them.

**Mr DAVID SHOEBRIDGE:** You say that, but you have been saying that in one form or another now for 2½ years and not a single one of those buildings has been remediated under a policy developed by your office, and you cannot give a date for when you will remediate a single building?

**Mr KEVIN ANDERSON:** In terms of the high-rise residential Class 2 buildings, they will come under Project Remediate. Again, there is significant work to be done. We have got a time line in relation to going out to tender for a managing contractor, and Treasury is continuing to work with Finance. This is a huge project. We want to make sure we get it right. We will only get one shot at this. We do not want to look at the way other jurisdictions have handled combustible cladding. I do not believe that they have got that strategic, methodical plan in place. Project Remediate will do that. That is why we are taking our time. We have got a process, Mr Shoebridge. You and I have spoken about this over the last couple of years, and I appreciate your interest and your guidance in this area. I know you have a keen interest. It is the fact that you have got to get set, ready and then go. If you do not have that plan in place then you plan to fail.

**Mr DAVID SHOEBRIDGE:** Minister, we are three years after Grenfell, basically. To be talking in terms of "get set, ready and go" as though it is some race yet you have not remediated a single building is a bit disingenuous, is it not?

**Mr KEVIN ANDERSON:** But we are talking here about residential high rise. Other buildings have been remediated, Mr Shoebridge, across the State. We are seeing strata corporations and owners' corporations now remediating those buildings, those private buildings. That is already being done. In terms of government buildings that we are responsible for, they are also being managed.

**Mr DAVID SHOEBRIDGE:** What product have those non-Class 2 buildings—the hospitals, the cinemas, the shopping centres—what cladding product have they replaced their dangerous cladding with?

**Mr KEVIN ANDERSON:** In relation to the work that has been done privately, I am unfamiliar with that and I can take it on notice. But in terms of—

**Mr DAVID SHOEBRIDGE:** Stopping you there, Minister, because that was the question. You have allowed potentially hundreds of buildings—public buildings that people go into and out of, things like aged-care centres—to be remediated with cladding products that may be just as dangerous as the ones that have been removed because you have failed to set the standards in a timely fashion. That is the truth of it, is it not, Minister?

**Mr KEVIN ANDERSON:** The Cladding Product Safety Panel [CPSP], as you would be aware as per the correspondence to you, is working through the appropriate products that will be placed on those Class 2 high-rise residential. In terms of the market that have already remediated—

**Mr DAVID SHOEBRIDGE:** But Minister, you are answering me about Class 2 high-rise residential, and I understand at some point Project Remediate will set some standards and the 214 highest risk of those will

be remediated under a set of standards. I am asking you about the hundreds and hundreds of buildings—aged-care centres, shopping centres, cinemas, hospitals—that have been remediated to date. You have no idea what cladding they have replaced them with, do you? It could be just as dangerous and flammable as the stuff they took off.

**Mr KEVIN ANDERSON:** I do not believe that to be the case, given the fact that there would still have to be the Australian standards and the National Construction Code in line with the Building Code of Australia in terms of the replacement products. Plus, for those private buildings that have been done, if they were to be an insurable building they would have to comply with those codes.

**Mr DAVID SHOEBRIDGE:** Is that complying with either AS1530—

**Mr KEVIN ANDERSON:** AS1530.1.

**Mr DAVID SHOEBRIDGE:** —or AS5113? There are alternative pathways under the Building Code, are there not?

**Mr KEVIN ANDERSON:** Yes, and also performance solutions permissible meeting variation method CV3.

**Mr DAVID SHOEBRIDGE:** Those performance solutions you have identified as ruling out for Project Remediate because they can be so dangerous, the performance-based solutions—the sprinklers and escape hatches and the like—you have ruled that out as too dangerous for high-rise residential, have you not?

**Mr KEVIN ANDERSON:** No, so what we will be doing—

**Mr DAVID SHOEBRIDGE:** Yes, you have.

**Mr KEVIN ANDERSON:** What we will be doing is that each building is unique and, in relation to the inspection and the detailed examination of what is required to be remediated, there may be areas like parts of that building with a detailed risk assessment where a performance solution may be required.

**Mr DAVID SHOEBRIDGE:** Minister, can you assist me by going to the correspondence? Here we are talking about the view of the cladding panel. At the bottom of page 2 it states:

The CPSP has formed a view that generally, non-compliant product will need to be removed in order to reach a satisfactory level of risk for buildings under Project Remediate.

That is the starting point: It is noncompliant?

**Mr KEVIN ANDERSON:** Correct.

**Mr DAVID SHOEBRIDGE:** It goes on:

Compliance with the Deem-to-Satisfy provisions of the Building Code of Australia [BCA] requires external walls of buildings such as multi-storey apartment buildings to be non-combustible as determined by the AS1530.1 test ...

Do you see that?

**Mr KEVIN ANDERSON:** Yes.

**Mr DAVID SHOEBRIDGE:** It goes on:

... or the use of a product specifically listed in the BCA ...

There are alternative ways that the panel has considered that the panel can be determined to be compliant, is that right?

**Mr KEVIN ANDERSON:** Yes.

**Mr DAVID SHOEBRIDGE:** Do I understand it then that, under Project Remediate, if the cladding on a Class 2—a residential apartment building—meets AS1530 standard that they will not be required to remove it and remediate it under Project Remediate? Is that the starting point?

**Mr KEVIN ANDERSON:** That is the starting point but, again, each building is unique.

**Mr DAVID SHOEBRIDGE:** No, but if the product meets AS1530 they will not be required to remove it. Is that the starting point? That is how I read it. Tell me if I am right or wrong.

**Mr KEVIN ANDERSON:** No, that is the starting point.

**Mr DAVID SHOEBRIDGE:** Okay. If they are not required to remove it then what are the next steps that are required?

**Mr KEVIN ANDERSON:** There will be that detailed examination in relation to that particular building. As you would know, Mr Shoebridge, each building is unique. They will also be looking at the performance solutions where they may need that verification of a CV3. They might be smaller areas of the building that might need special treatment in relation to that particular building.

**Mr DAVID SHOEBRIDGE:** You see, Minister, the problem is you are not requiring the cladding on these high-rise buildings to meet both of the Australian standards, are you? There are two key Australian standards. The first is AS1530, which is the small-scale combustibility standard where you just set the product on fire and if it catches on fire at a temperature of about 660 degrees Celsius or whatever then it fails the small-scale combustibility test. But you are not requiring them to meet the large-scale facade test, the AS5113, which is a much tougher test, is it not? Why not?

**Mr KEVIN ANDERSON:** It is the view of the Cladding Product Safety Panel, as we have indicated to you, that the combustible core of above 8 per cent or greater will need to be removed under Project Remediate.

**Mr DAVID SHOEBRIDGE:** Why do we not deal with one of the most commonly used building products that is probably, as we speak, being put on aged-care centres, high-rise shopping centres and hospitals? Why do we not deal with aluminium cladding? Aluminium cladding just passes AS1530—just passes it—because it does not combust at that 660 degrees Celsius; it just starts melting at that temperature. It just passes AS1530 but it comprehensively fails AS5113 because it starts melting and the facade starts falling in chunks and sheets. You are allowing that kind of product to be out there on major buildings and you are allowing it to be on high-rise residential buildings. Why?

**Mr KEVIN ANDERSON:** There are different views on different products, Mr Shoebridge, as you would be aware. That is why I have set up the Cladding Product Safety Panel to work through those issues in relation to those individual panels. You have highlighted a particular panel. There is a range of other products that will be tested by the Cladding Product Safety Panel and be appropriate for Project Remediate.

**Mr DAVID SHOEBRIDGE:** Minister, let us be clear: Under this strategy that you have put here, aluminium cladding passes AS1530. It is not just one type; there is a whole bunch of products out there that are pure aluminium cladding. They pass AS1530—tick—under your strategy. They are entirely aluminium. They do not have a combustible core at all, so they do not have to meet the further SCV3 test, and they are just going to be put on building after building after building because it is cheap and it meets your standard. If you have a major fire, it melts and drops on the people running out of the building and the people running into the building to put out the fire. How have you let that happen?

**Mr KEVIN ANDERSON:** That is the role of the Cladding Product Safety Panel. That is why we have put them together—

**Mr DAVID SHOEBRIDGE:** It is an operational matter.

**Mr KEVIN ANDERSON:** That is why we have set up the Cladding Product Safety Panel, Mr Shoebridge, to provide that expert advice on what product is appropriate to go back on a building once that combustible cladding is removed.

**Mr DAVID SHOEBRIDGE:** But Minister, in this case you are not even going to remove the aluminium cladding. It is getting a tick because it meets AS1530 and it does not require the assessment under CV3. You are going to have aluminium cladding on residential buildings, which we know if you have a large-scale fire will start melting and dropping to the ground. Sheets will come down and imperil the lives of residents running from it and emergency service workers running in to put out the fire. You are letting that happen. Why?

**Mr KEVIN ANDERSON:** I take you back to the Cladding Product Safety Panel in relation to what it is doing and that work that is being done. Each building is unique. Each building has cladding that may or may not be appropriate on it. They will make that professional call in relation to Project Remediate and what has to be done.

**Mr DAVID SHOEBRIDGE:** Would you feel safe, Minister, living in a building that is covered in aluminium cladding, knowing what you know about it almost certainly failing the second Australian standard in a large-scale fire?

**Mr KEVIN ANDERSON:** If the Cladding Product Safety Panel, who I have great faith in in making sure they determine which products are able to be safely used on a building once it is remediated—yes.

**Mr DAVID SHOEBRIDGE:** Minister, could I take you to the proposal for what is going to replace the identified combustible cladding. That is, I think, on page 4. Do you see a third of the way down it says, "The

criteria developed by the CPSP are as follows," and the first is, "Non-combustible according to the National Construction Code i.e. not deemed combustible as determined by AS 1530.1." Then it says, "Combustibility Tests for Materials, or the use of a product specifically listed in the BCA that can be used ... " So if it meets either of those standards, then it gets the tick. Is that right?

**Mr KEVIN ANDERSON:** Just to clarify, Mr Shoebridge, at this point in time the Cladding Product Safety Panel has not determined which products they will be releasing in their report at the end of March.

**Mr DAVID SHOEBRIDGE:** I get that. But the criteria are—and I am just asking you this—it meets 1530. That is right?

**Mr KEVIN ANDERSON:** Correct.

**Mr DAVID SHOEBRIDGE:** If it meets 1530, tick.

**Mr KEVIN ANDERSON:** Correct.

**Mr DAVID SHOEBRIDGE:** That is the small-scale combustibility test. Is it not, Minister?

**Mr KEVIN ANDERSON:** Correct.

**Mr DAVID SHOEBRIDGE:** Then it says there is a second criteria, "Products and systems that demonstrate full compliance with verification method CV3 as discussed above." Do you see that?

**Mr KEVIN ANDERSON:** Yes.

**Mr DAVID SHOEBRIDGE:** Are they cumulative or alternate?

**Mr KEVIN ANDERSON:** I will have to take that on notice in terms of the way that the Cladding Product Safety Panel would determine those.

**Mr DAVID SHOEBRIDGE:** Minister, this is critical. This is a critical issue. Because if they are cumulative, then a number of my safety concerns in terms of what is replaced might be allayed. But if they are alternative, you are just going to be putting on products that potentially fail the major safety test. The facade test.

**Mr KEVIN ANDERSON:** Let me ask the Building Commissioner, Mr Shoebridge, in terms of a cumulative precipitant in terms of the two products.

**Mr CHANDLER:** Thank you, Minister. In answer to that, the panel has been very mindful of the fact that it is not just a product that is on its own to be considered, it is the system it will be incorporated into. In that same letter, at the bottom of page 3 you will see a list of other criteria that actually will be the basis of a system as opposed to a product. We will be taking into account all of those, which are cumulative.

**Mr DAVID SHOEBRIDGE:** So is the system at the bottom a part of CV3, the compliance and verification method that is called CV3?

**Mr CHANDLER:** There will be a filter through which product goes and will determine that a product might be a suitable component to go into a system. The key solution here will be: Does it satisfy all of these other things at the same time?

**Mr DAVID SHOEBRIDGE:** This is for the replacement for Class 2 buildings, the 214 buildings.

**Mr CHANDLER:** Correct.

**Mr DAVID SHOEBRIDGE:** Commissioner, it is nice to see you here. Given the fact that aluminium cladding has been one of, I think, the four products that have already been identified—at least to the industry—as will be compliant under this new scheme, how can that be the case when we know that aluminium melts, loses its structural integrity and causes those risks on a large-scale fire test?

**Mr CHANDLER:** Mr Shoebridge, you would be aware that, unfortunately, cladding has been fixed in many dubious ways across the industry, including double-sided tape—

**Mr DAVID SHOEBRIDGE:** Or glue.

**Mr CHANDLER:** You will also see a reference in this letter to mechanical fixings as well. You can be assured that the approach to be taken here will be one that looks at the systemic outcome. The difference between a residential building in multistorey is that it is a building that is owned and occupied by relatively unsophisticated customers. Whereas other buildings that you have mentioned are actually owned in a single line. A shopping centre, a theatre—

**Mr DAVID SHOEBRIDGE:** An aged-care facility?

**Mr CHANDLER:** An aged-care facility is also owned by a single sophisticated owner. Those people are able to make—for their asset portfolios—decisions that they can manage. One of the criteria for the multistorey unit resolution is that we do not want to leave behind complex maintenance requirements as well, such that these buildings have got to keep doing stuff to actually keep their product in place. So we have taken a much higher approach to buildings that are owned by relatively unsophisticated customers who would not have the ability—and probably the attention—to meet some of the maintenance requirements that some of the alternative solutions have proposed, and have been accepted by their authority under orders to deal with.

**Mr DAVID SHOEBRIDGE:** My time has expired, so we may come back.

**Ms ABIGAIL BOYD:** Sorry about that. We will pick up on that again later, I am sure. Back to the Opposition.

**The Hon. COURTNEY HOUSSOS:** Thank you very much, Chair. Minister, good morning. Are you aware of any specific causes to the delay in opening NorthConnex?

**Mr KEVIN ANDERSON:** No, I am not.

**The Hon. COURTNEY HOUSSOS:** Are you aware of any issues with the electrical work not being to Australian standards?

**Mr KEVIN ANDERSON:** Not with that particular project, no.

**The Hon. COURTNEY HOUSSOS:** Are you aware of a fire in one of the emergency lighting distribution boards on the NorthConnex project on Saturday 23 May in 2020?

**Mr KEVIN ANDERSON:** No, I am not.

**The Hon. COURTNEY HOUSSOS:** Minister, I might just pass up some materials to you. The material that I am going to provide to you is hopefully something that your bureaucrats will be aware of. It was a complaint lodged by the Electrical Trades Union on 28 May. If you turn to page 4, it is the original email that outlines that 2,000 circuit-breakers—with an estimated value of \$10 million—were not to Australian building standards and had caused the fire. Minister, you are not aware of this?

**Mr KEVIN ANDERSON:** No, I am not. I could ask my secretary if SafeWork was aware.

**Ms WEBB:** This was actually a matter dealt with by Fair Trading because it related to electrical safety, which is Fair Trading's responsibility.

**The Hon. COURTNEY HOUSSOS:** So you are aware of this, Ms Webb?

**Ms WEBB:** Yes, I am.

**The Hon. COURTNEY HOUSSOS:** Did you inform the Minister of this?

**Ms WEBB:** No, I did not personally inform the Minister. I am not aware if my staff may have informed his office, but I did not inform the Minister.

**The Hon. JOHN GRAHAM:** Could you take that on notice, though, to see if there was a briefing?

**The Hon. COURTNEY HOUSSOS:** Yes. Absolutely. Just for the purpose of Hansard, Ms Webb is nodding that she is taking that on notice. Minister, I will just outline for you, given our earlier delay, what the email says is that an official of the Electrical Trades Union attended and heard concerns and found that the circuit-breakers were actually Chinese manufactured circuit-breakers that were not to Australian building standards. They conducted an investigation. They went and spoke to the manufacturer and confirmed that they were not to Australian building standards and then contacted SafeWork. If you look earlier on page 4, you will see that they sought to follow up on the complaint and had not heard back on it, and had to follow up again simply to get a reference number for the complaint. Minister, do you think this is acceptable for an electrical fire on a major infrastructure project not to be investigated when there is electrical cabling risking lives not up to Australian standards?

**Mr KEVIN ANDERSON:** Well again, Ms Houssos, this is the first that it has been brought to my attention. I would ask Ms Webb to comment.

**Ms WEBB:** I would have to take on notice the exact details of communications back and forth, but we can get a response in relation to that.



**The Hon. COURTNEY HOUSSOS:** Minister, or perhaps Ms Webb, can someone tell me what was done to investigate this fire?

**Ms WEBB:** Fair Trading had numerous engagements with the people responsible for the WestConnex tunnel—

**The Hon. COURTNEY HOUSSOS:** NorthConnex.

**Ms WEBB:** Sorry, my apologies. They did various inspections, understood what the switching material that did not meet the standard was, and I know there were several engagements, I just do not have the exact details of which days they happened here. But I can get that and bring that back to you.

**The Hon. COURTNEY HOUSSOS:** If you could provide that back this afternoon that would be helpful.

**Ms WEBB:** Yes, I will see what I can do.

**The Hon. COURTNEY HOUSSOS:** Minister, Transurban was reporting it to the market. They had a market update in August that confirmed that the date had been delayed again. They were being open and transparent with the fact the project was being delayed, but your department was not telling the public and you, Minister, were not telling the public about the actual cause of these delays.

**Mr KEVIN ANDERSON:** Ms Houssos, Ms Webb will come back to you with details on how that was handled this afternoon.

**The Hon. COURTNEY HOUSSOS:** Minister, I do not think that you will be able to answer my next question. Perhaps Ms Webb will be able to. Are you aware why the circuit-breakers were eventually replaced?

**Ms WEBB:** My understanding is, as you mentioned in your question, that they did not meet the Australian standard.

**The Hon. COURTNEY HOUSSOS:** And was that as a result of your inspections, Ms Webb?

**Ms WEBB:** My understanding is that the Fair Trading team worked with the developer and identified that these did not meet the Australian standard and an agreement was made to replace them all.

**The Hon. COURTNEY HOUSSOS:** So it is your testimony to this Committee that it was the actions of NSW Fair Trading that led to those circuit-breakers being replaced?

**Ms WEBB:** I want to get the exact details right. I am not quite sure of the sequence of events, whether it was the Fair Trading people who identified that they did not comply, or concurrently the builder had identified that, or a combination of the two. I know that there was a lot of work done back and forth, but I would just take on notice the exact course of events as to who exactly identified it. But we certainly did some testing. I just do not want to make the claim that it was our testing alone that found it. It might be a combination of everyone's testing.

**The Hon. COURTNEY HOUSSOS:** Well, Ms Webb, I would then like to ask you why a union, who is on the site and manages to conduct their own investigation within a week and make a complaint, never hears back about the outcome of that complaint.

**Ms WEBB:** As I mentioned, I will just take on notice the exact course of correspondence with the various complainants and I will let you know this afternoon if I can.

**The Hon. COURTNEY HOUSSOS:** That would be helpful, but when they did not get a response, they did not hear back about what was going on with the faulty electrical cabling and with these circuit-breakers that had already caused a fire, they then went and approached, through their own means, the electrical distribution company because they felt that NSW Fair Trading or SafeWork or anyone, the New South Wales Government, was totally neglecting their duties. They felt that they needed to go elsewhere to advocate, and went and spoke directly to the distribution company. It is their understanding that the reason that this actually got rectified in the end was that the distribution companies refused to connect a major infrastructure project to the power network.

**Ms WEBB:** I will have to take on notice the exact course of dealings and who my inspectors spoke to. I know they had lots of meetings, lots of discussions with a lot of parties, but I just do not have the material here about who spoke to who when, and I will have to take that on notice.

**The Hon. COURTNEY HOUSSOS:** You are not aware of why there was a delay to this? You did not feedback to your Minister about why there was a delay, that NSW Fair Trading could have potentially been aware of why there was a delay to the rollout of a major infrastructure project by the Government?

**Ms WEBB:** I think we were dealing with the people who are responsible for that infrastructure project, which is not the Minister.

**The Hon. COURTNEY HOUSSOS:** He did not think that that was an important thing to brief the Minister about?

**Ms WEBB:** I took on notice whether we briefed him or briefed his office, and I will get back to you on that.

**The Hon. COURTNEY HOUSSOS:** Minister, what is your reflection on this? There is an electrical fire on a major infrastructure project. Then someone conducts their own investigation. Months later it appears that perhaps NSW Fair Trading may have conducted an investigation, but they are not telling anyone about it. This is the first that we have heard about it. It is certainly the first that the people who lodged the complaint have heard about it. What is your response to this kind of way of managing the faulty electrical cabling, faulty circuit-breakers, on a major Government infrastructure project?

**Mr KEVIN ANDERSON:** I am hearing your side, Ms Houssos, and then Ms Webb's side as well, so let us get the facts on how that was handled and then we will make a determination when I get them in front of me.

**The Hon. JOHN GRAHAM:** I guess, Minister, I am surprised that you do not have the facts already, given the scale of the issue that my colleague has outlined. Is that a surprise to you?

**Mr KEVIN ANDERSON:** There has been a lot going on, Mr Graham, as you know throughout the pandemic and lots of other serious issues going on. Not every operational matter is brought to my attention so I will get those details from Ms Webb and happy to come back to the Committee.

**The Hon. JOHN GRAHAM:** Yes, but this is not every operational matter in the way it has been outlined. Would you have expected to be aware of this?

**Mr KEVIN ANDERSON:** Again, Mr Graham, I am unaware. I am hearing from Ms Houssos and Ms Webb, and let us get the facts in front of me. Then we will make a response. Happy to take that on notice.

**The Hon. JOHN GRAHAM:** If this had not caught fire, if this had not been caught, would it have gone undetected? How widespread are the sorts of problems across the infrastructure industry?

**Mr KEVIN ANDERSON:** That is a hypothetical, Mr Graham, and again—

**The Hon. JOHN GRAHAM:** It is not a hypothetical. I am asking generally how widespread are these sorts of problems in your opinion, Minister, as the Minister responsible for Fair Trading?

**Mr KEVIN ANDERSON:** In relation to this particular issue we will get those details for you, but I do not believe it is widespread. I do believe that the inspections in the regime put in place by Fair Trading and SafeWork and the inspectors in relation to electrical contractors and many others who work in the trades industry have the appropriate qualifications and are doing the job properly.

**The Hon. JOHN GRAHAM:** Ms Webb, other concerns, I understand, were raised about the cabling. Can you give us any information about that aspect of the project?

**Ms WEBB:** I will follow that up on notice with the other information—cabling as well as switches.

**The Hon. JOHN GRAHAM:** Understood. And when you take that on notice, Minister, can you perhaps on notice—given you are not aware of the details and I accept that—come back and give us some assurance that these issues are now satisfied to your satisfaction; that they are now safe, given the details that have been outlined by my colleague?

**Mr KEVIN ANDERSON:** I will be very keen to get to the bottom of it, Mr Graham.

**The Hon. JOHN GRAHAM:** Yes. Understood. Can you see the concern that my colleague is putting to you—that we seem to be relying on the power companies of the State rather than the Government to keep a project like this safe? If that is true, and we will be interested to hear the report from Fair Trading, that would be a real concern, would it not?

**Mr KEVIN ANDERSON:** Well, I do not believe that is the case. I think the Government is doing a good job in terms of the infrastructure rollouts. We are seeing, you know, a billion-dollar infrastructure-plus program being rolled out across not only in metropolitan New South Wales but regional New South Wales as

well. So I do believe that the checks and balances, and those that are performing that work are appropriately qualified and the equipment that is being used would be of the Australian standards.

**The Hon. JOHN GRAHAM:** But you would hope that this is inspected before the power companies have to pull the plug and stop this to keep it safe.

**Mr KEVIN ANDERSON:** My understanding would be that the process to be followed would be that the equipment being used would be of the Australian standard and the person that would be using that particular equipment, as well as installing, would be appropriately qualified.

**The Hon. DANIEL MOOKHEY:** I have a short follow-up to the questions my colleague Ms Houssos was asking. Did anybody from the NorthConnex project check with Fair Trading that they were installing the right equipment prior to it erupting in flame?

**Mr KEVIN ANDERSON:** Again, Ms Webb.

**Ms WEBB:** I will have to take that on notice about whether we had a query along those lines.

**The Hon. DANIEL MOOKHEY:** Minister, do you not think it appears absurd that the New South Wales Government does not know what standards should apply on their own projects?

**Mr KEVIN ANDERSON:** Well, they do know what standards apply on their own projects. We will get to the bottom of how this particular incident occurred, but I am confident that—

**The Hon. DANIEL MOOKHEY:** Minister, how do you know that they know what standards apply, given that you have so far displayed no knowledge of this incident whatsoever? It is not unreasonable for people to expect that on a New South Wales Government-run construction project that the New South Wales Government would know to install the right equipment, and we should not even have to go to Fair Trading for an investigation on a major infrastructure project like this? It appears totally absurd that the New South Wales Government installed the incorrect equipment on its own project.

**Mr KEVIN ANDERSON:** We will get to the bottom of this particular incident, Mr Mookhey, but I am confident in the process and particularly around the significant number of infrastructure projects right across New South Wales. We are part of that stimulus economy at the moment and that is what is driving the economy. That is what is getting us back to pre-pandemic, not only economic levels but also the job stimulus that our projects are creating across New South Wales.

**The Hon. JOHN GRAHAM:** Yes, but, Minister, we should not have to expect that fixing a mistake, which should have been fixed in the first place—we should not be relying on that for economic stimulus.

**The Hon. DANIEL MOOKHEY:** Yes.

**The Hon. JOHN GRAHAM:** Millions of dollars to fix something that should have been done right the first time.

**The Hon. LOU AMATO:** Billions of dollars.

**Mr DAVID SHOEBRIDGE:** Dig a hole and fill it in again.

**The Hon. DANIEL MOOKHEY:** I have heard some crazy stimulus projections, but—

**Mr KEVIN ANDERSON:** Mr Graham, I am not referring to that. I am referring to the projects—

**The Hon. JOHN GRAHAM:** Well, I am.

**Mr KEVIN ANDERSON:** I am referring to the successful quality projects that the New South Wales Government is undertaking, whether it is in metropolitan or regional New South Wales.

**The Hon. COURTNEY HOUSSOS:** Minister, I want to come back to the question that you did not know about this happening because the electrical fire was actually reported by *The Sunday Telegraph* on 31 May. Do you regularly read the newspapers, Minister?

**Mr KEVIN ANDERSON:** Ms Houssos, I do a lot of reading, but particularly in relation to this matter I am happy for Ms Webb to get the facts in terms of the correspondence between both parties and get to the bottom of how this came about.

**The Hon. COURTNEY HOUSSOS:** It was concerning enough for *The Sunday Telegraph* to run a story at the time and you did not pick up on that, the fact that there might be some substandard electrical work. Maybe your department should investigate this?

**Mr KEVIN ANDERSON:** Again, Ms Houssos, let us get to the bottom of how this occurred and we will come back to you with the response and the correspondence between both parties and how it actually got to that point.

**The Hon. COURTNEY HOUSSOS:** Maybe you could also provide us whether you or your office or anyone picked up in their media monitoring reports an electrical fire that had occurred on a major infrastructure project; that maybe someone should go out there and check it out; that maybe one of your bureaucrats should see what is going on with an electrical fire; that maybe this might be something that the people who are regulating building standards in New South Wales should be concerned about?

**Mr KEVIN ANDERSON:** There are two parts to your question there, Ms Houssos. You are talking about a Transport for NSW project as opposed to building and construction. I am confident in terms of the building construction sector what we have put in place is a commitment to restore confidence back into the building and construction market under the Office of the Building Commissioner to ensure that customers and consumers can have confidence in what we are doing. So they are two separate areas.

**The Hon. COURTNEY HOUSSOS:** Minister, this is a major construction project that is, according to them, employing roughly 8,700 people, and you are saying that that is not part of the regulatory regime that is overseen by you?

**Mr KEVIN ANDERSON:** In terms of what I was explaining to you then was that this is a particular project in conjunction with transport—

**The Hon. COURTNEY HOUSSOS:** Which you have responsibility for regulating the safety of as a workplace. Would you accept that, Minister?

**Mr KEVIN ANDERSON:** Through that particular project. So we will get to the bottom of what happened between both parties, Ms Houssos, and we will get it sorted for you.

**The Hon. COURTNEY HOUSSOS:** Minister, I would also like to know whether your office saw the article on 31 May and thought that maybe this might be something that we need to investigate. Has something happened?

**Mr KEVIN ANDERSON:** I am happy to take that on notice, but in terms of the amount of reading that my staff do, I will ask around to see if they did read the article. You have heard from Ms Webb, the Deputy Secretary, that she will do that due diligence on coming back to you with how that played out.

**The Hon. COURTNEY HOUSSOS:** Minister, you talked about your confidence in the regime of regulation. Can you tell me how many inspectors you have that are out there looking at electrical work?

**Mr KEVIN ANDERSON:** I will ask the secretary to detail those numbers.

**Ms HOGAN:** Tony, do you know those off the top of your head?

**Mr WILLIAMS:** No, I do not. Sorry.

**The Hon. COURTNEY HOUSSOS:** Okay. Perhaps you can take that on notice.

**Ms HOGAN:** I can take that on notice.

**The Hon. COURTNEY HOUSSOS:** If you can come back this afternoon, that would be helpful—how many inspectors are actually checking out across the State of New South Wales that these electrical products are actually up to standard.

**Mr KEVIN ANDERSON:** Just to get clarity, Ms Houssos—

**Ms HOGAN:** Ms Houssos, we have 331 SafeWork field inspectors, but I would have to take on notice how many of them are specifically looking at electrical and I will come back to you this afternoon.

**The Hon. DANIEL MOOKHEY:** Sorry. What about under the Fair Trading division? Or are they now merged?

**Ms HOGAN:** No, the inspectors are not merged.

**The Hon. DANIEL MOOKHEY:** You said 330 in SafeWork. What about in Fair Trading?

**Ms HOGAN:** I will have to find the data.

**The Hon. DANIEL MOOKHEY:** When you say 330 inspectors doing electrical—

**Ms HOGAN:** No, no—331 field inspectors, but I would have to take on notice how many of them are doing electrical and I will come back this afternoon, also with the Fair Trading number.

**The Hon. DANIEL MOOKHEY:** Great.

**The Hon. COURTNEY HOUSSOS:** If you can tell us whether those SafeWork inspectors—they are the SafeWork inspectors that are now able to inspect for licences as well? Is that correct?

**Ms HOGAN:** I will take that on notice as well.

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

**Mr WILLIAMS:** I can confirm that SafeWork inspectors do now hold powers under the Fair Trading Act and the Home Building Act, and they can undertake licence inspections, yes.

**The Hon. COURTNEY HOUSSOS:** Thanks to the advocacy of the Electrical Trades Union [ETU]. Thank you.

**The Hon. DANIEL MOOKHEY:** I have a follow-up.

**The Hon. COURTNEY HOUSSOS:** Sure.

**The Hon. DANIEL MOOKHEY:** Can I ask: Minister, how many other incidents have been reported on government projects that are currently subject to investigation?

**Mr KEVIN ANDERSON:** I will have to take that on notice, Mr Mookhey. That is a very specific question, but happy to get those details for you.

**The Hon. DANIEL MOOKHEY:** What about the Sydney Metro tunnel projects in terms of their electrical work? Is Fair Trading currently investigating anything to do with those projects?

**Mr KEVIN ANDERSON:** I am unaware of that, but I am happy to ask Ms Webb.

**Ms WEBB:** I think we would have to take that specific—

**The Hon. DANIEL MOOKHEY:** What about dust incidents on these road projects, including the Rozelle Interchange and the Sydney Metro project?

**Ms WEBB:** We will have Ms McCool here this afternoon who is the expert on those details, but I might be able to find something in the notes and let you know.

**The Hon. DANIEL MOOKHEY:** Yes, I am looking forward to that. But, Minister, there have been repeated incidents akin to this that have taken place on the Rozelle Interchange—certainly in respect to dust. What have you personally done to ensure that the Government is inspecting compliance with standards on its own projects?

**Mr KEVIN ANDERSON:** What we are doing particularly in relation to dust mitigation, Mr Mookhey, is that we have implemented significant reform in relation to silica dust and other dusts around being notifiable now. We have got silica—

**The Hon. DANIEL MOOKHEY:** We will get into that, Minister. Don't get me wrong. But I am asking specifically about the exposure incidents on the Rozelle Interchange and the exposure incidents on the Sydney Metro. What steps have you personally taken to ensure that they are being investigated? Because the perception is that the Government goes soft on its own projects.

**Mr KEVIN ANDERSON:** Well, I reject that the Government goes soft on some projects, but particularly with those incidents, Mr Mookhey, I will take them on notice.

**The Hon. DANIEL MOOKHEY:** Sure.

**The Hon. COURTNEY HOUSSOS:** Ms Webb, I wanted to come back to the question of what NSW Fair Trading did after *The Sunday Telegraph* story. In fact, now just reviewing it, a spokesperson was quoted in the article and said that the department had been notified and was conducting initial inquiries. Perhaps you can come back to us this afternoon and tell us what those initial inquiries were and if there was any further action after that.

**Ms WEBB:** Yes, certainly. We have asked for a whole time line, so we will come back to you with that.

**The Hon. COURTNEY HOUSSOS:** Thank you.

**Mr DAVID SHOEBRIDGE:** Minister, the other set of reforms that you are responsible for in the building sector at the moment is the registration and certification of engineers. Is it still your plan to have at least some of the engineering sector certified and regulated by 1 July?

**Mr KEVIN ANDERSON:** It is—those associated with a Class 2 building in construction.

**Mr DAVID SHOEBRIDGE:** That is a firm deadline, is it?

**Mr KEVIN ANDERSON:** Yes, it is.

**Mr DAVID SHOEBRIDGE:** When will the final set of regulations and/or other regulatory measures be promulgated?

**Mr KEVIN ANDERSON:** I will just check on that, but they are not that far off. I think 1 July. Mr Tansey?

**Mr TANSEY:** Thank you, Minister. Mr Shoebridge, we are aiming to finalise those in the current calendar month and hopefully have them gazetted—or presented to the Governor for gazettal so that they will be public in April.

**Mr DAVID SHOEBRIDGE:** Public in April. Minister, you would have been aware of a series of disasters involving excavation for building projects in the last—just in the last three or four months there have been scandal after scandal, haven't there?

**Mr KEVIN ANDERSON:** Are you referring to a particular scandal, Mr Shoebridge, rather than a sweeping generalisation?

**Mr DAVID SHOEBRIDGE:** I could point you to two that were in Bondi—one which was, I think, on Lamrock Avenue and another one within a couple of hundred metres of that, both by the same building company, at the end of last year. Do you recall either of those?

**Mr KEVIN ANDERSON:** Not to my knowledge, no. I can get specifics, if you wish, and take them on notice.

**Mr DAVID SHOEBRIDGE:** So neither of those incidents where, within a matter of weeks, the same building company did full excavations next to properties, which the neighbours then started falling—

**Mr KEVIN ANDERSON:** Are you talking about the wall that fell down?

**Mr DAVID SHOEBRIDGE:** In one case, the whole wall fell down into that.

**Mr KEVIN ANDERSON:** Yes, I am aware of that one, yes.

**Mr DAVID SHOEBRIDGE:** So that was briefed to you?

**Mr KEVIN ANDERSON:** I was notified of that, but I will ask the Building Commissioner to provide further detail on that, though.

**Mr DAVID SHOEBRIDGE:** I really do want to go to the Building Commissioner's take on this, but I do want to test what, if any, action you have taken as Minister.

**Mr KEVIN ANDERSON:** Sure.

**Mr DAVID SHOEBRIDGE:** Did you get a briefing on it, or did you just read it in the papers, or did you have just a chat with Mr Chandler?

**Mr KEVIN ANDERSON:** No, I was aware of it. I think we—Mr Chandler and I talk about a lot of the different subjects, but in particular with that one, he would have the detail on that.

**Mr DAVID SHOEBRIDGE:** Were you aware that the same building company had another crisis involving excavation causing damage to the neighbours within a matter of weeks of that? Were you aware of that?

**Mr KEVIN ANDERSON:** No, I did not know it was the same building company.

**Mr DAVID SHOEBRIDGE:** Were you aware that they are both Class 1 buildings?

**Mr KEVIN ANDERSON:** No.

**Mr DAVID SHOEBRIDGE:** You weren't?

**Mr KEVIN ANDERSON:** Again, with those specifics, I am happy to have that with Mr Chandler.

**Mr DAVID SHOEBRIDGE:** You know that most people in Australia live in Class 1 buildings—do you know that?

**Mr KEVIN ANDERSON:** Is it most people? I know a significant lot live in Class 2 residential.

**Mr DAVID SHOEBRIDGE:** Overwhelmingly, people in Australia—

**Mr KEVIN ANDERSON:** Okay.

**Mr DAVID SHOEBRIDGE:** We will check with Mr Chandler on this, but you are not aware of that—that overwhelmingly people in Australia live in Class 1 buildings rather than Class 2 buildings?

**Mr KEVIN ANDERSON:** I would like to get the numbers to clarify that, Mr Shoebridge.

**Mr DAVID SHOEBRIDGE:** Okay.

**Mr KEVIN ANDERSON:** No, no. Look, I understand what you are saying, but—

**Mr DAVID SHOEBRIDGE:** I have got to tell you, that is like—you are responsible for these building reforms. You have focused all of your cladding reforms and your engineering reforms only on Class 2 buildings, and you are not even aware of the fact that overwhelmingly Australians do not live in Class 2 buildings but live in Class 1 buildings.

**The Hon. SCOTT FARLOW:** He said "a lot".

**Mr DAVID SHOEBRIDGE:** I find that frustrating that that basic fact is not known to you, Minister.

**Mr KEVIN ANDERSON:** Mr Shoebridge, what we are focusing on is the most immediate nature, as you would be aware, and that immediate urgent focus is Class 2 high-rise residential.

**Mr DAVID SHOEBRIDGE:** Tell that to the residents in Lamrock Avenue and Bondi where their whole wall fell and collapsed into the excavation being done for a Class 1 building. Tell that to the residents who have had substandard buildings built with no piers—not even any piers; and one couple \$400,000 in debt because there were no competent engineers in it. Tell that to those thousands of people across the State in Class 1 buildings, Minister.

**The Hon. SHAYNE MALLARD:** Do we have a question?

**Mr DAVID SHOEBRIDGE:** Do you understand that they are facing crises as well?

**Mr KEVIN ANDERSON:** Mr Shoebridge, I acknowledge and feel for those. What we have been focusing on—with specifics in terms of Class 1s, I am happy for Mr Chandler, our Building Commissioner, to talk about that—Class 2s, the high-rise residential, as we have already spoken about with Project Remediate, looking at standing up our Design and Building Practitioners Bill, the residential apartment buildings bill, engineers registering those practitioners so that we can provide safer quality buildings and putting confidence back in the market. As you would expect, we have worked together on this a lot to try to get some confidence back in the market on those Class 2s.

**Mr DAVID SHOEBRIDGE:** Mr Chandler, I know you have been out and seen a number of these sites, so maybe we can just do a couple of them. You went out and met with Deidree and Marc Webster. Do you recall their building? It was a Class 1 building. There were literally no piers in it; there were no foundations in it and they have spent more than \$400,000 trying to remediate it. What did you say to them about the fact that the engineering reforms that are being rolled out will not impact that kind of building?

**Mr CHANDLER:** Mr Shoebridge, first of all I would say that I think there were five engineers involved in various elements of that project: the original design, defending the subsequent work that had been performed which had left the piers out, two further engineers who gave testimony that was wrong and another engineer—

**Mr DAVID SHOEBRIDGE:** Well—

**Mr CHANDLER:** Just let me finish please because it is terribly important to understand this. In every one of those cases, those engineers were all members of Engineers Australia. My concern about this is that when I have raised this matter with Engineers Australia, their response has been that they are a membership organisation and they are not in a position to discipline their members. I would say to you that of all of the matters that relate to engineering causation, of everything that I have looked at since I have been in this role, I have yet to come across an engineer who is not qualified and who is not a member of Engineers Australia.

**Mr DAVID SHOEBRIDGE:** But Building Commissioner, because there is no registration required to practise as an engineer in New South Wales, all of those engineers that you just spoke about will be able to continue practising, be able to continue providing advice to future homeowners because, even with the July 1 reforms in place, nothing will touch them. That is what is so frustrating, Mr Chandler.

**Mr CHANDLER:** Mr Shoebridge, under Class 1 buildings the regulator has quite a line of sight to those buildings, so I feel confident that that can be managed for now.

**Mr DAVID SHOEBRIDGE:** Mr Chandler, what is going to happen to any one of those engineers? Nothing.

**Mr CHANDLER:** Would you mind if I just also add another example for you? And that is that the cases that you are pointing out were essentially where Class 2 buildings were being built alongside Class 1 buildings.

**Mr DAVID SHOEBRIDGE:** No. Both the projects that I am talking to you about in Bondi, one of them was a replacement of a Class 1 building in an area which would—

**Mr CHANDLER:** It was a knockdown rebuild, was it?

**Mr DAVID SHOEBRIDGE:** Correct, and the other one was the knockdown of a residential building and the replacement with a commercial building with no residential mix. Neither of them are going to be covered by the Class 2 reforms proposed for high-rise residential, Mr Chandler.

**Mr CHANDLER:** Both of those buildings, I have not had a look into. I have followed up though with the one at Crows Nest, where the collapse recently occurred there and that is currently being investigated by SafeWork NSW.

**Mr DAVID SHOEBRIDGE:** The one at Crows Nest, I understand, is a Class 2 building, so there is one of four that we can point to which will be impacted by your engineering reforms. But the other three—no change. How is that keeping people's homes safe?

**Mr CHANDLER:** SafeWork NSW have got the regulatory oversight of people performing work safely, and I am quite certain that there will be actions coming as a result of—if there was any erroneous behaviour in that area, the parties accountable will be held accountable.

**Mr DAVID SHOEBRIDGE:** I think you said there were four engineers who were culpably involved in the Websters' building. Is that right?

**Mr CHANDLER:** There were five in all but four of them I think were off the reservation, yes.

**Mr DAVID SHOEBRIDGE:** Each of those four engineers is still free to practise in New South Wales, aren't they?

**Mr CHANDLER:** Correct.

**Mr DAVID SHOEBRIDGE:** And even with the July 1 reforms, each of those four engineers will continue to be able to be providing engineering advice to future homeowners, to future commercial building sites, to government infrastructure. They will still be able to carry on business as usual, won't they?

**Mr CHANDLER:** Shoddy work will always be under our line of sight and that is unacceptable practice. We have taken that up and continue to take that up with the professional bodies responsible.

**Mr DAVID SHOEBRIDGE:** Mr Chandler, with all due respect, that is not answering my question. Those engineers, the four that you said I think were off the reservation, will be able to continue practising business as usual in every single part of the building industry except for Class 2 residential buildings after the July 1 reforms, is that right?

**Mr CHANDLER:** Yes.

**Mr DAVID SHOEBRIDGE:** Minister, what do you say to the people of New South Wales who are looking for building standards, who want to know that their home is going to be designed by a competent engineer, who want to know that the bridge they are going across is going to be designed by a competent engineer, who want to know that the facade of the shopping centre that they go into is not going to fall on their head because it is designed by a competent engineer? What do you say to them now that you know that the four engineers who are culpably involved in the building involving the Websters are free to continue practising business as usual? What do you say to them?



**Mr KEVIN ANDERSON:** Mr Shoebridge, engineers should commit to a professional standard scheme, which will lift the quality, lift their service and lift their conduct. We are encouraging Engineers Australia to continue to work with the professional standards association to work up their professional standards scheme, which will lift and prevent those issues that you are talking about.

**Mr DAVID SHOEBRIDGE:** Minister, it is your job to regulate. It is your job to put in place standards and pushing it off to professional associations is you failing to do your job, is it not? You are the Minister.

**Mr KEVIN ANDERSON:** Professional standards schemes operate across a range of professions and what that does is it floats all boats. So if engineers are concerned that some of their members are not doing the right thing, then they should be working proactively with the professional standards association, like I am, in making sure that those standards are lifted.

**Mr DAVID SHOEBRIDGE:** Minister, you are doing nothing. You are doing nothing at all to rein in these rogue engineers, just four of which we have heard about in this hearing. You are doing nothing at all to rein them in, are you?

**Mr KEVIN ANDERSON:** We are having those discussions with Engineers Australia as well as the professional standards association. Plus, in relation to July 1, we will work on the Class 2 registration of engineers from July 1 and as we have committed, Mr Shoebridge, we will then look at the broader registration of engineers post-July 1 to look at how we assist them, and again working with the professional standards association, to set up a professional standards scheme to lift that conduct, increase their professionalism on the job and the quality of the work they do.

**Mr DAVID SHOEBRIDGE:** Minister, all of the major professional organisations—Professionals Australia, Engineers Australia—have all said they want comprehensive, across-the-profession regulation and registration for engineers, haven't they? That is their position; they want the whole of the industry under certification and registration, not just Class 2 buildings.

**Mr KEVIN ANDERSON:** They have got to pull their weight as well, Mr Shoebridge, and you will recall several years ago they actually had a professional standards scheme and they let it lapse because the members of their engineering fraternity could not agree on the standard going forward.

**Mr DAVID SHOEBRIDGE:** Minister, if ever there was a powerful argument for you to start doing your job and regulating as a Minister, it is that the profession is not doing it. You are telling me that the profession is not doing it and then you are telling me that you are not going to do it. You cannot have your cake and eat it here. If you say the profession is not doing their job, why are you not doing it?

**Mr KEVIN ANDERSON:** The cake is getting the engineers on to a professional standards scheme. That is why we are working with them and now there is the tranche of July 1. We will look at the registration of an engineer in a Class 2 building and then look at the broader registration of engineers going forward, but we encourage and we ask them to commit to working with the professional standards association to lift that standard of the work they are doing.

**Mr DAVID SHOEBRIDGE:** Minister, you are passing regulations in the middle of July to cover Class 2 buildings. You could have come up with a scheme to cover all buildings but you chose not to. It is your failure to regulate that is the issue here. Is it not? It is your failure to do your job.

**Mr KEVIN ANDERSON:** The most urgent need was Class 2 buildings, to look after those in high-rise residential. We are making sure that every person, every practitioner, who has their fingerprint on a development or a construction of a building in New South Wales come July 1 will be registered and they will be traceable. So engineers, in terms of what we have got to do further down the track—then we will look at their broader registration.

**Mr DAVID SHOEBRIDGE:** Minister, that is just not right. You say that everybody who has their fingerprint or mark on a building in New South Wales come 1 July will be covered only if they do Class 2 residential buildings.

**Mr KEVIN ANDERSON:** That is right.

**Mr DAVID SHOEBRIDGE:** That is a tiny minority of the number of building starts in any given year in New South Wales, is it not?

**Mr KEVIN ANDERSON:** Well, we have come from a pretty low base, I have to say to you, Mr Shoebridge. You would acknowledge, would you not, that the most urgent need was Class 2 and we have got a significant, strong plan in place to address those concerns?

**Mr DAVID SHOEBRIDGE:** Minister, that is not an answer to the Websters. That is not an answer to those thousands of home owners who are facing building defects because of second-rate regulation or the total absence of regulation by your Government, is it?

**Mr KEVIN ANDERSON:** Well, I think that engineers should commit to standing up a professional standards scheme, and that would lift the standard and the quality of what they do.

**Mr DAVID SHOEBRIDGE:** Minister, you are just—

**Mr KEVIN ANDERSON:** They have got a role to play as well, Mr Shoebridge.

**Mr DAVID SHOEBRIDGE:** Yes, but you are the Minister, and you are just ducking this. You say that the profession is not moving up and has not reset the standards, and you say it is urgent that we get Class 2 buildings covered by regulation. Now you say for the majority of building starts in New South Wales—Class 1 buildings, everything but high-rise residential—you are happy to have a system where there is no certification of engineers, none at all. Is that what you are saying? You are perfectly happy that come 2 July there will be no certification of engineers for any building apart from high-rise residential?

**Mr KEVIN ANDERSON:** We have made a commitment to look at the broader registration of engineers post-1 July. In terms of the urgent need at the moment, it is Class 2 high-rise residential. We will make sure that any design practitioner that has a role to play in the construction of a building is registered and those plans are declared, which will ensure the quality and safety of those buildings. Then we will look further down the track at the broader expanse of engineers.

**Mr DAVID SHOEBRIDGE:** Minister, I am not denying that there is a clear, urgent need to deal with Class 2 buildings.

**The Hon. SHAYNE MALLARD:** Point of order—

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

**The Hon. SHAYNE MALLARD:** I have been listening quite intently here. Mr Shoebridge clearly does not like the answer he has been given.

**Mr DAVID SHOEBRIDGE:** Nobody would like that answer.

**The Hon. SHAYNE MALLARD:** He keeps asking the same question again and again. The Minister has made his point very clear. I think Mr Shoebridge should move on. He is just repeating the same question and badgering the Minister.

**Mr DAVID SHOEBRIDGE:** To the point of order: That is not a point of order. That has not referenced any standing order, prior ruling or practice. That is my only contribution in response.

**The Hon. SHAYNE MALLARD:** It is not required. Badgering the Minister was my point of order.

**The CHAIR:** Thank you. We will avoid unnecessary repetition. However, I did not see a repetition of a particular question just there. If we could continue with respect, that would be great. Thank you.

**The Hon. SHAYNE MALLARD:** Great for Hansard.

**Mr DAVID SHOEBRIDGE:** Mr Chandler, what proportion of building starts in any given year are Class 2 buildings? What is the ballpark proportion?

**Mr CHANDLER:** I understand that the ratio at the moment is probably running at about 15,000 multi-unit starts to about 26,000 single dwelling starts—about that proportion in New South Wales.

**Mr DAVID SHOEBRIDGE:** In terms of the whole building industry, not just residential?

**Mr CHANDLER:** The New South Wales construction industry turns over about \$97 billion a year. That is everything: engineering, construction—the lot. Class 2 buildings account for approximately \$18 billion of that.

**Mr DAVID SHOEBRIDGE:** I am sorry, Mr Chandler, I missed the first figure you said, the total size of the industry.

**Mr CHANDLER:** The total for New South Wales, off the top off my head—I would like to be able to correct that in *Hansard*, if you do not mind.

**Mr DAVID SHOEBRIDGE:** Yes, absolutely. You are just giving ballpark figures here.

**Mr CHANDLER:** So ballpark figures, I would say that the New South Wales turnover is approximately \$97 billion a year. That represents about 32 per cent of the national construction activity. Residential buildings are currently running at about \$17 billion of that, and Class 1 buildings are probably running at about the same number because they are lower value. So about \$35 billion in the residential space.

**The Hon. JOHN GRAHAM:** So it is 18 or 19 per cent?

**Mr CHANDLER:** Subject to correcting that later.

**Mr DAVID SHOEBRIDGE:** So the ballpark figure would be that Class 2 buildings are about 20 per cent of the building industry. Would that be about right?

**Mr CHANDLER:** Correct.

**Mr DAVID SHOEBRIDGE:** So with the 1 July reforms going through—on a dollar value at least—80 per cent of the building industry will not be covered by the engineering certification reforms. This flows, does it not?

**Mr CHANDLER:** Correct, yes it does. No argument about that.

**Mr DAVID SHOEBRIDGE:** Minister, now you have got some data to go with, your reforms on Class 2 buildings are going to get to perhaps 20 per cent of the building industry, leaving 80 per cent of the building industry unregulated in terms of engineers. The kind of rogue operators that the commissioner spoke about earlier are free to roam across 80 per cent of the building industry. Do you think that is adequate?

**Mr KEVIN ANDERSON:** Well, Mr Shoebridge, there already are strong regulations in relation to—

**Mr DAVID SHOEBRIDGE:** You are kidding me?

**Mr KEVIN ANDERSON:** —different classes of buildings—

**Mr DAVID SHOEBRIDGE:** You are kidding me?

**Mr KEVIN ANDERSON:** —in New South Wales. So if there is a concern, then it will be dealt with through either SafeWork or Fair Trading in those regulations. What we are focusing on at this point in time—and we will continue to look at the regulation of the building and construction industry across all classes in any case, any day.

**Mr DAVID SHOEBRIDGE:** Minister, you said that those concerns would be dealt with. You heard Mr Chandler say that there is no regulation of these rogue engineers. You can point to no regulation of these rogue engineers. It is just not true to say that the concerns will be dealt with. They are out there providing their services at no doubt substantial cost to other home owners as we speak and you are doing nothing about it. It is just not true, is it, your answer?

**Mr KEVIN ANDERSON:** Mr Shoebridge, there are regulations in place and we would ask the engineers to work with the professional standards association to set up a professional standards scheme, and we are working with them.

**Mr DAVID SHOEBRIDGE:** On notice, can you provide me with what these mystical regulations are that will bring to heel these rogue engineers? Can you provide that on notice?

**Mr KEVIN ANDERSON:** On Class 1s?

**Mr DAVID SHOEBRIDGE:** Everything but Class 2. Provide to me this mystical regulation.

**Mr KEVIN ANDERSON:** Certainly.

**The Hon. DANIEL MOOKHEY:** Minister, you are as concerned as I am about faltering safety standards in the food delivery industry, are you not?

**Mr KEVIN ANDERSON:** Yes.

**The Hon. DANIEL MOOKHEY:** Of course I appreciate the opportunity to have worked with your office in this matter as well, and I want to acknowledge that. You established a task force to look into the gig economy, did you not?

**Mr KEVIN ANDERSON:** Yes, we did.

**The Hon. DANIEL MOOKHEY:** Earlier last month you announced that in April you will be issuing guidelines for compliance with the—the task force will be issuing guidelines. Is that correct?

**Mr KEVIN ANDERSON:** That is correct.

**The Hon. DANIEL MOOKHEY:** Are you still on track to meet that deadline in April?

**Mr KEVIN ANDERSON:** Yes, Mr Mookhey.

**The Hon. DANIEL MOOKHEY:** What is the scope of those guidelines?

**Mr KEVIN ANDERSON:** The scope of the guidelines was basically looking at what needed to happen in relation to the obligations of riders, the platforms, residents and the interaction between the riders, the platforms and the restaurants.

**The Hon. DANIEL MOOKHEY:** Does it establish minimum safety standards?

**Mr KEVIN ANDERSON:** So already the Work Health and Safety Act comes over the top of any worker in New South Wales. What has happened over the past 12 months, Mr Mookhey, is this delivery platform, delivery food rider, the gig economy and you would, with respect, know that a gig economy is called as such because of musicians who play gigs who work temporarily and who only work on a contract or part-time basis.

**The Hon. JOHN GRAHAM:** Hear, hear!

**Mr KEVIN ANDERSON:** They are on call. So that is where the gig economy comes from: when bands do gigs. So this relates directly to those people involved in the gig economy and the food delivery industry but there is already the Work Health and Safety Act that sits above the top of that.

**The Hon. DANIEL MOOKHEY:** Trust me, Minister, I will want to tease out the differences in the legal frameworks here.

**Mr KEVIN ANDERSON:** Sure.

**The Hon. DANIEL MOOKHEY:** So hence I am going to concentrate on the guidelines. Are the guidelines going to provide minimum equipment standards?

**Mr KEVIN ANDERSON:** So what the guidelines will do is provide an opportunity for the food delivery riders, the restaurants and the platforms to educate them on their obligations under the Work Health and Safety Act, which assist already.

**The Hon. DANIEL MOOKHEY:** Minister, my question was: Are the guidelines going to provide minimum equipment standards?

**Mr KEVIN ANDERSON:** No. What the guidelines do, Mr Mookhey—

**The Hon. DANIEL MOOKHEY:** Was that no?

**Mr KEVIN ANDERSON:** No. What the guidelines will do is alert those three entities that we have just spoken about to their obligations under the Work Health and Safety Act. What we have seen already as part of that with the education campaign that we are implementing is some delivery platforms look at their safety policy and procedures within their own companies. So they are already starting to see a shift in the market.

**The Hon. DANIEL MOOKHEY:** Just to be clear: The guidelines are only going to provide, you say, guidance to obligations under the WHS Act. Is that correct?

**Mr KEVIN ANDERSON:** So it will guide them to the work health and safety requirements that every person has a right to in New South Wales.

**The Hon. DANIEL MOOKHEY:** Do you agree with me that the workplace health and safety law does not provide anything specific for the food delivery industry whatsoever? It just provides a general duty that everybody has to follow when engaging in work. Is that correct?

**Mr KEVIN ANDERSON:** Well, the gig economy, where it involves a food delivery rider, the platform or the restaurant, it would come under whether they are a contractor, a subcontractor or an employee. They are classed as PCBUs—Mr Mookhey, you would acknowledge that—persons conducting a business or undertaking. So everybody who is involved in that space is a PCBU in some way shape or form and has a responsibility under the Work Health and Safety Act to provide that environment.

**The Hon. DANIEL MOOKHEY:** Are the guidelines legally enforceable?

**Mr KEVIN ANDERSON:** The guidelines will educate those platforms about their obligations, which are legally binding under that Work Health and Safety Act.

**The Hon. DANIEL MOOKHEY:** Can anyone be prosecuted for breaching the guidelines?

**Mr KEVIN ANDERSON:** The guidelines are there as an education component to help those in the gig economy understand their obligations under the legally binding Work Health and Safety Act.

**The Hon. DANIEL MOOKHEY:** The short answer to that is no, is it not, Minister? They are guidelines; they have no legal status. They are simply instructive material, that is correct?

**Mr KEVIN ANDERSON:** The is a part of the platform we are trying to get to—to help those involved in the economy understand your obligations under the Act.

**The Hon. DANIEL MOOKHEY:** Basically, even when you introduce these guidelines, no-one is under any additional legal obligations or duty, that is correct?

**Mr KEVIN ANDERSON:** We are out for consultation at the moment. We are getting feedback from key stakeholders in relation to this gig economy. We will take that on board. We will—

**The Hon. DANIEL MOOKHEY:** Minister, that is not my question. My question is—

**Mr KEVIN ANDERSON:** I am just making an observation. I am getting to what you asked.

**The Hon. DANIEL MOOKHEY:** I know you are but I am asking you a question. The question is: If someone breaches the guideline, they are not going to face any additional penalty because the guidelines are not a legal instrument, that is correct?

**Mr KEVIN ANDERSON:** The steps where we are at the moment is educating and going through that process of the task force, helping everyone in the gig economy understand their obligation under the Work Health and Safety Act. We will get to the guidelines and come back with the recommendations towards the end of March and April. That will then inform us as to the next steps on whether we look at further regulation or make sure that the existing regulations under the Work Health and Safety Act are adhered to.

**The Hon. DANIEL MOOKHEY:** Minister, under the approach that you are outlining, the gig companies will continue to set their own rules and they will not face any additional obligations because you are not making a regulation. Why are you not just making it a regulation immediately? Why are we waiting for you to roll out unenforceable guidelines and then for nothing further to happen, risking the lives of more food riders? Why are we not just going straight to the point where you are issuing regulation, given that we had four deaths in the span of eight weeks?

**Mr KEVIN ANDERSON:** Everybody who is involved in the gig economy is already obligated under the Work Health and Safety Act—whether they be through a contractor, a subcontractor or an employee, they are a PCBU. But because the industry has moved so quickly it is a very grey area, so we are helping the industry, in the first instance, to find where they fit under the Work Health and Safety Act, and then they will be obliged to apply them.

**The Hon. DANIEL MOOKHEY:** We are not talking about small operations here. We are talking about multibillion-dollar behemoths that operate in multiple markets at the same time. It is not as though a company like Uber Eats does not know its legal obligations. The issue that we have is that the law is not effective in ensuring people are safe at work. That is your job to fix, it is not the big companies'. Why are you not using your power to issue in a regulation to establish the most basic standards, given that we have seen so many deaths?

**Mr KEVIN ANDERSON:** So the plan we have put in place will ultimately educate those that there are already obligations under the Work Health and Safety Act that they need to adhere to, but the gig—

**The Hon. DANIEL MOOKHEY:** Minister, are you seriously suggesting that companies like Uber Eats, Hungry Panda, Door Dash and Menulog require education? Are you seriously suggesting that they are ignorant of their responsibilities?

**Mr KEVIN ANDERSON:** They absolutely need to be reminded of their obligations under the Work Health and Safety Act. We are already seeing them start to implement further strengthening of their safety policies. We will continue to work with them and remind them that there is an obligation under the Act, and that there will be penalties if they do not abide by them.

**The Hon. DANIEL MOOKHEY:** True, but I do not think they need to be told. The issue here is that no- one knows what the minimum standard should be and each of them are deciding it for themselves. That is what is resulting in harm. To be fair, that was the view your officials gave to the future of work inquiry. So the question is, again: Why are you not just using your power to issue regulations here?

**Mr KEVIN ANDERSON:** And the answer, again, is the fact that the guidelines are there to educate. We will make that determination when it all comes back to us in relation to the next steps. There are already very strict guidelines under the Work Health and Safety Act, Mr Mookhey. They need to be told that when the guidelines eventually do come back and we take that consultation on board, they will be held to account if they do not keep their workers safe.

**The Hon. DANIEL MOOKHEY:** Have you had any conversations with Christian Porter, your Federal counterpart, about this?

**Mr KEVIN ANDERSON:** Not to my knowledge, no.

**The Hon. DANIEL MOOKHEY:** He has gone before the Federal Parliament and said that it is a matter for the States to set the rules and that he is going to be raising it at the next ministerial council. Has his office been in touch with yours?

**Mr KEVIN ANDERSON:** Not to my knowledge, no.

**The Hon. DANIEL MOOKHEY:** So, in the space of all these deaths, it did not occur to you just pick up the phone to the Federal Minister and say, "Hey, what are we doing?"

**Mr KEVIN ANDERSON:** Under the New South Wales Work Health and Safety Act, which is part of the model laws that we administer, we will make sure that the education component is first—that is the first step—and then we look at the big stick second.

**The Hon. DANIEL MOOKHEY:** That is not my question. My question is: Why did you not just pick up the phone to your Federal counterpart and say, "Hey, we should be doing something here."

**Mr KEVIN ANDERSON:** I think we are on the right path to providing a safe work environment for those who are in the gig economy.

**The Hon. DANIEL MOOKHEY:** Minister, I have a few questions about short-term accommodation. After Parliament passed the Fair Trading Amendment (Short-term Rental Accommodation) Act, your department and Department of Planning, Industry and Environment [DPIE] were working on a code of conduct and a new State Environmental Planning Policy [SEPP], that is correct?

**Mr KEVIN ANDERSON:** What we were working on in terms of the Residential Tenancies Act? We were looking at basically looking after those most vulnerable in our community.

**The Hon. DANIEL MOOKHEY:** No, I am talking about the short-term rental accommodation Act.

**Mr KEVIN ANDERSON:** Oh, short-term—sorry, Mr Mookhey.

**The Hon. DANIEL MOOKHEY:** Your department and DPIE were working on a code of conduct and a new SEPP, that is correct?

**Mr KEVIN ANDERSON:** My department was working on a code of conduct.

**The Hon. DANIEL MOOKHEY:** Yes, and the code of conduct was implemented on 18 December 2020, that is that correct?

**Mr KEVIN ANDERSON:** That is correct.

**The Hon. DANIEL MOOKHEY:** But the SEPP is yet to be issued in any form. It has gone missing. Do you know when it is going to be released?

**Mr KEVIN ANDERSON:** My understanding is that it is not too far off, but that is a question for the planning Minister.

**The Hon. DANIEL MOOKHEY:** Have you spoken to the planning Minister about this recently?

**Mr KEVIN ANDERSON:** Yes. We recently talked in relation to short-term holiday rental. In terms of the code of conduct that we put in place, it is having a very positive effect on the market and it has been welcomed.

**The Hon. DANIEL MOOKHEY:** The issue is that the industry is saying that half of the regulatory framework is missing. You have issued a code of conduct that requires them to meet certain legal obligations, but they do not know what the legal obligations are because the other half of it, the planning instrument, is not in place. It has created this extraordinary position where they could be held responsible for breaching laws that they are not aware of. So, given that you are jointly responsible with planning Minister, can you provide us some guidance as to when the other half of this regulatory framework is going to be in place? And are you pausing the enforcement of the code of conduct as a result of planning's failure to issue the SEPP.

**Mr KEVIN ANDERSON:** No, we are not pausing the code of conduct. It is live now. In relation to the SEPP, that is a matter for the planning Minister.

**The Hon. DANIEL MOOKHEY:** The framework was also meant to be accompanied by a premises register that is not public yet and not operating. You are responsible for building this premises register and this was a crucial part of the promise that you made. When is the premises register going to be up and running?

**Mr KEVIN ANDERSON:** I will ask Ms Webb and Mr Tansey in relation to the premises register.

**Mr TANSEY:** So, in fact, the premises register is part of the planning system framework. Together with the SEPP, the premises register is being developed by our colleagues in planning.

**The Hon. DANIEL MOOKHEY:** Well, your code of conduct turns on the existence of that register. Can you guarantee us that at least these platforms are going to be able to see the register, given that this is a Fair Trading joint project? Are they at least going to be able to see the register before they are meant to comply with it?

**Mr KEVIN ANDERSON:** Again, Mr Mookhey, in relation to the register, that as a matter for the Minister for planning. They will work through those issues. We are focused on making sure that those party animals who book out those Airbnbs are not upsetting the neighbours.

**The Hon. DANIEL MOOKHEY:** Minister, this is the problem. You have set a code of conduct that you say is to deal with the party animals, but you have no idea where the party animals are because there is no register in place, all of which points to the absurdity of rolling out half of the framework and being unable to tell the industry where the rest of it is up to. Do you not recognise that is an absurd proposition to put everybody, especially when we are trying to get domestic tourism revived to create jobs, that no-one in the short-term industry knows how to comply with the laws your Government is meant to be setting.

**Mr KEVIN ANDERSON:** In terms of that, Mr Mookhey, the behavioural code is working. We are seeing positive responses back from those booking platforms.

**The Hon. JOHN GRAHAM:** I was listening closely to your responses to my colleague on the questions about the registration of engineers. Parliament had a strong view on this: It wanted it done quickly. The Government agreed with that view in the lower House. The path you have outlined seems very, very slow. Why is it that this is able to be done in Queensland and Victoria but it is so slow in New South Wales?

**Mr KEVIN ANDERSON:** Mr Graham, Class 2 buildings have been the focus and the most urgent need in relation to putting some quality around the construction and having customers and mums and dads and anyone who wants to buy into a Class 2 building with confidence—we want to provide those safer-quality buildings. So it is a significant body of work. What we want to do is stand up—

**The Hon. JOHN GRAHAM:** So you will start that broader registration process after you have dealt with the Class 2 buildings. How long might that take, given how slow this has been?

**Mr KEVIN ANDERSON:** We will make those decisions once we get the framework of the Class 2 buildings done. Again, it is a significant body of work. We want to get this right.

**The Hon. JOHN GRAHAM:** Clearly, the Parliament says, "We want this done." What is your goal, as Minister, for when that broader registration time line might happen?

**Mr KEVIN ANDERSON:** Again, we will be turning our mind to it in the second half of this year. No doubt we will continue to have those discussions with engineers.

**The Hon. JOHN GRAHAM:** Do you have a goal for when that should be done?

**Mr KEVIN ANDERSON:** We will stand up the Class 2 first, and that is what we always said we would do.

**The Hon. JOHN GRAHAM:** I think that is too slow, but I am accepting that, Minister.

**Mr KEVIN ANDERSON:** I understand that.

**The Hon. JOHN GRAHAM:** What is your goal for your time line to have a broader registration scheme done and dusted?

**Mr KEVIN ANDERSON:** We will have those discussions in the second half of this year, Mr Graham, purely because, again, it is a significant body of work. We have seen the angst—

**The Hon. JOHN GRAHAM:** Is it fair to say, then, that you do not have a time line? Because you view it as very complex, there just is not a time line for when that might be done? Is that a fair comment?

**Mr KEVIN ANDERSON:** We will address that once we get the framework for Class 2 stood up. What we do not want to do, Mr Graham—

**The Hon. JOHN GRAHAM:** But there is no finish line in mind?

**Mr KEVIN ANDERSON:** What we do not want to do is start down a path and not do it properly. There is a significant amount of work to be done, quite separately to what we are doing with the Class 2 engineers. When you look at the registration of every engineer—whether they are biomechanical, whether they are marine, whether they are space, whether they are a medical engineer—that is a significant body of work. Each of those specific professions have their uniqueness. They are all going to have to make sure that everybody is comfortable with a registration system. That is why I said earlier about committing to a professional standards scheme.

**The Hon. JOHN GRAHAM:** When you say that one of the issues here was the industry could not agree, is that not just how the market works? There will always be someone who is benefiting from cutting standards and cutting corners somewhere and making a buck. That is why in Queensland or Victoria governments decided to regulate. Is it not the case that your observation is the very reason why the Government needs to step in?

**Mr KEVIN ANDERSON:** My aim is to weed out those who are making the wrong decisions and cutting corners and ripping people off. We want to eliminate that.

**The Hon. JOHN GRAHAM:** Is not this the tool you need to do that?

**Mr KEVIN ANDERSON:** The tool that we need to do that, first and foremost, is to look at that registration system of Class 2s. We want a safer, stronger regional New South Wales, as well as a metropolitan New South Wales.

**The Hon. JOHN GRAHAM:** Do you accept that if you fix it in the 20 per cent, they will flood into the 80 per cent of the market? Do you accept that?

**Mr KEVIN ANDERSON:** We have to fix that 20 per cent first. That is the problem, Mr Graham: It is such a huge problem. That is why we have such a huge body of work with the Design and Building Practitioners Act, the residential apartment buildings Act and the building and development certifiers: so that everybody is online.

**The Hon. JOHN GRAHAM:** But you have heard the concern, Minister, that as Queensland and Victoria have regulated, engineers who do not meet the standards that you would expect or the community would expect might flood into New South Wales. Now they might flood into 80 per cent of the market and you just do not have the tools to stop their practices, do you, without some registration?

**Mr KEVIN ANDERSON:** On 1 July we will, because every engineer that is—

**The Hon. JOHN GRAHAM:** Not for the 80 per cent of the industry.

**Mr KEVIN ANDERSON:** Every engineer that will be involved in a Class 2 building will need to be registered and plans declared. That is that DNA that we will be able to have. Every practitioner, Mr Graham, will have a building identification number. For example, if it was Graham Constructions, your individual ID number might be 1234. If you worked on that building—1234—and then you transferred to that building, your ID number would follow you. We would then be able to track the quality of your work. This is why we—

**The Hon. COURTNEY HOUSSOS:** Minister, I will stop you there because we have limited time and ours is about to run out. I want to ask you about Project Remediate, which you spoke about earlier. According to the website, registrations should open for building owners in March. Are applications open yet?

**Mr KEVIN ANDERSON:** Mr Building Commissioner, where are we up to with that particular process?



**Mr CHANDLER:** The opportunity for people to commence opting in will occur in March. We are in the process of preparing an information pack that will go out in March to residential communities or strata communities before the end of March such that they can then be informed as to which projects will be appropriate for admission to Project Remediate.

**The Hon. COURTNEY HOUSSOS:** So I am not missing something on the website; the applications are not available there at the moment?

**Mr CHANDLER:** No, they are not, and they are not open.

**The Hon. COURTNEY HOUSSOS:** It is 5 March and it is not open.

**Mr CHANDLER:** What we have set up is that those people who are interested in putting their hand up may lodge that interest and we will start to sort through those early indicators from that point in time. So what is on the website is quite correct.

**The Hon. COURTNEY HOUSSOS:** Okay, so there is no application form despite it saying that there will be one in March. Minister, have you attended a meeting of the Cladding Product Safety Panel?

**Mr KEVIN ANDERSON:** Yes, I have.

**The Hon. COURTNEY HOUSSOS:** How many meetings have you attended?

**Mr KEVIN ANDERSON:** I have attended—I think it is about one or two, Mr Tansey? We all sit in on those meetings so, yes, from time to time.

**The Hon. COURTNEY HOUSSOS:** You are a member of the panel?

**Mr KEVIN ANDERSON:** No, I am not a member of the Cladding Product Safety Panel.

**The Hon. COURTNEY HOUSSOS:** Can you provide me, perhaps on notice, with the dates of when you attended those?

**Mr KEVIN ANDERSON:** Sure.

**The Hon. COURTNEY HOUSSOS:** Mr Chandler, do you attend those meetings?

**Mr CHANDLER:** Yes, I do.

**The Hon. COURTNEY HOUSSOS:** And you are a member of the panel?

**Mr CHANDLER:** I am in attendance on the panel. I am not a member. The membership of the panel is a published document, which was in the information that was shared with Mr Shoebridge and others this week.

**The Hon. COURTNEY HOUSSOS:** Yes, which I have read. Thank you. Mr Chandler, perhaps you can tell me how many registrations have been received for Project Remediate so far.

**Mr CHANDLER:** There are no registrations received at this stage. We have been working very carefully with Strata Community Australia to make sure that we can identify—that every building that is on the list of buildings that are to be attended to by Project Remediate is identified with the strata manager. We have now written to all of those, or the Minister has written to all of those strata managers to give early indication as to what Project Remediate is about and what the entry requirements will be. That letter went out—

**The Hon. COURTNEY HOUSSOS:** Mr Chandler, I will stop you there because my time is literally about to run out. Perhaps you can tell me how many people have registered online to receive the information.

**Mr CHANDLER:** I do not believe there are any at this stage, and I would not have expected there to be.

**The CHAIR:** Minister, last year you and your office undertook a statutory review into the Greyhound Racing Act. Did you receive significant numbers of submissions and public feedback during that review?

**Mr KEVIN ANDERSON:** Yes, Ms Houssos, we did.

**The CHAIR:** Ms Boyd.

**Mr KEVIN ANDERSON:** Ms Boyd. My apologies.

**The CHAIR:** That is okay. It has been a long morning already. Part (d) of the terms of that statutory review sought to examine and report on the appropriateness of the terms of the operating licence granted to

Greyhound Racing NSW. How did you expect to adequately review and receive submissions on the terms of that operating licence when it had not been made public?

**Mr KEVIN ANDERSON:** This afternoon, Ms Boyd, we will have the department of racing here so we will be able to drill into the exact numbers. What we received from participants, stakeholders and quite a significant number of people—many offering suggestions in relation to how Greyhound Racing NSW should operate—all of those suggestions and recommendations were taken on board.

**The CHAIR:** The terms of the review ask people to give you their impression or for you to conduct a review that takes stakeholder and community feedback on "the appropriateness of the terms of an operating licence granted to Greyhound Racing NSW". How were people supposed to comment on an operating licence that you would not release the terms of?

**Mr KEVIN ANDERSON:** In terms of the operating licence, there is a lot of information relating to the way Greyhound Racing NSW operates, its connection with the Greyhound Welfare and Integrity Commission [GWIC] and also its connection with the Greyhound Breeders Owners and Trainers Association. There is a lot of public information out there, and people are free to access that public information into the way that they operate.

**The CHAIR:** Are you saying that you were unable to comply with that section of the statutory review?

**Mr KEVIN ANDERSON:** What do you mean by that, Ms Boyd?

**The CHAIR:** I feel this is a little absurd because the Act itself mandates a review into the terms of the operating licence granted to Greyhound Racing NSW, and yet people could not actually contribute to that part of the review because they could not see the terms of the operating licence granted to Greyhound Racing NSW. Are you saying you could not comply with that aspect?

**Mr KEVIN ANDERSON:** They could comply with it. What they could do—it is public information in relation to the way that Greyhound Racing NSW operates and the whole participation input of the industry.

**The CHAIR:** But, with respect, it is not asking for people to comment on the appropriateness of what they can discern from public information. It is asking them to comment on the appropriateness of the terms of an operating licence. It is very clear. Why did you not make the operating licence publicly available?

**Mr KEVIN ANDERSON:** I believe that the operating licence and much of the operations of Greyhound Racing NSW are in the public domain so people can access that and they could make comment.

**The CHAIR:** That is not answering my question though. The operating licence that is the subject of the review was not made public. Why is that?

**Mr KEVIN ANDERSON:** I will get the finer details of that, Ms Boyd, but I am sure it is out there in the public arena and people are able to comment on it.

**The CHAIR:** It was not in the public arena. When I asked your office for this I was told I could not receive it because it had not been published and I know a number of stakeholders also asked your office for it. I then asked a question without notice in the Legislative Council about receiving this operating licence. That question was taken on notice pending your response. Your response was then delivered and it simply says that the terms of the operating licence are commercial in confidence.

**Mr KEVIN ANDERSON:** Commercial in confidence. That is correct.

**The CHAIR:** I then had to go through the process of passing a motion for a Standing Order 52 to require the terms of the operating licence to be handed over. When it was handed over it was not a privileged document. There was no claim of commercial in confidence over it. What made you think that it was commercial in confidence?

**Mr KEVIN ANDERSON:** In terms of the way that Greyhound Racing NSW operates, particularly around their funding with the Greyhound Welfare & Integrity Commission, and again with the Greyhound Breeders, Owners & Trainers Association, which is an association which is part of the industry, there is a significant amount, particularly around wagering, the point of consumption tax and the funding. In terms of the operating licence, there are parts of it that are commercial in confidence and most of Greyhound Racing NSW is on the public record.

**The CHAIR:** That is simply not borne out by the facts of the eventual release of that document. It was not released as a parliamentary privileged document; it was released as a public document through that Standing

Order 52 process without any claim of commercial in confidence. Why did you claim that it had commercial in confidence over it? Were you advised by somebody?

**Mr KEVIN ANDERSON:** It is my understanding that it is commercial in confidence, parts of that operating licence, so that would have been the advice coming back to me, Ms Boyd.

**The CHAIR:** I have seen the entire licence and the entire licence was released as part of that Standing Order 52. As you know through the Standing Order 52 process, if you were to make a claim of commercial in confidence it would have to be signed off through some process, whereas your response to the question did not have to be. Did you do any checking before you responded to my question to say that it was commercial in confidence?

**Mr KEVIN ANDERSON:** Yes, we did, Ms Boyd. In relation to the operating licence, parts of it are commercial in confidence. We would have done due process in relation to responding to you.

**The CHAIR:** Can you explain to me why it was released without any redacting and not as commercial in confidence?

**Mr KEVIN ANDERSON:** I will take that on notice, Ms Boyd.

**The CHAIR:** Last month I asked you questions on notice regarding the racetrack minimum standards. You advised that Greyhound Racing NSW only implemented minimum standards for tracks at the end of June 2020, which is after the statutory review began into the Act that required those minimum standards to be developed. Why is it acceptable that it took three years for those minimum standards to be produced?

**Mr KEVIN ANDERSON:** I was not happy with the progress of Greyhound Racing NSW in relation to providing me with the appropriate information and a detailed plan of the way that they were planning to use the \$30 million capital investment fund. Seven million dollars has been spent. I wanted to ensure that money, being capital investment for track safety, the welfare and integrity of greyhounds that race those tracks, was being spent in accordance with that and that it was being used appropriately.

**The CHAIR:** Will you accept that taking three years to produce those minimum standards was unacceptable?

**Mr KEVIN ANDERSON:** It has taken a long time for Greyhound Racing NSW to get across all of its 32 tracks. We have been making sure that the process of identifying those tracks that are unsafe receives the funding as it is due under the capital investment fund.

**The CHAIR:** Did the Government intend in 2017, when it prepared this Act and had it passed through Parliament, that it would take three years for these minimum standards to be produced?

**Mr KEVIN ANDERSON:** Ms Boyd, I think prior to 2017 the industry was in a very different place. Where it is today is a much better place. I think that the systems and processes, checks and balances and the whole accounting processes of Greyhound Racing NSW are so much more advanced than what they were. I do not believe that they had a real indication of what those tracks were like prior to 2017. We have got the reins now and I want to make sure that the money that is spent under the capital grants program is spent appropriately.

**The CHAIR:** You are saying that in order to set minimum standards with respect to the optimum racecourse design and construction, they had to first assess what they already had?

**Mr KEVIN ANDERSON:** It is difficult to assess what they had because their data was sketchy, in our view. That is why they partnered with the university to look at what they needed to do.

**The CHAIR:** Is the implication though that in order to work out what the minimum standards should be they had to assess what the current standard was, presumably so that the minimum standard was not significantly above what they already had?

**Mr KEVIN ANDERSON:** What they had to do first was to ascertain a minimum track standard. They worked with a university to ascertain that and then benchmark that against the tracks that they already had.

**The CHAIR:** Your office also advised that the publication of those minimum standards is a matter for Greyhound Racing NSW. Why will you not release that document publicly?

**Mr KEVIN ANDERSON:** I am happy to take that on notice, Ms Boyd.

**The CHAIR:** That would be very useful. I think it is very important that those minimum standards are finally made available. In August of last year you spoke with Ray Hadley of 2GB about four decisions against

greyhound industry participants involving prohibited substances, including ketamine, xylazine and oxazepam. In these decisions GWIC had noted that there is a strong correlation between knackery meat being fed to the dogs and these substances, which are used to euthanase livestock, being found in samples from racing dogs. A year earlier GWIC had issued a statement that strongly recommended that participants avoid feeding their greyhounds knackery meat because of the risk of these prohibited substances making their way into the dogs, which all seems commonsense to me. However, you said to Ray Hadley that you wanted answers from GWIC about their stance and that you do not support a ban on knackery meat for greyhounds, despite it being a well-documented problem. Why did you not back the commission?

**Mr KEVIN ANDERSON:** At the time the language from the commission I believed was ambiguous in relation to banning any meat at all coming out of knackeries. I wanted that clarified. Knackereries and meat processing plants play a significant role in providing food for animals and they are an integral part of that chain. To ban them completely I did not think was appropriate. That is why I wanted clarification in relation to that statement that was put out at that time.

**The CHAIR:** The day after that controversy GWIC issued another statement walking the strong advice back. Was that as a result of a direction from you?

**Mr KEVIN ANDERSON:** I do not know about that.

**The CHAIR:** Minister, do you agree that the public has a right to know about injuries that occur during greyhound races?

**Mr KEVIN ANDERSON:** I think they are public anyway, Ms Boyd. When an injury does occur it concerns me. That is why we have our track welfare standards and that is why we are pushing Greyhound Racing NSW to use the capital grants program in the right way to upgrade those tracks to prevent injuries.

**The CHAIR:** Do you support publicly available race footage being edited or taken down so the public cannot see and observe serious track-related injuries?

**Mr KEVIN ANDERSON:** I am unaware of that occurring.

**The CHAIR:** You would not be in support of censoring any sort of greyhound injuries or greyhound deaths in that video footage?

**Mr KEVIN ANDERSON:** I am not sure where your line of questioning is going, Ms Boyd, but I am unaware of any of that occurring.

**The CHAIR:** Moving to something a bit different. The retirement village reforms that went through last year, which I think we all agreed were a really good step forward. You said through the Hon. Natasha Maclaren-Jones, who represented you in the upper House at the time, that you would consult on the regulations. Did you consult on the regulations before they were released?

**Mr KEVIN ANDERSON:** We extended the consultation process out far and wide because it is very important. This is an industry that affects many people's lives so we found it was important to do that. We consulted broadly on a lot of the reforms under the current retirement village reforms.

**The CHAIR:** Did you consult specifically on the regulations that were put out in February?

**Mr KEVIN ANDERSON:** I am happy to take that on notice to give you an exact answer in relation to the regulations but the consultation has been far and wide on many aspects of our retirement village reforms.

**The CHAIR:** Are you aware of the concerns that have been raised in relation to those regulations?

**Mr KEVIN ANDERSON:** Which specific concerns? I am happy to answer.

**The CHAIR:** In particular, the main concerns revolve around the exit—what are they called?

**Mr KEVIN ANDERSON:** Entitlements.

**The CHAIR:** The recurrent fees. As you know, one major point of the reform was to make sure that people who are in retirement villages are not on the hook indefinitely for paying those recurrent fees once they have exited the retirement village. A 42-day cap was put on that. At the time the legislation was put through The Greens moved an amendment to make sure the process for who then wore the cost of those recurrent fees, how that would be apportioned. There is now widespread concern that the regulations have negated that and have allowed the retirement villages to put that cost wholly back onto the remaining residents of the retirement village.

**Mr KEVIN ANDERSON:** The 42-day cap relates to recurrent charges, such as making sure the gardens are looked after and the place is presented, when the resident leaves and it is on the market, to ensure that it is presented in the best possible way. We were very clear that any costs associated, like that 42-day cap, once it stopped—because cash flow is very important when you are exiting a retirement village, whether you are going into aged care or on to a different part of your life—we wanted to ensure that, one, the retirement village operator made sure in the current financial year that they absorbed that cost and did not pass it on to other retirement village operators, or the residents. And after the financial year, June-July, they would then, as they would normally do with levies and other fees and charges, be amortised across the village, as is per their budget process. But not in the first instance prior to them running their budget that year.

**The CHAIR:** I understand. I put it to you that that was not the intention as we understood it at the time. If, for example, someone leaves the village in May of a particular year—on the assumption that the budget is set at the end of June—the whole point of the 42-day recurrent charges cap was to ensure that the operator would do the right thing in selling the property quickly so that they could get someone else in. Whereas if someone, under your regulations, were to leave in May, the retirement village operator could then spread that cost directly onto the other remaining residents of the retirement village within a month or so—or even less, depending on the timing.

**Mr KEVIN ANDERSON:** Timing is always an issue and whether they leave in August, September or May, as you put it, it still comes down to the financial year and then they would amortise those costs. In the first instance, the operator picks up the cost of those recurrent charges and then it goes on further down the track.

**The CHAIR:** Do you accept that there is potential for significant hardship on those people who are left as residents of the retirement village once other people have exited?

**Mr KEVIN ANDERSON:** Part of the reforms, Ms Boyd, was to ensure transparency and accountability on behalf of the operators. The residents have the ability to look at the account records and to engage others to assist them with questioning the accountability of the operator. So we wanted to make it more transparent. We would encourage residents to take up the options now in the new reform of the retirement villages to look at the books of an operator to make sure they are doing the right thing.

**The CHAIR:** Do you think it is realistic to expect the residents of retirement villages to be able to block a budget that has been proposed by the operator of that village?

**Mr KEVIN ANDERSON:** It is under the terms and conditions. When someone moves into a retirement village the terms and conditions are something that a lot of people, regardless of what they do—when you used to buy an old video recorder you would muck around with it for two hours and then go to the instructions. What we are saying is go to the start of the contract when they move into a retirement village so that there is no bill shock at the end. That is why I believe it is so important that if someone is unable to read a balance sheet or be able to talk about "How do you run your village? What do your books look like?" take a support person with them so that those books can be open. It is now transparent. It is now accountable.

**The CHAIR:** I put it to you that there is a range of options that could have been put in that regulation to make this a much fairer outcome—for example, putting a cap on the amount of increase that could be put on other residents' recurrent fees. There is a whole bunch of things that could have been done. Do you regret not consulting properly on those regulations?

**Mr KEVIN ANDERSON:** We consulted widely, Ms Boyd. It is that delicate balance between making sure that residents are looked after—and some of the reforms that we have put in place are ground breaking in terms of the aged-care rule—

**The CHAIR:** Why devalue that now with these regulations? Did you consult with the Retirement Village Residents Association?

**Mr KEVIN ANDERSON:** Yes, absolutely.

**The CHAIR:** On these particular regulations?

**Mr KEVIN ANDERSON:** On every bit of regulation that has gone through, Ms Boyd.

**The CHAIR:** Can you explain why they are so upset now?

**Mr KEVIN ANDERSON:** I understand that the Retirement Village Residents Association through its president are very, very strong advocates. They came on the journey with us and there is a couple of things now

that they disagree with, but that is that fine balancing act. My door is always open to the Retirement Village Residents Association to continue to have those discussions.

**The CHAIR:** Will you work with us to fix these regulations now?

**Mr KEVIN ANDERSON:** Ms Boyd, we believe the reforms that have been put in place have got the balance right in terms of the 42-day cap, the asset management plans and the exit entitlements.

**The CHAIR:** Thank you. Back to the Opposition.

**The Hon. COURTNEY HOUSSOS:** I want to come back to the issue of cladding. Minister, how many government buildings still have cladding remaining on them?

**Mr KEVIN ANDERSON:** I will ask Mr Tansey to give you those numbers.

**Mr TANSEY:** As per the information that we publish on the website, there are seven government buildings that are still in the category of potentially high risk.

**The Hon. COURTNEY HOUSSOS:** Last year it was eight, so that means there has been one?

**Mr TANSEY:** Logically yes.

**The Hon. COURTNEY HOUSSOS:** Which one was that?

**Mr TANSEY:** I cannot recall.

**The Hon. COURTNEY HOUSSOS:** Will you take the question on notice?

**Mr TANSEY:** Yes.

**The Hon. COURTNEY HOUSSOS:** One has been removed. Has it been removed from the SafeWork building?

**Mr TANSEY:** I said I will take on notice what that one building difference is.

**The Hon. COURTNEY HOUSSOS:** Minister, I want to come back to Project Remediate, which is supposed to run for three years, I understand. If buildings are still being assessed after three years will they be eligible for the program?

**Mr KEVIN ANDERSON:** How Project Remediate works is that in high-rise residential—the Class 2s, the 214 residential buildings that have been identified through the Cladding Taskforce Panel, bearing in mind some time ago it was 4,000 and they have worked their way through now to that number of 214—each of those buildings—

**The Hon. COURTNEY HOUSSOS:** Minister, can you tell me where the number 214 is coming from? I have got the NSW Cladding Taskforce website up in front of me and I cannot see "214".

**Mr KEVIN ANDERSON:** In terms of those numbers, as of late yesterday afternoon, it was 214 high-rise residential Class 2s that were identified to be eligible for Project Remediate.

**The Hon. COURTNEY HOUSSOS:** Does that mean they are still under assessment?

**Mr KEVIN ANDERSON:** No. The Cladding Taskforce has identified, looked at and worked up the requirements of each individual building to be remediated. When we started a few years ago, out of those 4,000—I will just put some context around this, Ms Houssos—

**The Hon. COURTNEY HOUSSOS:** Yes, I have asked a lot of questions about it. I am just wondering if you can point me to where exactly 214 comes from. Because according to your website—and I have got it here in front of me—it says that the number of buildings by height and class, there are 79 that are nine storeys and above, there are 129 that are four to eight, and then there are six that are one to three.

**Mr KEVIN ANDERSON:** I will ask Mr Tansey to clarify those numbers.

**The Hon. COURTNEY HOUSSOS:** Are you counting all of the Class 2 buildings? Is that what you are counting?

**Mr TANSEY:** I believe, Ms Houssos, I am looking at the same page as you and just going to the website. So the numbers you quoted by rise and storeys are the same as the numbers I am looking at.

**The Hon. COURTNEY HOUSSOS:** That is the 214 buildings that you are saying are eligible under Class 2 under Project Remediate?

**Mr TANSEY:** Yes, I am just double-checking the maths of where you are going.

**Mr KEVIN ANDERSON:** It does add up.

**The Hon. COURTNEY HOUSSOS:** The Class 2 buildings that are storeys one to three are eligible under Project Remediate?

**Mr KEVIN ANDERSON:** They are a different class of building. I will just check with the NSW Building Commissioner. I would not want to mislead you, Ms Houssos, in terms of those classes of buildings.

**Mr CHANDLER:** Minister, the classification of buildings is the work of the NSW Cladding Taskforce that Mr Tansey has been running. He has been working with local government on the rules—

**The Hon. COURTNEY HOUSSOS:** Mr Chandler, I am going to stop you there. We will come back. If it is going to go between the two then we can come back to that this afternoon. I just want to come to the question that Mr Shoebridge raised earlier about specific products that were going to be eligible. It is correct that solid aluminium will be eligible under the recommended projects from the CPSP?

**Mr KEVIN ANDERSON:** The Cladding Product Safety Panel is currently reviewing the appropriate products and we will have that report from them in relation to the appropriate products by the end of March.

**The Hon. COURTNEY HOUSSOS:** Sorry, I thought it was going to be publicly circulated by the end of March?

**Mr KEVIN ANDERSON:** Yes, so that is—

**The Hon. COURTNEY HOUSSOS:** You do not have it yet?

**Mr KEVIN ANDERSON:** No, by the end of March. They are finalising their report in relation to the specific products that will be available under the Australian standards and it will be available at the end of March.

**The Hon. COURTNEY HOUSSOS:** But you wrote to the Public Accountability Committee yesterday and stated that the criteria had already been developed.

**Mr KEVIN ANDERSON:** Yes, the criteria have been developed but the products that will be determined to be appropriate will be by the end of March.

**The Hon. COURTNEY HOUSSOS:** Okay. Under your current—actually, I think Mr Shoebridge canvassed this earlier so I might hand over to my colleague.

**The Hon. JOHN GRAHAM:** Thank you. Minister, one of the issues that I was keen to ask about, which I think has actually come up in estimates before, is the amount of professional training for people who require a real estate licence. Historically, it has dropped. The current requirement is just four hours of professional development for the renewal of a real estate licence. One argument that has been made, including by parts of the industry, is that it should be higher. Historically that has been resisted, and that has been a bit of a backwards and forwards over the last couple of years. There are a lot of houses being sold at the moment right across New South Wales. Given the state of interest rates, that is probably going to increase or stay the same for possibly quite some time so it will probably be a more important issue than it ever has been over this next period. The concern has been raised that some of that training, which should take four hours, can be completed in as little as 3½ minutes at some of these providers. Are you comfortable with the level of professional development training that is required for people to renew a real estate licence?

**Mr KEVIN ANDERSON:** It does concern me, Mr Graham, in relation to people entering the industry to ensure that they are suitably qualified. It is a booming industry, as you rightly point out, and it is just going up at the moment—not only in Sydney but also right across New South Wales. That training component was a huge part of the reform process. Leading up to that, again, we did a lot of consultation. I am happy to be criticised. I make no mistake for consulting broadly and widely. We get a lot of free advice in terms of what has to happen but we try to get that balance right. Leading up to my time there was a group providing advice called the Real Estate Reference Group. They had been in play for some time and thought that it needed a fresh approach—fresh eyes, fresh ears, let's get a new look at this. I have set up the Property Services Expert Panel to continue to guide us through these issues.

**The Hon. JOHN GRAHAM:** Is it true that at one of these providers you might be able to whip through this four-hour requirement in as little as 3½ minutes? Have you heard that concern before, Minister?

**Mr KEVIN ANDERSON:** I have heard that concern, yes.

**The Hon. JOHN GRAHAM:** Is it true? In your view, is that possible? Is that a live issue at the moment?

**Mr KEVIN ANDERSON:** I have no evidence of that happening. I have heard of that. To make sure that that does not occur I have set up this new Property Services Expert Panel.

**The Hon. JOHN GRAHAM:** One of the things that you have indicated in that consultation—and I think you said this on a podcast with Samantha McLean—is that you would like industry and NSW Fair Trading to deliver the compulsory content together. I think that has not happened. What is the reason why that has not yet taken place?

**Mr KEVIN ANDERSON:** Again, and I certainly do not want to hide behind COVID, Mr Graham, but COVID was the be-all and end-all in 2020 and put a stop to a lot of programs and processes that we wanted to put in place. Certainly I believe that the delivery of training should not be under one auspice only. No-one should own that training.

**The Hon. JOHN GRAHAM:** That is still your intention? That is how you would like to see it delivered?

**Mr KEVIN ANDERSON:** To spread it out. Absolutely.

**The Hon. JOHN GRAHAM:** I understand that COVID slowed this down. What is the time line now for what you would like to see?

**Mr KEVIN ANDERSON:** I am happy to come back to you on that. That is why I have pulled forward this Property Services Expert Panel, to make sure that the program of training and everything else in terms of that continuing professional development [CPD] is balanced with the expectations of the industry. I am happy to come back to you with some time lines.

**The Hon. JOHN GRAHAM:** Yes, Minister, but fundamentally can you understand the concern of industry that without proper training any fly-by-night, corner-cutting, profit-seeking urger can turn up and seek to get paid by getting a commission in this field as real estate is booming? Can you understand that concern that industry might have?

**Mr KEVIN ANDERSON:** Yes, I can absolutely understand that concern. If there is evidence of that occurring I would want it to be brought to my attention so that we could clean them out of the industry, just like we are doing in the building and construction industry. We do not want those people operating, those bad apples. That is why I firmly believe that sunlight is the best disinfectant. Let us shine it on these people who are delivering out the back of a car or the back of a wagon. You might recall a few years ago—it would have been 10 years ago—when registered training organisations really took off that there was a need to rein them in; it would be exactly the same here. If hard evidence of, as you have just said, that incidence of delivering it in two minutes is available I would be very happy to take that, and we will be making sure we take action on it.

**The Hon. JOHN GRAHAM:** Minister, what sort of licence would Daryl Maguire have required when he did something like this? In one of his text messages to the Premier he stated:

One of my contacts sold a motel for \$5.8 million. I had put her in contact so I should make 5k.

To which the Premier, as is well known by now, replied:

Congrats!!! Great news!! Woo hoo

What sort of licence would Daryl Maguire have required in that situation where he is getting a commission? Would he have required a real estate licence?

**Mr KEVIN ANDERSON:** I am not completely aware of what licences he would require. I am happy to take that on notice.

**The Hon. JOHN GRAHAM:** What sort of training would Daryl Maguire have required? Would he have needed this 3½-minute training, or would he have not even required that in this situation where he is getting commission?

**Mr KEVIN ANDERSON:** I cannot answer that, Mr Graham. I would have to look at the specifics of whether it is the gentleman you mentioned or somebody else. We would have to take those specifics on board and deal with them individually.

**The Hon. JOHN GRAHAM:** I do not know if you can get any assistance from your officials on this point?



**Ms WEBB:** I cannot, off the top of my head, give you an answer on whether he would have required a licence for just one individual transaction like that, when he was not holding himself out as a real estate agent more generally. But we will look into that, as the Minister said, and get back to you. Certainly once someone does require a real estate agent's licence then they now have to do the increased levels of CPD training.

**The Hon. JOHN GRAHAM:** What if it was not an individual transaction? What if it was a web of deals across New South Wales such as the one where Daryl Maguire sought potential dividends from real estate transactions in the Canterbury area, where he was taking potentially significant dividends, including from his relationship with the Country Garden developer? Is that more likely to tip him into the category where he would require a real estate licence?

**Ms WEBB:** I think we would have to take that on notice and get some legal advice about interpreting the real estate agents Act, but we can do that.

**The Hon. JOHN GRAHAM:** Okay. I welcome that information on notice, Minister.

**Mr KEVIN ANDERSON:** Thank you, Mr Graham. I am sure you will.

**The Hon. DANIEL MOOKHEY:** Minister, I am personally glad that you adopted Labor's policy of establishing a mandatory Dust Diseases Register.

**Mr KEVIN ANDERSON:** You are welcome.

**The Hon. DANIEL MOOKHEY:** Thank you. We have got plenty more.

**Mr KEVIN ANDERSON:** Can I say, Mr Mookhey, across the divide we worked well and I appreciate it.

**The Hon. DANIEL MOOKHEY:** Yes, so do I. More importantly, so does everyone who is at risk as well.

**Mr KEVIN ANDERSON:** Correct.

**The Hon. DANIEL MOOKHEY:** Can you update us on where we are up to in terms of rolling out the register?

**Mr KEVIN ANDERSON:** Yes. Thank you, Mr Mookhey. Where we are up to in relation to silica dust and making it a notifiable disease—we work very closely with yourself as you know and we thank you for that. What we have done is make sure that the notifiable diseases now include three majors: mesothelioma, asbestos and silicosis. We are working with Health at this particular point in time to make sure that that happens. I understand that is already occurring, where a patient will present to a doctor, they will be diagnosed with silicosis and then the doctor will notify SafeWork. The reason why that occurs is so that SafeWork can then circle back to the business and check that they are operating safely.

**The Hon. DANIEL MOOKHEY:** Indeed. Through Health estimates we got from Health which diseases they made notifiable and on which dates. We appreciate that information as well. But the actual register itself—can you provide us an update as to where we are up to in establishing the register, separate from the notification process? If you do not mind.

**Mr KEVIN ANDERSON:** I will just get an update on where that register is at and the timing because we did agree to report back in relation to notifications on that register. I will just ask Ms Webb if there is any advancement on that.

**The Hon. DANIEL MOOKHEY:** You did.

**Ms WEBB:** I think I might wait for Ms McCool this afternoon, if that is okay, Mr Mookhey, just because she is the one actually setting all this detail in place and she will be here to answer that.

**The Hon. DANIEL MOOKHEY:** Sure. I am happy to pick it up with Ms McCool. The Act that we agreed to required it to be established on the website at least by September. I presume we are still on track for that, Minister.

**Mr KEVIN ANDERSON:** I will take that on notice, Mr Mookhey, given, again, that we are coming out of a very difficult period. I am happy to take that on notice. But I would hope that we would be, yes.

**The Hon. DANIEL MOOKHEY:** Have you received any indication that we are not on track?

**Mr KEVIN ANDERSON:** No.

**The Hon. DANIEL MOOKHEY:** That is helpful. Incidentally, the amendment also requires reports to be provided to you. Have you received any? To be fair, we are still in the establishment phase. I want to be clear about that. I am just wondering whether you have received any so far.

**Mr KEVIN ANDERSON:** No. I will get some advice on that shortly. I do have an update in relation to where we have been in terms of making sure workplaces are held to account and those improvement notices.

**The Hon. DANIEL MOOKHEY:** We will get to that, Minister. To be fair, I will also have many questions for Ms McCool about that this afternoon, about the operational details as well. I am not going to say no to the information, but I appreciate that we will have more. I presume you can take it on notice if you cannot get us the information.

**Mr KEVIN ANDERSON:** Yes. I, like you, Mr Mookhey, am keen to see that register set up. It has not been brought to my attention that there are any delays or roadblocks, so if that is the case we will certainly keep you updated.

**The Hon. DANIEL MOOKHEY:** Thank you. We also organised that SafeWork NSW would perform a case finding study. Can we have an update as to where we are up to on the case finding study, Minister?

**Mr KEVIN ANDERSON:** I can provide that to you. I will take that on notice as well, Mr Mookhey. Again, this afternoon our official, Ms McCool, will be here. She will be able to provide those specifics for you.

**Ms WEBB:** She is doing the case finding study. I can tell you she is doing it, but I cannot give you any more detail than that. She will be able to this afternoon.

**The Hon. DANIEL MOOKHEY:** Again, there is no implication that it is not being done. It is more a case of it is an important tool to direct—

**Mr KEVIN ANDERSON:** Absolutely. I totally agree with you.

**The Hon. DANIEL MOOKHEY:** —further enforcement action. So I was just wondering where it was up to. Minister, the case finding study will be public, will it not?

**Mr KEVIN ANDERSON:** I will just have to refresh my memory on whether the case finding study will be public. I know we are certainly updating you on the register, but I will just check with Ms Webb if the case finding study will be made public. I would not want to mislead you, Mr Mookhey.

**Ms WEBB:** I have got information that it is due to be provided on 1 July. When it is complete and has been provided to the Minister for consideration, it will be published.

**The Hon. DANIEL MOOKHEY:** Minister, the desire for that case finding study came very strongly from the Manufactured Stone Industry Taskforce, if you recall. Can you confirm that they are being involved in that case finding study?

**Mr KEVIN ANDERSON:** Let me just get some clarification on that and who has been involved in that case finding study.

**Ms WEBB:** No. Ms McCool will have to update you this afternoon. Sorry about that.

**The Hon. DANIEL MOOKHEY:** Okay. We will pick it up again this afternoon in terms of that. Minister, you, in principle, agree that the Manufactured Stone Industry Taskforce should be involved in that case finding study?

**Mr KEVIN ANDERSON:** I will double-check on that to make sure that is correct.

**The Hon. DANIEL MOOKHEY:** Okay, great. Minister, you will recall that you set up a manufactured stone rebate scheme in 2019. Do you recall that?

**Mr KEVIN ANDERSON:** In 2019? A manufactured stone rebate?

**The Hon. DANIEL MOOKHEY:** Yes. We talked about this in your last estimates.

**Mr KEVIN ANDERSON:** I will just get some clarification on—

**The Hon. DANIEL MOOKHEY:** I can read from your press release, if you want. You announced this on 21 October 2019. You said, "We will also boost safety rebates available to the manufactured stone fabrication industry, by introducing an industry specific safety rebate of \$1,000—"

**Mr KEVIN ANDERSON:** The safety rebate? Correct. Thank you.

**The Hon. DANIEL MOOKHEY:** "—until June 2020, to assist with improved safety controls." Do you recall?

**Mr KEVIN ANDERSON:** Yes.

**The Hon. DANIEL MOOKHEY:** How much money was set aside for that?

**Mr KEVIN ANDERSON:** Let me just see if I have got those numbers here for you, Mr Mookhey. I will ask Ms Webb if she has that specific number of how much has been set aside.

**Ms WEBB:** I do not have a number about how much was set aside. I have a number about how much was paid out. Is that the same thing?

**The Hon. DANIEL MOOKHEY:** Yes. Let us take that, Ms Webb.

**Ms WEBB:** The rebate that closed on 30 June was a total of \$82,000—

**The Hon. DANIEL MOOKHEY:** So 82 grants.

**Ms WEBB:** Yes, 82 rebates each of \$1,000, so \$82,000. Now a \$500 small business rebate currently applies, but I have not got figures on the total on that one.

**The Hon. DANIEL MOOKHEY:** To be fair, that \$500 rebate is not specifically limited to manufactured stone sites. Is that correct, Ms Webb?

**Ms WEBB:** I will have to get Ms McCool to give you the exact details.

**The Hon. DANIEL MOOKHEY:** That is a generally available grant. That is what your website says.

**Ms WEBB:** For work health and safety. You are correct.

**The Hon. DANIEL MOOKHEY:** Yes. It is not specific to the manufactured stone industry.

**Ms WEBB:** No, but it could be used for the manufactured stone industry

**The Hon. DANIEL MOOKHEY:** Sure. But it was not designed for the specific purpose of helping manufactured stone fabrication sites upgrade their equipment, which the first rebate was. Would you agree?

**Ms WEBB:** Yes.

**Mr KEVIN ANDERSON:** That would be our intention that that is what it would be used for.

**The Hon. DANIEL MOOKHEY:** Minister, we had 82 but there are 255 known sites as well, which means less than one in three got it. Are you worried about that, given at the time you said this was going to be the way in which we really make a big difference?

**Mr KEVIN ANDERSON:** It still is the way we are going to make a big difference, as well as making silicosis notifiable. We will continue to do that sweep around those manufactured stone businesses to ensure they are complying. What that one in three does tell me, Mr Mookhey, is that there are good businesses out there who are doing the right thing and looking after their workers, which is why we want to keep them safe.

**The Hon. DANIEL MOOKHEY:** We may or may not pick this up shortly.

**The Hon. SCOTT FARLOW:** May or may not. Keep them guessing.

**The CHAIR:** Thank you. I will ask just a few questions and then hand back to the Opposition. Minister, I understand that you have received correspondence from State and Federal peak organisations representing older citizens, people with disabilities and carers to request that you support changes to the National Construction Code mandating maximum accessibility standards across all residential builds. Are you familiar with that?

**Mr KEVIN ANDERSON:** Yes.

**The CHAIR:** Will you be supporting those changes?

**Mr KEVIN ANDERSON:** We will be taking those considerations on board. We will be looking at what that means for the building and construction industry and residents and our communities in New South Wales.

**The CHAIR:** I understand that a number of well-respected peak organisations who have been seeking your endorsement for these changes have requested a meeting with you but been declined. Do you intend to meet with any of those representative organisations?

**Mr KEVIN ANDERSON:** Ms Boyd, I do not know the reason why that meeting was declined. Perhaps I might have been in my electorate of Tamworth, I do not know. But I certainly am happy to meet with advocates who would like to discuss issues with me. I do know that there is a significant number of new builds as well as retro builds, taking into consideration the very important process of making accessible housing available to those that need it.

**The CHAIR:** Have you or your office had meetings with interest groups that are not in support of the changes—for instance, representatives from the construction industry?

**Mr KEVIN ANDERSON:** Not that I am aware of, Ms Boyd, but I am happy to take that on notice and come back to you.

**The CHAIR:** That would be great. Thank you. Back to the Opposition.

**The Hon. DANIEL MOOKHEY:** I have decided we will pick that matter up again, Minister.

**The Hon. SCOTT FARLOW:** There you go. You didn't have to wait long.

**The Hon. DANIEL MOOKHEY:** Indeed. I think we left it off that we agree that there are good businesses, but do you agree with me that this is an industry that has had a systemic issue with compliance?

**Mr KEVIN ANDERSON:** It is an industry that has needed significant education in providing updates in the way that they handle manufactured stone.

**The Hon. DANIEL MOOKHEY:** Are you considering reintroducing the fabrication grants specifically, or not?

**Mr KEVIN ANDERSON:** Certainly. We will have a look at those numbers and if there is a need and industry require it. For mine I think it is a good way forward to help them make their workplaces safer, so I cannot see a reason why, if the need is there, to renew it.

**The Hon. DANIEL MOOKHEY:** Why is the Government not establishing a policy around mandatory registration of silicosis worksites?

**Mr KEVIN ANDERSON:** I am happy to take that on notice, Mr Mookhey.

**The Hon. DANIEL MOOKHEY:** Well, has the Government considered introducing a mandatory registration scheme for sites where manufactured stone is fabricated?

**Mr KEVIN ANDERSON:** Not to my knowledge.

**The Hon. DANIEL MOOKHEY:** Well, this was a recommendation from the law and justice inquiry for which the Government responded which, to be fair, was relatively minimal. Is this something that you will consider?

**Mr KEVIN ANDERSON:** Look, anything we can do to ensure that workers are safe in the manufactured stone industry—we know how dangerous silicosis is. But can I say that significant effort has been made in relation to keeping workers safe—like, we have lowered the exposure standard from 0.1 milligram per cubic metre to 0.05. We have amended the Work Health and Safety Regulation. We have worked with you about the register and making sure that they are notifiable diseases. So we will continue to monitor the situation and do more, if required.

**The Hon. DANIEL MOOKHEY:** I was going to turn to the exposure standard and I am glad that as part of a national framework, New South Wales finally did agree to reduce the standard to 0.05. It is a welcome step. But we have other States, like Victoria, that are advocating 0.02. At the time you reduced it to 0.05, you said that you would be studying whether or not we can go to 0.025. That is what you said. Where are we up to in terms of the study you said we would be doing about lowering the standard further?

**Mr KEVIN ANDERSON:** I think at the time when I was talking about lowering the standard even further than 0.05 was we needed to take into consideration the detection methods. It is very difficult to detect when you get down to 0.25 and even further or 0.025, or even further than that, so what we need to do is to manage what we have now with the 0.05 and if businesses—and if we—see that there is a need to drive that down further, given the fact that while workers' safety sits at the top of everything we do, Mr Mookhey, as you know, there would be a significant cost to business in relation to enhancing those detection methods and how they actually implement—and can they check the veracity of getting down that far.

**The Hon. DANIEL MOOKHEY:** But, Minister, the technology is available to detect at 0.025 and that evidence has been led by multiple people in multiple forums. I accept that it is obviously more costly to a business to go to 0.025, especially when you are starting at 0.1, which is part of the reason why you flagged an additional study. Now I accept the points that you make but I am actually asking: How are we studying this? Have you tasked the Centre for Work Health and Safety? Is SafeWork NSW doing you a report? How is this actually being studied, given that you flagged that when you cast your vote at the national ministerial forum?

**Mr KEVIN ANDERSON:** It will be an area that I will be returning to, Mr Mookhey, in relation to what do we do and what are those next steps. It would have been late last year when I went out to the stonemasons centre in western Sydney—the government stonemasons centre—where they are making stone, creating stone and Caesarstone and all that beautiful artwork that you see right across. They had actually world-first technology when it came to being able to monitor silica dust in the air and it would alert workers. So that technology is there. We will continue that work to look at those next steps to keep them safe.

**The Hon. DANIEL MOOKHEY:** Well, I am glad that you now accept that the technology is there. That is a slight shift. But are you aware that the exposure standard applies to not just manufactured stone; it applies to tunnels as well?

**Mr KEVIN ANDERSON:** That is an issue that obviously is part of that whole broader picture.

**The Hon. DANIEL MOOKHEY:** But you are aware that the exposure standard you set applies to tunnels.

**Mr KEVIN ANDERSON:** Well, the exposure standard set for us at this point in time is 0.05 milligram per cubic metre, so whether that is tunnels or whether that is in worksites, I need to double-check.

**The Hon. DANIEL MOOKHEY:** Good. I am glad you accept that.

**Mr KEVIN ANDERSON:** I do not want to mislead you, Mr Mookhey, but I will double-check that that is the exposure standard that is part of that tunnel process.

**The Hon. DANIEL MOOKHEY:** Well, look, my final question on this before I hand over to my colleague is that silicosis is presenting itself on government tunnelling projects. It is the case that you can insist on a higher safety standard for government tunnelling projects than you can for manufactured stone sites. In fact, they are discrete and different problems. So, are you planning to insist on that standard being met for tunnels and separating it out from the manufactured stone industry, especially given that we are about to start tunnelling through a lot of sandstone for the Snowy Hydro project and a lot more sandstone for the Sydney Metro project? It is important that the standard is the best before these projects are in place. Do you agree with that? Are you going to take any action?

**Mr KEVIN ANDERSON:** So, we will continue to monitor the situation, Mr Mookhey, because there are not only the areas that you are talking about but there is the resource sector as well. There is the mining industry as well.

**The Hon. DANIEL MOOKHEY:** But they are separately regulated. We both know that.

**Mr KEVIN ANDERSON:** I understand that.

**The Hon. DANIEL MOOKHEY:** They have their own dust systems.

**Mr KEVIN ANDERSON:** I understand that but there are issues around that as well.

**The Hon. DANIEL MOOKHEY:** But the 90 per cent Sydney sandstone that is about to be tunnelled in massive volumes as we build the western metro—are we going to have the world's best safety standards in place to protect the workers who are tunnelling through sandstone to build the western metro?

**Mr KEVIN ANDERSON:** We will continue to monitor that, Mr Mookhey.

**The Hon. COURTNEY HOUSSOS:** Minister, I want to come back to the question of your letter to the Public Accountability Committee that we dealt with earlier. I want to go to page number 4 where you say:

For instance, bonded laminates are proposed to be subject to further consideration by the Australian Building Codes Board and will not be included in the first tranche of CPSP advice to Government.

Minister, is it true that it is the method of bonding and not actually the bonded laminates that will be subject to this?

**Mr KEVIN ANDERSON:** Ms Houssos, that is why I pulled together that ministerial Cladding Product Safety Panel in relation to the technical specifications of each individual product. There are many on the market: Some that are fit; some are not. We have seen some of the standards that I have outlined in that letter in relation to the combustible core and other parts of the whole—when you think about cladding it has got to be the system.

**The Hon. COURTNEY HOUSSOS:** Minister, I asked you a very specific question.

**Mr KEVIN ANDERSON:** Yes. I am making context and I will come back to you on that.

**The Hon. COURTNEY HOUSSOS:** What product is under review, or is it the method that is under review from the Australian Building Codes Board?

**Mr KEVIN ANDERSON:** I will ask the Building Commissioner to make a comment in a moment but in relation to the products that the Cladding Product Safety Panel is determining at this point in time, they will come back with the first tranche of products at the end of March and that will be considered, but for more specifics I will ask the Building Commissioner, particularly in relation to that product that you are asking about.

**The Hon. COURTNEY HOUSSOS:** Minister, I think you do not really know what I am asking. So, perhaps, Mr Chandler, you can provide me with an answer?

**The Hon. SCOTT FARLOW:** Do you know what you are talking about?

**Mr CHANDLER:** I rather hope I will know. So, bonded laminates at this stage are not being considered because the adhesives that are used for bonding at this stage have the risk of themselves being flammable but themselves also being able to change their character under heat. Our direction at this stage is that we are looking to see mechanical fixing as opposed to bonded fixing.

**The Hon. COURTNEY HOUSSOS:** Okay, thank you for providing that clarity. It is the method that is under review; it is not the products themselves.

**Mr CHANDLER:** Well, if the manufacturer—

**The Hon. COURTNEY HOUSSOS:** But because the method is under review, therefore you are not dealing with those. Is that correct?

**Mr CHANDLER:** No. What the committee is considering at this stage is that there is quite a number of products that are being developed overseas that may actually exhibit the characteristics of being safe. So, we are open for that or the committee is open for that, but what we want to do is to make sure—we are told that Australia has actually been a place where some of the trailing technology products have been provided into and that there are now products emerging overseas that could well come into play for this program. So the committee is basically leaving the door open but requiring that adequate testing data is available where we have a really sceptical view, and the committee has a really sceptical view, of available testing data. So we really want to make sure that the testing relates to the product itself and that it is current, and that it is from a registered testing laboratory.

**The Hon. COURTNEY HOUSSOS:** Thank you, Mr Chandler. That is very helpful. Minister, so you are then going to guarantee that all cladding product types are going to be assessed on their merit, on their fire safety.

**Mr KEVIN ANDERSON:** Well, Ms Houssos, if I take you to—and you have the letter there that I provided—the paragraph on page 3 just above where it has the list beginning "Fire safety", "Weatherproofing", the third sentence states:

The CPSP will be insisting on the use of mechanical fixing methods for all replacement cladding systems and all replacement proposals will need to be designed ...

So, just to back up the commissioner, it is not just one particular product; it is the whole system of how that appropriate product is put back on that building. So when they remove that cladding there will need to be an assessment of how it goes back in the mechanical fixing, so the Cladding Product Safety Panel is continuing its work in terms of what product and how it goes back on.

**The Hon. COURTNEY HOUSSOS:** You will insist, as the Minister, that all cladding product types will be assessed on their merit. Is that correct?

**Mr KEVIN ANDERSON:** I will be backing the advice of the Cladding Product Safety Panel when they give me their report at the end of March.

**The Hon. COURTNEY HOUSSOS:** But you will be maintaining that it will be the highest fire standards. Is that correct?

**Mr KEVIN ANDERSON:** As per the letter that I have provided the Committee and the advice of the Cladding Product Safety Panel, that is why—even with the brilliant expertise of the Mr Chandler, that is why I pulled together the Cladding Product Safety Panel. Such an important issue.

**The Hon. COURTNEY HOUSSOS:** Minister, I understand it is a very important issue. We have asked you lots and lots and lots of questions. We have asked the Building Commissioner lots and lots and lots of questions. Can you just now give us this guarantee you will use the highest fire safety rating for these future products?

**Mr KEVIN ANDERSON:** I can guarantee you, Ms Houssos, that the advice coming back from the Cladding Product Safety Panel will have the best interests and use the appropriate products available on the market today to keep our people safe.

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

**The Hon. JOHN GRAHAM:** Minister, I wanted to turn to the Retirement Villages Regulation, which my colleague the Chair was asking about before. The specific issue I wanted to ask about was the situation of the Central Coast and Lake Macquarie. In the discussion paper, they were in the Sydney metropolitan area; when the final regulations were gazetted, they were removed. The consequence for residents in those two areas, as I think you know, is there is a longer waiting time required now before a resident can seek an exit entitlement order. I am interested to know: Why for those two local government areas [LGAs] were they removed, and what is your message to the residents there? There are 37 retirement villages in the Central Coast; 24 in Lake Macquarie. They are now required to wait longer because of this change.

**Mr KEVIN ANDERSON:** Mr Graham, I will take you back a little when we were talking about the consultation about retirement villages. It is such an important issue, because you have got the operators who need to run a business. If you do not have the operators, you actually do not have a business. You do not have a place for people to move into. So it is that delicate balancing between retirement village residents, making sure that we have someplace for our loved ones to go, as well as the operators providing the very best accommodation possible. The discussion paper that we put out, we looked at what area would constitute a six-month or 12-month buyback. That is what the exit entitlements are about in relation to when someone moves out of their retirement village property. It is about cash flow, and you want to be able to free up that cash so you can go on to the next stage of your life.

**The Hon. JOHN GRAHAM:** What changed in that process? Obviously some views were put to you that this was not sustainable and that balance was not struck in the Central Coast and Lake Macquarie. Who put that view? What changed?

**Mr KEVIN ANDERSON:** In the discussion paper that came back, there were a number of options put to us. We landed on the tested method and the approved method from the Department of Regional NSW with local government boundaries, and those two areas that you mentioned were classed as they were. They are regional and not metro.

**The Hon. JOHN GRAHAM:** But, Minister, this was not some administrative fix, was it? This was not about administrative tidiness. Surely you had views put to you that it was more appropriate to strike that balance, as you were suggesting; that these be dealt with differently. You were not just tidying things up.

**Mr KEVIN ANDERSON:** It certainly was not a case of tidying it up. It was a case of making sure that proper process was followed. Weighing that consultation to come back, it clearly landed on the Department of Regional NSW and local government boundaries.

**The Hon. JOHN GRAHAM:** So who put that view to you about the Central Coast and Lake Macquarie?

**Mr KEVIN ANDERSON:** In relation to them being regional or metro?

**The Hon. JOHN GRAHAM:** Who was saying that it would be better for them to be considered regional, and these residents—

**Mr KEVIN ANDERSON:** There was a range of views and a range of feedback coming back to us in relation to—

**The Hon. JOHN GRAHAM:** Give us some examples. Who?

**Mr KEVIN ANDERSON:** I am happy to provide those to you, Mr Graham: Retirement Village Residents Association, there were real estate institutes, there were operators themselves. In fact, I presented last Thursday morning, I think it was, to the Property Council where operators were. I have also presented to a number—and I did a lot of face-to-face in relation to retirement village residents, and different feedback in relation to each individual ones.

**The Hon. JOHN GRAHAM:** But it is a significant disadvantage for these residents. Who was putting the counterview?

**Mr KEVIN ANDERSON:** It is difficult to say who was putting a counterview, because there were lots of different options coming forward. So the counterview, I guess, to answer your question, was from those areas, because they are classed as regional. When we looked at the view coming in from those areas, Lake Macquarie and the Central Coast, we married them up with the local government area boundaries and they matched up. So that is the method we went with.

**The Hon. JOHN GRAHAM:** If there are ongoing concerns, is this something you would be prepared to reconsider—that the wait time for those two local government areas is reduced back to six rather than 12 months?

**Mr KEVIN ANDERSON:** No.

**The Hon. JOHN GRAHAM:** Okay.

**Mr KEVIN ANDERSON:** Can I just—

**The Hon. JOHN GRAHAM:** Minister, I want to turn to the changes that you have made to protections for tenants. Obviously, the existing protections for tenants are coming to an end. You have announced some changes.

**Mr KEVIN ANDERSON:** Mr Graham, can I just take you back just to—

**The Hon. JOHN GRAHAM:** I would like to invite you to—

**Mr KEVIN ANDERSON:** Can I just take you back to the retirement villages just for one minute?

**The Hon. JOHN GRAHAM:** Certainly. So long as it is—

**Mr KEVIN ANDERSON:** Thank you. Just for clarification—

**The Hon. JOHN GRAHAM:** I am not giving you reading time. You will have to hurry.

**Mr KEVIN ANDERSON:** Have I got some reading time left?

**The Hon. SCOTT FARLOW:** Fifteen minutes.

**Mr KEVIN ANDERSON:** Lastly on the retirement villages, it was clearly noted that there was representation from the member for Parliament Mr Mehan in relation to—and I would like to address those concerns—in relation to his area being classed as a metro. I could understand why he would want to do that, if he was getting pressure from residents in that area and from others. I went back and did our homework, and Mr Mehan at the time when he was in Parliament on his feet—I think in his inaugural speech—said he was very proud to represent a regional area.

**The Hon. JOHN GRAHAM:** Okay. Thank you, Minister.

**Mr KEVIN ANDERSON:** If he wants to change that, I am happy for him. I will set up a meeting with him with the Deputy Premier and look at changing his area to metro if he wishes.

**The Hon. JOHN GRAHAM:** I am sure he will be keen to talk to you.

**The Hon. SCOTT FARLOW:** And get the regional travel cards.

**Mr KEVIN ANDERSON:** That is where I think he was going.

**The Hon. JOHN GRAHAM:** I want to ask about tenancy, though. You have announced some changes. Give us a quick picture of what those changes are. What does it mean for tenants now coming out of this period as the old protections disappear?

**Mr KEVIN ANDERSON:** Again, the vulnerable tenants in our community that we looked at last year—we brought in measures very quickly to ensure that they would still be able to keep a roof over their head by making sure that there were no eviction periods and so on. What we have done now, Mr Graham, going forward



is that we know that JobKeeper will cease and there is going to be some pain in relation to those who may not have got their job back. We again studied the figures, got the data—and I am a big believer in data—to make sure we married that up with the comments we were getting from Tenants' Union and others. Instead of doing a hard cliff—everybody talked about the cliff coming—what we did is that we have implemented a transition period for tenants who have accumulated accrued debt over the last 12 months during that COVID period. We will allow them to enter into negotiations with the landlord to pay that off.

**The Hon. JOHN GRAHAM:** Just give us a quick idea: What is the framework you are setting up? I think it would be helpful if you just spelt that out, given it is a very recent announcement.

**Mr KEVIN ANDERSON:** There are three parts to that. First and foremost, a tenant will negotiate with the landlord. We have got very clear guidelines on the Fair Trading website as well as the Tenant's Union website to allow them to start that process. If that does not come to fruition, then they are able to engage Fair Trading, which is a free service where they can—

**The Hon. JOHN GRAHAM:** So there is support there.

**Mr KEVIN ANDERSON:** Yes, absolutely—to support them in terms of that mediation process. We sincerely hope that they would then be able to come to an agreement.

**The Hon. JOHN GRAHAM:** If they do not, what avenue have they got?

**Mr KEVIN ANDERSON:** Through the normal Residential Tenancies Act. That then comes into play. They can then go to the NSW Civil and Administrative Tribunal [NCAT].

**The Hon. JOHN GRAHAM:** And the period is what for this period?

**Mr KEVIN ANDERSON:** Transition period?

**The Hon. JOHN GRAHAM:** Yes.

**Mr KEVIN ANDERSON:** It is for six months.

**The Hon. JOHN GRAHAM:** Six months.

**Mr KEVIN ANDERSON:** But we will be monitoring it as well, Mr Graham.

**The Hon. JOHN GRAHAM:** Traditionally, I think about 30 per cent of people would be defined as being in rental stress—that is, their outgoings are such that it is a significant proportion of their income. Obviously rents have moved around in this period. Have you got any figures about what proportion of tenants could be in that "rental stress" definition?

**Mr KEVIN ANDERSON:** There are a couple of categories there. There is social housing as well as the private rental market. We deal with the private rental market, particularly under the Residential Tenancies Act. In terms of those numbers, we are focused on those who are dealing directly with landlords and real estate agents. I would be happy to take that on notice if there is a split between social housing and—

**The Hon. JOHN GRAHAM:** We might come back, Ms Webb, if we can come back to that question in the agency session. Minister, I guess my concern, hearing the way you described the new period we are about to go into, the new protections, is that people might have accumulated quite significant rental arrears during this period. They may still be in difficult income situations. How is that going to be resolved for these people? There are some protections here, but are they not really going to be left having to pay these amounts? We have kept people together for the last 12 months. Isn't this month, this next period, really going to be when this all comes to a head for them? This just is not going to work out for some of these people who have now accumulated significant debt.

**Mr KEVIN ANDERSON:** It does concern me, Mr Graham. That is why we made the move to bring in that transition period to support them. Like we did during COVID, it will be a continuous monitoring exercise and if we need to make changes, we will, but we will keep very close to it to make sure that they are supported, bearing in mind that JobSeeker has been increased as well. Some will say, "Yes, that is enough," some will say that it is not, but it is also that opportunity there. We have monitored the data on the employment figures as well; that is coming down.

**The Hon. JOHN GRAHAM:** What does the data tell you about rental arrears? How big are these rental arrears after the 12 months that people have lived through?

**Mr KEVIN ANDERSON:** The numbers in relation to rental arrears, from memory, there were 150 rental agreements that were worked up over the past 12 months. There were 925,000 tenancies in New South Wales, 150 rental agreements and I can ask Ms Webb if she has the details in relation to accrued debt.

**Ms WEBB:** No, we do not actually have that detail. We know about the agreements that were reached, but what we probably do not know is people who have managed to catch up in the meantime and maybe resolve a little bit of their arrears because they have come back into employment. We do have some statistics. Of the 154 that the Minister mentioned, 107 had waived rent completely and 36 had deferred rent. We do not know what has happened in the meantime.

**The Hon. JOHN GRAHAM:** Again, Ms Webb, I appreciate those answers and we might come back. Minister, the problem with those figures are that is a tiny slice of the market, really. I am asking, what do we know? You are setting the policy here for the whole market. What do we know about the really significant rental arrears that people might be in after the 12 months that have happened? That is coming to a head in the next month. What do we know? What does the data tell us about how much they might be in the hog for?

**Mr KEVIN ANDERSON:** It is difficult to put a number on the amount that is dollar-figured rental arrears given the fact that it changes and people did enter into agreements where they would reduce their rent, pay it over a certain period of time—

**The Hon. JOHN GRAHAM:** Do we have any idea apart from this very small section?

**Mr KEVIN ANDERSON:** I will take it on notice, Mr Graham, and maybe this afternoon they might have that number for you.

**The Hon. JOHN GRAHAM:** We might press a little bit. The worst bit about this is everyone might lose. Tenants might have accrued a significant amount. If they are thrown out, the landlords might be missing out as well. There has been no help here in New South Wales. In Victoria and Queensland there have been some payments put in place. Why have we not been providing that sort of direct assistance in New South Wales? Is this not when we are going to need it, when this comes to a head in the next weeks or month?

**Mr KEVIN ANDERSON:** That is a very good point you make, Mr Graham, and I would like to talk to that point—the fact that we have provided significant support in relation to residential tenancies over the past 12 months.

**The Hon. JOHN GRAHAM:** I accept that there has been some protections but there just has not been that sort of financial assistance in the way that Queensland or Victoria have provided. Do you accept that, Minister?

**Mr KEVIN ANDERSON:** No, I do not, purely because what we have managed to do over the past 12 months—I will shout out to Fair Trading, the work that has been done in relation to the contact, the assistance and the support measures for those most vulnerable, and the guidance that we worked through with the Tenants' Union as well in relation to providing everything we possibly could. There were some options put forward in terms of support packages for landlords. We did not think that it was appropriate and the numbers did not stack up in terms of supporting landlords at that time. We thought the balance was right where we needed it to be.

**The Hon. JOHN GRAHAM:** I understand the history, but you still do not think that is required as we enter this dangerous moment?

**Mr KEVIN ANDERSON:** We will monitor that as we go forward; that is why we put in those six months.

**The Hon. DANIEL MOOKHEY:** Can I just pick that up there, Minister? Your Government did offer land tax incentives for landlords as part of a \$220 million package for the residential side. Do you recall that?

**Mr KEVIN ANDERSON:** The land tax incentives?

**The Hon. DANIEL MOOKHEY:** Do you recall that your Government announced \$220 million to be allocated to rent relief for tenants?

**Mr KEVIN ANDERSON:** Mm-hmm.

**The Hon. DANIEL MOOKHEY:** How much of that has been spent?

**Mr KEVIN ANDERSON:** When you are talking about the land tax, was that part of that commercial sector or the residential sector, Mr Mookhey?

**The Hon. DANIEL MOOKHEY:** It was a \$440 million announcement of which \$220 million was allocated to the commercial sector and \$220 million was allocated to the residential sector. The commercial sector is not yours, I accept that; that is the finance Minister. I am looking forward to asking him questions next week. The \$220 million that is the residential side, how much of that money has been spent?

**Mr KEVIN ANDERSON:** I will just ask Ms Webb if she has an updated figure on that.

**Ms WEBB:** The whole process was done through Revenue NSW so Minister Tudehope would be the correct person.

**The Hon. DANIEL MOOKHEY:** So you do not know? Technically, you are responsible for the—

**Ms WEBB:** I can ask my colleagues in Revenue to get a figure for you, if you would like.

**The Hon. DANIEL MOOKHEY:** No, I will pursue it—I appreciate that, Ms Webb—so you do not have to. The administration of the moratorium on residential was always belonging to you, Minister. Is that correct?

**Mr KEVIN ANDERSON:** Correct.

**The Hon. DANIEL MOOKHEY:** And the distribution of rent relief was your responsibility, was it not? Despite Revenue NSW's functional responsibility.

**Mr KEVIN ANDERSON:** There was not any distribution of rent relief, Mr Mookhey.

**The Hon. DANIEL MOOKHEY:** Hence, this is the issue and why it is so confusing. How exactly was this \$220 million of rent relief meant to help tenants and landlords?

**Mr KEVIN ANDERSON:** A significant proportion of that was based around the commercial component, and Mr Tudehope had carriage of that. For mine, it was the residential tenancies component where we looked at no evictions, where we looked at a range of other measures to support tenants in private housing.

**The Hon. DANIEL MOOKHEY:** I accept that that followed the national code that was agreed at COAG by all States to introduce the eviction moratorium. That is fine. I am not quibbling it, but I am asking you a separate set of questions here. I presume you had some involvement in the \$220 million that was allocated to residential tenants or was meant to be, or did you have no involvement whatsoever?

**The Hon. SCOTT FARLOW:** It is administered by Revenue NSW.

**Mr KEVIN ANDERSON:** That was a commercial part of it and through Finance.

**The Hon. DANIEL MOOKHEY:** No, there were two parts: \$220 million for residential, \$220 million for commercial. Minister, I am just telling you your Government's own policy. That was quite clear because we have heard Minister Tudehope in the upper House tell us this ad nauseam. The \$220 million of residential relief, what involvement have you had in its distribution?

**Mr KEVIN ANDERSON:** I am not sure that there was \$220 million of rent relief. What we did do, Mr Mookhey, in relation to providing support was through the Tenants' Union we were able to look at providing support for the Tenants' Union to put staff on—add extra resources to deal with that. In terms of the rent relief, the tax concession as you know, again, it was not part of my remit in terms of residential.

**The Hon. DANIEL MOOKHEY:** It might be wise for all that I pick it up with Minister Tudehope next week. That is fine. I will move on.

**Mr KEVIN ANDERSON:** Certainly.

**The Hon. DANIEL MOOKHEY:** In terms of the dispute resolution assistance for residential tenants and landlords, that is something that you are responsible for, is it not?

**Mr KEVIN ANDERSON:** There is three parts to that. There is the negotiation, mediation and arbitration. Arbitration is through the NSW Civil and Administrative Tribunal [NCAT] and that comes under the Attorney General.

**The Hon. DANIEL MOOKHEY:** Yes, but the negotiation and mediation aspect, that is you, yes?

**Mr KEVIN ANDERSON:** Yes.

**The Hon. DANIEL MOOKHEY:** And that is presumably the process that led to the 150 agreements that you just made reference to, I presume.

**Mr KEVIN ANDERSON:** Yes.

**The Hon. DANIEL MOOKHEY:** That is great. Given the moratorium is going to transition, as you put it, what additional resources are being set aside to help people negotiate and mediate in the next six-month period?

**Mr KEVIN ANDERSON:** The support measures and assistant measures for those looking to get into or start an agreement in relation to paying down that accrued debt where they are able to, there is a lot of publications, guidelines, information out there on the Fair Trading website. What we also managed to do was provide funding for the Tenants' Union to put up guidelines as well. What they are able to do in that first instance is have a look at whether they are able to start that negotiation and with those guidelines. If not, then they can contact Fair Trading and Fair Trading will provide the resources to help them.

**The Hon. DANIEL MOOKHEY:** Sure, and that is welcome, but given, in fact, it has been widely reported that a lot of these agreements were not written down, a lot of these agreements were entered into informally and not achieved or resulted through the formal process that you just outlined, are you not expecting a large amount of disputes to arise from that circumstance directly?

**Mr KEVIN ANDERSON:** A lot of those, as you rightly point out, Mr Mookhey, were private. For those that needed that guidance and assistance through Fair Trading, that is the avenue they took. A lot of people did find the guidance material helpful and did their own private negotiations, but what we will do, as I said earlier, through this six-month period, I will continue to monitor and if we need to make changes, we will. But we think we have got the balance right at the moment. We will support them.

**The Hon. DANIEL MOOKHEY:** Just finally, because I think our time is about to run out, you are the Minister responsible for applying the Australian Consumer Law in New South Wales. Is that correct?

**Mr KEVIN ANDERSON:** That is correct.

**The Hon. DANIEL MOOKHEY:** And you therefore have a seat at the Council of Australian Governments or what the successor to COAG will be to determine the future of that.

**Mr KEVIN ANDERSON:** Defunct COAG.

**The Hon. DANIEL MOOKHEY:** And that encompasses bankruptcy, does it not? Consumer protections?

**Mr KEVIN ANDERSON:** In some areas, yes.

**The Hon. DANIEL MOOKHEY:** What steps are we taking in terms of assisting tenants and landlords who might find themselves exposed to the bankruptcy process as a result of the arrears issue?

**Mr KEVIN ANDERSON:** Well, if that is the case, Mr Mookhey, then I suggest that they reach out to their financial institutions, they reach out to other organisations and inform before they get to that point. But what we can do through Fair Trading is provide that mediation if someone is under financial stress, just like they were during COVID. They should reach out before they get to that end point.

**The Hon. DANIEL MOOKHEY:** Have there been discussions at a ministerial level across jurisdictions about the relaxation of the bankruptcy provisions, insolvency provisions, and how them being turned back on aligns with the debt problem arising from rent?

**Mr KEVIN ANDERSON:** Mr Mookhey, not in my area of consumer law. That is a matter for the Attorney General.

**The CHAIR:** Thank you. We are unfortunately out of time.

**(The Minister withdrew.)**

**(Luncheon adjournment)**

**The CHAIR:** Thank you for returning. We will start with Opposition questions.

**The Hon. JOHN GRAHAM:** I might return to one of the issues we were dealing with close to the end of the session with the Minister, and that was the future arrangements for tenants as the laws change in relation to that. We were talking about the data, in particular. I invite Ms Webb to respond to give us any more detail on the data that might be useful. What do we know about where renters are up to, how much stress are they under? Some of those things are tracked historically. What do we know about this most recent period—this past 12 months?

**Ms WEBB:** We do not have a comprehensive view on all of this for each individual tenant in New South Wales. As the Minister mentioned, we will be keeping an eye on various factors to see how the market is performing. Obviously the people who come to us with inquiries and/or complaints or seek our mediation services are a good source of intelligence about what is happening out there in the market. We also keep a close watch on the Rental Bond Board statistics, and when people end a tenancy work out how many of those end up with the landlord getting the whole of the bond, which is maybe an indication in some circumstances that the tenant has been in arrears and therefore the landlord has taken the whole bond. We kept a watch on that last year and we did actually see an increase in the first few months of the year in bonds going completely to landlords, but that started to decline towards the end of the year. We will keep a watch on that.

**The Hon. JOHN GRAHAM:** And when you say it started to decline, how much was the jump and how much was the decline?

**Ms WEBB:** It went from about 12 to 18 per cent and then went back down to about 14 per cent. It is not a scientific measure, but I guess it gives you an indication that there might be more people being in arrears at the time they exit the tenancy. We also keep in very close touch with the Tenants' Union; we have regular meetings with them and engage with them a lot. They also have a lot of anecdotal information about what they are seeing as well. We have a link through our Rental Bond Board members with both the Tenants' Union but also NCAT and the people at the Department of Communities and Justice who are in the housing area. So, again, we can get some data and information from them. So we have got a picture from all those sources of what the market is looking like, but it is not a scientific percentage of those having stress.

**The Hon. JOHN GRAHAM:** You gave us some figures at the end of that session, but there was a lot going on so I might ask you to repeat those figures that I think were through the mediation process. If you can recap on those?

**Ms WEBB:** Sorry, if I can locate them again. I think Mr Tansey had the sheet, so I might just—sorry.

**The Hon. JOHN GRAHAM:** No worries.

**Mr TANSEY:** Analogue.

**Ms WEBB:** It might be easier to see if he has got the hard copy. Thank you. Of the 154 where there was an actual agreement that was entered into, the rent waived was 107, the rent deferred was 36, rent waived and deferred was seven and then there is four for which an agreement was reached but no-one told us the exact nature of the agreement, so we do not have that. And then we had a further 100 people who started with our process but then ended up negotiating something between themselves.

**The Hon. JOHN GRAHAM:** Right, okay, so call it a private settlement. How many renters are there in New South Wales?

**Ms WEBB:** I think I would have to take that on notice or look it up somewhere.

**The Hon. JOHN GRAHAM:** Yes, but just roughly. I thought the Minister referred to it briefly. If you get the chance to tell us that in a little while, that will be helpful.

**Ms WEBB:** Sure.

**The Hon. JOHN GRAHAM:** And the information from NCAT and those associated entities, what do we know from that stream of data?

**Ms WEBB:** We do not have any formal data from NCAT but, as I say, we do liaise with them and find out what is happening. I think you would have to ask the Department of Communities and Justice for the actual breakdown on how many matters NCAT dealt with in that category.

**The Hon. JOHN GRAHAM:** You receive that but it is not especially useful is really what you are saying, from your point of view.

**Ms WEBB:** We do not receive the actual details of the actual cases, but we do engage with them about what they are seeing and what the trends are.

**The Hon. JOHN GRAHAM:** So you might get some anecdotal information out of that. What do we know about how much people are in arrears? Obviously the Government is setting this policy. You worry that this is when it is all going to come to a head. What do we know about how much people might owe after this 12 months?

**Ms WEBB:** I am not quite—we know that some people are in arrears and they have reached these agreements, so they are obviously in arrears. What happens, though, is people reach these agreements with the tenant and the landlord during the course of last year. What we do not know, without following up each individual case, is whether during the course of the year the person maybe got back into employment and caught up with the arrears. We do not have any ongoing data about people who made an agreement that they could go into arrears and whether they are still in arrears or not. I guess we will see whether we continue to have people coming in saying they have got an issue with paying.

**The Hon. JOHN GRAHAM:** We have only got data for 154 of millions of renters, so that is—

**Ms WEBB:** We have got actual formal agreements. We had a lot of inquiries and a lot of people talking to the Fair Trading officers. So while they did not reach a formal agreement, they told their story to the Fair Trading officer about where they were. We suggested they try and negotiate with their landlord, and often that was quite successful.

**The Hon. JOHN GRAHAM:** How many of those inquiries did you have? Do you have a sense of when they rose and fell?

**Ms WEBB:** We had 23,615 inquiries about tenancy agreements, we had 19,133 inquiries about termination, and 12,928 about rent and charges—not all of them related to COVID, but that is the figure.

**The Hon. JOHN GRAHAM:** I am comfortable if you do this on notice but I think it will be helpful when the Government package comes through, could you give us a sense of how it rises and falls, perhaps on notice, in whatever way it makes sense? I do not want to create work in doing that.

**Ms WEBB:** Yes, sure. The trend of what we are seeing.

**The Hon. JOHN GRAHAM:** Whatever way you would present it internally, if you can give us that sense on notice so it gives the Parliament, as it is discussing that, some sense of the pressures on people.

**Ms WEBB:** Sure.

**The Hon. JOHN GRAHAM:** Returning to that question, we really do not have in any of the information you have put so far any sense of how much people might be in arrears—in debt—that they might then have to clear, let alone what they have got to pay forward. Is that an accurate statement?

**Ms WEBB:** That is right. There is a broad spectrum here. Someone might be in arrears for a day because they are just late paying their rent compared to people who are substantively in arrears on a very ongoing process. We do not have all that individual information for each individual landlord and tenant in New South Wales.

**The Hon. JOHN GRAHAM:** What is the average rent in Sydney?

**Ms WEBB:** I think we have it.

**The Hon. JOHN GRAHAM:** Again, feel free to take it on notice.

**Ms WEBB:** I might. It has certainly changed in Sydney and in the regions. We did have some data on that but I do not have it quite here.

**The Hon. JOHN GRAHAM:** No worries. Perhaps on notice, that will be useful. Just the update, particularly as it has moved a little bit, but say it is around \$500 a week. You are talking about thousands of—say half of that is deferred—maybe less, maybe more in some of these agreements if people have had a really rough time—but if a permit is deferred, you are talking about more than \$10,000. Are those the sorts of numbers we are talking about?

**Ms WEBB:** This is complete speculation. I do not think we have any basis for thinking that half of people are not paying their rent at the moment. I am not sure of that.

**The Hon. JOHN GRAHAM:** No, that some people in extreme circumstances may not be able to pay half of their rent.

**Ms WEBB:** Yes.

**The Hon. JOHN GRAHAM:** That is the better way to put it. So that could be more than \$10,000 but we just simply do not know.

**Ms WEBB:** No.

**The Hon. JOHN GRAHAM:** And is there any other way that you can tell, or you can tell us, about the extent of the pressure that people might be under? There is obviously the anecdotal feedback that we are all getting, but is there any actual hard evidence that we can judge the Government's policy or legislation on?

**Ms WEBB:** Short of asking every single tenant in New South Wales and every landlord to give us some information, I do not know who would have that information. These are private contracts between tenant and landlord, so they are not needed to be reported anywhere specifically.

**The Hon. JOHN GRAHAM:** I might finally ask about the question of what happens at the end of six months? There is some amount owing, some amount in arrears—possibly a large amount, certainly a larger amount than you would like. There is assistance from Fair Trading, and hopefully that is of assistance. If it is not, if it goes wrong, what happens?

**Ms WEBB:** I think the Minister mentioned this morning that the Government is going to keep a really close watch on what happens for the next six months. We would have to look at the housing market situation, but also, I assume, the general economy and the progress with COVID vaccinations and understanding the whole situation before we meet that sort of decision.

**The Hon. JOHN GRAHAM:** Yes, that is a rational response from the system but the consequence of that would be that some people would hit the wall before there is a response from the system. For those individuals, what happens if they have got behind, they have a lot of debt accruing and they are worried about making their future payments, let alone what is happening? Fair Trading is hoping to help, but what happens when it does not work out and they cannot make a deal or make up the arrears and it goes wrong? What happens to those people?

**Ms WEBB:** As I said, the Government has to look and see what it is going to do. We have had people not being able to meet rent prior to COVID. There are a lot of financial counselling services and assistance that the department of social security and the Commonwealth gives people for rental-related issues. I think that safety net would still be there, but then if there is a need for other measures of course the Government would have a look at it—as I understand the Minister to be saying this morning.

**The Hon. JOHN GRAHAM:** Just the run-of-the-mill safety net—which is there but is going to be very, very stretched—is all those people have to fall back on. If it does go wrong for those people, that is it?

**Ms WEBB:** The Minister said we would be watching for the whole six months, so we will be making sure that we are ready to see what happens.

**The Hon. JOHN GRAHAM:** So unless there is a policy change—is a better way to put it—the Government might—

**Ms WEBB:** That would be a matter for the Government so we will keeping watch.

**The Hon. DANIEL MOOKHEY:** Ms Hogan, I am in your hands as to how you would like these questions directed. Did you have any additional information from this morning about the SafeWork NSW matters?

**Ms HOGAN:** I have a couple of answers to the questions that we took on notice.

**The Hon. DANIEL MOOKHEY:** Now would be the time.

**Ms HOGAN:** Ms Houssos asked us to report back on SafeWork inspectors as it related to electrical. There are 24 total inspectors: eight across Fair Trading and 18 across SafeWork. Hopefully that answers the question.

**The Hon. COURTNEY HOUSSOS:** Sorry, 24?

**Ms HOGAN:** It was 24 in total relating to electrical inspectors: eight from Fair Trading and 18 from SafeWork. Mr Williams could probably talk a little more to how the work is separated and who is responsible for what.

**The Hon. COURTNEY HOUSSOS:** That is okay. We have covered that extensively.

**Ms HOGAN:** Okay.

**The Hon. DANIEL MOOKHEY:** I have some other issues to do with how SafeWork is currently structured, which I am happy to get into now, if it helps. Is it the case—either to you, Ms Hogan, or however you direct—that you are in the process of forming a general inspectorate or combining multiple inspectors from different agencies into a central division of some form?

**Ms HOGAN:** That is not—

**The Hon. DANIEL MOOKHEY:** Ms Webb, would you like to update us on the restructure that you were talking about at last estimates? Perhaps it might be a better way for me to ask the question.

**Ms WEBB:** That is right. I think at this time last year we had just done our realignment. The inspectors from SafeWork, Fair Trading and Liquor & Gaming are now all in one string together that Mr Williams looks after. Underneath that there are individual directorates—so there are a number of SafeWork directorates, a Fair Trading directorate and a Liquor & Gaming directorate. So at the director level, the inspectors are clearly defined in those particular roles. There are a few areas where there is a cross-delegation. Mr Williams mentioned that SafeWork directors have been delegated paths to look at Fair Trading licences. We are working together but in very distinct, individual directorate teams.

**The Hon. DANIEL MOOKHEY:** That is helpful. Thank you, Ms Webb. He said SafeWork, Fair Trading and Liquor & Gaming? That is separate from the Independent Liquor & Gaming Authority [ILGA] inspectors?

**Ms WEBB:** Yes, so ILGA is an independent authority. It consists of the board members of ILGA only. It has no staff.

**The Hon. DANIEL MOOKHEY:** And they rely on that directorate?

**Ms WEBB:** That is right.

**The Hon. DANIEL MOOKHEY:** Correct, right. Can we quickly identify that we have 311—Ms Hogan, you said this morning—SafeWork inspectors in that directorate?

**Ms HOGAN:** There are 331 SafeWork inspectors.

**The Hon. DANIEL MOOKHEY:** And how many do we have in Fair Trading?

**Ms HOGAN:** Oh, you did ask me for that.

**Ms WEBB:** We do not actually define inspectors in quite the same way in Fair Trading.

**The Hon. DANIEL MOOKHEY:** Well, what is the headcount for that directorate?

**Ms WEBB:** That directorate, Mr Whitton's team, I do not know. It is about 100.

**The Hon. DANIEL MOOKHEY:** Okay. And do you have the same for Liquor & Gaming by any chance?

**Ms WEBB:** I would have to take it on notice. It is more along the lines of about 30.

**The Hon. DANIEL MOOKHEY:** Okay, great. If you do not mind taking the exact number on notice, that would be helpful.

**Ms WEBB:** Yes, sure.

**The Hon. DANIEL MOOKHEY:** Can I concentrate on the 331 at SafeWork? Are they are performing inspectoral or other duties for non-WHS matters?

**Ms WEBB:** No. Oh, they are doing public health order inspections; otherwise, they do SafeWork.

**The Hon. DANIEL MOOKHEY:** Of the 331, they are effectively funded by our employer premiums, is that correct?

**Ms WEBB:** From the Workers Compensation Operational Fund, yes.

**The Hon. DANIEL MOOKHEY:** Have you recently put in any submission or filing for any additional resources in that respect, given the filing season is now?



**Ms WEBB:** No. This year the budget we had from the Workers Compensation Operational Fund more than covered all of our operating expenses, but it is a continuing—it is not a one-off budget-type process. We have a continual engagement with the Workers Compensation Operational Fund to keep an eye on the resources that SafeWork would need.

**The Hon. DANIEL MOOKHEY:** Were you recently subjected to any form of a desktop audit by NSW Treasury into how those 331 workers comp inspectors are being used, by any chance? Or were you insulated from that process?

**Ms WEBB:** I am not aware of anything.

**The Hon. DANIEL MOOKHEY:** Okay, that is fine. Have you put in a submission to the State Insurance and Care Governance Act review?

**Ms WEBB:** The reviewer met with a representative of SafeWork but we have not put in a submission.

**The Hon. DANIEL MOOKHEY:** What did you tell them?

**Ms WEBB:** It was not me who attended that meeting. It was Mr Gavrielatos who attended on behalf—

**The Hon. DANIEL MOOKHEY:** Is he here?

**Ms WEBB:** He is not here.

**The Hon. DANIEL MOOKHEY:** Okay, sorry. I get my identities confused.

**Ms WEBB:** I could take on notice about whether we could give you a general gist of what was discussed.

**The Hon. DANIEL MOOKHEY:** Yes, if you do not mind taking on notice your submission, or whatever you can tell us about the submissions that you made to the McDougall review.

**Ms WEBB:** I think they were more responses to questions rather than submissions.

**The Hon. DANIEL MOOKHEY:** That would be helpful. If they were responses to questions, would you mind providing us the responses on notice?

**Ms WEBB:** In a meeting, sorry. I think we had a meeting in which the reviewer asked Mr Gavrielatos some questions, rather than us making—

**The Hon. DANIEL MOOKHEY:** Whatever information you have available that you can share with us, Ms Webb—

**Ms WEBB:** We will, absolutely.

**The Hon. DANIEL MOOKHEY:** —if you do not mind, that would be most helpful. In respect to this new directorate structure, how do you delineate the accounts of what is funded by the workers compensation premiums and what is funded elsewhere?

**Ms WEBB:** In the whole of Better Regulation division, we have quite a few entities that are similar in nature to SafeWork NSW, where the funding comes from a specific source: the long service commission, the Rental Bond Board, Subsidence Advisory NSW and others, and SafeWork NSW. For each of them, the way in which my finance director does our accounts is to do it by agency, and then he also does a second set by stream. But we keep a very clear separation between those self-funded bodies—those four, for example, that I have mentioned—to make sure that the work and the resources that are allocated to that work are funded from that fund and not otherwise.

**The Hon. DANIEL MOOKHEY:** That is very helpful. Have you ever commissioned legal advice, or do you have legal advice, that shows the purposes for which the money derived from the Workers Compensation Operational Fund can be used?

**Ms WEBB:** From time to time we get legal advice on specific activities that SafeWork NSW is proposing, but I do not think we have had a general legal advice. I am not aware of it.

**The Hon. DANIEL MOOKHEY:** Insofar as you have obtained specific advice on specific activities, have you done that in the past 12 months or 24 months, or since this directorate structure has been initiated?

**Ms WEBB:** I am aware of one circumstance in which we got some advice in the past 12 months.

**The Hon. DANIEL MOOKHEY:** What was that circumstance, Ms Webb?

**Ms WEBB:** It was in relation to the work health and safety international congress that New South Wales and the Commonwealth are hosting in collaboration with the International Labour Organization [ILO]. We just wanted to make sure that money that we spent organising that conference was appropriately funded from the Workers Compensation Operational Fund.

**The Hon. DANIEL MOOKHEY:** I presume it was.

**Ms WEBB:** That is my understanding of the legal advice, yes.

**The Hon. COURTNEY HOUSSOS:** For the eight Fair Trading NSW inspectors, do you have the details of how many of those are electrically qualified, such as electricians or electrical engineers?

**Mr WILLIAMS:** Those eight are electrically qualified.

**The Hon. COURTNEY HOUSSOS:** They are all electrically qualified?

**Mr WILLIAMS:** Those eight, yes—

**The Hon. COURTNEY HOUSSOS:** And of the SafeWork NSW inspectors?

**Mr WILLIAMS:** —and 18 in SafeWork NSW. Yes, that is right. Correct.

**The Hon. COURTNEY HOUSSOS:** How many of the SafeWork NSW inspectors are?

**Mr WILLIAMS:** Eighteen have electrical qualifications.

**The Hon. COURTNEY HOUSSOS:** They are all trained electricians or engineers?

**Mr WILLIAMS:** Yes.

**The Hon. MARK BANASIAK:** The Minister referenced a property services expert panel. Would you be able to tell us who was on that panel?

**Ms HOGAN:** Mr Tansey, do you know who was on that panel?

**Mr TANSEY:** Just let me refer to my notes and see. I cannot quote names off the top of my head. I just need a second to refer to notes to see if the names are there. Can I perhaps come back to you when I have that?

**The Hon. MARK BANASIAK:** That is fine. While you are looking at it, can you let us know how the panel make-up is different to the Real Estate Reference Group? Going back to the issue I was pursuing with the Minister regarding Mr Dominello's comments, did Minister Dominello ever discuss with you, Ms Webb, his views that Fair Trading NSW should be abolished?

**Ms WEBB:** No, he did not.

**The Hon. SHAYNE MALLARD:** Point of order: It is stretching a long bow on the estimates of this portfolio to ask this of the head bureaucrats. This morning the Minister said the member should direct those questions to Minister Dominello.

**The Hon. MARK BANASIAK:** To the point of order: I am trying to get a baseline for my questions for Minister Dominello on Monday. I would like to know how this process came about.

**The Hon. SHAYNE MALLARD:** I think it is inappropriate to be asking the bureaucrats these questions.

**The CHAIR:** I ask the member to link his question to the terms of reference for this budget estimates, which is inquiring into this particular portfolio area.

**The Hon. MARK BANASIAK:** It is about the proposal that Fair Trading NSW and SafeWork NSW be abolished. I was wondering whether the bureaucrats who represent those agencies were even consulted in the process of that proposal. If Ms Webb does not feel like—

**Ms WEBB:** No, he did not discuss that with me.

**The Hon. MARK BANASIAK:** Mr Williams?

**Mr WILLIAMS:** Likewise—no discussions.

**The Hon. SHAYNE MALLARD:** I still think it is out of order.

**The Hon. MARK BANASIAK:** After the story, were any memos or emails sent to staff to explain the story, given that they would have been, I imagine, a little concerned about the positions?

**Ms HOGAN:** I can answer that. Minister Dominello contacted me in the morning about the article. He expressed to me that he felt he had been taken out of context and asked whether or not he could have an opportunity to explain and apologise to the staff for the impact that that article, which he believed was taken out of context, would have. We gave him an opportunity to talk to all staff that afternoon and he apologised.

**The Hon. MARK BANASIAK:** How was that done? Was it face to face?

**Ms HOGAN:** No. We could not get that many people together in a face-to-face fashion in that short a time so it was done on Microsoft Teams, from memory.

**The Hon. MARK BANASIAK:** So he apologised for the misquoting, was it?

**Ms HOGAN:** He explained his position on the article, which included the fact that he stated he had been taken out of context, and he apologised for any impact that that incorrect article might have had on the team.

**The Hon. MARK BANASIAK:** Did he apologise for calling you "mongrels", or was that part of the misquoting?

**Ms HOGAN:** Correct. That was part of the misquote.

**The Hon. MARK BANASIAK:** He explained that the "mongrel" comment was misquoted?

**Ms HOGAN:** And taken out of context.

**The Hon. MARK BANASIAK:** Taken out of context? What was the context of him calling you "mongrels"?

**Ms HOGAN:** You would have to ask Mr Dominello for the explanation that he gave. My answer is that we gave him an opportunity to talk to the staff, and he took it.

**The Hon. MARK BANASIAK:** It has been described to me as a bit of an embarrassing backdown that was done essentially to appease SafeWork NSW and Fair Trading NSW, which were understandably furious with this article coming out. Would that be a fair description of the events?

**Ms HOGAN:** I think you are asking me for my opinion. You would have to ask Minister Dominello as to how he felt that meeting went. He asked us to give him an opportunity to talk to the staff about it, given he had previously been the Minister—for Fair Trading NSW, at least—and he was given the opportunity to do that.

**The CHAIR:** I have a few questions. The first one involves a representation that I made to the Minister, Ms Hogan, on behalf of a constituent who found themselves stuck in a bit of a bureaucratic loop between New South Wales and Victoria within Fair Trading NSW. He had moved from Victoria and was seeking to obtain equivalent certifications to practise in New South Wales, but he found that he was not able to as the New South Wales interstate certification process required documents that Victoria simply does not produce.

**Ms HOGAN:** Yes.

**The CHAIR:** We asked the Minister to instigate a review into the requirements and processes for contractor licence applications. While the Minister did respond to my queries about the constituent's particular case—I understand action was taken in relation to that particular case—we had no acknowledgement of the request for a review into the processes as a whole. Do you have any update on whether that review was undertaken?

**Ms HOGAN:** I do not, but Ms Webb might.

**Ms WEBB:** We will take it on notice.

**Ms HOGAN:** Yes, happy to do that.

**Ms WEBB:** I might also mention that now that automatic mutual recognition is coming in, some of this might become a bit moot because people will not have to go through that process.

**The CHAIR:** I hope so. That man found it incredibly distressing. If you could take that on notice and let us know, that would be great. I will direct this question to you, Ms Hogan, but please redirect it as you see appropriate. It is in relation to greyhound racing. How many greyhound industry participants have failed to adhere to the rehoming policy, including by failing to apply for financial support through the Greyhound Racing NSW Race Injury Rebate Scheme?

**Ms HOGAN:** If I may direct the questions to Mr O'Brien?

**Mr O'BRIEN:** I think I might need to take that on notice.

**The CHAIR:** Thank you. Are you clear on the question?

**Mr O'BRIEN:** If you could repeat it, that would be helpful. Thank you.

**The CHAIR:** As you know, greyhounds that are seriously injured during a race are eligible for Greyhound Racing NSW's Race Injury Rebate Scheme. How many greyhound industry participants have failed to adhere to the rehoming policy, including by failing to apply for financial support through that Race Injury Rebate Scheme in order to afford veterinary care and surgery instead of euthanising? That is the point that we are getting at. Also, how many greyhounds have been euthanised because of a failure by a participant to adhere to a rehoming policy?

**Mr O'BRIEN:** Okay. Sure. Thank you.

**The CHAIR:** Again, it is a greyhound racing question, Mr O'Brien. I understand that all New South Wales tracks are currently being measured against the new minimum standards with safety audits carried out to determine track compliance. Are you able to provide me with details of the current racetrack audits being conducted by Greyhound Racing NSW? In particular I am interested in the criteria applied to the audit, how the criteria was determined, the time line, the progress, who is undertaking the audit and whether the responses will be made publicly available.

**Mr O'BRIEN:** There is quite a lot of detailed information in there that would be held by Greyhound Racing NSW. I am happy to take that on notice and we can request that information from them and provide an answer back to you.

**The CHAIR:** Thank you. That would be very useful.

**Mr DAVID SHOEBRIDGE:** In his answers earlier today the Minister indicated that there was an ongoing process to procure a lead contractor for Project Remediate. Ms Webb?

**Ms WEBB:** Mr Chandler will take that.

**Mr DAVID SHOEBRIDGE:** Could you give us some details about where that is up to?

**Mr CHANDLER:** Yes. The procurement process for the services of managing contractor has now been out for over a week and there will be an industry briefing of the parties that have registered interest in that briefing next week.

**Mr DAVID SHOEBRIDGE:** What is the role of the managing contractor?

**Mr CHANDLER:** I am happy to hand up a diagram to explain just how that relationship all works.

**Mr DAVID SHOEBRIDGE:** If that helps.

**Mr CHANDLER:** I might do that straight after the meeting, if I could. Basically, the managing contractor would provide the governance overlay of all of the pieces to deliver a service to each of the strata communities. The strata manager will oversee the engagement of a principal design consultant. Based on conversations with the Cladding Product Safety Panel we have arrived at the fact that we think a facade engineer in most procurement models is appointed far too late. They are almost a downstream consultant.

**Mr DAVID SHOEBRIDGE:** "Now let us tack a facade on."

**Mr CHANDLER:** What we have decided to do is actually create like a master designer who will be a specialist facade engineer who will provide a global pattern book for the whole of the program. So that we will look into what are the various types of scenarios that cladding may be facing in its replacement and provide a master design framework for designers to use who are going to be doing individual building designs. The managing contractor will procure—

**Mr DAVID SHOEBRIDGE:** Like a suite of options, off-the-shelf options?

**Mr CHANDLER:** Yes, like a playbook, yes. The managing contractor will also then be responsible for engaging a panel of assessors or triages, as we might call them—this will be evident in the document I will hand up to you, which is a briefing document for the industry, so that is a public document. They will engage a panel of assessors who would then be able to go out and look at each building as we face into assessing buildings to define the scope of work that is required to remediate each building. The managing contractor will also engage a panel of designers who would then be assigned to each building to undertake a building-specific design, being informed by the triage and also the global playbook. The global playbook, of course, will make sure that it is very consistent with everything that comes out of the Cladding Product Safety Panel. The managing contractor will

also engage a panel of superintendents. The intention is to ensure that each of the contracts that are going to be awarded to perform the cladding replacement are build-only contracts, not design-and-construct contracts. That is one of the concerns that other jurisdictions are experiencing, that if you do all that work then still award it to a design-and-construct contract—

**Mr DAVID SHOEBRIDGE:** All that can be rewritten.

**Mr CHANDLER:** You can lose control of it. We are requiring that every remediation contractor who is awarded a remediation contract, it will be a build-only contract against a complete design. There will be an independent superintendent to superintend each of those contracts and there will be an independent certifier who will then be responsible to certify that the works have been done compliantly at the end. We are in the progress of negotiating a service agreement with Fire and Rescue NSW to provide a single desk overview of the performance of those certifiers to make sure that all of the certifiers' works are performed consistently and that we are able to look into those activities and make sure that they are all up to the level that we want them to be. As you are aware, we have been working very closely with Fire and Rescue NSW and also the Insurance Council of Australia, because the objective here is to make sure that the remediated buildings are able to return to a stable of insured buildings without any carve-out for them in regards to fire cladding, and Fire and Rescue are also comfortable with them that in fact there is no residual risk in those buildings, once they have been remediated, for first responders.

**Mr DAVID SHOEBRIDGE:** I assume none of that sort of detailed work about getting the principal design consultants, the assessor panel, the panel of designers, the superintendents, none of that work can really start until the managing contractor is on board.

**Mr CHANDLER:** We are currently talking to a couple of members of the Cladding Product Safety Panel about the criteria for the selection of a fire engineering global designer. We will probably advance that in the next month to make sure that in fact we have already got that procurement underway such that we are at a point where the managing contractor would have a play in actually the appointment of that person, but we do not want to leave that appointment for very much longer.

**Mr DAVID SHOEBRIDGE:** The principal designer that this suite of off-the-shelf solutions—and I am not trying to denigrate them—

**Mr CHANDLER:** I do not want to be as glib to say they are off-the-shelf, because we know that they will all need to be bent at the edges to suit the various circumstances.

**Mr DAVID SHOEBRIDGE:** That seems to be like a sensible place to get to. I am not trying to denigrate it.

**Mr CHANDLER:** In fact Victoria flew up last week to ask us how we thought it out.

**Mr DAVID SHOEBRIDGE:** That seems sensible. How long is it expected that that work will take to get the—I do not know how else to describe it, I will call them off-the-shelf designs, but the suite of off-the-shelf designs?

**Mr CHANDLER:** How about the playbook or something, or the pattern book, or something like that?

**Mr DAVID SHOEBRIDGE:** The pattern book. How long to get the pattern book sorted?

**Mr CHANDLER:** We believe a lot of work has already been done in terms of the various remediations that have gone on. We have an expert on the Cladding Product Safety Panel who has been involved in over 100 remediations. We are actually able to pull together—we will draw from a starting fountain of knowledge and then we will refine it. But the key element that has come through to us is that, where work in other places could have been better, the investment made in the triage or actually going onto the site and looking for exactly what the condition is has been lightly touched. In our process we are expecting to spend about 2½ per cent of the cost of the works on investigation so that we actually have a very high level of resolution of what we are facing into. That risk of quite a number of the contractors that are out there providing remedial services tend to start off offering a design-and-construct contract where they provide a fee to do a provisional assessment and give you a budget range as to what your remediation is likely to cost and about six months into it come back and tell you it is another number entirely.

**Mr DAVID SHOEBRIDGE:** It is rarely smaller.

**Mr CHANDLER:** Rarely. We are not attracted to that.

**Mr DAVID SHOEBRIDGE:** Pretty much all of this work though is going to be with private entities, not in the department.

**Mr CHANDLER:** The Department of Customer Service is the sponsor of that project and I am in charge of that particular procurement.

**Mr DAVID SHOEBRIDGE:** But apart from getting the contract in place and oversighting the contract with the managing contractor, the rest of what you have just described to me is going to be by private external providers.

**Mr CHANDLER:** Yes, we are very, very closely engaged Mr Shoebridge. The intent as well is to actually provide the accommodation for the managing contractor within premises occupied by the Department of Customer Service so we have actually got—it is almost like an in-sourced organisation, if you would.

**Mr DAVID SHOEBRIDGE:** Is this because the skillset just is not there inside Fair Trading?

**Mr CHANDLER:** This is a very big program. We are looking at what is the most reasonable way to resource it and how to assemble the skillsets that we need. Part of the Government's strategy for undertaking this work is that we should also focus on getting the work opportunity down to small- to medium-sized enterprises. The goal is to actually make sure that the managing contractor is a vehicle where we can provide professional procurement of construction work and design, and get this work down to small- and medium-sized enterprises where it can play not only a remediation role but also get stimulus into the economy.

**Mr DAVID SHOEBRIDGE:** I am not critiquing it from a kind of—once this is up and running, on face of it, it will provide a secure and reliable way to remediate—

**Mr CHANDLER:** You can be assured of that.

**Mr DAVID SHOEBRIDGE:** I am not critiquing from that base, I have two concerns. One is how long will it take to stand up so we get at least one building remediated? To me, that looks like it will be many months of work. Am I wrong?

**Mr CHANDLER:** We have broken the project down into scalable pieces. We are seeing the scope of projects being roughly about six packages of about 35 buildings per package. The plan is that as people opt in to actually have their building join Project Remediate, so there is a parallel exercise, they will have from approximately April this year six months to opt in. As people opt in we will assess their buildings based on, I guess, the risk and the scale, because we want to start the larger buildings first so that we can actually bring the program home within the time envelope that the Government has set.

**Mr DAVID SHOEBRIDGE:** Will the managing contractor, the assessor panel, the principal design consultant, the panel of designers, the superintendent, the certification and the final oversight all be in place by April?

**Mr CHANDLER:** I am quite happy to provide you with a time line for those commitments so that you can actually see. The intent is that we are well into the first tranches of projects as we go to the back end of this year so that we are in a position to start the physical work. We will start the triage work about August and we will start the first of the remediation projects either very late this year or early next year.

**Mr DAVID SHOEBRIDGE:** The role of the managing contractor here sounds to me like the role you would expect of a competent and capable government agency. Why was the decision made not to put that management role in Fair Trading? Why has it been contracted out?

**Mr CHANDLER:** That capability does not exist. So one is faced then with how do you actually get that capability, get it on board, start up and get on with it? We prepared a number of options and that was the one that is most preferred. So Government has now signed off on that and that is the task that we are heading into right now.

**The Hon. COURTNEY HOUSSOS:** Ms Hogan or Ms Webb, I asked a serious of questions this morning about NorthConnex. Do you have any answers for me?

**Ms WEBB:** Yes I do. The incident happened on 23 May and SafeWork was notified—it was a Saturday, so an after-hours notification to SafeWork of the fire. But when it was processed by SafeWork, no-one was injured, emergency services had attended and the fire had already been extinguished by the time they got there. So SafeWork assumed at that point that there was no danger to work, health and safety. On 28 May, as you mentioned, the Electrical Trades Union notified—

**The Hon. COURTNEY HOUSSOS:** I will go back a step. You said it was processed by SafeWork. When was it processed by SafeWork?

**Ms WEBB:** It was processed by SafeWork first on Saturday 23 May and then on Monday 25 May a finalised decision was made. We were notified by the ETU of the specific issue about the switches on 28 May. Then both SafeWork and Fair Trading went to the site on 3 June. We continued to investigate it and made a second site visit by Fair Trading on 15 June. The evidence indicated that the circuit-breakers were not certified for sale or use in Australia. The experts from Fair Trading considered that the circuit-breakers were of a superior quality and likely met international standards, but because they had not obtained approval for use in Australia they were in breach of the legislation—that is not to say they were of a quality that was inferior. We continued to engage with—

**The Hon. COURTNEY HOUSSOS:** I will pause you there. You said they were not certified but they were of a superior quality. So, they were in breach of Australian standards but it was okay?

**Ms WEBB:** No. I am saying that it was not okay. I am saying that something that comes into Australia has to be certified for use in Australia and that did not happen, so it was not okay. But the investigators came to the view that had they been submitted for certification they would have met the requirements but they were not, so it was a breach. It just was not that they were of an inferior standard; it was the failure to get them certified that was the breach. The Fair Trading electrical inspectors continued to engage particularly with the supplier of the electrical switchboards and with Lendlease, and it was decided that because they were non-compliant that they would all be replaced and that work was done.

**The Hon. COURTNEY HOUSSOS:** When were they determined to be non-compliant?

**Ms WEBB:** I think from that very first inspection on 3 June we realised they were non-compliant because they did not have the correct marking on them.

**The Hon. COURTNEY HOUSSOS:** When was it determined that they needed to be replaced?

**Ms WEBB:** I do not have that. I will have to take that detail on notice. All I know is that on 15 June another inspection was done. There continued to be engagement throughout June and July and the work was completed by 16 August. I can get you the exact details.

**The Hon. COURTNEY HOUSSOS:** The work was completed by 16 August?

**Ms WEBB:** Yes, and that was the date we notified the ETU that the work had been completed and so our investigation was at an end.

**The Hon. COURTNEY HOUSSOS:** You notified the ETU?

**Ms WEBB:** Yes.

**The Hon. COURTNEY HOUSSOS:** Who did you notify in the ETU?

**Ms WEBB:** I did not, but Mr Whitton did. Mr Whitton sent an email to Justin Page on 16 August.

**Mr WILLIAMS:** On 18 August.

**Ms WEBB:** Have you got 18 August? Mine, says 16 August—sorry it is 18 August.

**The Hon. COURTNEY HOUSSOS:** Notified on 18 August. What was the purpose of the second visit? If it was judged to be non-compliant on 3 June why was there a need for a second visit?

**Ms WEBB:** I think we were looking at making sure we understood how many of these circuits had been installed and where they had been installed. Just checking again about the progress of the work on fixing the solution.

**The Hon. COURTNEY HOUSSOS:** On either of those visits when you were inspecting the sub-standard circuit-breakers, did you inspect for licences, given that both inspectors were there at the same time?

**Ms WEBB:** I did not ask that question this morning but I can take it that on notice.

**The Hon. COURTNEY HOUSSOS:** Yes, that would be great. Ms Webb, I turn to your meeting with the Minister scheduled for Monday 15 June. I am happy if you want to take this question on notice. Can you tell us if you notified the Minister of the NorthConnex fire issue at that meeting?

**Ms WEBB:** I will look at my diary. Was that a regular Minister's secretary meeting?

**Ms HOGAN:** It was a regular meeting.

**The Hon. COURTNEY HOUSSOS:** Yes.

**Ms WEBB:** I will have to check my diary to make sure I attended because Ms Hogan always attends. I am not always there but I will check that out. I do not believe we told the Minister. I personally did not tell the Minister about this matter—I have confirmed that.

**The Hon. COURTNEY HOUSSOS:** You did not tell the Minister?

**Ms WEBB:** I have confirmed that.

**The Hon. COURTNEY HOUSSOS:** If you can just take on notice whether you told the Minister on Monday 15 June?

**Ms WEBB:** Yes.

**The Hon. DANIEL MOOKHEY:** Ms Hogan, through you—but I imagine that these questions are best directed to SafeWork NSW—I was just seeking an update on where SafeWork NSW is up to on the four gig rider death investigations, if that is possible? Can we work through them, probably more PCBU by PCBU at the level of the platform, if that is possible, starting with Uber Eats? There were two regarding Uber Eats, were there not?

**Mr WILLIAMS:** That is correct, yes.

**The Hon. DANIEL MOOKHEY:** Can you identify what you consider to be the first one—choose either of them—and just give us an update?

**Mr WILLIAMS:** At this stage all I can say is they are under investigation. I cannot really go into any further detail in relation to those specific matters at this time.

**The Hon. DANIEL MOOKHEY:** We have previously established that SafeWork NSW issued an order to produce documents, effectively, or a request for information. I do not know how you precisely describe it. That was the evidence given to the future of work committee select inquiry. I presume that information order was complied with?

**Mr WILLIAMS:** That is my understanding. We issued, firstly, a number of improvement notices but we also issued what we call a section 155 notice to obtain information. My understanding is they have all complied with it, yes.

**The Hon. DANIEL MOOKHEY:** The section 155 to obtain information: On notice, can you just provide us the date that you issued it and the date you deemed it to be complied with, if that is possible?

**Mr WILLIAMS:** Yes, certainly.

**The Hon. DANIEL MOOKHEY:** You said that you have issued a number of improvement notices, is that right?

**Mr WILLIAMS:** That is right.

**The Hon. DANIEL MOOKHEY:** Is that in respect to that specific incident or more to do in general with that PCBU?

**Mr WILLIAMS:** They were issued to identify a number of issues that the inspectors had identified in relation to provision of personal protective equipment [PPE], the type of vehicles being used, the type of bicycles being used, and about onboarding and training programs. Three of those were issued to Uber Eats and three were issued to HungryPanda.

**The Hon. DANIEL MOOKHEY:** Is that the total number that you have issued to food delivery companies?

**Mr WILLIAMS:** That is my understanding, yes.

**The Hon. DANIEL MOOKHEY:** Three of them were issued to Uber Eats. Do you have the dates?

**Mr WILLIAMS:** I do not have that information with me, sorry.

**The Hon. DANIEL MOOKHEY:** Do you mind taking that on notice?

**Mr WILLIAMS:** Of course.

**The Hon. DANIEL MOOKHEY:** How long were they given to comply?



**Mr WILLIAMS:** I will provide all the information in relation to those notices, including compliance details, on notice.

**The Hon. DANIEL MOOKHEY:** I will just continue to ask questions and you might want to take them all on notice. That is probably just the easiest way to do it.

**Mr WILLIAMS:** Okay, sure.

**The Hon. DANIEL MOOKHEY:** What verification did you do on compliance? How many inspections were undertaken in respect to each of the two companies, if that is possible?

**Mr WILLIAMS:** Okay. Yes, I can provide that.

**The Hon. DANIEL MOOKHEY:** Are you actually able to provide us with a copy of the improvement order, or is that something you cannot do?

**Mr WILLIAMS:** I believe we could provide copies of those notices, yes.

**The Hon. DANIEL MOOKHEY:** Is it possible that we could get all six?

**Mr WILLIAMS:** We could provide—yes. I will just confirm that we can but I do not see any impediment to that.

**The Hon. DANIEL MOOKHEY:** Thank you. That would be really very helpful as well. Just on that, have you issued any prohibition orders in respect to any of this?

**Mr WILLIAMS:** Not that I am aware of, no.

**The Hon. DANIEL MOOKHEY:** Did you contemplate having to, or did you seek any advice as to whether any practices warranted the issue of a prohibition order?

**Mr WILLIAMS:** I would have to talk to the inspectors involved to see what opinions they formed.

**The Hon. DANIEL MOOKHEY:** Okay. That would be helpful if you could. On notice, any explanation for the decision to not issue a prohibition would be most useful. Whatever information you could provide would be helpful.

**Mr WILLIAMS:** Okay.

**The Hon. DANIEL MOOKHEY:** You have to make a decision on prosecution within 12 months. Is that correct?

**Mr WILLIAMS:** Within two years is the—

**The Hon. DANIEL MOOKHEY:** Within two years?

**Mr WILLIAMS:** Yes, within two years.

**The Hon. DANIEL MOOKHEY:** Sorry.

**Mr WILLIAMS:** Our target is we aim for 12 months, yes.

**The Hon. DANIEL MOOKHEY:** Sorry? You aim for—

**Mr WILLIAMS:** We have an internal target of trying to do that within 12 months. However, we do have two years under the legislation—

**The Hon. DANIEL MOOKHEY:** Under the statute.

**Mr WILLIAMS:** Yes, that is right.

**The Hon. DANIEL MOOKHEY:** And it is your policy to see if you can reach a prosecution decision within 12 months. Is that right?

**Mr WILLIAMS:** We try and do all of them as soon as we can, yes—as quickly as we can.

**The Hon. DANIEL MOOKHEY:** How far away are you from being able to decide whether a prosecution is possible and warranted in respect to either of the incidents?

**Mr WILLIAMS:** I could not comment on that, sorry.

**The Hon. DANIEL MOOKHEY:** Is there a reason why?

**Mr WILLIAMS:** They are quite complex matters. There are various parties involved and a lot of inquiries to be made. We will certainly be aiming to make that decision as soon as we possibly can but in terms of, I guess, having a guess in relation to when that would be I would prefer not to do that.

**The Hon. DANIEL MOOKHEY:** Okay. Rest assured, I will be asking you at the next budget estimates, so fair warning.

**Mr WILLIAMS:** Certainly.

**The Hon. DANIEL MOOKHEY:** HungryPanda has come before the Parliament and said that they have now complied with your orders. I think they gave a view that no further action was being taken by SafeWork NSW. Is that a correct statement from SafeWork NSW's perspective?

**Mr WILLIAMS:** If they are referring to compliance with the improvement notices, it may well be a fair statement. If it is in relation to matters that are under investigation, it may not be.

**The Hon. DANIEL MOOKHEY:** Officers of SafeWork NSW have previously confirmed to the Parliament that HungryPanda did not notify you directly, despite an obligation to do so. To be fair to HungryPanda, they acknowledged that they did not either. What actions are you taking in response to HungryPanda's failure to notify you?

**Mr WILLIAMS:** I am happy to confirm what actions. My understanding is that we have communicated with them their need to notify incidents, regardless of the employment arrangements, and we have communicated that to all of the industry to make sure that there is no confusion into the future. We expect all parties to comply with that.

**The Hon. DANIEL MOOKHEY:** But by law they are meant to tell you, are they not?

**Mr WILLIAMS:** Correct, yes.

**The Hon. DANIEL MOOKHEY:** There is a penalty if they do not?

**Mr WILLIAMS:** Yes, correct.

**The Hon. DANIEL MOOKHEY:** What is the penalty if they do not?

**Mr WILLIAMS:** I would have to check. I think it is \$5,000.

**The Hon. DANIEL MOOKHEY:** Did you fine them \$5,000 for not telling you?

**Mr WILLIAMS:** That would be a matter we would have to proceed through the courts.

**The Hon. DANIEL MOOKHEY:** Well, yes, but did you?

**Mr WILLIAMS:** No.

**The Hon. DANIEL MOOKHEY:** Have you decided not to?

**Mr WILLIAMS:** I would have to confirm if we have made a final decision on that.

**The Hon. DANIEL MOOKHEY:** Who makes the final decision on that?

**Mr WILLIAMS:** That would be the executive director of investigations.

**The Hon. DANIEL MOOKHEY:** That is not you, I presume?

**Mr WILLIAMS:** That is not me, no.

**The Hon. DANIEL MOOKHEY:** Right. Do they not have to make that decision within a time period?

**Mr WILLIAMS:** I would have to check the time period we have got. We would make that decision collectively with other decisions we make around the investigation.

**The Hon. DANIEL MOOKHEY:** Why is this a complicated decision? Why is there any ambiguity here about whether or not you are going to prosecute them for not telling you about a workplace death?

**Mr WILLIAMS:** It is part of a more holistic investigation into the death. As I say, there are numerous parties involved. Whether we proceed in terms of that element is something we need to make a decision on—and we have not as yet.

**The Hon. DANIEL MOOKHEY:** This took place last year. It is four months in. I am struggling to understand that what seems like a breach of a strict liability duty is not attracting an immediate penalty.

**Mr WILLIAMS:** I guess, like with all matters, we consider the circumstances around it. In this case, the PCBU has acknowledged a failing in that through their lack of understanding. Factors like that would be considered in making that final decision.

**The Hon. DANIEL MOOKHEY:** We have covered off three of the deaths. Where is the fourth one up to? We have done the two Uber Eats and we have done the HungryPanda incident. Where are we up to with the fourth?

**Mr WILLIAMS:** I would have to check where that final one is up to. That may well be a matter that is being progressed. No, I would have to take that on notice. Sorry.

**The Hon. DANIEL MOOKHEY:** Can you identify which PCBU you are investigating in that respect?

**Mr WILLIAMS:** Let me check. Sorry, I have not got the breakdown with me in terms of that, but I am happy to provide that.

**The Hon. DANIEL MOOKHEY:** Again, if you are in a position to find it before the end of the hearing that would be great. I presume the fourth death was notified to you?

**Mr WILLIAMS:** I believe so, yes. Again, I am happy to confirm that with the other information.

**The Hon. DANIEL MOOKHEY:** The Minister was alluding to education initiatives that you are providing to people in this industry. Do you want to spell out what those initiatives are and what their cost is?

**Mr WILLIAMS:** There is a range of things happening. First of all, there is some guidance material that we have worked with industry on around road safety and the "Road Safety and Your Work" guide. That is certainly a product that is being developed and provides practical advice on how businesses and employees can manage risks, particularly road safety risks, within their work environment. There is further work occurring, which we have spoken about this morning, in terms of guidance material that has been provided to the industry. That is really about reinforcing the legislative requirements for all parties, whether you are a platform food outlet or a delivery rider, and translating that into practical language so that it is applicable and transferable to the industry. So that draft is out there and that work is continuing. Industry continues to work with SafeWork and other parties through the task force. There are a multiple of prongs taking place.

**The Hon. DANIEL MOOKHEY:** On notice can you provide us with samples, or the actual guidance material itself would be really useful. Can you also provide us on notice the membership of the task force? The date that they met, which was public at the time, and when the next meetings are scheduled for. Is that possible?

**Mr WILLIAMS:** Yes, of course.

**The Hon. DANIEL MOOKHEY:** Can we talk about other safety incidences arising from food delivery that did not lead to deaths. How many other reports of workplace injuries have you received from this segment of the industry?

**Mr WILLIAMS:** I am just checking if I have that figure. No, I do not have a breakdown of that, sorry. But I am happy to provide it.

**The Hon. DANIEL MOOKHEY:** Perhaps you might want to take these on notice, or if it is possible to get this information by this afternoon that would be really helpful. Can we find out how many incidents have been reported to you about riding in food delivery? Can you identify the number of reports by PCBU at the food delivery platform level? Can you identify whether they were inspected and, if so, how many inspections took place at PCBU level? And can we find out whether or not any of those other non-death incidents lead to any infringement notices, prohibition orders or what, if any, enforcement action or orders did SafeWork NSW take in those respects? Is that fine, Mr Williams? Is that possible?

**Mr WILLIAMS:** Yes. I am happy to obtain that information. It will probably be unlikely we would be able to provide all of that by this afternoon, but we will certainly get started on providing that as soon as we possibly can.

**The Hon. DANIEL MOOKHEY:** Thank you.

**The Hon. JOHN GRAHAM:** I might turn back to that Retirement Villages Regulation issue. I could see when the Minister was giving evidence and I was asking you some questions, Ms Webb, that you were keen to, I think, contribute something to the discussion. I just wanted to give you the opportunity to do that.

**Ms WEBB:** I am not sure which specific question I lost my poker face on.

**The Hon. JOHN GRAHAM:** It was really the bit where I was asking who was putting this view that the Central Coast and Lake Macquarie—

**Ms WEBB:** Yes. I think we were just trying to make the point that we had 760 submissions in relation to the overall thing. I was just hoping to give you the sense that nearly all of the people who made a submission commented on this particular issue, and so we had hundreds and hundreds of people putting a view.

**The Hon. JOHN GRAHAM:** There were a lot of views.

**Ms WEBB:** Yes.

**The Hon. JOHN GRAHAM:** And competing views.

**Ms WEBB:** Exactly.

**The Hon. JOHN GRAHAM:** Were they largely in the one direction?

**Ms WEBB:** I cannot answer that. Mr Tansey, I do not know if you know—

**Mr TANSEY:** No.

**Ms WEBB:** No, we do not have that detail.

**The Hon. JOHN GRAHAM:** There were a lot of views through the survey. Did anyone meet with the Minister to put a view about this question about the Central Coast and Lake Macquarie?

**Ms WEBB:** We will have to check back with the Minister's office to find out who he met with.

**The Hon. JOHN GRAHAM:** Could you take that on notice? I am interested in specific written representations to the Minister on this question advocating for the longer time line and any meetings that the Minister had advocating for the longer time line just on that question. I might turn to you, Mr Chandler. I was interested in that engineers registration question that we were talking about. I think we covered off a fair bit of that discussion. I was interested in your view on that question about the time line for registering engineers beyond the Class 2 section of the industry. Have you got a view about how quickly you would like to see that happen? Obviously, the Minister's view is that this might take some time. It is very complex. Have you got a view, though, about either what is possible or what you would like to see?

**Mr CHANDLER:** What I heard this morning was the Minister say that they would look at the potential extension of the Class 2 buildings at the back end of this year, and that is really where everybody is up to.

**The Hon. JOHN GRAHAM:** Okay. I think we are handing over at this point, so I will come back with a couple of other questions.

**The Hon. MARK BANASIAK:** Just a couple of questions from me and then I will throw to you, Mr Shoebridge. Mr Tansey, did you end up finding some information about that property service?

**Mr TANSEY:** Sorry, no. I do not have it in my notes. I will need to take that on notice.

**The Hon. MARK BANASIAK:** On notice, can you just find out how often they have met so far? And if you could, on notice, provide whether there was a terms of reference for setting up this committee or some guidance notes in terms of what their purpose is, or what the aims and objectives of this committee are.

**Mr TANSEY:** Yes.

**The Hon. MARK BANASIAK:** Thank you. Mr Shoebridge?

**Mr DAVID SHOEBRIDGE:** Mr Williams, did you say that Hungry Panda was being investigated or there was some consideration for an offence because of the failure to provide notice of the injury?

**Mr WILLIAMS:** The notification? As I have said, I am not sure where the consideration of that is. I will have to talk to my colleague—the executive director of investigations. But to the best of my understanding, no decision has been made in relation to that matter. I will have to check.

**Mr DAVID SHOEBRIDGE:** There is a legal obligation to provide notice of injury within 48 hours, is there not?

**Mr WILLIAMS:** There are obligations to notify incidents. Correct.

**Mr DAVID SHOEBRIDGE:** Are you saying that there is a penalty provision associated with that?

**Mr WILLIAMS:** There is a penalty provision associated with that.

**Mr DAVID SHOEBRIDGE:** Perhaps you could provide on notice what it is. I was having a look—

**The Hon. DANIEL MOOKHEY:** He said it was \$5,000.

**Mr DAVID SHOEBRIDGE:** You said it was \$5,000. I am not familiar with any penalty that is \$5,000. There may be one that is \$5,000 and I am not familiar with where the penalty offence is for failure to provide notice. Perhaps you could provide that on notice.

**Mr WILLIAMS:** Yes.

**Mr DAVID SHOEBRIDGE:** Did your investigators determine whether or not Hungry Panda had a register of injuries?

**Mr WILLIAMS:** I do not have the specific details in relation to the inquiries made by the inspector.

**Mr DAVID SHOEBRIDGE:** That is a pretty core thing, is it not, ensuring that workplaces have registers of injuries? That is a core obligation under the Workers Compensation Act, is it not?

**Mr WILLIAMS:** Correct. Yes.

**Mr DAVID SHOEBRIDGE:** Or, in this case, under the Workplace Injury Management and Workers Compensation Act.

**Mr WILLIAMS:** The inspector may well have checked that. I just have not got that level of detail at this stage.

**Mr DAVID SHOEBRIDGE:** May have? That is a penalty offence, failure of having a register of injuries. That is actually one that I can assure you there is a penalty attached to. It is a \$5,500 maximum penalty. But you cannot tell us whether or not SafeWork even checked if Hungry Panda had a register of injuries.

**Mr WILLIAMS:** No, I cannot.

**Mr DAVID SHOEBRIDGE:** Might have. Might not have.

**Mr WILLIAMS:** I presume the inspector would have made inquiries, but I cannot confirm with you today in relation to the specific inquiries the inspector made on it.

**Mr DAVID SHOEBRIDGE:** Can you confirm whether or not those investigations—those inquiries—have been made of any of these gig economy delivery companies where SafeWork has become aware of an injury? Have you made that of any one of them?

**Mr WILLIAMS:** I am sure they would have, Mr Shoebridge.

**Mr DAVID SHOEBRIDGE:** Why are you sure?

**Mr WILLIAMS:** It is, as you alluded to, an issue that we do make inquiries about as part of investigations.

**Mr DAVID SHOEBRIDGE:** I did not say you made inquiries about that, Mr Williams; I was asking whether or not you did make inquiries about that.

**Mr WILLIAMS:** Sorry. My mistake.

**Mr DAVID SHOEBRIDGE:** I am anxious that you have not been making inquiries about that. That is the premise of my questioning. Do you understand?

**Mr WILLIAMS:** I understand, yes.

**Mr DAVID SHOEBRIDGE:** And you cannot satisfy me whether or not that was part of any of the investigations.

**Mr WILLIAMS:** No. I have not got the level of detail here in terms of the inquiries the inspectors undertook at that time. I would presume that those inquiries were made. That is all I can say.

**Mr DAVID SHOEBRIDGE:** But you will clarify on notice if those inquiries have been made, correct?

**Mr WILLIAMS:** Yes.

**Mr DAVID SHOEBRIDGE:** You will also clarify if those entities had a register of injuries, and what, if any, action is being taken in circumstances where they did not. Is that right?

**Mr WILLIAMS:** Yes. Happy to do that.

**Mr DAVID SHOEBRIDGE:** All right. Mr Chandler, Project Remediate—one of the key elements of it is zero interest loans. Is that right?

**Mr CHANDLER:** Yes. That is correct.

**Mr DAVID SHOEBRIDGE:** The Minister said earlier that no loans had been issued yet, and that makes sense given we now know where the project is up to.

**Mr CHANDLER:** Could I explain to you the point at where loans might be committed? Would that be helpful, or not?

**Mr DAVID SHOEBRIDGE:** By all means, yes.

**Mr CHANDLER:** Okay. So the process that we would embark on is that for those strata bodies that want to opt in and participate in the scheme we would undertake the triaging of their building. We would undertake development of a design solutions because we are of the view that we should not just go back and tell owners that it is only one answer. But we are going to give them some options as to what they might be able to do because sometimes the materials may need to change so we want to go back and make sure that we are dealing with preferences. At that point, once they have indicated which pathway they would like to go, we will clear those designs with the local government because they will be dealt with under orders and then we would tender the works. And then, at that point of time when we are recommending that a tender be entered into by the owners corporation to perform the works through the remediation contractor, then at that time they would sign up the funding documentation. That will be some six months away before the first of those occurs.

**Mr DAVID SHOEBRIDGE:** Yes. Has there been a tender process for a finance company to provide those zero interest loans?

**Mr CHANDLER:** No. I expect that on Tuesday the expression of interest [EOI] will go out for the provision of financial and loan administration services.

**Mr DAVID SHOEBRIDGE:** On Tuesday?

**Mr CHANDLER:** On Tuesday, yes. If it is not Tuesday, it will be Wednesday.

**Mr DAVID SHOEBRIDGE:** It has been suggested to me that there was an expectation this would have been done months ago and it was close to being done some time ago, but a potential participant withdrew.

**Mr CHANDLER:** I do not believe that to be the case at all. You might have heard that as table talk from one over-enthusiastic participant who thought they might have put up on their own for an unsolicited submission, but that was never going to happen. It was always going to be a proper tender.

**Mr DAVID SHOEBRIDGE:** I can assure you I have not heard it from a proponent.

**Mr CHANDLER:** Okay. I am just saying there are—

**Mr DAVID SHOEBRIDGE:** So there was an unsolicited—

**Mr CHANDLER:** There are all people trying to overplay their hand.

**Mr DAVID SHOEBRIDGE:** There was an unsolicited proposal that came forward.

**Mr CHANDLER:** Well, it was not an unsolicited. It was an indication that they were minded to, but they never made one.

**Mr DAVID SHOEBRIDGE:** Okay, so there was a—

**Mr CHANDLER:** And that never held up anything, by the way, because we were always committed to going to this process that we have started and will start on Tuesday.

**Mr DAVID SHOEBRIDGE:** So the expressions of interest—is that a formal tender process or is it the starting of a tender process?

**Mr CHANDLER:** No, it is expressions of interest because the provision of services could be that it could be one provider wishing to provide both the funding and the loan administration services or it could be that it is either, so we have elected to go out for an expressions of interest to just test for either and then we will just go for a formal tender process after that.

**Mr DAVID SHOEBRIDGE:** All right.

**Mr CHANDLER:** And that will hold up anything because as soon as the managing contract is away, we have got the funding to start the work that is needed to get on with the triaging and set the project up. We already have that funding in place.

**Mr DAVID SHOEBRIDGE:** So in terms of the cost of meeting the managing contractor's cost, that is going to be met by the New South Wales Government?

**Mr CHANDLER:** Yes. That cost is part of the budget moneys that were announced in the Minister's statement about Project Remediate.

**Mr DAVID SHOEBRIDGE:** The Cladding Product Safety Panel, that will be met by State Government?

**Mr CHANDLER:** Yes.

**Mr DAVID SHOEBRIDGE:** You had a better term for it that I am trying to remember but the suite of options?

**Mr CHANDLER:** Or the pattern book.

**Mr DAVID SHOEBRIDGE:** The pattern book, that work will be met by the State Government?

**Mr CHANDLER:** Correct.

**Mr DAVID SHOEBRIDGE:** What work will have to be the responsibility at the cost of the building owners themselves?

**Mr CHANDLER:** The work in the lower box that you see. So what you can see, where there is a direct line if you look at the organisational chart, you will see there is a dotted line down which provides governance and a solid line—

**Mr DAVID SHOEBRIDGE:** Yes, so the works scoping and building investigation, the engagement of the panel designer, the panel remediation contractors, the panel certifiers and the superintendents will all be met by the building owner itself?

**Mr CHANDLER:** The majority of that, yes, what we have allowed to. We are providing a level of subsidy to the front end of those services before the project is committed, Mr Shoebridge. It is not exactly that, but it is pretty well close to what you have said, yes.

**Mr DAVID SHOEBRIDGE:** Do you have an indicative cost of what that will be for a project?

**Mr CHANDLER:** Well, we do and, as you appreciate, we are in tender at the moment. So I would rather not talk to any particular metrics, but we will go into this on the basis that there is a scope of works. We have a very good line of sight to the size of buildings and the complexities of buildings, so—

**Mr DAVID SHOEBRIDGE:** I will not pull them apart independently.

**Mr CHANDLER:** That would be really good but I do not think you should pull it apart in global, either.

**Mr DAVID SHOEBRIDGE:** No, but I do think it is fair to ask, What is the kind of global cost that a building owner can anticipate to pay? I am not going to break down any of the five sub-units, but what are we looking at in terms of the global costs in terms of either a percentage of the project or an indicative cost for a project of a certain scale? How much are we talking?

**Mr CHANDLER:** I prefer to provide that information on the other side of the tender, if you do not mind. So perhaps at the next time we meet I will provide a breakdown of that for you.

**Mr DAVID SHOEBRIDGE:** What I might do is press the question and you may wish to take it on notice.

**Mr CHANDLER:** Okay.

**Mr DAVID SHOEBRIDGE:** And we can perhaps explore the answer.

**Mr CHANDLER:** Sure.

**Mr DAVID SHOEBRIDGE:** So you will take that on notice?

**Mr CHANDLER:** Yes, I will.

**Mr DAVID SHOEBRIDGE:** I do it because I think you would agree with me, would you not, Mr Chandler, that these building owners are already hugely financially disadvantaged. Many of them are struggling to find the funds to remediate the buildings. You would agree with that—many of them are hugely financially disadvantaged and are struggling to get the money?

**Mr CHANDLER:** All I would be doing is commenting on an opinion, but that is—

**Mr DAVID SHOEBRIDGE:** You have been out talking with some of these building owners. You know it is tough for them. You know it is financially tough for them.

**Mr CHANDLER:** I have spoken to—we have had considerable conversation with Strata Community Australia and the Owners Corporation Network so we have a pretty good understanding of the capacity to pay and we also understand that there will also be some participants in various strata schemes who we would call—who would be in financial hardship.

**Mr DAVID SHOEBRIDGE:** Yes.

**Mr CHANDLER:** So the scheme has actually been designed as well that if people who are at the start of this procurement in a position where they would indicate that they are likely to be suffering or would suffer financial hardship as a result, we have set up an arrangement for them to be relieved of that hardship for as long as the package would last.

**Mr DAVID SHOEBRIDGE:** Yes. One of the features that distinguishes this package from the one in Victoria is that Victoria has put hundreds of millions of dollars on the table to meet these costs.

**Mr CHANDLER:** Again I—

**Mr DAVID SHOEBRIDGE:** Do you have any indication over the scope of this work how much globally that is going to cost these building owners?

**Mr CHANDLER:** As I said, I would rather take that on notice and also I do not really want to comment on the fact that the Government has elected for a particular methodology.

**Mr DAVID SHOEBRIDGE:** No. I am not going to get you to challenge the Government. It is not your policy, it is the Government's policy, Mr Chandler.

**Mr CHANDLER:** Well, I am not a member of Cabinet, yes.

**Mr DAVID SHOEBRIDGE:** I would love to see the proposal you took to Cabinet a year or 12 months ago, or whatever it is, but I am not going to press you on that either.

**Mr CHANDLER:** Thank you.

**The Hon. DANIEL MOOKHEY:** But you can tell us anyway, if you like.

**Mr DAVID SHOEBRIDGE:** You can feel free, though. I am not going to press you, but if you want to volunteer it, tell us what you actually asked of the Government.

**The Hon. SHAYNE MALLARD:** I could do a point of order here.

**Mr DAVID SHOEBRIDGE:** I would love to hear that. Mr Chandler, you will know that in the cladding space there is a kind of he says, she says, they say—

**Mr CHANDLER:** It is a landscape of rock throwers. Is that the best way to describe it?

**Mr DAVID SHOEBRIDGE:** Different products. You have one industry player saying, "Here's my product. It is amazing. It passes tests." Another industry player will have the same product tested by a different laboratory and say, "Actually, you wouldn't build this in Antarctica. It is a fire safety risk." That sort of he says, she says, they say thing is a real problem, is it not?

**Mr CHANDLER:** Not for me it isn't, no.

**Mr DAVID SHOEBRIDGE:** It is a problem in the industry.

**Mr CHANDLER:** Not for me it isn't, and not for our program it is not.

**Mr DAVID SHOEBRIDGE:** Well, it is a problem at the moment. Until Project Remediate is up and running, in the absence of it actually being up and running it is a problem for home owners and it is a problem for building owners.



**Mr CHANDLER:** Well, trying to prejudge what we are doing would be jousting at windmills, actually.

**Mr DAVID SHOEBRIDGE:** I am saying that until you get Project Remediate up and running, until there is some kind of objective standard to go to—and we can disagree about that objective standard—but until that objective standard is established, at the moment building owners have a he says, she says, they say—multiple sources of conflicting commercially interested truth. Would you agree that is the current status?

**Mr CHANDLER:** I think our role is to come in and provide that source of truth and we will move to that quickly. By the end of March there will be an affirmation as to what products are acceptable. We are not going to name individual products. We are just going to simply say that it will either be solid metal or solid fibre cement sheeting or render and paint, or whatever, but we are not going to start saying, "It will be that product and that product." Those vendors of that product are smart enough to know what they are offering, so they will either be able to provide something that complies or they won't.

**Mr DAVID SHOEBRIDGE:** As I understand it, the proposal for Project Remediate is to exclude all bonded laminate products from the remediation of the 214 high-risk buildings, is that right?

**Mr CHANDLER:** Might I clarify a comment that I made this morning, lest there be any doubt about it. That is that the first tranche of product is that nonflammable product will be the starting point. There is a door left open that if someone can bring some form of assemble sheeting together that can satisfy the requirements of it not being at risk of catching fire or separating under heat, then over three years we would expect a range of products to emerge that might be able to resolve that problem. So we are not going to close the door on someone being able to come up with something that actually joins two pieces of material together without it being hazardous.

Our second starting position is that we are minded to go down the path of mechanical fixings, because we are not satisfied that we can see anything of a bonded nature in terms of fixings. You can see in the list of steps that we are taking here is that it is not just the product, it is a range of other elements to putting them together. So it may have been a misinterpretation or mis-explanation by me, but in a single, say, solid sheet of aluminium, if that was mechanically affixed and it had satisfied all of these other features, then it would be a more than acceptable outcome. We all need to understand you can take a blowtorch and burn a hole through a sheet of metal if you have an intense enough source at a single location. But it does not mean that the fire would spread as a result of that, and it does not mean that the panel would fall off down to the street; it would just simply be a hole in the panel.

**Mr DAVID SHOEBRIDGE:** I will give you an example of the documents that concern me. This is a document from one supplier, for the sake of—

**Mr CHANDLER:** Do you want to tell me who it is?

**Mr DAVID SHOEBRIDGE:** I am more than happy to. In fact, I will give you a copy of the document.

**Mr CHANDLER:** Sure. That would be great. It would be wonderful.

**Mr DAVID SHOEBRIDGE:** It is from Fairview.

**Mr CHANDLER:** Really?

**Mr DAVID SHOEBRIDGE:** Yes.

**Mr CHANDLER:** They are pretty active, aren't they?

**Mr DAVID SHOEBRIDGE:** They are very active, yes. It is a proposal for change on the National Construction Code series, subject: bonded laminates clause. Fairview have been out spruiking their aluminium product, their three millimetre cladding aluminium product. You would be aware of that?

**Mr CHANDLER:** I am.

**Mr DAVID SHOEBRIDGE:** If you are in this space, you would have to be in a cave not to be aware of Fairview spruiking their product.

**Mr CHANDLER:** I am not going to profess to be an expert on all of these assemblies or technologies.

**Mr DAVID SHOEBRIDGE:** No, no. But—

**Mr CHANDLER:** Frankly, let me say to you, I interviewed the senior management of Fairview and not one of them was an engineer. Could you believe that?

**Mr DAVID SHOEBRIDGE:** No, it does not surprise me. Building Commissioner, their own document says this—they have a three millimetre cladding product that they sell:

3mm aluminium and concrete result in large quantities of debris when tested in AS5113, and fire cement panels have exploded, spreading debris a good distance from the test wall. On the other hand, both bonded laminate tests demonstrate very low debris mass. In a building fire scenario, this indicates occupant egressing and firefighters will be safer with bonded laminates, as there is less falling debris.

**Mr CHANDLER:** Do you think that is a public service reading that out? Because I think that is piffle, but anyway.

**Mr DAVID SHOEBRIDGE:** No, no. I do not know whether that is right or wrong in terms of bonded laminates.

**Mr CHANDLER:** I am taking it as piffle until someone can prove otherwise.

**Mr DAVID SHOEBRIDGE:** I do not know whether that is right or wrong in terms of bonded laminates.

**Mr CHANDLER:** Until someone proves otherwise, it is piffle.

**Mr DAVID SHOEBRIDGE:** It is not about bonded laminates that I am raising this issue with you.

**Mr CHANDLER:** Sure.

**Mr DAVID SHOEBRIDGE:** They have their commercial interests in doing this. What I am pointing to you in this is that this is a company that supplies the three millimetre aluminium cladding. That is part of their product suite. Have they provided you with this document and these tests, which would call into question the safety of their own products? They use this for one purpose in one place and they use it for a different purpose in another place. I accept this may well be piffle but—

**Mr CHANDLER:** Mr Shoebridge, let's do something that you and I both absolutely agree on. The inquiry is going around the world on these products. The manufacturers have demonstrated a lack of ethics and a lack of credibility.

**Mr DAVID SHOEBRIDGE:** Yes.

**Mr CHANDLER:** We have elected through the Cladding Product Safety Panel in New South Wales to actually where we cannot be convinced that the data is there, the test data is there, we will insist on that data, and when we are going to be bombarded with stuff that we do not believe that just keeps coming and coming and coming, we will actually go and do our own tests.

**Mr DAVID SHOEBRIDGE:** I suppose what I am concerned about is this: I can tell you now I have very similar concerns.

**Mr CHANDLER:** I would love a copy of the letter. Thank you.

**Mr DAVID SHOEBRIDGE:** I will tender a copy and I will give you a copy of it.

**Mr CHANDLER:** Thank you.

**Mr DAVID SHOEBRIDGE:** There are multiple concerns in this document for me.

**Mr CHANDLER:** I have not seen it.

**Mr DAVID SHOEBRIDGE:** I am not asking you to comment on my concerns.

**Mr CHANDLER:** If you hand it to me, what we can do is I can read it.

**Mr DAVID SHOEBRIDGE:** I will.

**The Hon. SHAYNE MALLARD:** Put David in the witness box.

**Mr DAVID SHOEBRIDGE:** Yes, I will. But the issue here is other than Class 2 buildings, this kind of contested truth—"My product is safe", "Their product is dangerous", "This is a debris risk", "This is a fire risk", "This is unsafe for children", "This is good for pets"—this kind of uncontested truth is out there for all Class 1 buildings and every building in the building sector except for Class 2 buildings. When is that going to be fixed?

**Mr CHANDLER:** Let us get through the work we have got to do with Project Remediate, because that is the core of the questions that you have been asking me today, not to sort of expand the edges of it for the moment. Let us just get through the mandate that I have and that is to lead Project Remediate in New South Wales, and it is for Class 2 multistorey, multiunit apartments.

**The Hon. JOHN GRAHAM:** Building Commissioner, I think as we—

**The CHAIR:** Before turning to Mr Graham, I want to note that I understand our questioning for Mr O'Brien has concluded. So from our perspective, Mr O'Brien, you are free to leave should you wish to. Thank you very much for your attendance and for waiting.

**The Hon. SHAYNE MALLARD:** The Government is not going to ask questions.

**The CHAIR:** We will let witnesses leave as soon as I have notice that they are no longer required. We are not going to keep you here inhumanely.

**(Mr O'Brien withdrew.)**

**The CHAIR:** Mr Graham.

**The Hon. JOHN GRAHAM:** I think Mr Shoebridge is going to press one more issue.

**Mr DAVID SHOEBRIDGE:** And then you will be rid of me. That is the deal he has just struck with me.

**The Hon. MARK BANASIAK:** That is a good deal.

**The Hon. JOHN GRAHAM:** I came out ahead.

**Mr DAVID SHOEBRIDGE:** Everybody is basically agreeing to this process.

**The CHAIR:** Sounds fair. Off you go.

**Mr DAVID SHOEBRIDGE:** Mr Chandler, the Australian Building Codes Board is currently looking at doing a safety assessment of how, I think, bonded laminates are affixed to buildings. I do not understand that that investigation is also looking at how aluminium laminates are affixed to buildings. Obviously if aluminium cladding is being affixed by glue or low-quality fixings or double-sided tape—

**Mr CHANDLER:** Which you know is not happening—not happening in Project Remediate.

**Mr DAVID SHOEBRIDGE:** Not happening in Project Remediate.

**Mr CHANDLER:** Please do not infer it, though.

**Mr DAVID SHOEBRIDGE:** No, I never thought double-sided tape would be a part of Project Remediate. The Government—as I understand this advice from the Minister to the Public Accountability Committee [PAC]—nothing has been done in this space on aluminium cladding about the affixing of aluminium cladding. That is not part of Project Remediate's project or is—

**Mr CHANDLER:** Project Remediate is looking at fixings for the purposes of Project Remediate. The document that the Minister has provided refers to the fact that we intend to be using mechanical fixings.

**Mr DAVID SHOEBRIDGE:** For all cladding?

**Mr CHANDLER:** Correct.

**Mr DAVID SHOEBRIDGE:** Okay, good.

**The Hon. JOHN GRAHAM:** Building Commissioner, I think in that last answer when I was asking about engineering registration, you really did not want to comment on the time lines other than the comments the Minister has made. We just got cut off, but that is a fair characterisation?

**Mr CHANDLER:** I thought we had ended it, not cut off, but anyway.

**The Hon. JOHN GRAHAM:** Yes, good. I want to return to the issue that we have asked you in the past and sometimes you have given an answer. Given that the Public Accountability Committee wants you to be able to succeed in doing your job, do you have the tools to do your job at the moment? What are the sorts of things that are going to make it possible or not possible to succeed, given the significant task that is in front of you?

**Mr CHANDLER:** I can report back to you that, as you are aware, we had a briefing with the committee just to allow expansive conversation and there were commitments given about resources subsequently by the Minister prior to the legislation passing. I can assure you that all of that commitment has been met. I have not had to go beyond that and I can tell you that the mandate from the secretary is such that standing up this legislation and the resources to enable it, I have not got a pinch point at this stage that I could report to.

**The Hon. SHAYNE MALLARD:** Hear, hear! Good answer.

**The Hon. JOHN GRAHAM:** Fantastic. I am happy to hear that. I was interested in the way you described the way you are thinking about working through the cladding issue. I think I heard you say—but feel free to correct me—you think of that as six packages, maybe 35 properties per package to move through, and that presumably allows you to be a bit flexible on the timing so that as soon those packages are ready, as soon as you can bundle them up, you can move—

**Mr CHANDLER:** As soon as we have got 35 on the go, off we go.

**The Hon. JOHN GRAHAM:** Yes, they are out the door, and you said that will allow you to bring home the program within the time line the Government has set. What is the time line you are taking?

**Mr CHANDLER:** Well it is a three-year project and I am saying the clock is starting now, so our plan is to bring it home successfully within budget in three years.

**The Hon. JOHN GRAHAM:** If that was successful, how does that compare to how the Victorians will be travelling on their program?

**Mr CHANDLER:** A lot of the commentary is anecdotal as to what Victoria is doing and what they are not doing. I am going down in April just to have a look. They have invited me to come down because they have got stuff they want to learn from us and there is stuff I want to learn from them.

**The Hon. JOHN GRAHAM:** Which is actually how it should work.

**Mr CHANDLER:** COVID has really interrupted that. I have had about three attempts to go down there at the moment and each of them frustrated by Victoria locking down again or us locking down. I am hopeful that we will get there this time in early April. We have got a couple of days set aside for a heavy look at their program and a couple of other things which they are interested in in the New South Wales reform program because there is starting now to be dialogue about starting to say, "Why do we need to do stuff differently?" For example, there is a great deal of interest in Mr Tansey's Design and Building Practitioners Act because this whole concept of declared designs and declared as-builts is now starting to get quite a level of resonance.

**The Hon. JOHN GRAHAM:** On the timing question, though, how does that compare to what Victoria has been able to deliver?

**Mr CHANDLER:** I am not sure—from what I can hear—that they have got a full scope of the number of buildings that they are looking into. I believe that we are going into this in New South Wales with a high level of confidence that the Cladding Taskforce has done over the last couple of years. Mr Tansey has been working pretty hard to make sure that he is engaged with local government and with Fire and Rescue NSW to make sure that the scope of what is going to be in Project Remediate is solid. We fully expect that there will be some movement at the margins plus or minus a bit but I expect we will probably all end up finishing at the same time—would be my guess.

**The Hon. JOHN GRAHAM:** If that did happen, that would be a very good result from a New South Wales point of view given that they have had that head start.

**Mr CHANDLER:** We think that we will get a lot of productivity benefit out of the way we are looking to procure this project. As you can see in the diagram that you have got, you would not come up with that if you had not had a lot of experience in program procurement. I happen to have had a lot of experience in complex program procurement so I am hoping you will see that, on the face of that, that looks like a pretty thought-out approach. It is not a thought bubble, that is for sure.

**The Hon. JOHN GRAHAM:** Ms Webb, I might go back to the question about the professional development for real estate agents. I am interested in your perspective on this idea that you might be able to do the four hours in 3½ minutes. I am confident it is not the first time it has been raised with you this morning. This has been the subject of robust backwards and forwards between the agency and the industry. But on the face of it, that seems concerning. Can you give us your perspective?

**Ms WEBB:** Sure. You are correct, we have heard of that before and we have certainly asked people who raise those issues to provide us information about the particular provider. So far the investigators have done as much investigating as they possibly can to verify those claims and have not found anything to show that there would be sufficient evidence that that is occurring in the way in which it has been described or in a way that would be noncompliant. Since the CPD requirements have changed as of 23 March last year there will be an even tougher test, including who can provide it. But we have certainly heard that over and over again and looked into it over and over again and just never been able to find anything that looked like a sufficient piece of evidence for us to take some action in relation to that.

**The Hon. JOHN GRAHAM:** So you have not been able to find evidence that you can do this four hours in 3½ minutes. Have you found evidence that you can cut the corners?

**Ms WEBB:** I guess it is always challenging when you have training that is done online that people potentially could just flick through some of the screens and it is very hard for people to design courses to do that, but we have certainly found nothing that suggests that you could do it in that sort of short time frame. I think the people that we are authorising now to conduct the training have shown us their programs and how they do deal with this issue about making sure people actually do pay attention and have to pay attention for the whole time that they are doing the training.

**The Hon. JOHN GRAHAM:** I thought the Minister gave quite a clear-cut answer about his expectation about the way the training is delivered—that it should be delivered between the industry and Fair Trading. Do you have anything you would like to contribute on that question?

**Ms WEBB:** There is a range of different models. Obviously Fair Trading can do some of the training and provide some webinars but the number of agents and the amount of CPD that the agents have to do and the need to be flexible for agents all over the State means that we need to have a variety of providers. So while Fair Trading already does quite a bit of webinar and other training, we also need some private providers in the market; it is probably a matter of a combination. I guess one thing that we can think about is whether we can provide some content that then providers can then sort of put into their computer systems and use our content, and we are certainly looking at doing that.

**The Hon. JOHN GRAHAM:** I was interested in your responses to the question about whether Daryl Maguire should require a real estate licence, and I think you have taken some of that on notice but it was a slightly hurried conversation. Is there anything else you can tell us now about that question?

**Ms WEBB:** No. In the break I did have a look at the definitions in the Act and I am certainly of the view that we need to get some proper legal advice because they are quite complicated definitions. I would not want to do that on the fly at all.

**The Hon. JOHN GRAHAM:** Understood. Feel free to do that. You did put the view that one of the things that might make a difference was that there might be a single transaction or there might be multiple. Do not comment on this but I think we are certainly moving into the multiple. That is not always the case, though. It might be a single transaction could attract that.

**Ms WEBB:** I do not want to venture my off-the-cuff legal opinion about the legislation. I think I would rather get someone to look at it properly.

**The Hon. DANIEL MOOKHEY:** Give it a whirl, I say.

**The Hon. JOHN GRAHAM:** I would put that to the Minister but I am not going to put that in the afternoon.

**The Hon. COURTNEY HOUSSOS:** Late on a Friday afternoon. Why not? I want to come back quickly to the question of NorthConnex. Are you able to tell me whether there was any response provided to the ETU between 23 May, when they made their complaint, and 18 August?

**Ms WEBB:** I understand there were our regular stakeholder meetings with the ETU at which the matter was discussed, so that was in a meeting. But in fact in terms of a written response, no. The email that you provided and then the one on 18 August are the two that have been provided so far in the quick check that they have been able to do this morning.

**The Hon. COURTNEY HOUSSOS:** I want to move on to the issue of unlicensed electrical work. I note Mr Dunphy has moved on so I am not sure who I need to—

**Ms HOGAN:** Mr Williams will take that.

**The Hon. COURTNEY HOUSSOS:** You have given me the number of inspectors. Can you tell me how many inspections they have made over the 2019-20 financial year?

**Mr WILLIAMS:** I can give you the number of SafeWork inspector inspections. I probably do not have available the number of Fair Trading inspector inspections.

**The Hon. COURTNEY HOUSSOS:** That answers my next question, which is, do you have a separate breakdown? If you want to take the Fair Trading ones on notice, that is fine.

**Ms HOGAN:** We can give that on notice.

**Mr WILLIAMS:** So in terms of the 2019-20 period?

**The Hon. COURTNEY HOUSSOS:** Yes.

**Mr WILLIAMS:** In total, total interactions were 44,923. We do have a breakdown of those that includes what we call proactive workplace interventions—that is, injury prevention work. That was 22,629.

**The Hon. COURTNEY HOUSSOS:** Sorry, Mr Williams, I am asking specifically about unlicensed.

**Mr WILLIAMS:** Oh, electrical. Okay.

**The Hon. COURTNEY HOUSSOS:** I am not asking about general SafeWork inspections.

**Mr WILLIAMS:** Sorry, okay.

**The Hon. COURTNEY HOUSSOS:** I understand now that SafeWork can also do the same inspections that used to be limited to Fair Trading, which was a bit of a ridiculous situation.

**Mr WILLIAMS:** Yes.

**The Hon. COURTNEY HOUSSOS:** But I am interested to know how many inspections SafeWork has done checking unlicensed electrical work.

**Mr WILLIAMS:** Electrical, yes. I will have to take that one on notice, sorry.

**The Hon. COURTNEY HOUSSOS:** That is fine. If you can provide me with a breakdown of SafeWork and then Fair Trading.

**Mr WILLIAMS:** Okay.

**The Hon. COURTNEY HOUSSOS:** For my understanding, Mr Chandler, do they report to you now?

**Mr TANSEY:** No.

**The Hon. COURTNEY HOUSSOS:** They report to Mr Williams, Fair Trading and SafeWork?

**Mr WILLIAMS:** Correct, yes.

**Mr CHANDLER:** And the deputy secretary, Ms Webb.

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

**Ms HOGAN:** And Ms Webb.

**The Hon. COURTNEY HOUSSOS:** Are you able to tell me how many complaints in total were received from the public or from alternate means regarding unlicensed electrical work?

**Mr WILLIAMS:** I would not have that breakdown for unlicensed electrical work. We would only have the general number of complaints. Again, I will have to take that on notice, sorry.

**The Hon. COURTNEY HOUSSOS:** That is fine. I did ask this in last year's budget estimates. We got a bit of a run-around. We had to end up doing a call for papers. So I just need the figures, just the list of figures.

**Mr WILLIAMS:** Yes.

**The Hon. COURTNEY HOUSSOS:** How many improvement notices and letters were issued in 2019-20, 2018-19 and 2017-18?

**Mr WILLIAMS:** Specific to electrical work again?

**The Hon. COURTNEY HOUSSOS:** Please. This is all for unlicensed electrical work.

**Mr WILLIAMS:** All unlicensed electrical work, okay.

**The Hon. COURTNEY HOUSSOS:** I assuming you do not have any of this information on you.

**Mr WILLIAMS:** No, we do not have that with regularity, sorry.

**The Hon. COURTNEY HOUSSOS:** Prohibition orders or penalty notices, how many were issued in those same financial years: 2019-20, 2018-19, 2017-18?

**Mr WILLIAMS:** Yes.

**The Hon. COURTNEY HOUSSOS:** And how many prosecutions? I understand they are the key. There is a complaint—obviously you can also proactively inspect but they are the three steps: There is a warning letter, there is a probation—or a penalty notice—and then there is prosecutions.

**Mr WILLIAMS:** Yes.

**The Hon. COURTNEY HOUSSOS:** Again, if you can give me the list of prosecutions for 2019-20, 2018-19, and 2017-18. And in each of those years, how many of the prosecutions were successful?

**Mr WILLIAMS:** Yes.

**The Hon. COURTNEY HOUSSOS:** And how many fines and what the total value of those fines was for each of those years: 2019-20, 2018-19 and 2017-18?

**Mr WILLIAMS:** Okay.

**The Hon. COURTNEY HOUSSOS:** Thanks very much, Mr Williams.

**Mr WILLIAMS:** Not a problem.

**The Hon. DANIEL MOOKHEY:** I have questions for Ms McCool probably, because I am eager to effectively quit Ms McCool so she is in a position to leave as well. Thank you for your patience. Firstly, can I acknowledge the utility of the silica database dashboard that has now been published by SafeWork NSW, which I imagine you are responsible for.

**Ms McCOOL:** Yes, that is correct.

**The Hon. DANIEL MOOKHEY:** Thank you, it is very helpful information.

**Ms McCOOL:** Okay, thank you.

**The Hon. DANIEL MOOKHEY:** There were a couple of matters this morning that I think the secretary and Minister were suggesting you might have the expertise to answer. Can we kick off with an update as to that, mainly where we are up to with the dust disease register first?

**Ms McCOOL:** Sure. So in terms of the dust disease register, you will see on—which is on the New South Wales Government website, which has a link on the SafeWork page, it will have the cases for the last three—2017-18, 2018-19 and 2019-20. It also has the first six months that commenced from 1 July where it comes under NSW Health.

**The Hon. DANIEL MOOKHEY:** Can I just slow you down there? This is the one that lists nine in 2017-18, 40 in 2018-19, 107 in 2019-20 and 27 in the six months. Is that correct?

**Ms McCOOL:** There is 27 in the six months. Eighteen of those are from icare and nine are from other doctors.

**The Hon. DANIEL MOOKHEY:** Okay.

**Ms McCOOL:** And 12 of the 27 relate to manufactured stone.

**The Hon. DANIEL MOOKHEY:** Can I ask as a technical matter: Is the dashboard the register or is that separate?

**Ms McCOOL:** We are compelled, as you know, every 12 months to produce a report.

**The Hon. DANIEL MOOKHEY:** Yes.

**Ms McCOOL:** So that report will go into further detail about the age of the workers, percentage of disability.

**The Hon. DANIEL MOOKHEY:** Got it.

**Ms McCOOL:** As you know, we have to produce that by September.

**The Hon. DANIEL MOOKHEY:** Yes.

**Ms McCOOL:** And that will be published. So what you see on the website now is a running total and the report will provide a full breakdown of those cases.

**The Hon. DANIEL MOOKHEY:** Got it. You are right, you are legislatively required to deal with certain matters by a certain time, but you are doing some matters now earlier than time, which should be

acknowledged as well. But I wanted to check, in terms of your legislative responsibility to publish a register—or at least to create a register—that is the report process you just outlined. Is that correct?

**Ms McCOOL:** That is correct.

**The Hon. DANIEL MOOKHEY:** You are publishing on the website through the dashboard. Is that correct?

**Ms McCOOL:** That is correct.

**The Hon. DANIEL MOOKHEY:** Got it, thank you. I am just understanding that. Are you aware of exactly where these matters—of the 27, 18 have been reported from icare.

**Ms McCOOL:** That is right.

**The Hon. DANIEL MOOKHEY:** Sorry, I did not hear the second part.

**Ms McCOOL:** Nine were from other practitioners—private practitioners—so outside of the Government icare service.

**The Hon. DANIEL MOOKHEY:** Have you got the diseases? Is it the silicosis disease or the other dust diseases? Are they the silicosis diseases?

**Ms McCOOL:** Yes. So the asbestos and mesothelioma. That only commenced on 1 January and we will receive the first report at the end of March or beginning of April.

**The Hon. DANIEL MOOKHEY:** We have presumably reached agreement with NSW Health as to how that form should look?

**Ms McCOOL:** Yes, that is correct. The form is available for doctors to notify.

**The Hon. DANIEL MOOKHEY:** Is it possible that you could provide on notice the current form?

**Ms McCOOL:** Definitely.

**The Hon. DANIEL MOOKHEY:** That would be great. Is it NSW Health which is telling doctors their responsibilities, is it SafeWork or is it a combination of the two?

**Ms McCOOL:** It is a combination of both. In the lead-up to the notification of silicosis, we added some value obviously to bring in the WHS context. We did the webinar for doctors, but it was actually a declaration under their schedules to make it a notifiable condition. So they were obviously all notified through or by NSW Health as well.

**The Hon. DANIEL MOOKHEY:** Of the 27 that you have received in the six months to 31 December 2020, 18 of them were from icare so were presumably historic exposure. Is that right?

**Ms McCOOL:** No, they were just diagnosed in the last 12 months as a result of their screening.

**The Hon. DANIEL MOOKHEY:** So diagnosed, yes, but exposure?

**Ms McCOOL:** The majority of the cases were related to what we call chronic exposure, which is exposure of 10 years or more. There is a very small number that relate to what you would call acute exposure, where it is in, say, up to three years. The majority of our cases are also at 1 per cent disability or impairment, meaning that it is asymptomatic—they may not even have a cough, for example. So as a result of the screening program and the intervention of the project, people are being screened. We have tripled the amount of people being screened in that first year and doubled it in the second year.

**The Hon. DANIEL MOOKHEY:** When you say "we", do you mean SafeWork or icare?

**Ms McCOOL:** As a result of SafeWork's visit program—

**The Hon. DANIEL MOOKHEY:** Yes, which we will get to.

**Ms McCOOL:** —we have issued notices where screening was not occurring. So as a result of that, it drove them to either their own doctor to be screened or through icare. And, as a result of that increase in screening, you obviously saw the increase in number of cases. What I can say, though, it is—as you said—107 last year and in the first six months 27, so there is some improvement in those numbers at this point in the six-month mark of going down.



**The Hon. DANIEL MOOKHEY:** Yes, that is right. Although I am eager to see the report, is that reflective of the fact that we have effectively screened everybody at first and we expected a spike—which, to be fair, I think was the argument you were making at last estimates—or whether or not these are new and additional exposures that took place since? It is the rate of exposure. But we will get to that in September when we have a report.

**Ms McCOOL:** Yes.

**The Hon. DANIEL MOOKHEY:** You said a small number were acute exposure, has that led to any additional inspection or enforcement activity by SafeWork NSW?

**Ms McCOOL:** That is how they are prioritised. So if we see one that is a higher percentage or, as I said, you are looking at a case that is of an acute nature, that would prioritise a visit on those sites. In terms of, as I said, where we are up to in terms of investigating those matters, we have completed the 2017-18 and the 2018-19. We are approximately halfway through the 2019-20 and then obviously we have 27 for this financial year as well. What I mean by fully investigating, that means not only a visit to the worksite. The worker is interviewed, the PCBU is interviewed, other workers could be interviewed. So they are quite detailed in terms of what we have to look at. It is not an out-and-back kind of inspection or review—until we can form an opinion as to where the exposure occurred and the action that we will take in relation to that.

**The Hon. DANIEL MOOKHEY:** Are you limited by statute according to when you can launch prosecutions in this respect?

**Ms McCOOL:** It is from the date of notifications. The date we are notified of a person with an adverse condition, we are given two years, much like Mr Williams spoke about early. We try to list those within 12 months, but we do have two years from the date of notification that we are aware that someone has been diagnosed with silicosis, even if the exposure was over five, 10 or 10 years plus.

**The Hon. DANIEL MOOKHEY:** That means that you are on deadline for the 2018-19 exposures or notifications?

**Ms McCOOL:** Yes. So what I can tell you is we have reviewed 102 matters—completed those. Eight were listed for full investigation, three were since discontinued and we have five that are active. Complications with some of these cases is obviously you are looking at latency, long work histories, part of the work being done overseas, multiple PCBUs, where attributing where the exposure occurred can be limited. There are also difficulties with some workers in not participating in the investigations. In terms of where we have been able to attribute where the exposure caused, as I said, there were eight matters that were accepted, three were discontinued, and five are on foot in terms of under full investigation.

**The Hon. DANIEL MOOKHEY:** What does "accepted" mean in this context?

**Ms McCOOL:** For us, when we review each matter we make a recommendation to the investigation panel. That panel, as I said, considers whether it is no further action, has been secured by way of notices, or is going to be taken on for full investigation. What I mean by full investigation—that is obviously an intent that there is evidence to suggest that there are reasonable prospects to pursue.

**The Hon. DANIEL MOOKHEY:** So there are eight where there is a reasonable prospect of pursuing a successful conviction—is that correct?

**Ms McCOOL:** There were eight. As I said, three have since been discontinued with lack of evidence and we have five that are coming up to that 12 months, so we will have an outcome, knowing that that is handled independently by the investigators.

**The Hon. DANIEL MOOKHEY:** The five that have a reasonable prospect of conviction, are they being prosecuted?

**Ms McCOOL:** As I said, we will understand where they are going to be listed or not. That obviously involves legal review, the investigator's review, but we are coming close to that 12 months.

**The Hon. DANIEL MOOKHEY:** So you are anticipating that you will be making decisions in the next three to four months in that respect?

**Ms McCOOL:** Yes.

**The Hon. DANIEL MOOKHEY:** Great. So the 102 others that you said, you have accounted for eight of them—or maybe I am confused. You mentioned that there was 102 that you have completed or investigated of the exposures in the last four years?

**Ms McCOOL:** Yes. So, as I mentioned, in 2017-18 there were nine cases. We have completely reviewed those nine. In terms of the 2018-19, we have completely reviewed the 40. The balance of that to take it up to 102 is where we are currently at, meaning we would be roughly around 50 per cent of the way.

**The Hon. DANIEL MOOKHEY:** Yes, but you are seemingly, on the basis of those numbers, saying—mindful of your statute of limitations because it seems like the pattern is—is that right?

**Ms McCOOL:** Yes.

**The Hon. DANIEL MOOKHEY:** That is helpful. That is very good to know. Can I turn now to the visits program?

**Ms McCOOL:** Yes.

**The Hon. DANIEL MOOKHEY:** I see that according to the database you have done 1,340 silica-related workplace visits—is that right?

**Ms McCOOL:** That is right.

**The Hon. DANIEL MOOKHEY:** Over what time was that?

**Ms McCOOL:** They commenced late 2017/early 2018, with 755 of those manufactured stone, 502 construction and 82 other industries, so that would be tunnelling, foundry sites et cetera.

**The Hon. DANIEL MOOKHEY:** I think the last time we had the opportunity to check the inspections, which was via SO 52 production—

**Ms McCOOL:** Yes.

**The Hon. DANIEL MOOKHEY:** —if I have done my maths right, at the point of the SO 52 production—forgive me if I am wrong here but I think that was towards the end of 2019—we had done 500ish visits.

**Ms McCOOL:** Yes.

**The Hon. DANIEL MOOKHEY:** So that is about right, yes?

**Ms McCOOL:** Yes, so we've—

**The Hon. DANIEL MOOKHEY:** So there has been an additional 226 new visits since that point in time in the last year?

**Ms McCOOL:** That is correct.

**The Hon. DANIEL MOOKHEY:** In the calendar year, from the end of 2019 to roughly now?

**Ms McCOOL:** Yes. So in the last financial year in relation to silica we have done another 291—is the whole total—but in terms of manufactured stone it is around 118 for the last financial year. Obviously that is a rolling total, as I said, over the course of the five-year project.

**The Hon. DANIEL MOOKHEY:** Yes, okay. I get that. And, look, to be fair, you have been up-front that this is a five-year program. You have been clear about that point a number of times. But 118 visits of manufactured stone sites—is that correct?

**Ms McCOOL:** That is right.

**The Hon. DANIEL MOOKHEY:** On the database or the dashboard it says you have issued 820 improvement notices.

**Ms McCOOL:** That is right.

**The Hon. DANIEL MOOKHEY:** Is that still accurate?

**Ms McCOOL:** We have actually issued 888 notices total. Seven hundred and fifty-five of those—and it is the same number as visits—relate to prohibition and improvement just with manufactured stone.

**The Hon. DANIEL MOOKHEY:** I do not know where I am getting this from but I have the data dashboard saying 820 improvement notices issued and 33 prohibition notices.

**Ms McCOOL:** I have 888 is the total for prohibition and improvement.

**The Hon. DANIEL MOOKHEY:** Okay. Well, either way, at the point where we benchmarked before, which was the SO 52 production, there were 711. So 118 visits and other enforcement activities, to be fair, have led to an additional, since that period of time, circa at least 150 additional notices of some form—is that correct?

**Ms McCOOL:** That is correct.

**The Hon. DANIEL MOOKHEY:** That does point to a continued systemic problem in this industry, does it not?

**Ms McCOOL:** Not all the notices were related to silica—I think that is an important point. Some relate to—it could be a forklift incident or PPE, so it is not necessarily that they are all related. What you can see is over 700 in round one of those sites and we are travelling around 140-141 in round two. We are about 40 per cent of the way through those. So the numbers are going down but it is not necessarily that those notices are all related to silica.

**The Hon. DANIEL MOOKHEY:** Okay. Can we on notice get the number of notices that are related to silica? Maybe we should do it however you account for it. Is it the financial year that you account for or calendar year? I do not know. Either way, if we can get the last three years—

**Ms McCOOL:** Sure.

**The Hon. DANIEL MOOKHEY:** That is the number of notices issued, the number of those that were silica related and the number of workplaces. In fact, if you wanted to just update the spreadsheet that was produced for SO 52 production, that would be quite useful, for no other reason than it will save us from doing it again that way. I will leave it to you to decide if you are in a position to report that information that way. Does that make sense, Ms McCool?

**Ms McCOOL:** Yes. I will do my best with the SO 52 spreadsheet, but definitely within the time frame I could at least give you the high level within the time frame for questions on notice.

**The Hon. DANIEL MOOKHEY:** Are there still 255 known manufactured stone sites in New South Wales or have the numbers gone up?

**Ms McCOOL:** We have previously reported 246. Through our programs there are 255.

**The Hon. DANIEL MOOKHEY:** Yes, I think it was 255 is what you produced last time. Is it still, to the best of your knowledge, 255?

**Ms McCOOL:** It is 255—that is correct.

**The Hon. DANIEL MOOKHEY:** Clearly these sites are now getting multiple visits, which is what you outlined you would do. But again it is just—and this is not me suggesting any blame on SafeWork's part in any way at this point—pointing to continued systemic problems if we are still seeing 118-odd notices or above being issued to 255 different sites as well. If you can take on notice your views and provide us on notice whether or not you think there has been any industry-wide improvement, what is the compliance culture? I will leave it to you to decide how you wish to describe it but I very much would like SafeWork's expert view as to whether you think the industry is doing a better job or a worse job, if that is possible.

**Ms McCOOL:** Yes. And probably just for now in terms of the main issue of uncontrolled dry cutting there has been a significant improvement. Prior to the on-the-spot fines there was 30 instances where there was uncontrolled dry cutting in manufactured stone. Since 1 July we have only detected two circumstances of that. So I guess when you are looking at the priority issue, significant improvement. There are still things like, as I said, it may be their PPE, their clean-up, their—

**The Hon. DANIEL MOOKHEY:** To be fair, that is because the intervening event in that is that we banned it—the uncontrolled dry cutting—so I am glad to see the ban is working, if that is what you are saying. But, yes, any additional information will be most welcome if that is possible.

**Ms McCOOL:** Sure.

**The Hon. DANIEL MOOKHEY:** Can we turn very quickly now to the tunnel-based exposure to silica dust?

**Ms McCOOL:** Sure.

**The Hon. DANIEL MOOKHEY:** Can we talk about in the tunnelling projects how many inspections—no, actually, I think the appropriate way to start is: Do you want to explain the strategies and, so far, the results of SafeWork's application of its dust strategy to the tunnelling projects?

**Ms McCOOL:** Sure. Every industry that deals with silica is included in our strategy. In relation to the larger infrastructure projects—so whether it is Sydney Metro, NorthConnex, WestConnex—where tunnelling is involved, just in the last 12 months there have been 164 proactive visits, so they are unannounced visits. There have been 56 requests for service—

**The Hon. DANIEL MOOKHEY:** What is a request for service?

**Ms McCOOL:** Request for service—where SafeWork NSW has been contacted. There have been 26 incidents that have been responded to. When you actually look at the notices, there have only been 21 notices in that last 12 months for that activity, two of which related to silica.

**The Hon. DANIEL MOOKHEY:** Where were the two that were silica related?

**Ms McCOOL:** The first one was at WestConnex. That related to a scrubber that is used in the ventilation system that was malfunctioning. That notice was issued in October last year and complied in November, so the situation has—

**The Hon. DANIEL MOOKHEY:** Was that 3B or 3A of WestConnex?

**Ms McCOOL:** I would have to confirm that.

**The Hon. DANIEL MOOKHEY:** There are different contractors in charge, so it is a material difference as to who is actually in charge of the project. Stage 3A is being run by the Government, or 3B is being run by a private contractor. It depends on who is doing it.

**Ms McCOOL:** I would have to get—

**The Hon. DANIEL MOOKHEY:** So if it is possible we can find out whether it was 3A or 3B, that would be useful.

**Ms McCOOL:** Definitely. The second one was at Moorebank Intermodal. That was where a concrete saw was used to cut a concrete curb, and the water system was not working effectively. It did have a water-generated system but it was not working where a notice was issued.

**The Hon. DANIEL MOOKHEY:** On notice, can you provide us with descriptions of what the other 19 were that were not silica related?

**Ms McCOOL:** Sure.

**The Hon. DANIEL MOOKHEY:** We were talking about a case-finding study this morning. Do you mind updating us on where we are up to with that?

**Ms McCOOL:** Sure. It is quite a complex study to do in the time frame. Appreciating the limitations of the time frame, what we are doing is going through those cases for those last three years that I talked about: 2017-18, 2018-19 and 2019-20. We are looking at all the data through the SafeWork NSW programs, through the icare programs, and also what has come through from NSW Health. The limitations with some of the data relate to how data was collected prior to it becoming a notifiable condition. There will be a limitation, much like the Queensland first-year report, where doctors were not compelled to report these cases so there will obviously be a limitation in the things that we cannot possibly get that information. We are tracking to have that completed and submitted by the due date of 1 July.

**The Hon. DANIEL MOOKHEY:** Is the study proving its purpose for identifying other people who may potentially have been exposed?

**Ms McCOOL:** Before it was a notifiable condition, people may have turned up at hospital and probably not through a screening program, where they may have had ill health and they were being diagnosed at that point of that hospital admission. That is the area of data that, as I said, has not been tested and that is what we will be testing into. There may be limitations with some of that data, but pulling it apart will probably present where there is more opportunity. Equally, the reason it is going to be up to the 2019-20 financial year is so that we can, I guess, draw a benchmark there for when it then became notifiable from 1 July, where the data is centralised and all

through NSW Health. So I guess the previous three years is on the legacy cases and then, from that point onwards, we will be doing that annual report for everything reported through NSW Health.

**The Hon. DANIEL MOOKHEY:** I think we were asking this this morning, and I think the Minister was going to seek either your guidance or someone else's: Is that case-finding study intended to be made public?

**Ms McCOOL:** Yes.

**The Hon. DANIEL MOOKHEY:** And it is involving the people who are part of the manufactured stone task force?

**Ms McCOOL:** Yes—the task force. In terms of the data of diagnoses, that is not held by anyone on the task force other than icare, ourselves and NSW Health. In terms of unpacking that data, if there are opportunities—noting the time frame; that is a limitation—essentially, I guess, the data is held by those three agencies and that is, I guess, the primary focus of what is being unpacked in that case-finding study.

**The Hon. JOHN GRAHAM:** Concussion in sport is an increasing discussion in the sporting community. The SafeWork NSW website has 10 pages that deal with concussion; none of it deals specifically with sport, though. What day-to-day involvement does SafeWork NSW have with professional sportspeople, given this emerging discussion about concussion?

**Ms WEBB:** I am not aware of any, but that is not to say that it is not happening. I think we should take that on notice and check whether one of our outreach areas or the Centre for Work Health and Safety has done anything on it. We will get back to you on that.

**The Hon. JOHN GRAHAM:** That would be very welcome. Perhaps you might take some of these questions on notice as well. This is now more broadly about professional sports: How many notifiable injury reports were made concerning professional sports, say, in the past 12 months, as well as any investigations or enforcement actions? I just want to get a sense of what are the activities in this area.

**Ms HOGAN:** Relating just to concussion?

**The Hon. JOHN GRAHAM:** No, more broadly. That second group of questions is more broad. Returning to my questions about Mr Maguire's activities—I encourage you to take this on notice, rather than respond now—when you come back on notice and give an indication about whether he should be required to hold a licence, could you also take on notice whether you are investigating or are prepared to investigate if you find that he should?

**Ms HOGAN:** We will take that on notice.

**The Hon. JOHN GRAHAM:** Just that subsequent question.

**Ms HOGAN:** Indeed.

**The Hon. COURTNEY HOUSSOS:** I had a couple of questions of the Building Commissioner, but I will wait until he comes back. In the meantime, I have some questions about social media. I know that this was something that we canvassed a fair bit last year, Ms Webb. Tell me if I need to go elsewhere, Ms Hogan. We talked about social media last year. Your annual report says that the social media teams have monitored, reviewed and responded to more than 200,000 customer comments and inquiries. How many staff are involved in social media monitoring?

**Ms WEBB:** I believe there are two people full-time, monitoring. I think we should check on notice, because the communications team is not part of my division. I thought there were two.

**Ms HOGAN:** I do not have the breakdown but I can take it on notice for you.

**The Hon. COURTNEY HOUSSOS:** Do you have an idea of what the main issues are, Ms Webb, that you are monitoring for?

**Ms WEBB:** I suspect it varies greatly but I will, again, check with the social media team and let you know.

**The Hon. COURTNEY HOUSSOS:** Is social media connected to the Fair Trading NSW complaints process, or are they two separate processes?

**Ms WEBB:** The complaint process is quite separate. That is not to say that occasionally someone might make a comment on social media that we would respond to by pointing them towards the complaints form if that

is the correct place for them to go. But people have to fill out our separate complaints form to make a complaint to Fair Trading NSW.

**The Hon. COURTNEY HOUSSOS:** Have you made any efforts to connect your form into a way that can be connected to social media so that people do not have to go through the multiple steps, so they feel like they can engage in an easy way?

**Ms WEBB:** I think I will have to take it on notice. I am not even sure, when the social media people see that, whether they can directly connect the person to the form already or whether we can look into whether that can be done.

**The Hon. COURTNEY HOUSSOS:** That would be great. I am sure you will probably need to take this on notice: Of those 200,000 comments and inquiries, can you tell us how many progressed to formal investigations?

**Ms WEBB:** I think, as I mentioned, we have inquiries through social media, through the phones, through everything. Then if someone wants to make a complaint, as opposed to an inquiry or raise an issue, they have to fill out a specific complaint form. So I would be able to give data as to how many of the complaints go to investigation, but I probably will not be able to say how many of those complaints originated in a social media comment.

**The Hon. COURTNEY HOUSSOS:** So we could not track how many came through as complaints, then what happened, how many were enforced, how many progressed to being recorded—

**Ms WEBB:** Only by reading every single line item in the complaints database to see where the complaint originated from. I think that would be the only potential way in which they could do that.

**The Hon. COURTNEY HOUSSOS:** I have read through that call for papers that we did on unlicensed electrical work. There seems to be a fair amount of variation in the way that complaints are logged. Is there any work being done to try and condense that data?

**Ms WEBB:** We are continually improving our systems. We have done quite a bit of work in conjunction with the Building Commissioner on the building-related complaints and also our complaints processes more generally. It is always a difficult area because people ring with something they call an inquiry and it turns out to be a complaint, or they say they are making a complaint and actually what it turns out to be is something which they need just a little bit of information on from Fair Trading. So we are always working to improve the connection between our engagements with the citizens and the community, and then what turns into an actual complaint with Fair Trading. I think it is always going to be a difficult thing to corral them all into one set process, but we are continually improving.

**The Hon. COURTNEY HOUSSOS:** We might leave that there. Now that you are back, Mr Chandler, I wanted to ask you a few questions about your new powers. Well, they are probably not so new now but they are new since we have had a chance to talk about them. How many certifications have you withheld?

**Mr CHANDLER:** Let me go to the numbers for you so that I can give you the latest intel on that.

**The Hon. COURTNEY HOUSSOS:** That would be great. Thank you.

**Mr CHANDLER:** We have commenced 56 audits.

**The Hon. COURTNEY HOUSSOS:** Yes, sorry, before we get into the numbers, let me just refresh my memory. This is with your new team of design and building surveyors?

**Mr CHANDLER:** This is the OC audit team, so this is the first wave of resources and the second one will be the ones that will look into the declared design. This first wave actually goes out and enables the physical inspection of projects, known as occupation certificate audits. I just point out that there are two types of those. There is the pre-occupation certificate audit and the post-occupation certificate audit. They are both the same, but we have worked out that we need to be able to do both, because if we have missed one that we want to go back and have a look at, the powers still allow me to go back and I have got the opportunity to issue work rectification orders rather than just simply stop the OC. At this stage we have issued six prohibition orders, six building work rectification orders and one stop work order. As a result of that we have removed two prohibition orders and two building work rectification orders. That indicates that the first recipients of those took those very positively, responded and we were subsequently able to lift those. We now have a number of others coming through the system, probably three or four in the next week or so.

**The Hon. COURTNEY HOUSSOS:** Sorry, just remind me, Mr Chandler, the prohibition orders, is that the thing that holds up the occupation certificate?

**Mr CHANDLER:** Correct, yes.

**The Hon. COURTNEY HOUSSOS:** We have talked about this before. Do you have a number of inspections that has been completed by your team?

**Mr CHANDLER:** Well, there are 56 audits commenced, which means that we have started the process.

**The Hon. COURTNEY HOUSSOS:** Sorry, I did not write that down. So 56 audits, yes.

**Mr CHANDLER:** Of that, 37 are pre-occupation certificate audits.

**The Hon. COURTNEY HOUSSOS:** Okay. Just remind me how many you have got in your team again. Sorry, I did not write that figure down.

**Mr CHANDLER:** There are 23 in the team currently and it is on its way to building out to 30. That is just the process of building the team progressively rather than trying to stand them up all in one go, so we should have the full team on within the next month or two. It is a process of hiring and training. There is quite a bit of training to put them into the field.

**The Hon. COURTNEY HOUSSOS:** And they are all former—I am relying on my memory now—designers?

**Mr CHANDLER:** Industry practitioners drawn from builders, certifiers, architects, engineers, so there is a spectrum of people.

**The Hon. COURTNEY HOUSSOS:** Yes.

**Mr CHANDLER:** It is actually working out to be quite complementary and it is quite interesting to see the skill sets that have come on board.

**The Hon. COURTNEY HOUSSOS:** When they are doing their audit—so 23 have done an audit. On average how long does an audit take?

**Mr CHANDLER:** We issue orders to the developer that we are going to audit and so that calls in quite a substantial number of documents. They get uploaded onto the ePlanning platform and typically there would be a core team of three or four people per audit plus the senior inspector. They would spend a day or two going through the uploaded documents before they attended the site such that they had some familiarity with what they were expecting to see. They would then spend four hours to a day on the initial audit. That is where they physically go over the job and actually have a look and see what it looks like compared to what the drawings said it might look like. And within two weeks—it took a little longer while we were standing up the process but the objective is to achieve it within two weeks—the developer will receive an initial findings report and those findings will be dedicated to looking at the structure, the waterproofing, the building enclosure, the fire services and the key building services. The five elements that we are looking at are all related to the common property and so that is where we are looking for the serious defects in those building elements.

For each of those building elements, at the head of their report they would be given a red, green or amber score as to what we felt about each of those elements. Then they would be given a total score for the project. But in the write-up that sits behind all of that—so, for example, structure, if they had four or five items that related to red in structure, they would be listed under that. Then there would be amber and then green just simply saying, "These are things that we saw that were okay." So it is quite a detailed report. The draft report goes out to the developer to agree or disagree on. We have mostly had agreement that, yes, those things do need attention. Then we formally issue a building works rectification order. If we are of the view that we are sufficiently concerned about holding back on the occupation certificate, we issue a prohibition order as well. We have been minded to issue both a building works rectification order and a prohibition order at the same time for the early projects.

When we stood up the program in September, we were advised that there were 470-odd projects that were anticipating achieving an occupation certificate within the coming six months—so it was sort of like a steep mountain—and about 220 of those were expecting to achieve it within two to three months. So we had to sort of do some rapid assessment as to which ones we wanted to land on, get in and get them done and, of course, we never had that perfect six months to work through them. So from 1 March we have now got projects that have got six months to run so it is getting to fall back into a more orderly program, where we can issue the notices and then work with the developers to actually clear those things such that we do not get in the way of their occupational certificate and when they are expecting to achieve it.

**The Hon. COURTNEY HOUSSOS:** I know my colleague asked you a general question earlier about your powers and whether you think that you have got enough powers. In this specific area, have you made any recommendations that you need additional powers or resources?

**Mr CHANDLER:** Look, I think it is too early for me to think about whether I need additional powers. To be frank with you, when you stand up something new, you are always testing the boundaries of it, so there will be a bit of pushback. There is one notice of intention at the moment to take a notice to the Land and Environment Court. We will let that play out. That will inform all parties, in fact, as to whether the powers are being used appropriately or not, but one of the things that is terribly important to explain to everybody in the industry about is that, if I form a view that I am reasonably confident that there are serious defects, I have only to form a view about that and not necessarily have all of that materially evidenced.

If we have to go to the Land and Environment Court, of course, we have to step it up a bit. The balance that I have to make a judgement on is, firstly, the context of the project and, secondly, that if I am uncomfortable with some of the things that we really do believe need to be fixed, the job needs to be held back until they are fixed. You cannot unscramble an OC, so I have taken the view that, if in doubt, I am going to go towards the prohibition rather than just simply flagging it through. Because the developer has got the right of unscrambling the egg, whereas the consumer does not have the right to unscramble the egg.

**The Hon. COURTNEY HOUSSOS:** Absolutely. You said that you are focusing on the five key areas predominantly for common property. Are you looking again at waterproofing in individual bathrooms and the like? Ms Hogan is nodding.

**Mr CHANDLER:** I think there is—

**Ms HOGAN:** I have done site visits earlier, just nodding.

**Mr CHANDLER:** The secretary has been to one and she is about to go to the second one. I think there is quite a misunderstanding of where the common property stops. The common property stops, for example in a bathroom, at the surface of the tiles inside the bathroom. Everything from the surface of the tiles back is actually in the common property. When we actually investigate a bathroom, we start with putting a level on the surface of the tiles to make sure there are falls to the wastes but everything from there back—so in pictures that you may have seen of bathrooms that have been torn up, that is all the common property. Common property really is most of the building. The stuff that is in what we call the private lots, is the kitchen cupboards and the carpets and the other chattels that are in there that are not necessarily the common property.

That is one of the things that we have been working with the BRD, Fair Trading on how we are going to set up a portal, which is now set up, such that we are going to separate complaints from consumers about those that relate to the lot, as opposed to those that relate to the common property. Because one of the challenges that have been in the early phases is that we have had some consumers that are disgruntled lot occupants who are disgruntled with the executive committee of the owners corporation wanting to try to lodge a complaint about the common property when they are in fact not the authorised person to make a complaint. The new complaint lodgement process says, "Are you the authorised person of the owners corporation to lodge a complaint about the common property?" If it is not a complaint about the common property and it is just about your lot, that will go down a Fair Trading pathway, whereas the common property will enter into the pathway I have outlined.

**The Hon. JOHN GRAHAM:** I return to the questions about the changes to the tenancy laws. I was firstly interested in the budget that might accompany the information around this or the support to getting information out to tenants. What is the budget for community education, given that the tenancy laws are changing once again for this phase of the campaign?

**Ms WEBB:** I will have to take that on notice. I do not have that specific information.

**The Hon. JOHN GRAHAM:** I think the Minister in the first session referred to the support for tenants advice and advocacy services, mainly through the Tenants' Union. What is the budget for that support at the moment?

**Ms WEBB:** Probably safer to take that on notice.

**The Hon. JOHN GRAHAM:** On notice would be totally fine, the budget, but also the question about how long does that extend for. What is the time period which is currently agreed? If it is relevant, this may or may not be relevant given that time period, I assume that will continue into this next phase of the laws?

**Ms WEBB:** Through the Rental Bond Board we provide grants to the Tenants' Union ongoing anyway and other tenants' advisory services. That is the sort of baseline, but I will look into how much exactly.



**The Hon. JOHN GRAHAM:** I am more interested in the additional funding that the Minister was keen to mention. I think that will be one of the things that is of interest to the Parliament if the laws are changing: What is the quantum of that? How long does it extend for? Does it extend for this relevant period? All on notice is good. Returning to the question about how many people are deferring, how much rent has been deferred. I did not realise this when I was asking you before but there is research from the Australian Council of Social Service [ACOSS]. They are really broadbrush national strokes. You are nodding, Ms Webb, I assume you are aware of that?

**Ms WEBB:** I think we are taking into account all the intelligence and reports and research.

**The Hon. JOHN GRAHAM:** How credible do you think that ACOSS assessment is?

**Ms WEBB:** I think it is what it is. They have done their report. I am also aware that the Consumer Action Law Centre in Victoria has been doing a lot of surveys during the course of COVID, including some of these issues as well. There are a lot of reports like that out there that can contribute.

**The Hon. JOHN GRAHAM:** The key figures out of the ACOSS research are that 38 per cent of renters asked for variations due to COVID and the typical size of the deferral was \$216 per week. If that was over a nine-month period you are really starting to get up to the sorts of figures we were talking about, even for the average. That might be up around the \$8,500 deferral, probably higher in Sydney because rents are higher in Sydney. These are national figures. But it is a significant amount, you would agree with that, Ms Webb?

**Ms WEBB:** I think there are so many variables about whether you can assume it was for the whole of the nine months for everyone and the rent. I really cannot comment on what the actuals are.

**The Hon. JOHN GRAHAM:** Yes. There are a lot of assumptions here, given the lack of data that we were talking about earlier. I might ask you about your reaction to the number. Their suggestion is the number of people in arrears is 75,000 nationally. That might mean 25,000 in New South Wales, perhaps.

**Ms WEBB:** I would have to take on notice how that relates to all the other bits of research that we have got.

**The Hon. JOHN GRAHAM:** You do not particularly want to comment on the individual figures. Certainly the view from some of the advocacy organisations is that is probably an underestimate. Even if it is not, 25,000, we are really talking about a large cohort of people. I understand where you are coming from. You are taking this research into account, you do not want to comment on the specifics and compare it, but it is certainly an input into your decision-making. I am trying to get my head around how the next six months works though if you are one of those people—you are in Sydney, you owe \$8,500, the laws are changing. Essentially you have got six months to pay that back. Is that how the new proposal works?

**Ms WEBB:** No. I think what we are saying is people should continue to negotiate with their landlord in the first instance. If you did have a very large debt like that and you wanted to pay it off over a longer time, knowing the state of the rental market has changed a bit as well, there might be some incentives on the landlord's side for you to remain as a tenant while you are paying it off. It really just depends on the particular circumstances of the particular person.

**The Hon. JOHN GRAHAM:** There is no real guidance, you negotiate and hope it goes well.

**Ms WEBB:** There is guidance about how to negotiate and what sort of things to take into account, yes.

**The Hon. JOHN GRAHAM:** But you have to pay this back. The time line is what?

**Ms WEBB:** It depends on the arrangement you made with your landlord. Some landlords have forgiven or reduced rents. You may never have to pay it back if your landlord wants to keep you as a tenant.

**The Hon. JOHN GRAHAM:** That is up to the landlord. There is no protection from the State in that circumstance. Hopefully you are in a good position. Hopefully your landlord forgives your debt. Otherwise you have got \$8,500, what protections are there if you do not have a good landlord and they are saying to you, "I want you to pay this back" and they are looking to the State Government for guidance about what is socially acceptable and what is acceptable under the law. What protections are there for that person? "I owe \$8,500, what does the six-month time line mean?"

**Ms WEBB:** I cannot accept the assumption that you owe that much money. But if you did owe some money and you could not negotiate something with your landlord, ultimately you are going to be in the situation that you are going to have to think about ceasing your tenancy, I assume. But in the meantime you should come to Fair Trading and we will try to help and walk you through that process.

**The Hon. JOHN GRAHAM:** Fair Trading will support me through, which is of real assistance. But in the end if my landlord says "pay up", how useful is that six-month period?

**Ms WEBB:** It depends on the negotiation. All of this is subject to a negotiation.

**The Hon. JOHN GRAHAM:** If the landlord just says "pay up" do I have to pay up at the end of March, or do I have until September or October to pay up? What protection will be offered by the State or by the changes that are proposed by the Government?

**Ms WEBB:** I might just take it on notice or ask Mr Tansey about how the embargo on—

**Mr TANSEY:** Given that we are still working on the legislation, but the concept is that what has occurred during the COVID period is actually ring fenced. I think it goes to where you are going, Mr Graham. It means that for this further six-month period the amounts accrued during the worst of the COVID emergency are dealt with separately and you cannot one day after then be terminated, for example, based on that.

**The Hon. JOHN GRAHAM:** Which makes sense.

**Mr TANSEY:** Not only is that accrued arrears ring fenced, but then the provisions are that you are entitled to try to negotiate a repayment plan. It may be the case that people then agree to repayment plans that are over a longer term that they agreed. It is not solely bounded by beginnings and ends of the law.

**The Hon. JOHN GRAHAM:** This is clear in the Government announcement, the repayment plan might go for longer than the six months. Although the six months might be the minimum, the protection would mean—

**Mr TANSEY:** You going to have very specific protections within that further six months.

**The Hon. JOHN GRAHAM:** What are the specific protections? What protection am I getting when I owe \$8,500?

**Mr TANSEY:** One of the things it will do is ensure that any notices that are issued after this period are dealt with as if we were still under the safeguards of the moratorium. It is kind of ring fencing and bringing forward those protections for a further six-month period.

**The Hon. JOHN GRAHAM:** Just in relation to the old debt, though, not to new debts I accrue. Is that accurate?

**Mr TANSEY:** The ring fence against being dealt with summarily, if I can use that term—now, based on accrued debts, you are protected and you have that ring fence protection. You then have the action to support people to go into the repayment periods. It will also ensure that any termination notice or NCAT application issued continues to operate as if the COVID tenancy provisions are there. It is bringing those forward, which again are limited. It gives extra protections against you been terminated in that period. I think those are the main elements that you were inquiring about.

**The Hon. JOHN GRAHAM:** Yes, okay. It strengthens my hand in that discussion with the landlord and provides some protection from being thrown out during that six-month period.

**Mr TANSEY:** Yes, you kind of have a safe harbour for that further six months.

**The Hon. JOHN GRAHAM:** If it all went wrong, the Minister's view is—he did not say we might extend it but he said we will look at where we are at that point. At the moment, the protection is there until September or October and I have to negotiate as best I can, but my hand is strengthened a little bit by these laws.

**Mr TANSEY:** Correct.

**The Hon. JOHN GRAHAM:** But I still owe the money and I still have to pay it back. I will be under a lot of pressure to pay that money back in this six-month period. That is the truth of these discussions, is it not? You would agree with that, given the way the law is.

**Mr TANSEY:** Yes. It is a hypothetical, but the nature of it is that the parties to it will have to work out what the amount is. I would theorise a repayment plan will be how much is owed and how much I can reasonably pay back, with any accrued arrears, plus an ongoing commitment to pay forward rent.

**The Hon. JOHN GRAHAM:** Yes, and I know you are not accepting that the ACOSS research is right and I owe \$8,500. But if I did, I would have to pay another \$300 a week to make that back. But my question is whether I would be doing that on top of my rent—call it the \$500 average rent or whatever you are going to tell us it is on notice.

**Ms WEBB:** Yes, assuming that the agreement that I had was not a reduction in rent but a deferral.

**The Hon. JOHN GRAHAM:** Yes, that is right, which again is getting pretty substantial for people under financial pressure in Sydney—at least 25,000 of them.

**Ms WEBB:** But that is always on the assumption that your landlord is insisting that it was only a deferral and they will not reach any other agreement.

**The Hon. JOHN GRAHAM:** Yes. Maybe I get lucky and maybe they will go longer but if the law says it is a six-month period, the pressure is going to be on in that period. You would agree with that, I think, Ms Webb.

**Ms WEBB:** Yes, but I would point out that people entered the agreement thinking that the deferral was only until now. People who enter a deferral agreement obviously knew that at some point they would have to be paying.

**The Hon. JOHN GRAHAM:** Yes, exactly. I will ask a couple more quick questions and then I will hand over. I want to ask about the change in the strata management Act. I think that was the strata management Act of 2015. How many strata schemes have now been wound up under that?

**Ms WEBB:** I think the strata management Act is Minister Dominello's portfolio, because it is the Registrar General.

**Mr TANSEY:** Yes. It is actually the Strata Development Act 2015, which is the one that births schemes and would retire them. That legislation is allocated to the Minister for Customer Service.

**The Hon. JOHN GRAHAM:** I will save that for Monday.

**The Hon. DANIEL MOOKHEY:** You have the whole weekend.

**The Hon. JOHN GRAHAM:** Can we all agree we will not tell Minister Dominello?

**The Hon. DANIEL MOOKHEY:** First question.

**The Hon. JOHN GRAHAM:** That will be the second issue that we raise. I will finally ask, then, about the Biofuels Act 2007. I think I can ask this question. It was really just about the biodiesel mandate and the bioethanol mandate and the reporting around that. The August 2020 report of the statutory review had a number of recommendations. One of them was to reduce the frequency of reporting requirements from quarterly to every six months. I was interested in the background of that decision.

**Ms WEBB:** Mr Tansey might be able to comment from the policy perspective but from the perspective of the chair of the biofuels panel that advises the Minister, we were finding that the reporting load on volume fuel retailers was quite high at the quarterly level and there was very little variation from quarter to quarter. Both to reduce some of the burden on the sector but also to reduce the burden on the panel that had to consider these reports every quarter, we felt like we would achieve the same objects, so we were certainly in favour of that. I understand the Government accepted that in the report.

**Mr TANSEY:** I do not have any more recollection than that.

**The Hon. JOHN GRAHAM:** Yes, and certainly there was a red tape argument. The concern that has been expressed is really that E10 sales are falling dramatically. It is down from 38 per cent in 2010-11 to 25 per cent in those most recent figures.

**Ms WEBB:** But from quarter to quarter for an individual volume fuel retailer, it did not actually change that much.

**The Hon. JOHN GRAHAM:** You are saying the lack of variability, yes. Thank you.

**The Hon. DANIEL MOOKHEY:** Just on that, how many service stations have been exempted from it?

**Ms WEBB:** I probably have to take that on notice. The number of volume fuel retailers that fall within the Act tends to vary from quarter to quarter because it is based on the volume of fuel. We do not have a stable number that are reporting, but I will take on notice exactly where it butts around.

**The Hon. DANIEL MOOKHEY:** Will you take on notice the number that have had repeat exemptions—more than one exemption?

**Ms WEBB:** I think pretty much everyone has had an exemption all the time.

**The Hon. DANIEL MOOKHEY:** Yes, and that still remains the practice: that everyone who is applying for it is basically getting the exemption?

**Ms WEBB:** Yes, that is correct.

**The Hon. DANIEL MOOKHEY:** Okay, good to know. Can we ask you some questions about the Code of Conduct for the Short-term Rental Accommodation? How many complaints has Fair Trading received about short-term rental accommodation since the introduction of the code?

**Ms WEBB:** We have had one complaint and 17 inquiries in writing and 20 inquiries by phone.

**The Hon. DANIEL MOOKHEY:** Seventeen inquiries by writing and 20 by phone, did you say?

**Ms WEBB:** And one complaint.

**The Hon. DANIEL MOOKHEY:** I will not ask you who the complaint was about and what it was for, but was the complaint investigated?

**Ms WEBB:** I will have to take that on notice and get back to you about where that is up to.

**The Hon. DANIEL MOOKHEY:** And I can only presume that you are yet to issue any enforcement notices?

**Ms WEBB:** I am not aware that any have been issued.

**The Hon. DANIEL MOOKHEY:** What enforcement notices can you issue under that code? Breach of the code results in what, precisely? Does it depend on the nature of the breach?

**Ms WEBB:** I think it is probably better if I take it on notice. There are civil penalties for very serious offences and then there is the two-strikes penalty. There is a range of things we can do.

**The Hon. DANIEL MOOKHEY:** The two-strikes process, yes. But that two-strikes process cannot really apply in the absence of a register. Is that correct?

**Ms WEBB:** I think it can, but Mr Tansey is probably the expert.

**Mr TANSEY:** Yes, there is a distinction between the premises register that you were inquiring about this morning with the Minister, which is really on the planning side of the regulatory framework. That is about monitoring bed nights and keeping track of that at the local area.

**The Hon. DANIEL MOOKHEY:** The cap, yes.

**Mr TANSEY:** Whereas, as the Minister set out again, our side is looking at the behaviour of people. I think the Minister used the term "party houses". We can receive complaints without there being a planning instrument and without there being a premises register. The part of the register that we will become interested in is the exclusion register. Our code allows us, where somebody gets two or more strikes, to exclude them as a host or a visitor. That would be the exclusion register as distinct from the premises register.

**The Hon. DANIEL MOOKHEY:** They are two distinct registers?

**Mr TANSEY:** Yes. They are recording different parts of the regulatory formwork. The objective is that they would end up as the one data source and the one register.

**The Hon. DANIEL MOOKHEY:** Who maintains the exclusion register?

**Mr TANSEY:** We are hoping to co-design that so that both the premises register and the exclusion register are integrating systems and data. But at the moment there effectively is no exclusion register because there are no exclusions. If we got to the point there was one we would need to stand that up if there was not yet a premises register.

**The Hon. DANIEL MOOKHEY:** Administratively do you expect responsibility for the exclusion will sit with this department or do you think it is going to be with the planning department?

**Mr TANSEY:** Hypothetically—

**Ms WEBB:** I think we can each manage the entries on the register that relate to our responsibility, but we do a lot of work with ePlanning already and I cannot see why this would not be the same.

**Mr TANSEY:** Which agencies?

**The Hon. DANIEL MOOKHEY:** Who do we hold responsible?

**Mr TANSEY:** The ICT environment it is built in is kind of a—it could be anywhere.

**The Hon. DANIEL MOOKHEY:** Should I ask these questions to you or Planning? It is a fundamental issue. Are you actually going to be responsible for this or is it going to be Planning?

**Mr TANSEY:** They are leading the development of the register and the premises register is, I think, conceded to be the larger part of it, yes.

**The Hon. DANIEL MOOKHEY:** I will save the rest of the questions for them in that respect. Ms Hogan, these might be to you, or however you see fit. Can we talk about the Ombudsman report regarding Blue Mountains City Council?

**Ms HOGAN:** Yes. Ms Webb probably knows more than me, but I am happy to be questioned and share the load.

**The Hon. DANIEL MOOKHEY:** As you direct, Secretary. Presumably you have read the report?

**Ms HOGAN:** Yes.

**Ms WEBB:** Yes.

**The Hon. DANIEL MOOKHEY:** Do you want to take this opportunity to outline how you are responding to it?

**Ms WEBB:** We have accepted all the recommendations of the Ombudsman. We have done quite a lot of work in relation to the recommendations for training and guidance for inspectors, for updating our asbestos guidance. We are continuing to report to the Ombudsman on a regular basis as to how we are tracking against all those recommendations.

**The Hon. DANIEL MOOKHEY:** When you say you are "continuing to report to the Ombudsman", how frequently are you doing it?

**Ms WEBB:** We did a report at the end of January and the next one is due in probably a month or two. But I can double-check that and take it on notice.

**The Hon. DANIEL MOOKHEY:** Insofar as the Ombudsman made findings that could be interpreted as adverse to various leaders, what disciplinary action has the department taken against them?

**Ms WEBB:** There was no recommendation that disciplinary action be taken, and we have not taken any.

**The Hon. DANIEL MOOKHEY:** But presumably in your capacity as an employer after receiving that report did you initiate any investigations of your own as to whether an employment or internal policy was breached?

**Ms WEBB:** I think during the course of the Ombudsman's investigation we had to provide him with enormous amounts of material and so we were fully across all the circumstances of all the incidents that had happened already, and had looked at those in terms of our improvement processes way back when this was happening in 2018-2019, the Ombudsman's inquiry.

**The Hon. DANIEL MOOKHEY:** Yes, I accept that prior to the Ombudsman's report there were internal matters that were looked at. But given the nature of that report, and the Ombudsman's finding, did it trigger any re-examination of your earlier investigations or any further disciplinary actions or investigations—sorry, you have already answered disciplinary actions—or any post-Ombudsman report as to whether any duties were breached by SafeWork's executive at the time.

**Ms WEBB:** I do not think the Ombudsman found any duties were breached.

**The Hon. DANIEL MOOKHEY:** None of them?

**Ms WEBB:** We have certainly done, as I mentioned, a lot of training and capability building in relation to the areas that the Ombudsman identified as issues.

**The Hon. DANIEL MOOKHEY:** Just to be clear, I am not suggesting that the Ombudsman said that. I am saying that as a result of reading the Ombudsman's report did you then initiate any further investigation or inspection as to whether any other SafeWork policies were breached, including basic employment policies?

**Ms WEBB:** Not as a result of reading the report, no.

**The Hon. DANIEL MOOKHEY:** We were talking earlier we spoke about SafeWork NSW undertaking inspections for the public health orders. Do you recall?

**Ms WEBB:** Yes.

**The Hon. DANIEL MOOKHEY:** What sort of training was provided to SafeWork inspectors to undertake that check?

**Ms WEBB:** The SafeWork inspectors, the Fair Trading inspectors and Liquor and Gaming inspectors all did that work. We arranged for the health department to give them some training—

**The Hon. DANIEL MOOKHEY:** Of course. This was a fast circumstance.

**Ms WEBB:** —before they went out because they were acting under the health legislation. They were trained under that and we also had some connection with the public health inspectors who operate through local councils who do public health inspections anyway. So there was also some training and information provided by those public health inspectors.

**The Hon. DANIEL MOOKHEY:** Were SafeWork NSW inspectors authorised under section 126 of the Public Health Act 2020?

**Ms WEBB:** Liquor and Gaming, Fair Trading and SafeWork inspectors were all authorised.

**The Hon. DANIEL MOOKHEY:** All of them or was there a certain percentage?

**Ms WEBB:** Pretty much in the end I think it is more than 200 people were authorised, so not all the inspectors were authorised, but a lot of inspectors were authorised.

**The Hon. DANIEL MOOKHEY:** A large number of them were. How much time were they actually doing that for? None of which, by the way, is critical. It will be understanding how much that was as a workload?

**Ms WEBB:** It varied quite a lot. Obviously during the points in which the COVID emergency was more front of mind quite a bit of time and we also flexed it quite a bit, depending on when there were new public health orders with new requirements, some businesses, then we would do a lot of inspection work to make sure that businesses were understanding, as requirements about QR codes and things like that changed over time. We responded to various hotspots that Health would identify to us. So it was quite a flexible and varied program. And also just as people were doing their normal day-to-day inspections sometimes they would come across a public health issue as well.

**The Hon. DANIEL MOOKHEY:** That is useful. If you have on notice any further statistics or analysis you can provide as to points of intensity at times?

**Ms WEBB:** I can tell us how many inspections in total. On notice I can get that.

**The Hon. DANIEL MOOKHEY:** That would be helpful as well. Incidentally, we, of course, applaud them for the work that they did in helping ensure the public health orders were being complied with. How many SafeWork NSW inspectors are authorised under the IPART under section 5D of the Electricity Supply Act 1995? You may want to take that on notice.

**Mr WILLIAMS:** We will have to take the exact number on notice. It is a reasonably small number, but we will take that on notice.

**The Hon. DANIEL MOOKHEY:** Has SafeWork NSW inspectors been required to assist the Building Commissioner in the operation of their duties? That could be to either you or the Building Commissioner, I do not mind.

**Ms WEBB:** Yes, that is correct. Yes, we certainly have.

**The Hon. DANIEL MOOKHEY:** Under what authority?

**Mr WILLIAMS:** Under our own authority. With the work we are doing there is a very, very clear link between what we find on construction sites in relation to safety and quality. As I say, there is a very clear link. If we identify build quality issues on a site we generally find safety issues on that site and vice versa. It is very, very important that the inspectors are there to support the OC auditors to make sure that the site is safe for them to do their work in and to provide them with guidance around any safety issues.

**The Hon. DANIEL MOOKHEY:** Are those SafeWork inspectors under the direction and control of SafeWork when they are doing that work or under the direction and control of the Building Commissioner?

**Mr WILLIAMS:** No, they are still under SafeWork.

**The Hon. DANIEL MOOKHEY:** They operate according to your reporting lines and if it is incidental or otherwise they provide that assistance?

**The Hon. DANIEL MOOKHEY:** Yes.

**The Hon. DANIEL MOOKHEY:** Fair enough. That is helpful to know and understand. I turn now to a matter that we raised with you at last year's estimates, which was March, I think, but I could be wrong. We were talking at the time about a prohibition order that you issued to Qantas Airways Ltd about its COVID responses. Do you recall that.

**Mr WILLIAMS:** Yes.

**The Hon. DANIEL MOOKHEY:** Was it a prohibition notice or an improvement notice that you issued to Qantas first? It was a prohibition notice at first, wasn't it?

**Mr WILLIAMS:** I think it may have been—I am just checking here. They were two improvement notices; two improvement notices.

**The Hon. DANIEL MOOKHEY:** At the time I think you said you were in further dialogue, or you had been in further dialogue with Qantas about the amendment and adjustment of those notices?

**Mr WILLIAMS:** Yes. So after those notices were issued Qantas did seek a review of those notices that were issued. They were both reviewed and set aside in May 2020.

**The Hon. DANIEL MOOKHEY:** In May 2020 they were set aside after a review and was that review undertaken by your Governance and Appeals Unit?

**Mr WILLIAMS:** That is correct and subsequent to that a hearing took place before the Industrial Relations Commission on 26 August where a number of orders were made. A number of orders were made there.

**The Hon. DANIEL MOOKHEY:** Let's unpack that a little.

**Mr WILLIAMS:** I am happy to expand on that.

**The Hon. DANIEL MOOKHEY:** What areas did the Governance and Appeals Unit detect in the original?

**Mr WILLIAMS:** I do not have that information before me. That is done independently of the Inspectorate, so I have not got that information available.

**The Hon. DANIEL MOOKHEY:** Who is on the Governance and Appeals Unit [GAU]?

**Mr WILLIAMS:** They are generally SafeWork inspectors supported by other staff. But, as I say, they report in a completely different stream to the SafeWork inspectorate, the operational inspectorate. But it is generally reviewed by inspectors who are taken out of the operational stream and put into that Governance and Appeals Unit on a rotational basis.

**The Hon. DANIEL MOOKHEY:** It is logical that they would not report to the same operational stream. Who then do they report to?

**Mr WILLIAMS:** They respond to another executive director—

**Ms WEBB:** They report to the capability directorate, which is looked after by Mr Gavrielatos.

**The Hon. DANIEL MOOKHEY:** When you say the Governance and Appeals Unit, did they adjust that after receiving representations directly from Qantas or is that—

**Mr WILLIAMS:** Sorry, can you repeat that, please?

**The Hon. DANIEL MOOKHEY:** Can you explain the process? Did Qantas put a complaint in and then that was escalated to them?

**Mr WILLIAMS:** No, it was not a complaint. Notices were issued, there was a review sought in relation to those notices, they were set aside by our Governance and Appeals Unit and they subsequently went to the Industrial Relations Commission. I will just give you some detail in relation to the orders that were made there. The first was that, "The internal review decision—

**The Hon. DANIEL MOOKHEY:** Sorry. Who took it to the Industrial Relations Commission?

**Mr WILLIAMS:** They did.

**The Hon. DANIEL MOOKHEY:** Who did?

**Mr WILLIAMS:** The union. Sorry.

**The Hon. DANIEL MOOKHEY:** That was the flight attendants?

**Mr WILLIAMS:** Yes.

**The Hon. DANIEL MOOKHEY:** And the transport workers?

**Mr WILLIAMS:** The Flight Attendants Association.

**The Hon. DANIEL MOOKHEY:** Yes.

**Mr WILLIAMS:** They launched the application.

**The Hon. DANIEL MOOKHEY:** They appealed. They took it to the Industrial Relations Commission. Is that correct?

**Mr WILLIAMS:** Yes.

**The Hon. DANIEL MOOKHEY:** And then what happened at the Industrial Relations Commission?

**Mr WILLIAMS:** Orders were made. The first was that, "The internal review decision made on 8 May be revoked." The second was that, "The improvement notice that was issued on 21 May be varied so that from 4 September Qantas will immediately notify SafeWork NSW upon becoming aware that: (a) a worker had received the confirmed positive COVID diagnosis; (b) that worker has been present in the workplace during the period of 14 days prior to the date of the confirmed COVID diagnosis or testing for COVID-19, whichever is known first; and (c) until the date on which the worker receives an appropriate medical clearance."

**The Hon. DANIEL MOOKHEY:** Is it wrong to infer from that answer that the Industrial Relations Commission overturned the decision of the Governance and Appeals Unit?

**Mr WILLIAMS:** Yes.

**The Hon. DANIEL MOOKHEY:** That is a correct statement?

**Mr WILLIAMS:** Yes, in relation to one notice anyway.

**The Hon. DANIEL MOOKHEY:** And then basically returned the original order updated for time. Is that correct?

**Mr WILLIAMS:** With some amendments, yes.

**The Hon. DANIEL MOOKHEY:** With some amendments to adjust for the new circumstances. So what error did the Governance and Appeals Unit make when they made the decision to overturn what turned out to be a correct order?

**Mr WILLIAMS:** Sorry, Mr Mookhey, I cannot answer that because, as I say, it is done independently from us. I am not privy to that information.

**The Hon. DANIEL MOOKHEY:** Ms Webb, are you in a position to provide us with some information?

**Ms WEBB:** I think we could provide you with a copy of the Industrial Relations Commission judgement, which would outline that.

**The Hon. DANIEL MOOKHEY:** How does the Governance and Appeals Unit document their decision-making?

**Ms WEBB:** As I understand it they write out a decision and provide that to the applicant who has asked for an appeal.

**The Hon. DANIEL MOOKHEY:** Is it possible that you could provide us with the decision of the Governance and Appeals Unit that took place?

**Ms WEBB:** We will take on notice whether we can provide that. I think it was pretty lengthily referred to in the judgement but we can—

**The Hon. DANIEL MOOKHEY:** I imagine you would have had to produce it to the Industrial Relations Commission.



**Ms WEBB:** Exactly.

**The Hon. DANIEL MOOKHEY:** So I imagine therefore you can produce it to us.

**Ms WEBB:** We will take that on notice.

**The Hon. DANIEL MOOKHEY:** This is a pretty fundamental change. International air travel at the time was a high risk factor, and it still is a high risk factor, for COVID exposure. Did the fact that your decision was overturned by the Industrial Relations Commission cause SafeWork NSW to review any of its processes?

**Mr WILLIAMS:** Not that I am aware of, no.

**The Hon. DANIEL MOOKHEY:** Why not?

**Mr WILLIAMS:** Look, when notices are appealed there are different outcomes based on the interpretation of the reviewer. We take that as an opportunity to improve our approach and our systems. But in this instance I do not believe that we have sought to change our approach in terms of workplace inspections.

**The Hon. DANIEL MOOKHEY:** How many decisions of the Governance and Appeals Unit have been appealed to the Industrial Relations Commission in the last two years?

**Mr WILLIAMS:** I do not know. I would have to take that on notice.

**The Hon. DANIEL MOOKHEY:** Is this the only one?

**Mr WILLIAMS:** Sorry?

**The Hon. DANIEL MOOKHEY:** Is this the only one?

**Mr WILLIAMS:** I am not sure. I would have to check. But I can say it is commonplace for notices to be reviewed under request from PCBUs. That is very common.

**The Hon. DANIEL MOOKHEY:** I do not dispute that. What I am interested in is more the Governance and Appeals Unit process and how many of their decisions are reviewed and appealed. Look, I have not checked the directory in a while but it is pretty novel that someone would bring the Governance and Appeals Unit to the Industrial Relations Commission for appeal. Would you agree? That it is not a regular occurrence.

**Mr WILLIAMS:** It is not very common, no. It would be a low figure.

**The Hon. DANIEL MOOKHEY:** So the fact that you had a significant one like this overturned by the Industrial Relations Commission did not prompt any review from SafeWork NSW as to why the Governance and Appeals Unit got it wrong. Is that seriously the position that is being outlined here?

**Ms WEBB:** I think Mr Williams does not look after the Governance and Appeals Unit, so it is a bit hard for him to answer.

**The Hon. DANIEL MOOKHEY:** Who does?

**Ms WEBB:** I will have to get Mr Gavrielatos to provide an answer on notice.

**The Hon. DANIEL MOOKHEY:** To be fair to you, Mr Williams, I am not directing these questions at you personally. It is because you are the person who is here. I accept the fact that you are not responsible for this, but I would appreciate if we could get some answers on that as well. Can I just ask: On the Governance and Appeals Unit, how many decisions are they overturning in general in a 12-month period?

**Ms WEBB:** We can take that on notice and we will confirm.

**The Hon. DANIEL MOOKHEY:** Is that creating any internal consternation in SafeWork NSW?

**Mr WILLIAMS:** I can tell you, whilst I am happy to confirm the number or the percentage, it is very small. I would estimate, but I will confirm this, that it would be only a couple of per cent of our notices that are actually overturned.

**The Hon. DANIEL MOOKHEY:** Can you repeat that?

**Mr WILLIAMS:** It would be a very small number, a very small percentage, in terms of notices that are overturned or withdrawn.

**The Hon. DANIEL MOOKHEY:** And the membership of the GAU, is that fixed or does that change?

**Mr WILLIAMS:** It does change, yes.

**The Hon. DANIEL MOOKHEY:** Who makes the decision as to who goes on to that panel?

**Mr WILLIAMS:** It is not a panel as such. From time to time expressions of interest would go out across the inspectorate for inspectors to move into that area. It provides them with great opportunity to look at our work through a different lens, through a compliance-with-legislation lens, and it helps them to build their skills and capabilities that they can then take back into their substantive roles.

**The Hon. DANIEL MOOKHEY:** This morning we were discussing the triage process that takes place when incidences are reported to SafeWork NSW. Do you have any further information you want to add in that respect of any sort from matters arising this morning or otherwise?

**Mr WILLIAMS:** All I would say is that our triage process does deal with tens of thousands of matters per year. It is a thorough process. The people who undertake that work are well trained. They operate under a national model. We have a lot of faith in the system. I think those people do a great job. It is often making decisions on the run, often with scant information and often with information that is not described in a way that we would like it to be described, but they do a great job at what they do.

**The Hon. DANIEL MOOKHEY:** We understood that people can report through a phone number I presume?

**Mr WILLIAMS:** The Speak Up app you are probably referring to.

**The Hon. DANIEL MOOKHEY:** Yes.

**Mr WILLIAMS:** Yes.

**The Hon. DANIEL MOOKHEY:** And then I presume they can report through your website?

**Mr WILLIAMS:** Yes.

**The Hon. DANIEL MOOKHEY:** But do the majority of referrals come through the phone?

**Mr WILLIAMS:** At the present time the majority still come through the phone.

**The Hon. DANIEL MOOKHEY:** That goes at the first instance to the Department of Customer Service's call centre?

**Mr WILLIAMS:** That is right, yes.

**The Hon. DANIEL MOOKHEY:** Who staffs that call centre?

**Mr WILLIAMS:** Administrative staff primarily.

**The Hon. DANIEL MOOKHEY:** Are they exclusively staffing SafeWork or are they taking other calls that relate to other matters?

**Mr WILLIAMS:** They do take calls from other areas but they do tend to specialise in particular streams. So those who would be taking SafeWork calls, you know, we spend quite a bit of time upskilling them in terms of understanding our business and our legislation. They work from scripts that are developed in collaboration with the regulator.

**The Hon. DANIEL MOOKHEY:** Mr Williams, I confess I am a former call centre employee myself. It is a fine profession. I used to sell fruit juice, but either way.

**The Hon. SCOTT FARLOW:** As am I.

**The Hon. DANIEL MOOKHEY:** Mountain Fresh. I recommend.

**The Hon. JOHN GRAHAM:** You are not allowed to bring product into it, especially not in front of Fair Trading!

**The Hon. DANIEL MOOKHEY:** That is true. I withdraw.

**The Hon. MARK BANASIAK:** You are not on commission now!

**The Hon. DANIEL MOOKHEY:** But Mr Williams, what you are describing sounds like a general call centre worker, not a specialist person who is trained. Is that an incorrect inference for me from your answer?

**Mr WILLIAMS:** That is right. They are supported by SafeWork NSW inspectors, however. Should they have any queries at all, should a matter be technical—

**The Hon. DANIEL MOOKHEY:** But is it the call centre staff who are making the decision as to whether or not to release a site?

**Mr WILLIAMS:** All of those matters are verified by an inspector. The initial—

**The Hon. DANIEL MOOKHEY:** But the first decision—

**Mr WILLIAMS:** The initial contact is through an administrative staff member but an inspector does review all of the matters.

**The Hon. DANIEL MOOKHEY:** How many decisions that are made—are you saying every decision made by a call centre staff member is reviewed by an inspector?

**Mr WILLIAMS:** Matters that involve incidents—so some of the matters that were described this morning where there is a workplace incident, all of those matters would be reviewed at some stage by an inspector.

**The Hon. DANIEL MOOKHEY:** At some stage?

**Mr WILLIAMS:** Yes. A lot of the—

**The Hon. DANIEL MOOKHEY:** By the inspector?

**Mr WILLIAMS:** Yes.

**The Hon. DANIEL MOOKHEY:** But the actual decision as to the immediate response is being made by a person who is in a call centre. Is that correct?

**Mr WILLIAMS:** Yes, but in collaboration and consultation with a SafeWork NSW inspector.

**The Hon. DANIEL MOOKHEY:** Sure. What is the ratio of staff to inspectors?

**Mr WILLIAMS:** I would have to take that on notice. I am not sure. It would vary depending on—

**The Hon. DANIEL MOOKHEY:** But is it one for one at all times?

**Mr WILLIAMS:** It would not be one to one, no.

**The Hon. DANIEL MOOKHEY:** We can assume that some decisions are being made by a call centre worker and then there is some time before an inspector reviews it. Is that a fair statement?

**Mr WILLIAMS:** That would happen from time to time, yes.

**The Hon. DANIEL MOOKHEY:** Yes, okay. Again, why are we allowing general call centre staff who are not provided with the same level of authorisation as an inspector to make decisions on triage?

**Mr WILLIAMS:** It is fair to say that they are very well supported. They are very well trained. There are very tight scripts that they work from. That guides them in terms of making those decisions.

**The Hon. DANIEL MOOKHEY:** I am done. I would offer you some Mountain Fresh but it has been a while.

**The CHAIR:** That, I think—unless the Government has any questions?

**The Hon. SCOTT FARLOW:** No, we do not have any questions—or Mountain Fresh, either.

**The CHAIR:** That is very good. That concludes our hearing for today. Thank you very much for your attendance; I know it has been a long day. The Committee secretariat will be in touch in relation to questions taken on notice. I thank the Committee secretariat for all the work that they do, and also Hansard, who beaver away in the corner over there. Thank you very much.

**(The witnesses withdrew.)**

**The Committee proceeded to deliberate.**