

PORTFOLIO COMMITTEE NO. 1 – PREMIER AND FINANCE

Wednesday 25 October 2023

Examination of proposed expenditure for the portfolio area

PREMIER

The Committee met at 9:15.

CORRECTED

MEMBERS

The Hon. Jeremy Buckingham (Chair)
The Hon. Robert Borsak (Deputy Chair)
Ms Abigail Boyd
Ms Sue Higginson
The Hon. Sarah Mitchell
The Hon. Bob Nanva
The Hon. Peter Primrose
The Hon. Emily Suvaal
The Hon. Bronnie Taylor
The Hon. Damien Tudehope

MEMBERS VIA VIDEOCONFERENCE

Ms Cate Faehrmann

PRESENT

The Hon. Chris Minns, *Premier*

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**

CORRECTED

The CHAIR: Welcome to the first hearing of the Portfolio Committee No. 1 – Premier and Finance inquiry into budget estimates 2023-24. Firstly, I acknowledge the Gadigal people of the Eora nation, the traditional custodians of the lands on which we are meeting today. I pay my respects to Elders past and present and celebrate the diversity of Aboriginal peoples and their ongoing cultures and connections to the lands and waters of New South Wales. I also acknowledge and pay my respects to any Aboriginal and Torres Strait Islander people joining us today. I welcome Premier Chris Minns and accompanying officials to this hearing. Today the Committee will examine the proposed expenditure for the portfolio of Premier. I ask everyone in the room to please turn their mobile phones to silent.

Parliamentary privilege applies to witnesses in relation to the evidence they give today. However, it does not apply to what witnesses say outside of the hearing. I urge witnesses to be careful about making comments to the media or to others after completing their evidence. In addition, the Legislative Council has adopted rules to provide procedural fairness for inquiry participants. I encourage Committee members and witnesses to be mindful of those procedures. I welcome our witnesses and thank them for making the time to give evidence. All witnesses must be sworn prior to giving evidence. Premier, 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.

CORRECTED

Mr SIMON DRAPER, PSM, Secretary, Premier's Department, affirmed and examined

Mr WILLIAM MURPHY, PSM, Acting Secretary, The Cabinet Office, sworn and examined

Ms KATE BOYD, PSM, Deputy Secretary, General Counsel, The Cabinet Office, affirmed and examined

The CHAIR: Today's hearing will be conducted from 9.15 a.m. to 5.30 p.m. We are joined by the Premier for the morning session from 9.15 a.m. to 1.00 p.m., with a 15-minute break at 11.00 a.m. In the afternoon we will hear from departmental witnesses from 2.00 p.m. to 3.30 p.m. We will then have a 15-minute break before holding a session with witnesses from independent agencies from 3.45 p.m. to 5.30 p.m. During these sessions there will be questions from Opposition and crossbench members only, with 15 minutes allocated for Government questions at 10.45 a.m., 12.45 p.m. and 5.15 p.m. We will now begin with questions from the Opposition.

The Hon. DAMIEN TUDEHOPE: Thank you, Premier and officials, for being here this morning. I start by saying that it's the intention of the Opposition to treat these sessions with courtesy and respect. I would ask, in relation to the manner in which questions are answered, that respect be given to the Opposition—we have limited time—with questions answered not in a way that seeks to soak up time but as faithfully as you can for the purpose of making sure that we get proper answers. Premier, on 11 October Alex Smith in *The Sydney Morning Herald* wrote:

... Minns is increasingly a one-man band who is left to clean up the mess left behind by his ministers, many of whom are inexperienced at best or, worse, out of their depth. At this stage, Catley is the latter.

What would be your response to that observation by Alex Smith?

Mr CHRIS MINNS: I think it's unfair. I think that the police Minister is doing a very good job in exceptionally difficult circumstances. The circumstances presented to the people of New South Wales, to the NSW Police Force, to the Minister and the Government in the last week have been difficult. I think any government, even a government with years of experience under their belt, would have had to deal with extremely complex policing and public safety and security arrangements. No, she's got my full confidence and I thought that critique was unfair.

The Hon. DAMIEN TUDEHOPE: Let's deal with that. In fact, that observation was made after the lighting up of the Opera House and the events which surrounded that. When did you make the decision to light up the Opera House?

Mr CHRIS MINNS: I made that decision on Sunday after reading initial reports out of the Middle East on Saturday.

The Hon. DAMIEN TUDEHOPE: Did you consult anyone before you made that decision?

Mr CHRIS MINNS: I consulted with the Minister for Multiculturalism, in my recollection, having had, I guess, entreaties or requests from the Jewish Board of Deputies to him. I made the decision almost immediately. It was my—

The Hon. DAMIEN TUDEHOPE: So did you do—

Mr CHRIS MINNS: I'm just going to get this out because I think it's important context. I made the decision because we've got a large Jewish population in New South Wales. I thought it was important to show solidarity with that community, given the context of really unprecedented barbarism by a terrorist organisation on Israeli civilians. It was after that decision that I saw a range of international landmarks choose the same option with their cities and their municipalities. I think we made the right decision.

The Hon. DAMIEN TUDEHOPE: Did you do any risk assessment?

Mr CHRIS MINNS: No. I made a decision that this was important in terms of showing solidarity with the Jewish community of New South Wales, and also recognising that this was an atrocious and appalling act of terrorism.

The Hon. DAMIEN TUDEHOPE: And I accept that.

Mr CHRIS MINNS: There are some things that you just have to stand up for and show solidarity towards, and this was one of them.

The Hon. DAMIEN TUDEHOPE: When would the police have been notified in relation to that decision, and who would have notified them?

CORRECTED

Mr CHRIS MINNS: I might have to take that on notice. It may well be the case that in a fast-moving situation the police were notified via media reports. Those may have been the circumstances. It may well have been through my chief of staff. But in any event, it was a fast-moving situation and a decision needed to be made. It would be unconscionable for the government of the day to say, "We'll take two or three days to make a decision." This was really a threshold call for the New South Wales Government.

The Hon. DAMIEN TUDEHOPE: And, in fact, there was precedent for doing it in relation to the Charlie Hebdo massacre in Paris—a similar decision.

Mr CHRIS MINNS: Yes, well there may well have been. But from my perspective and from the perspective of the Government, ultimately, this was an important but relatively easy decision to make.

The Hon. DAMIEN TUDEHOPE: On that day, though, the police in fact had already started to raise concerns in relation to it, had they not?

Mr CHRIS MINNS: I only know that from media reports in the last 24 hours. It would be my assumption that that would be the case prior to the decision being made. I mean, they've got—

The Hon. DAMIEN TUDEHOPE: So—

Mr CHRIS MINNS: Well, hang on. They've got responsibilities for public safety and public order. The truth of the matter is my responsibilities are broader than that. There is one in relation to showing solidarity for a big community that we have in New South Wales. Secondly, it was a decision made by me that in these circumstances, given these events and the indiscriminate killing of civilians of a longstanding partner of Australia, this was a decision that we needed to make.

The Hon. DAMIEN TUDEHOPE: Did you have any concerns about public safety?

Mr CHRIS MINNS: Put this in perspective: I don't want to live in a society where, because you've lit up the Opera House in the colours of another nation's flag, an ally of Australia—

The Hon. DAMIEN TUDEHOPE: Correct.

Mr CHRIS MINNS: —a country that we've had a warm relationship with for a long time, the threat that community members may be triggered by that event prompts the government to not make that decision.

The Hon. DAMIEN TUDEHOPE: That's true.

Mr CHRIS MINNS: We can't have that.

The Hon. DAMIEN TUDEHOPE: I don't quibble with any of that.

Mr CHRIS MINNS: I don't think anyone fairly would say—notwithstanding that some people use that opportunity to act in antisemitic, vile and in many cases violent ways—that we can live in a society where you don't make a decision to show solidarity with the Israeli and the Jewish community because of fear of that kind of protest.

The Hon. DAMIEN TUDEHOPE: But did you have any concerns?

Mr CHRIS MINNS: I've got concerns about many issues, but this was a threshold issue for us. I just make this point: Municipalities and cities around the world would have been faced with exactly the same set of circumstances. I think it's important for the Committee to note that most jurisdictions made exactly the same call—the Eiffel Tower in Paris, the Empire State Building in New York, the Brandenburg Gate in Germany and every other significant landmark in every other capital city in every other part of Australia.

The Hon. DAMIEN TUDEHOPE: Am I right to say, though, that your concern to light up the Opera House trumped your concern in respect of security issues that may arise?

Mr CHRIS MINNS: I don't think it's helpful to the Committee's deliberation, or for people examining the Government's decision, to see it in those terms. My responsibilities are broader than the immediate concern of New South Wales police. The reason for that is I would have assumed that if your primary responsibility is public safety and public order, then the immediate answer is that you wouldn't want it lit up. But, my obligations are broader than that and they are towards a whole range of other conditions and principles that I think are important for a big city like Sydney. I don't want to give them, and I don't think you should give them, too much credit either. We can't be in a situation where we're excusing the behaviour of bad-faith actors on the proviso that they may be triggered because the Opera House or a cultural institution is lit up in another nation's colours. That's not an excuse for violent and antisemitic behaviour.

CORRECTED

The Hon. DAMIEN TUDEHOPE: Premier, you and I are on the same page. But I just ask you this: Did you see on the news, either that day or that evening, the demonstrations which occurred in support of Palestine in Lakemba?

Mr CHRIS MINNS: I did. Regrettably there was news coverage initially. I couldn't tell you whether that was on the Saturday night or the Sunday night—

The Hon. DAMIEN TUDEHOPE: Sunday night.

Mr CHRIS MINNS: —but certainly in the media aftermath.

The Hon. DAMIEN TUDEHOPE: Did that trigger your concern about the potential safety concerns in respect of what was going to occur on the Monday night?

Mr CHRIS MINNS: I think anyone would have general safety concerns about a whole range of issues, whether that—

The Hon. DAMIEN TUDEHOPE: Did you do anything?

Mr CHRIS MINNS: Hang on, you've asked the question—whether that is in relation to a complex rolling crisis in the Middle East or day-to-day security concerns in Sydney. Certainly that would have triggered or peaked my interest, seeing those sights. I just want to make the point that to hold a protest in the immediate aftermath of 1,400 people being indiscriminately killed was a terrible decision by those people—to have that protest, to have that demonstration—that I think pulls apart the responsibility we've all got to our multicultural, multi-faith communities.

The Hon. DAMIEN TUDEHOPE: And we've heard you say that now on numerous occasions.

Mr CHRIS MINNS: Well, it's an important part of it. I don't think it should get lost in the decision-making of the Government.

The Hon. DAMIEN TUDEHOPE: I accept that you say that.

Mr CHRIS MINNS: And it's germane to the decision-making of the Government too, Mr Tudehope.

The Hon. DAMIEN TUDEHOPE: But when you see that footage on the Sunday, did you conduct or instruct anyone to conduct risk assessments for the lighting up of the Opera House on the Monday?

Mr CHRIS MINNS: I didn't, but my understanding is that New South Wales police did do a risk assessment, and I'm going to be—

The Hon. DAMIEN TUDEHOPE: How did you form that understanding?

Mr CHRIS MINNS: No, hang on, wait. Hang on a second.

The Hon. DAMIEN TUDEHOPE: How did you form that understanding?

Mr CHRIS MINNS: Because subsequently it's been—I had been informed by staff that a risk assessment was undertaken by New South Wales police. I don't have the copy of that and, to be frank with you, it wouldn't have changed my decision. I think we made the right decision, and given the circumstances I would have made the same decision again.

The Hon. DAMIEN TUDEHOPE: But you became aware, did you not, that the Palestine Action group was proposing to hold a rally at Town Hall on the Monday evening?

Mr CHRIS MINNS: It would have been clear at some point on, I assume, Monday that I would have been made aware of that protest.

The Hon. SARAH MITCHELL: Premier, do you remember? Were you made aware of it on that Monday?

Mr CHRIS MINNS: Well, I'm trying to be precise. That's a period over Sunday and Monday—there was literally scores of calls between my chief of staff, New South Wales police, the police Minister, the Minister for Multiculturalism. But generally speaking, yes, I was made aware of it, but prior to the protest taking place.

The Hon. DAMIEN TUDEHOPE: Did that trigger concerns that there may be some security risks, or in fact that that event was going to turn into a security risk?

Mr CHRIS MINNS: Look, in all candour, not to the extent that it should have.

The Hon. SARAH MITCHELL: Why not?

CORRECTED

Mr CHRIS MINNS: I want to make this clear: I made an error there. It should have been the case that once the decision was made to light up the Opera House—that there was a decision by the Government to give the Jewish community, in particular, an opportunity to commemorate and mourn the death of so many innocent civilians—we should have enabled the Jewish community to come together—

The Hon. DAMIEN TUDEHOPE: Correct.

Mr CHRIS MINNS: —and mourn for the lost loved ones, and for the sense of loss that that community had felt. The truth of the matter is not only did we not do that but the area was taken over by a violent protest where antisemitic and race-hate language was used. I don't have an excuse for that. The only thing I can do is apologise and say, in particular to the Jewish community, I wish that that hadn't happened. I have to take responsibility for it, because if the ultimate end of your questioning is was I informed and did I know the police procedures for a protest from Town Hall to the Opera House, I was informed. I don't have an excuse here, other than it went wrong and I do owe the Jewish community, in particular, an apology for it.

The Hon. DAMIEN TUDEHOPE: You would agree with me that when there was a further demonstration on the following Sunday, 15 October, you ensured that that event was not going to be an event that got out of control, did you not?

Mr CHRIS MINNS: Well, I mean, given—

The Hon. DAMIEN TUDEHOPE: Your public pronouncements were this is—

Mr CHRIS MINNS: I made this point in the context of a lot of criticism of my public pronouncements about the second rally that took place in Hyde Park. My point was I'm not making these comments out of the clear blue sky. Anyone would have seen the events and circumstances of the previous Monday and made alternative arrangements and ensured that New South Wales police had the resources and the policy, and the Government was aligned with that, given it was clear that Monday's protests had got out of control. There is no excuse for it. I was briefed about it through the Monday. I'm certainly not coming to this Committee and saying I wasn't aware of what was happening. I was aware and I have to take responsibility for it.

The Hon. DAMIEN TUDEHOPE: And you could have in fact done something about it if in fact you were made aware potentially of the extent of that demonstration, could you not?

Mr CHRIS MINNS: It's important not to conflate police concerns generally about the lighting of the Opera House and the triggering of bad behaviour or bad-faith actors, and the security concerns about a protest from Town Hall to the Opera House. I think that they are different issues. The end result is the same: We didn't provide a place for, in particular, Sydney's Jewish community to come together and commemorate the loss, and I deeply regret that and I have to take responsibility for it.

The Hon. DAMIEN TUDEHOPE: What I am saying to you is that when you become aware of a further event the following Sunday you were able to in fact express your view about making sure that this did not get out of hand and that it was a secure event.

Mr CHRIS MINNS: I kind of get where you're heading with the questioning, but the problem is I'm telling you and I'm telling this Committee I was made aware of the circumstances relating to the police procedures on the Monday. I'm not trying to mislead you; I did know about it. No-one, not the police Minister, not senior police and certainly not senior members of the Government would have been in a position where anyone, having known how Monday would have ended up, would have made the same decisions. Clearly, it went wrong.

The Hon. DAMIEN TUDEHOPE: You've told us that you wanted the Jewish community to be able to grieve, to be able to express their sorrow and in fact make it an event for the Jewish community. Knowing that that was your chief priority, wasn't that something that you would have communicated to the police for the purposes of ensuring that that is in fact the way—

Mr CHRIS MINNS: I just make this point. Retrospect—I'd love to have retrospect in relation to this decision; genuinely I would. I would have loved to have this Committee meeting warning me of the dangers in relation to that protest prior to it happening, but that's not the way decision-making works. In a sense, Damien, what I'm saying to you is you're right. We made a mistake; I made a mistake here. If you're after that admission, you've got it.

The Hon. DAMIEN TUDEHOPE: No, no.

Mr CHRIS MINNS: I think it's important that the Government acknowledges this failure, not in and of itself, but so that it doesn't become practice and norm to allow violent demonstrations or public pronouncements of antisemitism or hate speech on New South Wales streets. I've seen that in other capitals and jurisdictions around the world. That cannot be part and parcel or part of the character of our multicultural community.

CORRECTED

The Hon. DAMIEN TUDEHOPE: Can I just ask you this. You went on leave that day, did you not, on the Sunday night?

Mr CHRIS MINNS: I did, and it's important that I put this in context, because one of your colleagues, not you—

The Hon. DAMIEN TUDEHOPE: No, of course.

Mr CHRIS MINNS: I wouldn't expect you to do that, but one of your colleagues I think has been pretty mischievous about it. That's the member for Wahroonga. I say this in the respectful way that the question is being asked. I did seek leave for that Monday. It was the first day back at school for the school term and I had some family business to attend to. But the truth of the matter is it ended up being one of the busier days of my premiership and I worked the entire afternoon. To put it in perspective, just so that you know, checking my phone logs on the day, I had 11 conversations with my chief of staff on that afternoon, including I think three conference calls where he was on speaker phone with senior staff in my office, and I had seven conversations with the Minister for Multiculturalism, Steve Kamper, about this issue. It was a rolling, evolving event.

I had three conversations, perhaps two but I think three, with the Jewish Board of Deputies directly, including a long conversation with their president. I spoke to the police Minister and I spoke to the Leader of the Government in the upper House, Penny Sharpe. So I was in contact and exercising my responsibilities as Premier. I just make this point that the member for Wahroonga recently stated that, or speculated, that I was on a long weekend in South Australia with my family while these events were happening in Sydney. It's just not true and I don't think it's helpful to an understanding of the events in Sydney to sort of speculate on that.

The Hon. DAMIEN TUDEHOPE: And I thank you for that.

The Hon. SARAH MITCHELL: Did you speak that day to the Deputy Premier, who was Acting Premier?

Mr CHRIS MINNS: I didn't, and the main reason for that is that a long Cabinet meeting was taking place concurrently with a lot of the decisions and phone calls that I was taking at the time. She was chairing that meeting, and one of the reasons that the leave needed to be gazetted is because there was a designated gazetted—gazetted is probably not the right word—

The Hon. DAMIEN TUDEHOPE: But it was gazetted.

The Hon. SARAH MITCHELL: It is gazetted.

Mr CHRIS MINNS: —publicly announced Cabinet meeting that the Deputy Premier chaired and it was long, and a lot of the moving parts of the demonstration and the advice to government occurred concurrently with that Cabinet meeting.

The Hon. DAMIEN TUDEHOPE: Were any of those conversations that you did have with all those people directed at "This would be really a bad idea if these protesters were marching to the Opera House"?

Mr CHRIS MINNS: Not explicitly.

The Hon. DAMIEN TUDEHOPE: Did it cross your mind that that might be a problem?

Mr CHRIS MINNS: To be honest with you, no, but it should have. You're right; it should have. In retrospect, a protest from Town Hall to the Opera House—we shouldn't have allowed it to happen and we should've made the Opera House forecourt and the immediate precinct an opportunity for the Jewish community to come together, and if there were other protests in other parts of the city then that should've been allowed to happen but well away from the community that wanted to come together and grieve. I'm admitting that, and the only thing I can say is we apologise for it and we want to learn from it and make sure it doesn't happen again.

The Hon. DAMIEN TUDEHOPE: Did you have any conversations with the police Minister?

Mr CHRIS MINNS: Yes.

The Hon. SARAH MITCHELL: Did she raise concerns about what senior police were clearly telling her?

Mr CHRIS MINNS: No, but—

The Hon. SARAH MITCHELL: Isn't that a problem, Premier?

Mr CHRIS MINNS: —in fairness to her, I'd made the decision without asking for security advice from her. So that decision had been made.

CORRECTED

The Hon. SARAH MITCHELL: Why? Don't you think that's problematic?

Mr CHRIS MINNS: I think I've said that a couple of times. The member says, "Why?" I thought it was important, much like the German Government, the UK Government, the Government of South Australia, the Commonwealth Government of Australia, the Victorian Government, the Queensland Government, the city municipalities in New York, Chicago and Los Angeles, that, yes, there may well be security concerns and public safety issues, but I was not going to let some of the worst elements of our society hijack what was an important public commemoration. I don't know about you, and I don't know what your views are about this—I haven't heard them—but my view is I don't want to live in a community where someone may be triggered by the lighting of the Opera House and as a result of that triggering we don't go ahead with an important commemoration.

The Hon. SARAH MITCHELL: I don't disagree, Premier, but you've just said that you were on leave yet you spent most of the day—

Mr CHRIS MINNS: No, I think I've cleared that up.

The Hon. SARAH MITCHELL: No, officially, and I understand you were with your family and that's fine but you spent most of the afternoon, you said, on the phone. You spoke several times to colleagues, so surely you understood that something was going to be problematic that afternoon, given that you weren't at the Cabinet meeting but you were still speaking to a lot of people.

Mr CHRIS MINNS: What can I say? You can ask the same question over and over again. I wish I was aware. I wish I did have the foresight that this could've happened. Mistakes were made—mistakes made by me. I'm not coming to this Committee saying I wasn't informed or briefed; I was. If I had my time over again, I would never have let it happen. In terms of leave, I was exercising my responsibilities as Premier of New South Wales, and that's important context. I think kind of mischief-making suggesting that I was out of State or incommunicado or not exercising my responsibilities as Premier is unhelpful and not an accurate reading of what happened.

The Hon. ROBERT BORSAK: I'm going to start with some questions around the Powerhouse Museum. I've had a pretty long-term abiding interest in that project, and I'm sure you're across that. Premier, can you advise who is actually managing the process of the Powerhouse Museum Ultimo options that are going to Cabinet?

Mr CHRIS MINNS: Generally speaking—I could get more specific in terms of the agency—the Minister responsible, at least in my engagement with him, is John Graham as the Minister for the Arts.

The Hon. ROBERT BORSAK: He is, but do you believe the persons advising him have the expertise they need to return that facility to a proper arts and sciences museum?

Mr CHRIS MINNS: I guess I would have to say I'm not aware that they don't, but I wouldn't know who they are. So I'm not sure who he's getting his advice from in terms of his conferring on Cabinet decisions or requests that he's making to the New South Wales Cabinet, but I haven't heard that he's getting bad advice or from the wrong people. But if you've got information—

The Hon. ROBERT BORSAK: No, I'm not saying he's getting bad advice or getting good advice. I think the reality is he seems to me to be labouring rather hard in terms of trying to get the project sorted out and turning it back into what he has declared he wanted it to be, which was an arts and sciences museum. Do you actually give your full support to the re-creation of a brand-new, revamped museum on that site?

Mr CHRIS MINNS: I do. I think John put a persuasive case to his colleagues as we headed into the budget session, and part of that was the securing of, I think, in round numbers—forgive me, Mr Chair—\$250 million for the redevelopment of the site. The original budget had it over \$500 million, a half-a-billion-dollar project. The decision was made in relation to that. We thought it kept faith with the original intent of the museum and its original commissioning in the eighties. Also, as you'd be aware, Mr Borsak, we've got major budget issues in New South Wales, so we had to make what we regard as difficult decisions about where to spend money, given we had \$180 billion worth of debt in the State and we are acutely aware that someone is going to have to pay that off in the years ahead.

The Hon. ROBERT BORSAK: The taxpayer will have to pay it off, of course.

Mr CHRIS MINNS: That's right. That's exactly right.

The Hon. ROBERT BORSAK: In June 2022, obviously before your time, a draft conservation management plan was submitted to the Department of Planning and Environment for stage one of the Powerhouse at Ultimo. Are you aware of whether that particular draft conservation management plan is still current, or has it been revised? If you don't know, you can take it on notice.

CORRECTED

Mr CHRIS MINNS: I don't know. I'm happy to take it on notice unless Simon knows.

SIMON DRAPER: No, I don't.

Mr CHRIS MINNS: Sorry, Mr Borsak. I'll take it on notice and I'll come back to you.

The Hon. ROBERT BORSAK: I've got a lot of engineering questions but I don't think I'm going to ask you those.

Mr CHRIS MINNS: I could give it a crack.

The Hon. ROBERT BORSAK: You can give it a crack? Alright. It has been announced that the Government, in its renewal of the Powerhouse Museum, will deliver a dynamic applied arts and applied sciences program. What's your understanding of what that means?

Mr CHRIS MINNS: That's a good question. The ultimate mission of the Powerhouse Museum was really the advancement of science, showcasing innovation in New South Wales from great inventors, and probably ultimately to get young people in particular excited about applied science and engineering, and that changes. When you've got a rapidly changing sector like science, innovation and technology, and you've got a museum that's dedicated to it, it kind of stands to reason that the museum itself will have to innovate and change over time. I suspect they've got a big job ahead of them to keep pace with rapidly changing technologies like AI and Australian firms and scientists who are competing and innovating in that space.

The Hon. ROBERT BORSAK: It's good that you mention AI and certainly in line with this Government's emphasis on wanting to manufacture in New South Wales. Would you agree with the concept that a technology and applied arts and sciences museum really does need to be put back on that site? We've got plenty of arts museums and we've got plenty of old-things museums, but at the end of the day this is a unique technology museum that has stood there since the eighties.

Mr CHRIS MINNS: Yes, I think you're right and I think showing the evolution of the Powerhouse, and not just the Powerhouse but showing the evolution of how scientific innovation and technology has changed in Australia, is really important for our national story because we've got some wonderful sciences. We've got world-class, world-leading research universities. We've been brilliant at innovating, particularly in competitive industries from around the world.

I think you'd agree but, Mr Borsak, we haven't been great at commercialising those opportunities or bringing that kind of elaborately manufactured sector into the Australian economy. I've been speaking about this a little bit. Partly that's what happens in resource-rich economies. The private capital is organised around the extraction of minerals and the export of it, because that's where the margins are. But, ultimately, if we're going to be a diverse, dynamic economy that thinks not just about the next couple of years but 10, 20 or 30 years into the future, we have to have more of an emphasis on that manufacturing sector. And to do it via Australian innovation would be even better, because you get the IP and you get a head start on the rest of the world.

The Hon. ROBERT BORSAK: Thinking about that, what is your Government doing, for example, to support continuing steel production at Port Kembla?

Mr CHRIS MINNS: That's a good point. We have a range of agreements in place, particularly for the New South Wales Government's procurement program. In the first instance I say that we support steel manufacturing in Wollongong. It's an important part of that economy and it employs tens of thousands of people from the Gong. I've visited that site many, many times as Leader of the Opposition and as Premier. I have to say, if members haven't been down there and visited, they should because the leadership of that company is constantly thinking about new markets to sell Australian steel to and looking at opportunities for them to—to borrow a phrase—weld themselves onto the massive opportunities that come with our renewable energy revolution. So that's number one.

Number two, we are doing everything we possibly can in terms of procurement to make sure that we're using Aussie steel, Aussie jobs and Aussie know-how. There are a couple of reasons for that. Firstly, we think it is competitive from a cost perspective, but every single group—every single trade delegation—that I see from the European Union and even the United States is focusing on supply chains and ensuring that, wherever and whenever possible, you've got access to the raw materials and raw goods you need to keep your economy going. I don't think Australia has been good at that in the past, and that's part of the reason we're committed to it.

The Hon. ROBERT BORSAK: I don't disagree with you on that front. You mentioned renewable energy. Do you actually believe that Port Kembla could move to producing green steel on any economic basis whatsoever? And, if it is, where is it going to get the money from—especially in relation to commercialising it?

CORRECTED

Mr CHRIS MINNS: That's a really good question. I think it's probably at the cutting edge of the next iteration of steel production. I know it's exercising the minds of those industry leaders, and the main reason they're concerned about it is that there's a lot of talk in the European Union about having an effective tariff on anything other than green steel. Given that's the second biggest economy in the world and we want access to it—and, currently, the Commonwealth Government is in the midst of a European-Australian free trade deal—if we're world leading when it comes to steel manufacturing, and it is green, then we could have access to that market when other steel-producing countries around the world don't, and that would be exciting.

The Hon. ROBERT BORSAK: But what are you and your Government actively doing to promote that particular policy with your policies? You mentioned government preference for, say, Port Kembla steel. But to drill down into that, how does that actually reflect itself in real policy?

Mr CHRIS MINNS: The technology isn't ready to be commercialised. There are different views in relation to that. If you speak to the industry players, some will say, "No, we're right around the corner. It won't be long before we roll it out." Others will say, "You're going to have to have"—do they call it blue, the mix of green and brown hydrogen?—"blue for a few more years yet." But I'm not an expert and I can't give you an answer. I wouldn't like to dampen the enthusiasm, particularly of industry. Generally speaking, if private capital and industry believe that it's possible then I'm willing to get the Government to put its shoulder behind it.

The Hon. ROBERT BORSAK: Do you mean some money behind it?

Mr CHRIS MINNS: Well, if they're prepared to put their private capital behind the innovation and the engineering changes to get green hydrogen up and running, I think that would be if not proof positive then a leading indicator that it's possible.

The CHAIR: Premier, are you aware that since 2014, the rate of deaths from accidental drug overdoses has exceeded our road toll? What is the Government doing to lower that rate of death from accidental drug overdoses?

Mr CHRIS MINNS: That's a troubling statistic, and it's very sobering for the Government and the Committee to hear. A range of initiatives have already been announced, in particular one maybe two weeks ago—which had been, in all fairness to the Opposition, in gestation for a number of years—and that is movement towards PINs and counselling rather than embroiling those who have been caught with low prescribed amounts of illicit drugs in the criminal justice system and the court system. So that's one initiative. We're committed to a drug summit too. I know that you've been a passionate advocate for reform in this space, not just in your current iteration—or term or service—in the Legislative Council but for decades and years prior to that. We're prepared to speak to experts and manage what is complicated policy. I don't have a policy announcement to release today. You might characterise my hesitancy as being too careful in relation to it, and I'll have to accept that criticism, but I want to get the policy right.

The CHAIR: Are you aware that most of those deaths relate to legally prescribed opiates? Would the Government consider including the use, or misuse, of legally prescribed opiates in the drug summit?

Mr CHRIS MINNS: Yes. I think that is a helpful suggestion, particularly as you look at the international rise, driven in particular by some big drug companies in the US, of the widespread use of anti-pain medication that had, at its heart, a substance that was deeply addictive and, ultimately, ruinous to millions of people's lives around the world.

The CHAIR: Premier, in your answer just then you said that the welcome initiative regarding the PINs and the counselling is of benefit—diverting people found with personal quantities of drugs towards a health outcome. Do you accept that pill testing at music festivals allows people who intend to take illegal drugs to be informed, to be counselled, by qualified health professionals about the potential risks of their impending drug use?

Mr CHRIS MINNS: We do have counsellors and drug information—drug use and illicit substance information—at music festivals today when they occur. There might be some this weekend. I know NSW Health is active in getting information out to festivalgoers and those who use recreational drugs in particular. It's not the traditional anti-drug message that just says, "Don't use drugs." It's very specific information about, let's be honest, how to stay alive if you consume in particular MDMA at a music festival in summer, and that largely has to do with seeking shelter and drinking water. I've been receiving briefings, as has the Minister for Health, about how extensive those programs are and whether they're used by festivalgoers in particular to seek out information and stay healthy and stay alive if they do choose to use drugs at a music festival.

A couple of things, though: There is no safe way to use these drugs; drugs are illegal in New South Wales. I'm really concerned. Any life lost is terrible but, if you look at the statistics, young males over 20 years of age, who believe that they're invincible, are making decisions and taking risks with their lives that they could lose their

CORRECTED

lives over. It's very hard to get through to those young people about the risks that they're taking by going to a music festival and consuming an ecstasy pill. I'm open to ideas and initiatives but—

The CHAIR: The special commission of inquiry and Deputy State Coroner Harriet Grahame in 2019 had some ideas and initiatives, which were to get rid of drug sniffer dogs—that they were counterproductive to people's health and reducing harm—and to introduce pill testing where those services that you're rightly talking about could be enhanced. Would the Government consider implementing a pill testing trial in the lead-up to your drug summit to gather information and evidence to inform a drug summit?

Mr CHRIS MINNS: We don't have plans to do that. The leading reason for that is, having looked at the question and examined the policy—because we did take it seriously. We have seen your activism and many people that we respect, to be really frank with you, in relation to health in New South Wales, and their passionate advocacy for policy change. I had a close look at it, as did the Minister for Health, and my concern is that mobile testing facilities at music festivals will determine whether there is an alien substance in the drug—so toxicity. The most obvious one is rat poison. Is there rat poison in an ecstasy pill? But it won't measure potency onsite. They can take it offsite and measure it at a lab but onsite testing won't measure potency. From examining the tragic deaths associated with drug deaths at music festivals, potency, generally speaking, is the main reason people die, not a toxic substance or an alien substance in their blood.

The CHAIR: Surely, Premier, that counsellor who is advising them that their MDMA doesn't have rat poison could also advise the person, "You should be aware that this MDMA could be very strong and could kill you", and that may lead to someone deciding not to take the tablet and save their life.

Mr CHRIS MINNS: They could. I'm not suggesting otherwise. They could. But it's also important to note that, while that interaction takes place, policy-makers and decision-makers should go in wide-eyed and not believe that, during that interaction, the toxicity of ecstasy or a particular drug will be able to be determined onsite. I wish I had a straightforward answer. We're not closing our door in relation to reform. We're genuinely not. We're engaging with the issue quite genuinely as a way of reducing, eliminating and stopping deaths at music festivals. I've heard about—and I've seen them on the news—the anguished media conferences of the mothers and fathers who have lost their kids at music festivals. As a parent, obviously, it's moving and it's affecting. But I want to make sure we get the policy right.

The CHAIR: I appreciate that, Premier.

Ms CATE FAEHRMANN: Good morning, Premier. I want to continue along this line of inquiry, if I can. You were saying that there are people, particularly young men, who do things like taking risks with their lives. Are you aware that the coronial inquest into the six tragic deaths at music festivals, as well the Special Commission of Inquiry into the Drug "Ice", found that the presence of drug detection dogs is what makes people take those risks? The coronial inquest found that the presence of drug detection dogs made people take a couple of pills at once, for example, and the same thing happens inside. Are you aware of that information?

Mr CHRIS MINNS: That's the argument. The argument is that, if you have drug detection dogs at the front of a music festival, there may be immediate over-consumption of drugs on their entrance to the festival. I'm not sure you could make the claim or the case that that happened in every event, and I don't have a detailed knowledge of all of the deaths. I don't know. I don't know whether young men in particular—

Ms CATE FAEHRMANN: Premier, I'll just tell you the evidence, then. You said that was the argument. It's not the argument; it's the evidence. It's the evidence that was presented to the coronial inquest. It's what they found. It's what the Special Commission of Inquiry into the Drug "Ice" found. So it's the evidence based on—

Mr CHRIS MINNS: There are a couple of things. I think it's important to break it down. You're presenting it as "The only deaths that have occurred at music festivals are as a result of over-consumption at the entrance of the music festival, as a result of drug sniffer dogs."

Ms CATE FAEHRMANN: No, I did not present it like that.

The CHAIR: Order! Let the Premier answer the question.

Mr CHRIS MINNS: I have to get this out.

Ms CATE FAEHRMANN: Don't put words into my mouth because I did not say that.

The CHAIR: Order!

Mr CHRIS MINNS: I'm going to answer it. It's an important distinction. I'm not trying to nitpick. If there are other deaths associated with drug consumption at music festivals that aren't related to over-consumption at the point of entry, then that mitigates in favour of the police efforts to stop drugs coming into the music festival

CORRECTED

in the first place. I don't have a detailed knowledge of all the deaths, but I don't think you can make the point that people are solely dying as a result of over-consumption because of drug sniffer dogs at the entrance to music festivals.

Ms CATE FAEHRMANN: No, of course you can't make the assumption that people are solely dying because of that. But one example is Jen Ross-King's daughter, Alex Ross-King. You just spoke before about press conferences with the family. I did that the day after those terrible deaths. Ross-King's daughter, Alex, was exactly one of those people who her friends say, to avoid the drug detection dogs, saw the dogs, took the drugs at once and quite quickly, when she went into the festival, got into a lot of trouble. The coronial inquest—

The CHAIR: Cate, we are going to have to have that as a comment because your time has expired.

Mr CHRIS MINNS: Can I just say, Chair, I'm not trying to be flippant about it. I appreciate that there are people of good faith with different views who are approaching this in good faith. The evidence runs both ways on it. It's a very difficult one to manage. I remember reading an article about a series of deaths in the UK as a result of a music festival, and the response from the organisers and the UK police was to have more sniffer dogs and a bigger police presence at the entrance. I understand the issues. We're not closing our door on it but I just think Committee members need to be aware that it's not straightforward. If it was straightforward, it would have been solved by now.

The Hon. DAMIEN TUDEHOPE: Premier, I return to wrap up the Opera House incident. You would agree with me that your position is—and you have apologised—that, if you had hindsight, you would have, in fact, taken steps to ensure that the incident at the Opera House did not take place.

Mr CHRIS MINNS: Yes.

The Hon. DAMIEN TUDEHOPE: So you would agree with me that the assertion by the police Minister that this was purely a police operational decision was inaccurate, was it not?

Mr CHRIS MINNS: No. I think you would appreciate—

The Hon. DAMIEN TUDEHOPE: You could have stopped it. You have admitted to the Committee today that you could have taken steps to have prevented it from occurring.

Mr CHRIS MINNS: There are a couple of things that are really important in context here. The first one is that there were alleged criminal offences committed on the forecourt of the Opera House that are the subject of criminal charges.

The Hon. DAMIEN TUDEHOPE: But it's the actual marching. The decision to march—

The CHAIR: Order!

The Hon. BOB NANVA: Point of order—

Mr CHRIS MINNS: I'm not trying to be coy.

The CHAIR: A point of order has been taken by Mr Nanva.

The Hon. BOB NANVA: Mr Tudehope has asked a question. Procedural fairness resolution clearly states that the Premier ought to be afforded the opportunity to answer.

The Hon. DAMIEN TUDEHOPE: Don't take up the time, Bob.

The CHAIR: Order!

The Hon. DAMIEN TUDEHOPE: It is disrespectful to do this. The member can answer the question.

The CHAIR: Order! The member has taken the point of order. We will hear the point of order.

The Hon. BOB NANVA: I've concluded my point of order but I would appreciate being able to take a point of order without the interjection.

The CHAIR: I agree. Yes. We must ensure that we are not interjecting when there is an answer being given and that we afford all our witnesses the courtesy that the resolution demands. Premier?

Mr CHRIS MINNS: I can't remember the question.

The Hon. DAMIEN TUDEHOPE: You don't need help from these guys. You can handle yourself without their help.

Mr CHRIS MINNS: What did you say again?

CORRECTED

The Hon. DAMIEN TUDEHOPE: You could have taken steps to prevent the march from the Town Hall to the Opera House.

Mr CHRIS MINNS: I think everyone would have taken steps to avoid that.

The Hon. DAMIEN TUDEHOPE: That was an operational decision. You could have made it very clear to the police that that should not have happened.

Mr CHRIS MINNS: I don't think you're being fair to the police. We were all party to the decision-making on the Monday night. You have to examine the operational policing decisions for the subsequent Sunday, where they made a series of changes to say, "We've given the organiser of this rally a go. We've allowed them to have a protest through the city and it was characterised by violence, hate speech and antisemitic tirades."

I think your kind of point—maybe I'm summarising your point wrong, but your point sort of suggests, "Well, the Government should've come in over the top and directed them operationally to make a different decision." Police made different decisions on the Sunday; it wasn't just the New South Wales Government. Everybody went, "Well, this is unacceptable. We don't want a repeat of this, so we're going to change direction."

The Hon. DAMIEN TUDEHOPE: You could've done it. You've told us today that you would have taken different steps with hindsight and you could have.

Mr CHRIS MINNS: I certainly would've and I'm sure New South Wales police would've as well.

The Hon. BRONNIE TAYLOR: Premier, have you heard of CMAX Advisory or CMAX Communications?

Mr CHRIS MINNS: It doesn't ring an automatic bell, but perhaps if you could—

The Hon. BRONNIE TAYLOR: Sure. Did you have any discussions with Tara Moriarty before she moved an SO 52 regarding Bungendore High School?

Mr CHRIS MINNS: What was that?

The Hon. BRONNIE TAYLOR: Did you have any discussions with Minister Moriarty before she moved an SO 52 regarding Bungendore High School?

Mr CHRIS MINNS: What was the SO 52 about?

The Hon. BRONNIE TAYLOR: On Bungendore High School, Premier. It's a simple question. A yes or no answer will suffice.

Mr CHRIS MINNS: Sorry, all of this information is brand new to me.

The Hon. BRONNIE TAYLOR: Have you had discussions with Tara Moriarty—

Mr CHRIS MINNS: Did the Minister for Agriculture move an SO 52?

The Hon. DAMIEN TUDEHOPE: No, in the last Parliament.

Mr CHRIS MINNS: Right. So not as part of my time in government?

The Hon. DAMIEN TUDEHOPE: No, in the last Parliament when she was—

Mr CHRIS MINNS: So you're investigating our time in opposition?

The Hon. BRONNIE TAYLOR: I'm asking you a question, Premier. I have limited time if you wouldn't mind answering it. Did you have discussions or didn't you?

Mr CHRIS MINNS: I don't want to give you a misleading answer. What was the—

The Hon. BRONNIE TAYLOR: There's nothing to mislead. A yes or no will suffice.

Mr CHRIS MINNS: Well, no. I want to understand your question, so I can understand whether I'm giving an answer.

The CHAIR: Order! Wide latitude is given. The witness was seeking important context for the question.

Mr CHRIS MINNS: What was the SO 52?

The Hon. BRONNIE TAYLOR: It was on Bungendore High School.

Mr CHRIS MINNS: What about Bungendore High School?

The Hon. SARAH MITCHELL: It was the location of Bungendore High School.

CORRECTED

The Hon. BRONNIE TAYLOR: The location of Bungendore High School—call for papers.

Mr CHRIS MINNS: So there was an SO 52 moved by—

The Hon. BRONNIE TAYLOR: Tara Moriarty.

Mr CHRIS MINNS: But not in government? In opposition?

The Hon. BRONNIE TAYLOR: That's right.

Mr CHRIS MINNS: What was it relating to?

The Hon. BRONNIE TAYLOR: I've told you three times now: It was about Bungendore High School.

The Hon. BOB NANVA: Point of order—

The CHAIR: Order! A point of order has been taken by Mr Nanva. I'll hear the point of order.

The Hon. BOB NANVA: The Premier is trying to seek clarification as to what the substance of the question is.

Mr CHRIS MINNS: What will happen is I'll say, "It doesn't ring an immediate—

The Hon. BRONNIE TAYLOR: That's fine. I'm happy to move on, Chair.

Mr CHRIS MINNS: I don't immediately recall it, but if you give me more context, maybe I'll understand.

The Hon. BRONNIE TAYLOR: That's fine. That's the answer. Thank you.

The CHAIR: Order! The member is happy to move on so we're moving on.

The Hon. BRONNIE TAYLOR: Premier, on 20 October 2022, two weeks after the SO 52 was lodged, did you host a Labor fundraiser with the Prime Minister, Anthony Albanese?

Mr CHRIS MINNS: I'd have to check my diary. I couldn't—

The Hon. BRONNIE TAYLOR: If you could provide that to the Committee, that would be great.

Mr CHRIS MINNS: I can't tell you off the top of my head.

The Hon. BRONNIE TAYLOR: That's fine. Did a representative from CMAX Advisory attend this fundraiser?

Mr CHRIS MINNS: What was the—maybe if you can help me with the person's name, I might have a better recall.

The Hon. BRONNIE TAYLOR: The Taubenschlags?

Mr CHRIS MINNS: The what?

The Hon. BRONNIE TAYLOR: The Taubenschlags from CMAX Advisory.

Mr CHRIS MINNS: It doesn't ring a bell.

The Hon. BRONNIE TAYLOR: Did a representative from CMAX Advisory attend this fundraiser?

Mr CHRIS MINNS: It doesn't ring a bell, but I would be reluctant to say no because I don't immediately recall the fundraiser.

The Hon. BRONNIE TAYLOR: Just for your recollection, two weeks—

Mr CHRIS MINNS: How many people were at the fundraiser?

The Hon. BRONNIE TAYLOR: Well, that's a question for you. I understand it was intimate. But I also understand that, two weeks after the SO 52 was lodged, a member from CMAX Advisory attended that fundraiser and made the first ever donation to the State Labor Party of \$5,000, although they'd already only donated to the Federal Labor Party before that.

Mr CHRIS MINNS: So they donated to Labor previously and then they donated to Labor again?

The Hon. BRONNIE TAYLOR: No, they never donated to State Labor. But my question is to you—

Mr CHRIS MINNS: But they had donated to Federal Labor?

CORRECTED

The Hon. BRONNIE TAYLOR: I'm the one asking the questions here, Premier, and you're answering them and that's how budget estimates works.

Mr CHRIS MINNS: Was Anthony Albanese at the fundraiser though, did you say?

The Hon. BRONNIE TAYLOR: My question to you is did a member of CMAX Advisory attend that fundraiser. Now, I understand you're going to take that on notice. Is that correct, for the Committee?

Mr CHRIS MINNS: I don't immediately recall the fundraiser—

The Hon. BRONNIE TAYLOR: And that's fine, Premier. But will you take that on notice?

Mr CHRIS MINNS: —and I don't immediately recall who attended the fundraiser, but I'm happy to take it on notice.

The Hon. BRONNIE TAYLOR: Great.

Mr CHRIS MINNS: But, I mean, if you're saying that—

The Hon. BRONNIE TAYLOR: Just, again, to add to your recollection—

The CHAIR: Order!

The Hon. BRONNIE TAYLOR: I have another question.

The CHAIR: Well, the Premier is seeking to answer the question and you are—

The Hon. BRONNIE TAYLOR: Well, he has answered it, respectfully.

The CHAIR: Order! You've got to treat all witnesses, including the Premier, with courtesy.

The Hon. ROBERT BORSAK: Including the Premier.

The CHAIR: Even the Premier—with courtesy. So can we be mindful of that and not interject with a barrage of questions?

Mr CHRIS MINNS: Yes, I don't want to mislead the Committee, Mr Chair. I don't automatically remember the individual involved, but I'm not confident enough to say that they weren't there.

The Hon. BRONNIE TAYLOR: That's great. Thanks very much. If you just provide that on notice.

Mr CHRIS MINNS: But if the Electoral Commission reports a \$5,000 donation after this person had donated to the Federal party—and did you say Anthony Albanese was at the fundraiser?

The Hon. BRONNIE TAYLOR: Thank you, Premier. I'm happy to move on from that line of questioning. If you just provide that information to the Committee, that would be most appreciated. Premier, do you agree with me that women should be able to work in a respectful workplace free from harassment and intimidation?

Mr CHRIS MINNS: Of course.

The Hon. BRONNIE TAYLOR: Would you agree with me that people who serve in the public service should be treated with respect?

Mr CHRIS MINNS: Yes, I think that that's a fundamental principle, yes.

The Hon. BRONNIE TAYLOR: Would you agree with me that demeaning behaviour from any of your Ministers or Parliamentary Secretaries, or members towards public servants is not conducive to a functioning workplace?

Mr CHRIS MINNS: I think these are general principles that every member of Parliament would believe in and be committed to.

The Hon. BRONNIE TAYLOR: And you do? Because the question is to you.

Mr CHRIS MINNS: Well, yes. I mean, I'm a member of Parliament. I don't think—

The Hon. BRONNIE TAYLOR: So you would be aware of—

Mr CHRIS MINNS: I don't know if anyone—

The Hon. BOB NANVA: Point of order—

CORRECTED

The CHAIR: Order! The Premier is attempting to answer the question and the member is constantly interjecting over the top of the answers and it's not conducive to eliciting some information from the Premier.

The Hon. BRONNIE TAYLOR: Is that the point of order, Chair—

The CHAIR: I'm just reminding you.

The Hon. BRONNIE TAYLOR: I just have limited time so I want to move on. He's answered the question. You would be aware, Premier, that Ministers and Parliamentary Secretaries have disclosure requirements over and above that of MPs? It's just a yes or no.

Mr CHRIS MINNS: What in relation to? What are you speaking about in particular?

The Hon. BRONNIE TAYLOR: Premier, honestly, it's disclosures. You are aware that Ministers and Parliamentary Secretaries need to make disclosures above what a member of Parliament is required to do? It's a simple yes or no. It's a rule.

Mr CHRIS MINNS: Ministers do have to make disclosures and members of Parliament have to make disclosures as well. But I'm kind of focused on this in particular because I think it's important that members don't believe that they've got some kind of diminished responsibility that Ministers do have and therefore can hide—

The Hon. BRONNIE TAYLOR: No, that's not what I'm suggesting. It was just a simple question, Premier.

Mr CHRIS MINNS: —funds or hide money. Everybody's got disclosures. But they're different disclosures. Members have got a particular—

The Hon. BRONNIE TAYLOR: That's exactly right.

Mr CHRIS MINNS: —disclosure around pecuniary interests—

The Hon. BRONNIE TAYLOR: Premier, with the new—

Mr CHRIS MINNS: —and their disclosure to Parliament and—

The Hon. BRONNIE TAYLOR: Thank you, you've answered the question, Premier. I have limited time. With the new administration changes your Government introduced, who was responsible for compiling and collating the disclosures and ensuring compliance?

Mr CHRIS MINNS: The Cabinet Office was. Is that right, Kate?

The Hon. BRONNIE TAYLOR: Would it be correct that multiple Ministers have updated their disclosures since August?

Mr CHRIS MINNS: Particularly when you've gone from opposition to government and Ministers take office. They might have been civilians before. They might have even been out of Parliament or not been a member of Parliament prior to taking on ministerial responsibility. Then there is a period of time between being an Opposition MP or being an Opposition frontbencher and being a Minister. And, as part of that process—and this is routine custom and practice. This would've happened in the—

The Hon. BRONNIE TAYLOR: Thank you. We've all been through that process. My question was quite specific, Premier.

Mr CHRIS MINNS: —Carr Government. It would've happened in the Greiner Government. And it would've happened in the Wran Government.

The Hon. BRONNIE TAYLOR: So you are saying—

Mr CHRIS MINNS: But Ministers are given—

The Hon. BRONNIE TAYLOR: —that they have been?

Mr CHRIS MINNS: —a period of time to organise their personal financial declarations. I don't know the specifics—

The Hon. BRONNIE TAYLOR: Thank you, Premier. That's great. You've answered the question—

Mr CHRIS MINNS: —but that personally would've—

The Hon. BRONNIE TAYLOR: —that you've had numerous Ministers updated.

Mr CHRIS MINNS: Sorry, I'm going to get it out. You can't—

CORRECTED

The Hon. BOB NANVA: Point of order: The Premier is entitled to take a bit of time to answer the question that's been asked of him without constantly being interrupted and being spoken over the top of so we can all hear and so that Hansard can actually transcribe this.

The CHAIR: I uphold the point of order and I remind the member that, if you're going to ask questions, you have to listen to the answer. And the Premier has wide latitude—any witness has wide latitude to answer the question as they see fit within the context of being generally relevant. I ask that you afford the member the courtesy that the resolution of the House demands.

The Hon. BRONNIE TAYLOR: My final question then is what is your current position on Ministers or Parliamentary Secretaries or any member of your team whose disclosures are incomplete.

Mr CHRIS MINNS: Well, there are very strict rules in place in relation to disclosures. Ministers are aware of that. Members of Parliament are aware of that. I think any Premier would be concerned and make sure that the provisions are in place, particularly in relation to disclosure and Cabinet decisions. We've had our squabbles in the past, Mr Tudehope, about—

The Hon. BRONNIE TAYLOR: What's your current position?

The Hon. DAMIEN TUDEHOPE: Why over-disclose, Premier?

Mr CHRIS MINNS: —toll roads and toll road shares. But no. My Ministers have to comply with the rules and with the laws.

The Hon. BRONNIE TAYLOR: So that's your current position? Sorry, it's hard to hear because you're chewing gum. Is that your current position?

Mr CHRIS MINNS: That's my position. That's been my position the whole way through.

The Hon. SARAH MITCHELL: Premier, can you tell me who Leon Ankersmit is?

Mr CHRIS MINNS: Leon?

The Hon. SARAH MITCHELL: Ankersmit.

Mr CHRIS MINNS: I don't have an immediate recall of that name.

The Hon. SARAH MITCHELL: He was your candidate for Clarence in the last State election. Do you know what he did before he was preselected?

Mr CHRIS MINNS: No.

The Hon. SARAH MITCHELL: He was the CEO of Anglicare up on the North Coast. Are you aware that Anglicare North Coast received a \$40,000 grant under the Local Small Commitments Allocation, and that he announced that as the candidate?

Mr CHRIS MINNS: That wouldn't surprise me. Anglicare is a well-respected community organisation.

The Hon. SARAH MITCHELL: Yes. I'm not disputing that they're a good organisation.

Mr CHRIS MINNS: I think that particularly ones that have longstanding track records of community activism and support, NGOs that have impeccable public credentials like Anglicare—

The Hon. SARAH MITCHELL: Sure, but my point—

Mr CHRIS MINNS: I don't have automatic recall for it, but I'm not surprised by it. I think that would be understandable.

The Hon. SARAH MITCHELL: Right, that's fine. You're not surprised by it. But my question goes to—

Mr CHRIS MINNS: Particularly in relation to the Northern Rivers—

The Hon. SARAH MITCHELL: With respect—

Mr CHRIS MINNS: —and the devastation that they've had.

The Hon. SARAH MITCHELL: Yes, I know, Premier. I've been there many times.

The Hon. PETER PRIMROSE: Point of order: Again, it is not as bad as we just experienced with the previous member, but the Premier must be allowed—if a question is worth asking, under paragraph 19 of the procedural fairness resolution, then surely the witness must be able to actually answer the question.

CORRECTED

The CHAIR: Thank you, Mr Primrose. Again, I uphold the same point of order. If you are going to ask a question, you should afford the witness the opportunity to answer without interjecting.

The Hon. SARAH MITCHELL: I'm not asking about the merits of Anglicare. I'm asking specifically about a \$40,000 grant that was announced by your candidate to the organisation of which he was the CEO. I want to get to the probity around the matter, Premier. You've said in relation to Local Small Commitments—I've put a series of questions on notice about it—that there will be important probity checks. Can you understand that that doesn't look very good, that a candidate wrote a cheque to an organisation of which he is the CEO, regardless of how worthy that organisation might be? It's a bit of a problem, isn't it?

Mr CHRIS MINNS: No, it's not.

The Hon. SARAH MITCHELL: Why is it not a problem?

Mr CHRIS MINNS: The reason we pursued this policy change in relation to small commitments of \$400,000 per electorate was because of a longstanding, persistent, entrenched and habitual process of pork-barrelling by the National Party—by you and your colleagues.

The Hon. SARAH MITCHELL: With respect, Premier, you've got a situation there where we also have an email from one of the volunteers on that committee who wrote to a different organisation up in Clarence saying, "Leon would be so grateful if you could let as many people as possible know about this grant before polling day. Of course receipt of the grant is only dependent on Labor winning government." Isn't that the very definition of resources going to targeted electors for partisan political purposes? That's what ICAC says pork-barrelling is. How is it not?

Mr CHRIS MINNS: I think that you're myopically misreading the pork-barrelling challenges—

The Hon. SARAH MITCHELL: Not at all.

Mr CHRIS MINNS: —that ICAC has laid down. I can only assume this is ultimately in the service of returning to what was, frankly, an odious set of circumstances where the National Party agglomerated funds and put into a single electorate. We have made a decision to put \$400,000 individually into 93 electorates. That's largely modest announcements—modest policies, initiatives and grants for local communities. It seems like if it's modest, small and from the Labor Party, well, it must be corrupt.

The Hon. SARAH MITCHELL: Can I take you to another example?

Mr CHRIS MINNS: But if it's massive, targeted and from the National Party, then it's pork-barrelling and it's fine. I defend the decision. I don't know of any—

The Hon. DAMIEN TUDEHOPE: But it was only made available to Labor Party members.

Mr CHRIS MINNS: I'm going to get it out. I think you're attempting to portray an important distribution of funds equalised across electorates, regardless of how people voted, as somehow not worthy. I just want to put the principle. I don't know of an election campaign and I don't know of an election candidate that hasn't run in that campaign without promising something for their electors. The Leader of the Opposition promised \$10 million for a walkway in Cronulla. Well, because it was \$10 million, that's fine.

The Hon. SARAH MITCHELL: With respect, Premier, I want to use another example. The seat of Dubbo—your candidate there, Josh Black, who is a councillor on Dubbo Regional Council. That council received \$396,000 from that program.

Mr CHRIS MINNS: Are we really—

The Hon. SARAH MITCHELL: No, it is my turn to ask questions.

Mr CHRIS MINNS: I've got to say, I'm shocked that we're criticising money directly to councils.

The Hon. SARAH MITCHELL: Premier, please be respectful. You had a councillor give almost the bulk of that \$400,000 to the council of which he is a member. There are two other local government areas in that electorate. They didn't get a cent. It was not publicly announced before the election. This is a problem. This stinks.

Mr CHRIS MINNS: Look, in Dubbo, where do most people—can I just ask you a question?

The Hon. SARAH MITCHELL: Premier, don't be disparaging about the people from Narromine or the people from Mudgee, who also are represented.

The Hon. BOB NANVA: Point of order—

CORRECTED

The Hon. SARAH MITCHELL: Your candidate hand-picked a slush fund project to help himself, and you know it.

The CHAIR: Order! A point of order has been taken.

The Hon. BOB NANVA: Point of order: I don't know if that was a question or a series of statements and arguments, but I ask the Chair to rule it out of order.

The CHAIR: I uphold the point of order. It wasn't a question; it was a series of statements. It is a good line of questioning, and the member should prosecute it. But allow the Premier to answer the question. I uphold the point of order.

Mr CHRIS MINNS: It was a malicious misreading of my answer and not consistent with what I said at all, to suggest that I've somehow launched a slur against regional communities in those council areas. It is just unfair and not consistent at all with what I said. I think it's a bit desperate, really.

The Hon. SARAH MITCHELL: Premier, they didn't get any money from your candidate. Why not?

Mr CHRIS MINNS: A couple of things are important. I don't know of any election campaign where a candidate hasn't promised—

The Hon. SARAH MITCHELL: But this wasn't publicly announced.

Mr CHRIS MINNS: No, I'm going to answer the question. You've asked it. I am entitled to answer it, surely.

The Hon. SARAH MITCHELL: There was no public announcement. It was all behind closed doors.

Mr CHRIS MINNS: I'm entitled to answer it, surely, without being interrupted.

The CHAIR: Order! Please allow the Premier and the witnesses to answer the question you've so carefully crafted.

Mr CHRIS MINNS: I don't know of any candidate that hasn't gone to an election campaign promising policies and initiatives for their community. To do it in a transparent way in the election campaign, to have it costed by the Parliamentary Budget Office, to have the equal amount per electorate, and crucially—I think that this is not reported by you but is an important part of this policy—to be spent in those electorates regardless of how people voted.

The Hon. SARAH MITCHELL: Premier, this wasn't publicly announced. Do you think that's a problem, if an election commitment isn't publicly announced?

Mr CHRIS MINNS: I just want to make the point that we shouldn't forget that your party went to the last election campaign in 2019—

The Hon. SARAH MITCHELL: I am not talking about my party. Your candidate did not announce this publicly.

Mr CHRIS MINNS: —saying to the electorate of Orange, "Unless you vote for our candidate, you won't get that money." That, along with a series of pork-barrelling and targeting of funds to National Party seats, was frankly disgusting.

The Hon. SARAH MITCHELL: You know that this is a problem, Premier. You know it.

The CHAIR: Order! We will draw a line under that.

The Hon. ROBERT BORSAK: Premier, I am going to go to the much-vexed question on brumbies and Kosciuszko National Park. Are you aware of the conservation concerns in the park with the horses?

Mr CHRIS MINNS: I guess they're separate questions. I am aware of the conservation concerns as it relates to the horses in the park, yes. Yes, I am aware of it.

The Hon. ROBERT BORSAK: What is your understanding of what the impact of the horses is in the park and the proposed management plan that the government is looking at?

Mr CHRIS MINNS: I have been down there. I have toured the park with the Minister for the Environment and National Parks and Wildlife. I'm aware of the legislated responsibility of the Government to—we're legally obligated to reduce the head count of brumbies in the Kosciuszko National Park—and maybe you can correct me, Mr Borsak—to 3,000 in 25 per cent of the park. I think I have got those numbers right. The latest estimate is that it's perhaps 15,000 horses.

CORRECTED

The Hon. ROBERT BORSAK: My understanding is that the survey shows a low estimate of about 16,000 and a high of up to 23,000 in the park, with 90 per cent accuracy. What's your view in relation to the proposed culling of these horses?

Mr CHRIS MINNS: A decision has to be made by the Minister for the Environment about that. It is important to say that culling is in place today in the park, maybe not this minute, but certainly as a policy. The distinction is, though, that the shooting of the feral horses can only take place at ground level, not via aerial means. The latest information I have was that they're just not meeting that legally prescribed head count number. The short answer is they're not meeting their targets, so to speak.

The Hon. ROBERT BORSAK: Do you believe the horses should be totally removed from the park?

Mr CHRIS MINNS: No. My sense would be that the legally prescribed number—I'm just looking it up so that I'm not talking out of my hat. Under the heritage management plan, the Government's required by law to reduce the number of wild horses to 3,000 by June 2027—we're not on track to meet that target—and they've got to exist in 32 per cent of the park. Sorry, Mr Borsak. What was your question?

The Hon. ROBERT BORSAK: I think you've answered it. What you're saying is that you believe 3,000 is the optimal number that should be there. Are you aware of the fact that there are people, especially within the local community down there in the Snowy Mountains, who say that there are only 3,000 horses there in the first place and that the Government is looking to total and complete extermination?

Mr CHRIS MINNS: I'm not aware of that as commentary. I guess it wouldn't surprise me that that is the view of some people down there. But our experts looking at the case indicate that it's not correct and the headcount is far larger than that. It's having a long-term impact on the viability of the park, destroying ecosystems and the like. You'd know better than me, Mr Borsak. We conduct aerial shootings for pigs and goats, even in Kosciuszko National Park. I don't pretend to be an expert in relation to hunting—

The Hon. ROBERT BORSAK: I'm sorry. I can't hear you.

Mr CHRIS MINNS: I don't pretend to be an expert in relation to hunting, but if the shot has to be taken at ground level, there needs to be some kind of embankment behind the horse to have a safe target. That is proving to be, if not impossible, very difficult to meet these targets.

The Hon. ROBERT BORSAK: Do you believe the helicopter shootings we saw in the year 2000 were not humane? I am talking there about the Guy Fawkes program.

Mr CHRIS MINNS: My recollection of it is that it was generally considered not humane; that's correct.

The Hon. ROBERT BORSAK: Why will it be different this time with a lot more horses to be killed?

Mr CHRIS MINNS: I'm told that different firearms are used. There's a different protocol in place and that because of the different aspect—again, I feel like I'm talking out of my hat, but this was how it was described to me by senior bureaucrats. Because of the aspect of the shot from the helicopter, it is a more humane way of culling the animal, given we're already culling the animal in the park at the moment but it's just that it happens at ground level rather than via a helicopter. The prospect of shooting the animal, injuring the animal and, therefore, having them in pain, is greater or higher as a result of the current protocol, which is shooting at ground level, as opposed to shooting from a helicopter. But, Mr Borsak, I don't pretend to be an expert. I genuinely don't.

The Hon. ROBERT BORSAK: I don't believe you've been properly advised, Premier. I think we'll deal with that in an inquiry. Do you believe that horses, especially those brumbies, also have a cultural value to the local and New South Wales community?

Mr CHRIS MINNS: Yes, I do.

The Hon. ROBERT BORSAK: Many people call them Walers.

Mr CHRIS MINNS: I do. That's part of the public acknowledgment that the management plan for the park does include having horses in the park, but just not at massive levels that threaten the ecosystem and destroy its viability.

The Hon. ROBERT BORSAK: How would that be managed? How could you guarantee to the local communities in the Snowy Mountains there that the Government isn't about to have those horses exterminated to the point of extinction?

Mr CHRIS MINNS: I trust the professionalism and management of the National Parks and Wildlife Service. They're obviously engaging with the Government about the next steps we've got to make—or the Minister for the Environment has got to make a decision about it. They have to effectively weigh up a couple of things.

CORRECTED

Firstly, the management of the national park, as well as ensuring there's a smaller but viable brumby population. I think that can happen but I don't have expertise beyond the advice I've been given by NPWS. But, Mr Borsak, I do trust them.

The Hon. ROBERT BORSAK: Sorry?

Mr CHRIS MINNS: I do trust them. I do trust the agency.

The Hon. ROBERT BORSAK: Are you aware also that the surrounding State forests and Crown lands are also heavily populated by brumbies? Where I am going with that is saying that there's a great focus on the national park and its environmental values. These State forests and Crown lands also have environmental values, but I don't seem to ever hear any discussion around those forests. I have been to a number of those forests, and they are almost as thickly populated by horses as the park itself. How are they going to be dealt with? It's one thing cleaning the horses out of the park. If they're going to repopulate from the State and surrounding forests, how is that going to be dealt with? In other words, this is potentially a bigger program than what you're mooted.

Mr CHRIS MINNS: That's a fair question, and I presume the brumbies don't know whether they're walking in a national park or in a State forest or even wandering into the ACT. I'd have to take that on notice.

The CHAIR: Premier, are you aware that medical professionals are currently prescribing legal medicinal cannabis to treat a range of conditions, including multiple sclerosis, epilepsy and PTSD, and to modify the effect of chemotherapy for cancer patients?

Mr CHRIS MINNS: I am aware of that.

The CHAIR: Are you also aware, Premier, that medicinal cannabis in this State is currently the only legally available prescription drug that is tested by police at random drug tests?

Mr CHRIS MINNS: Prescription drug?

The CHAIR: Prescription drug.

Mr CHRIS MINNS: Yes. I guess I am.

The CHAIR: Premier, are you aware that Tasmania already has a medical exemption for medicinal cannabis drivers and Victoria has announced an 18-month trial assessing the case for a medical exemption?

Mr CHRIS MINNS: I wasn't aware that Victoria had moved. I did know that Tasmania had an exemption in place. I know this is a question to me but just in terms of the conversation, how do they measure impairment down there?

The CHAIR: In Tasmania?

Mr CHRIS MINNS: In Tasmania, yes.

The CHAIR: The police have a range of tests for impairment that they apply in all kinds of circumstances. They look at driver behaviour, speech, red eyes, incoherence—all the things that they apply across the board. They still have a penalty for impairment. They just don't test for THC. Premier, would the Government consider a trial, as per Victoria, of medicinal cannabis patients to see whether or not they can safely drive on our roads if they're not impaired?

Mr CHRIS MINNS: I guess my question's always been about impairment and putting the police in an almost impossible situation where THC was tested for. And you're right: It is a prescribed legal drug that's available for individuals. Perhaps when you were last in Parliament, there were about 1,100 people who had access to a prescription for cannabis; that number is well over 150,000 now. So this effects far more people than it previously did.

The CHAIR: And growing.

Mr CHRIS MINNS: And growing, so to speak. My question's always been around, are there technological advances that would allow the police to differentiate between the idea that the drug is being detected and impairment and whether there's been any jurisdiction—I know Canada and many US states have effectively legalised cannabis. Have there been any technological advances that have allowed motor vehicle use while allowing the police to determine whether someone's on the road who shouldn't be because they're impaired?

The CHAIR: Wouldn't that be the benefit of conducting a trial, to get together someone like the Centre for Road Safety and academics to assess technology to do that? I am aware that there are various technologies and methodologies for testing impairment, as well as, if a medicinal cannabis patient was taking cannabis in

CORRECTED

accordance with their doctor's instructions, and it's the best advice, testing whether or not they're impaired. Wouldn't that be the benefit of funding some research to inform, potentially, the drug summit?

Mr CHRIS MINNS: I guess this is a chicken-and-egg question in relation to the drug summit. I do give you a commitment that we will make sure that's examined as part of the drug summit. That's an important practical, perhaps unintended consequence of medicinal cannabis being available to the people of New South Wales: How long does it stay in the system for?

The CHAIR: Cannabis can stay in the system for weeks. But the evidence is that impairment, if you're not a novel user, usually disappears after just a few hours. That's the evidence. But are you also aware that there is a massive disincentive for doctors to prescribe medicinal cannabis because of the RDT laws, so potential medicinal patients are then going to opiates, which can be far more impairing, which are appearing in the road toll and which aren't tested for at all?

Mr CHRIS MINNS: I'm not aware of that. I'm not disputing the provenance of it. That would be a concern for us and I think that would be germane and material to the drug summit, yes.

The CHAIR: Thank you, Premier. I turn to a different subject entirely now: engineered stone benchtops. You may not be aware, Premier, that I was a stonemason for 15 years. I worked in the engineered stone industry. I'm in the process of registering for icare to find out whether or not I'm about to die from silicosis—and I'm not alone. Hundreds of thousands of people are going to die from silicosis from engineered stone, quarrying, tunnelling et cetera. Is the Government committed to protecting workers in this State from this industry? Will you consider an outright ban on this product?

Mr CHRIS MINNS: Obviously we are committed to ensuring that the health and safety of workers in New South Wales is protected. My understanding is that Minister Sophie Cotsis has looked at that. I know there has been strong and consistent advocacy from the affected union, the Australian Workers' Union, in relation to its application, and some other unions as well who are concerned about its continued use. It is probably a question best directed to her, but I'm happy to take it on notice and provide a comprehensive answer to the Committee about the Government's next steps.

The CHAIR: I appreciate that. That is me done for the moment. Ms Boyd?

Ms ABIGAIL BOYD: Premier, thank you for your appearance this morning. I wanted to ask you about that Local Small Commitments Allocation program. Is it a grants program or is it a series of election commitments?

Mr CHRIS MINNS: It's being administered as a grants program, but obviously they were small commitments by candidates at the last election.

Ms ABIGAIL BOYD: It's quite unusual for a grants program, because ordinarily you would have the structure and processes around a grants program at the nomination and allocation stages as well as at the administration stage. But in this case you've only established that for the administration purposes, with all of these projects having already been nominated by candidates during the election. Do you think that passes the sniff test when it comes to looking at the last however many years of pork-barrelling scandals?

Mr CHRIS MINNS: Yes I do, absolutely, and I think a fair-minded person would acknowledge that. We weren't in government but we didn't want a situation—we weren't in government when the policy was announced and the small grants were applied to 93 electorates across New South Wales. I think, as I said, fair-minded people would say, "Given you weren't in government, you could hardly be expected to set up a government process prior to the election campaign."

Ms ABIGAIL BOYD: If we take that, then, and we look and we say, "Fine, those allocations, that part of it was really a series of election commitments", have all of those election commitments been made public?

Mr CHRIS MINNS: My understanding is they have been, but I will take that on notice.

Ms ABIGAIL BOYD: I can tell you they've not been. It's not possible to actually get a list of those election commitments. We've asked many times and we've tried to do an SO 52 to try and get that information as well. I understand that you gave a list of these to the people administering the grants in around June of this year, so a good three months after the election. Will you make that list publicly available?

Mr CHRIS MINNS: I'll have to take it on notice. But I think the central principle here—that oppositions and governments make, in this case, modest promises to electorates right across New South Wales—is a good one. Having—

Ms ABIGAIL BOYD: Yes, but in the absence of—

CORRECTED

Mr CHRIS MINNS: I am going to finish my answer. Having it equalised across 93 electorates was a hedge—not too dissimilar to the Community Building Partnership grants that are administered, effectively, by lower House members of Parliament—against outrageous pork-barrelling.

Ms ABIGAIL BOYD: What we have—

Mr CHRIS MINNS: The second point here—and I think this is just as important, particularly for electorates that didn't return a Labor candidate: We're going to commit to and ensure that any election commitment that was promised in that election campaign is fulfilled.

Ms ABIGAIL BOYD: Premier, what we have, though, is a bunch of relatively secretive commitments that were made by Labor candidates in the course of an election. Doesn't that just sound like buying votes to you?

Mr CHRIS MINNS: Election commitments in the course of an election? No. I think that to characterise it—

Ms ABIGAIL BOYD: Which comes back again to election commitments.

Mr CHRIS MINNS: —like that is ridiculous.

Ms ABIGAIL BOYD: Well, are they—

Mr CHRIS MINNS: And also not consistent with custom and practice of elections that have taken place in New South Wales and every other jurisdiction—

Ms ABIGAIL BOYD: I'm glad you say that.

Mr CHRIS MINNS: —and every other Parliament that I can think of. I think the problem would be if a Labor candidate entered into a promise at the election campaign and didn't fulfil it; I think that would be cause and subject of severe reprimand from the voters—or, and this has happened as well, that there was a suggestion from the Opposition, in this case, that we wouldn't fulfil those commitments if they didn't return a Labor candidate. Some of the commentary in relation to these small grants has inferred or suggested that that is the case, and it's not.

Ms ABIGAIL BOYD: But, Premier, these election commitments aren't public. They're not able to be scrutinised. The Government is not able to be held accountable for those. You talk about the normal custom of elections; this is not normal. To have this sort of a program—half grants, half not—where you have no conflict-of-interest checks over those projects at the time that the commitments were made, we don't know what they are—you've got to admit this is a very strange program.

Mr CHRIS MINNS: Absolutely not. No, not at all. I think that it was a reflection of and in response to the previous Government's habitual practice of effectively agglomerating grants funding or small commitments and targeting it to particular communities or electorates. To split it up to have equalised amounts in every electorate as well as—I mean, I'm not going to dance around this: Yes, we trusted our candidates to make election commitments in their communities. I don't think that that's—

Ms ABIGAIL BOYD: Are you confident—

Mr CHRIS MINNS: No, I'm going to finish my answer. I don't think that that's a breach of the custom, the convention and the approach to politics. I think that it's pretty natural. Unless The Greens, the Liberal Party and the National Party believe ultimately at election campaigns that "Look, we're going to an election campaign. We will spend \$400,000 in your electorate or \$500,000 in your electorate, but an independent panel of bureaucrats and public servants will determine how that money is to be spent and you'll have to trust their judgement, their direction and their policy", rather than the democratic process, which says, "I'm a candidate for Clarence"—with respect to our candidate in Clarence, it's unlikely that person was going to win—"and this is my plan for the area."

Ms ABIGAIL BOYD: I'm sorry, Premier, but are you saying—I acknowledge the bell, but I will just finish the question. Are you saying that what voters actually want is secretive deals behind closed doors without conflict-of-interest checks—without any kind of bureaucracy, as you say—and you think that they would actually prefer that to a proper grants process, following the pork-barrelling scandals we had in the last Government?

Mr CHRIS MINNS: I think that presentation is jaundiced and not reflective of the actual circumstances of the actual program—and it's being done for political reasons, if you don't mind me saying. It's not reflective of the distribution of those funds—

Ms ABIGAIL BOYD: It's about democracy. It's about democracy and accountability, Premier.

Mr CHRIS MINNS: —to electorates across New South Wales. Democracy is about—

CORRECTED

Ms ABIGAIL BOYD: It's about democracy and accountability and transparency.

The CHAIR: Order!

Mr CHRIS MINNS: —going to an electorate and—

Ms ABIGAIL BOYD: And you made a mistake on this one, Premier.

Mr CHRIS MINNS: —saying to those communities, "This is what our plans are for your community. Whether I'm elected or not, whether I'm your member of Parliament or not, we will commit to it." I was very happy to see—I think that there's an implied trust from a political party—

Ms ABIGAIL BOYD: Trust is earned.

Mr CHRIS MINNS: —to say to its candidates and its elected representatives—

The Hon. DAMIEN TUDEHOPE: "You can have \$400 grand."

Mr CHRIS MINNS: —that they're going to go to those local communities—

Ms ABIGAIL BOYD: "But we won't tell you how we're spending it or which friends we're giving it to."

The Hon. SARAH MITCHELL: "Give it to your council."

The CHAIR: Order!

Mr CHRIS MINNS: I mean, this is the thing from the Liberal Party and the National Party. If it's a \$9 million promise or a \$10 million promise, or a new gun club down in Wagga—

The Hon. SARAH MITCHELL: It's about you, Premier, and your Government.

Mr CHRIS MINNS: —or a new art gallery and it's almost exclusively focused on that electorate, that's fine.

The Hon. DAMIEN TUDEHOPE: As part of a grants program. This wasn't part of a grants program.

Mr CHRIS MINNS: But if it's a modest series of announcements—

The Hon. SARAH MITCHELL: Behind closed doors.

Mr CHRIS MINNS: —"Well, because it's from the Labor Party we don't accept it and we don't support it." Give me a break!

The CHAIR: Order! Thank you, Premier. Working under the assumption the Government is not asking any questions, that concludes our first session. We will adjourn and reconvene at 11.15 a.m. Thank you very much to all our witnesses.

(Short adjournment)

The Hon. DAMIEN TUDEHOPE: Premier, Tim Crakanthorp—a good member for Newcastle?

Mr CHRIS MINNS: He has served that community for—I think he got elected a little bit earlier than I did. I know he is passionately committed to that community. Yes, I think he served that community well for a long, long time.

The Hon. DAMIEN TUDEHOPE: You sacked him from Cabinet.

Mr CHRIS MINNS: I have. I asked for his resignation a couple of months ago now.

The Hon. DAMIEN TUDEHOPE: We all know the circumstances and the matter was referred by you to ICAC.

Mr CHRIS MINNS: It was.

The Hon. DAMIEN TUDEHOPE: He still remains in the ALP caucus. What is the trigger for him being removed from the ALP caucus or for any member, for that matter, being removed from the ALP caucus in circumstances where—

The Hon. BOB NANVA: Point of order—

CORRECTED

The Hon. DAMIEN TUDEHOPE: —they have been referred to—

The CHAIR: A point of order has been taken. I will hear Mr Nanva on the point of order.

The Hon. BOB NANVA: I am reluctant to interrupt this line of questioning, but paragraph 13 of the procedural fairness resolution goes to questions that seek an adverse reflection on others. I just suggest that we might be straying into that territory.

The CHAIR: I won't uphold the point of order at the moment. There is wide latitude given in these questions. I am mindful of the comments of the member and I remind him that his questions should be relevant to the terms of reference of the inquiry.

The Hon. DAMIEN TUDEHOPE: What would be the trigger for this member, or any member of your Government who is referred to ICAC, being asked to remove themselves from the ALP caucus?

Mr CHRIS MINNS: I can't predict the future, and I am reluctant to offer a prediction about what the next steps for the Independent Commission Against Corruption may be, or may not be. There may be no further inquiries. But, obviously, I would have to have confidence that he wasn't the subject of a public inquiry and I'll make a decision from there. In the circumstances of his position as a Minister, I made a decision that I had lost confidence in him—

The Hon. DAMIEN TUDEHOPE: That's clear.

Mr CHRIS MINNS: —due to his conflict of interest declarations, and I removed him from Executive responsibility in the Cabinet. I'm not trying to cut you off. I know you've got questions to ask, but it's an important distinction because I think a fair-minded person would say the Government has taken a decision to remove him from Executive responsibility, but there does need to be due process in terms of the further inquiry.

The Hon. DAMIEN TUDEHOPE: But there has to be standards you set as Premier for your team—

Mr CHRIS MINNS: Yes.

The Hon. DAMIEN TUDEHOPE: —that "If you want to remain part of our team, these are the threshold or trigger events which would have you no longer part of my team."

Mr CHRIS MINNS: Sure. But I'm reluctant to offer a public commentary about a future which is uncertain, as far as I know.

The Hon. DAMIEN TUDEHOPE: But if it was referred to a full inquiry of ICAC—

Mr CHRIS MINNS: Why don't we wait? Why don't we wait and see?

The Hon. DAMIEN TUDEHOPE: But, just hypothetically—

Mr CHRIS MINNS: I'm not interested in a hypothetical question in relation to it. I think it's reasonable and fair to let ICAC do their job and then I'll make a decision.

The Hon. DAMIEN TUDEHOPE: So you won't tell the Committee, if it was referred to a full inquiry of ICAC, whether that would be a trigger?

Mr CHRIS MINNS: I think it's reasonable in the circumstances for me to wait for the Independent Commission Against Corruption to take their next step, or no step at all, and then I will make—no doubt I will be under questioning from you and the media and I'll make a decision at that point. I've got confidence in their abilities. I've got faith in their abilities to conduct this investigation—perhaps unlike you, who's made a series of quite strident criticisms of the Independent Commission Against Corruption in the last few months.

The Hon. DAMIEN TUDEHOPE: Well, I'm not sure that's entirely right. In any event, how long have you known Josh Murray?

Mr CHRIS MINNS: Over a decade. I couldn't give you the exact date.

The Hon. DAMIEN TUDEHOPE: You worked together, did you not?

Mr CHRIS MINNS: We didn't work in the same office together, in my recollection, but we were both advisers in the same government.

The Hon. DAMIEN TUDEHOPE: You knew him when he was—

Mr CHRIS MINNS: I did, yes.

The Hon. DAMIEN TUDEHOPE: That's more than 10 years ago.

CORRECTED

Mr CHRIS MINNS: You're right. I'm showing my age. So it would be more than that. It would be 15 years.

The Hon. DAMIEN TUDEHOPE: You would agree with me that it is the case, is it not, that his wife and your wife are very good friends?

Mr CHRIS MINNS: They are friends, yes.

The Hon. DAMIEN TUDEHOPE: And they meet regularly?

Mr CHRIS MINNS: I don't think it's fair or reasonable for me to be trailing my wife's private time, or even Mr Murray's wife's private time. I'm reluctant to answer it unless you can explain why it's germane to your inquiry.

The Hon. SARAH MITCHELL: Has Josh Murray been to your house? Have you been to his?

Mr CHRIS MINNS: I have been to their house, yes.

The Hon. SARAH MITCHELL: And he to yours?

Mr CHRIS MINNS: Yes, he's been to mine.

The Hon. SARAH MITCHELL: That's pretty good friends.

Mr CHRIS MINNS: Well, I wouldn't describe—my view about friends is have I gone to the pub with them? Have I gone for lunch with them? Have I gone for a coffee, just the two of us? And I've never gone to the pub with Mr Murray. We've never played a round of golf.

The Hon. SARAH MITCHELL: We'll get to golf.

Mr CHRIS MINNS: I've never gone for a coffee, just with him. I've probably caught up with him face to face, maybe half a dozen, maybe a few more times than that in the last 10 years. Your characterisation of us as very close—I wouldn't describe someone who I've never been for a beer with as very close, although I don't drink any more, so I'm going to have to enlarge my—

The Hon. SARAH MITCHELL: A non-alcoholic beer, perhaps, Premier.

Mr CHRIS MINNS: Non-alcoholic beer. That's right.

The Hon. DAMIEN TUDEHOPE: When did you become aware of his candidacy for the position of Secretary of the Department of Transport?

Mr CHRIS MINNS: I couldn't give you the exact time. I have to take it on notice and just reflect on when.

The Hon. DAMIEN TUDEHOPE: Did your chief of staff potentially tell you that he was a candidate?

Mr CHRIS MINNS: Potentially, but I couldn't say with certainty.

The Hon. SARAH MITCHELL: You don't remember?

Mr CHRIS MINNS: No, I don't remember. I don't remember when I found out he was going to run for it, no.

The Hon. DAMIEN TUDEHOPE: Did you express any view in relation to that candidacy?

Mr CHRIS MINNS: No. No, I didn't.

The Hon. DAMIEN TUDEHOPE: Minister Haylen made this observation in a 2GB interview: that she was the person who decided that Josh Murray would be the right person for the job. Is that your understanding of how the process worked?

Mr CHRIS MINNS: That the Minister for Transport—

The Hon. DAMIEN TUDEHOPE: Made the decision. On a merit-based selection, she made the decision.

Mr CHRIS MINNS: Yes. My understanding is that she made it clear to the Acting Secretary of Premier and Cabinet that he was the person she believed should be picked to run the transport department.

The Hon. DAMIEN TUDEHOPE: It wasn't her decision, was it, Premier?

Mr CHRIS MINNS: Well, I mean, all of that has been well ventilated and—

CORRECTED

The Hon. DAMIEN TUDEHOPE: Well, was it her decision?

Mr CHRIS MINNS: —there's not much point nitpicking, and I say that for just one important reason: the Minister for Transport is not trying to allege, and hasn't been trying to allege in Parliament, that she didn't want Mr Murray. She has been very explicit and clear about that. No, formally it was—

The Hon. DAMIEN TUDEHOPE: So she wanted your mate.

Mr CHRIS MINNS: Hang on, hang on, hang on. Wait, wait, wait. I want to answer them in sequence, not stacked up four in a row. It's important to note that that was certainly her view, but the decision formally was taken by the acting secretary and he has said, is my understanding, at a public inquiry—presumably you were at—after discussing it with her.

The Hon. DAMIEN TUDEHOPE: By the way, I would like you to come back to me and outline the times that I have been critical of the ICAC, Premier.

Mr CHRIS MINNS: Perhaps that is unfair to you. Fair enough. But I have to say, there was—

The Hon. DAMIEN TUDEHOPE: Well, then, in that case, withdraw it.

Mr CHRIS MINNS: —an exclusive and direct attack on the Independent Commission Against Corruption by the Leader of the Opposition, and unless you're prepared to distance—

The Hon. DAMIEN TUDEHOPE: Withdraw it.

Mr CHRIS MINNS: Are you distancing yourself from the Leader of the Opposition's criticisms of ICAC?

The Hon. SARAH MITCHELL: We ask the questions.

Mr CHRIS MINNS: No, I'm interested in this.

The Hon. PETER PRIMROSE: You're also trying to answer them.

Mr CHRIS MINNS: You've come back to this—

The Hon. DAMIEN TUDEHOPE: The Premier has made an assertion—

Mr CHRIS MINNS: —and you want me to apologise.

The Hon. DAMIEN TUDEHOPE: —that I made comments which are—

Mr CHRIS MINNS: I am prepared, Mr Tudehope, to withdraw that comment—

The Hon. DAMIEN TUDEHOPE: That's okay. Thank you.

Mr CHRIS MINNS: —and apologise to you.

The Hon. DAMIEN TUDEHOPE: Thank you.

Mr CHRIS MINNS: But I think it's germane and interesting that you've decided to distance yourself from the Leader of the Opposition's commentary.

The Hon. DAMIEN TUDEHOPE: No.

Mr CHRIS MINNS: Because it was quite extraordinary, and it hasn't been repeated since.

The Hon. DAMIEN TUDEHOPE: Premier, you were prepared to sit here today and make a criticism of me, and that was wrong. Correct?

Mr CHRIS MINNS: Do you disassociate yourself from the Leader of the Opposition's criticisms of the ICAC?

The Hon. DAMIEN TUDEHOPE: Premier, have you split the Department of Premier and Cabinet—

Mr CHRIS MINNS: Because if you're not prepared to, I don't see why you would be concerned about it in the first place.

The CHAIR: Order!

The Hon. SARAH MITCHELL: Premier, it's very disrespectful.

The Hon. DAMIEN TUDEHOPE: We ask the questions. Premier, you have split the Department of Premier and Cabinet into two departments, have you not: the Department of Premier and the Cabinet Office?

CORRECTED

Mr CHRIS MINNS: We have, yes.

The Hon. DAMIEN TUDEHOPE: You have two secretaries, or an acting secretary and the secretary, sitting beside you. Is it the case that you wanted to appoint Mike Kaiser as the Secretary of the Cabinet Office?

Mr CHRIS MINNS: No, not at all.

The Hon. DAMIEN TUDEHOPE: No discussions have been held with Mr Kaiser?

Mr CHRIS MINNS: Not by me, no.

The Hon. DAMIEN TUDEHOPE: Is it not the case that Mike Kaiser was your pick for that position?

Mr CHRIS MINNS: No, I think that you've invented this fantasy all on your own. I've never heard that as an assertion. I've not been involved in any discussions in relation to him.

The Hon. DAMIEN TUDEHOPE: Have you had any discussions with him about it?

Mr CHRIS MINNS: Absolutely not.

The Hon. DAMIEN TUDEHOPE: Any discussions with Mr Kaiser?

Mr CHRIS MINNS: Can I be clearer? No, I don't know what you're talking about.

The Hon. DAMIEN TUDEHOPE: That's okay, Premier. The Minister for Finance was given responsibility for insurance portfolios, was she not?

Mr CHRIS MINNS: She was, in relation to the regulatory authority. That's correct.

The Hon. DAMIEN TUDEHOPE: And that has now been taken away from her. Is that not the case?

Mr CHRIS MINNS: I made a decision in relation to the Minister for Finance's responsibilities. I think she's doing a very good job in the preparation of the budget, in determining revenue and spending, and—I don't like to get too political, Mr Chair—fixing an unimaginable disaster left to us by the previous Government in Finance.

The Hon. DAMIEN TUDEHOPE: Premier, I didn't ask you about that.

Mr CHRIS MINNS: Fair enough. But she has had a big row to hoe. It hasn't been easy.

The Hon. DAMIEN TUDEHOPE: It was your decision, was it not, to give her responsibility of the insurance portfolios?

Mr CHRIS MINNS: Yes—

The Hon. DAMIEN TUDEHOPE: And in fact—

Mr CHRIS MINNS: Hang on, wait. If you're going to ask me a question, I'm going to give you an answer—

The Hon. DAMIEN TUDEHOPE: The answer was yes.

Mr CHRIS MINNS: —but I don't want you to run up with four different questions.

The Hon. DAMIEN TUDEHOPE: The answer was yes.

The CHAIR: Order! The Premier has answered yes but wide latitude is given and the Premier should be afforded the opportunity to provide—

The Hon. DAMIEN TUDEHOPE: Point of order—

The CHAIR: —there's no point of order—some context.

The Hon. ROBERT BORSAK: He's making a ruling.

The Hon. DAMIEN TUDEHOPE: You can't just allow him to do this. There is an answer. He has answered my question.

The Hon. PETER PRIMROSE: Don't cavil with the Chair's ruling.

The CHAIR: Yes, good point.

Mr CHRIS MINNS: I'm here. I'm happy to take your questions but surely I'm allowed to say, yes, all decisions in relation to ministerial responsibilities are my decisions. Is that such an outrageous statement to draw your ire?

CORRECTED

The Hon. DAMIEN TUDEHOPE: That's why I asked you the question, Premier.

Mr CHRIS MINNS: We're in furious agreement.

The Hon. DAMIEN TUDEHOPE: Furious agreement, and in fact I think at the time that you were spoken to by the media after you had made the decision one weekend to relieve her of the insurance portfolios, you had done so out of an abundance of caution. Is that not right?

Mr CHRIS MINNS: Look, I—

The Hon. SARAH MITCHELL: That's what you said. They were your words.

The Hon. DAMIEN TUDEHOPE: Was that what you said?

Mr CHRIS MINNS: I'm going to answer it how I want to answer it and not how you want me to answer it.

The Hon. DAMIEN TUDEHOPE: But that's what I'm asking you.

The Hon. SARAH MITCHELL: But you said that. You're on the public record.

The Hon. DAMIEN TUDEHOPE: Did you say that?

Mr CHRIS MINNS: There are a couple of things: I made a decision in relation to the appointment of Ms Houssos in the Finance portfolio and in relation to responsibility for insurance regulation as well when the Government was elected. I saw your commentary, Mr Tudehope, in the upper House and—I don't like being political in these exchanges—I thought it was grossly unfair and frankly hypocritical of you to make those accusations of her on the basis of nothing.

The Hon. DAMIEN TUDEHOPE: I'm an expert on conflicts of interest.

The Hon. SARAH MITCHELL: Exactly.

Mr CHRIS MINNS: You had such a profound conflict of interest yourself.

The Hon. DAMIEN TUDEHOPE: No, I did something about it, Premier.

Mr CHRIS MINNS: I didn't think you were prosecuting it from a position of strength. Let me just say that.

The Hon. DAMIEN TUDEHOPE: Take it from me, I was.

Mr CHRIS MINNS: In any event—and this goes to the reason I made the decision genuinely—notwithstanding the fact that all care and responsibility had been taken by the Minister for Finance in relation to conflicts of interest, in relation to declarations, in relation to engagement between the Cabinet Office and the Minister responsible, and in relation to the decisions that the Minister would have to make in relation to her portfolio, I found the tone and vehemence of your opposition to her position so outrageous—

The Hon. DAMIEN TUDEHOPE: I find your naivety outrageous.

Mr CHRIS MINNS: No, wait, I have to explain it.

The Hon. BOB NANVA: Point of order—

The Hon. SARAH MITCHELL: What was the abundance of caution then, Premier? Why were you so concerned?

The Hon. DAMIEN TUDEHOPE: What's the abundance of caution?

The CHAIR: Order! A point of order has been taken by Mr Nanva.

The Hon. SARAH MITCHELL: Is it that it's reflecting on members of the Committee?

Mr CHRIS MINNS: Mr Chair, I thought it was so outrageous. This is explaining my position.

The CHAIR: Order! A point of order has been taken by Mr Nanva.

The Hon. DAMIEN TUDEHOPE: Is your naivety outrageous?

The Hon. BOB NANVA: Procedural fairness resolution, paragraph 19, treating witnesses with courtesy. Mr Tudehope has just made a personal reflection—

The Hon. DAMIEN TUDEHOPE: And he made one on me.

CORRECTED

The Hon. SARAH MITCHELL: The Premier has just made about six personal reflections.

The Hon. BOB NANVA: —and is not allowing the Premier to answer the question.

The CHAIR: Yes, I've heard enough.

The Hon. SARAH MITCHELL: Sorry, could I speak to the point of order?

The CHAIR: Yes, to the point of order.

The Hon. SARAH MITCHELL: The Premier has also just spent the better part of the last few minutes reflecting on the Hon. Damien Tudehope, and he is here as a witness but he should also have that common courtesy.

Mr CHRIS MINNS: It's related to my answer, Mr Chair.

The CHAIR: I'll rule on the point of order. I uphold the point of order. If Mr Tudehope feels aggrieved by the comments of the Premier, he is well within his rights to take a point of order, but we should not be making reflections on witnesses and, according to the resolution, treating them with courtesy. Everyone should treat each other with the respect and courtesy they deserve.

Mr CHRIS MINNS: Thank you, Mr Chair.

The Hon. DAMIEN TUDEHOPE: Mr Chair, I started by saying that, and I'm prepared to be the adult in the room. I expect likewise from the Premier.

Mr CHRIS MINNS: I'm not just raising personal reflections.

The Hon. DAMIEN TUDEHOPE: Correct.

Mr CHRIS MINNS: But this does go to the answer and it does go to—

The Hon. DAMIEN TUDEHOPE: Premier, would you be aware that in the criticism—

Mr CHRIS MINNS: No, you've asked a series of questions and they deserve an answer, but I've got to get this out. I found the vehemence of your criticism so over the top—

The Hon. DAMIEN TUDEHOPE: You've said that.

The Hon. SARAH MITCHELL: You've repeatedly said that.

Mr CHRIS MINNS: —and strident that in the end—

The Hon. DAMIEN TUDEHOPE: You've already said all this, Premier.

Mr CHRIS MINNS: Wait, I'm explaining the answer. You've just got to let me get this out and then you can reflect on it.

The Hon. DAMIEN TUDEHOPE: You've said all this already.

Mr CHRIS MINNS: No, I haven't. I found it so over the top that even lawful decisions made in good faith following the conflict-of-interest provisions would have in the end been criticised by you and left her in an impossible situation. I found it completely unfair. I didn't think that you were launching those attacks from a position of strength, but in the end I had to be cognisant and reflective of the fact that you would have drawn an unfair inference on her decisions in that portfolio based on your publicly stated concerns about conflicts of interest, and therefore it would have been better for the Government for her to have responsibility for Finance and Manufacturing and give insurance to somebody else.

The Hon. DAMIEN TUDEHOPE: I am delighted that you think that I have so much control over your Government that you would accede to my criticism.

Mr CHRIS MINNS: You launching unfair attacks on the basis of no information is germane and material to the Government.

The Hon. DAMIEN TUDEHOPE: What information did I have, Premier?

Mr CHRIS MINNS: You tell me. You're the one who's alleging some kind of nefarious activity.

The Hon. DAMIEN TUDEHOPE: Was she married to a lobbyist for the insurance industry?

Mr CHRIS MINNS: The bottom line here is that you've launched this outrageous attack on a member of Parliament without a shred of evidence, without any information alleging some kind of conflict of interest. I thought it was unfair. I thought it was outrageous.

CORRECTED

The Hon. DAMIEN TUDEHOPE: Was she married to a—

Mr CHRIS MINNS: In the end, lawful decisions made by her would have been inferred by you with a malevolent intent, and as a result of that I made a decision that it would be better to have another member of Parliament, another Minister, responsible for insurance regulation.

The Hon. DAMIEN TUDEHOPE: Would you withdraw the expression "malevolent intent"?

Mr CHRIS MINNS: No.

The Hon. DAMIEN TUDEHOPE: Because there was never any malevolent intent.

Mr CHRIS MINNS: You've launched a series of attacks alleging some kind of perceived or actual conflict of interest and therefore questioning the decision-making of the Minister without providing any evidence to suggest that it should be justified.

The Hon. DAMIEN TUDEHOPE: I never expressed any view that she had—

Mr CHRIS MINNS: Then why are you raising this line of questioning then? Clearly you believe it's some kind of problem.

The Hon. DAMIEN TUDEHOPE: Why did you wait six months to do it if you were concerned about my attacks on her?

Mr CHRIS MINNS: Because obviously over time—

The Hon. DAMIEN TUDEHOPE: Why did you wait six months?

Mr CHRIS MINNS: —your persistent attacks on her meant that any lawful and mediated and appropriate decision by the Minister would have been met with scorn by you.

The Hon. DAMIEN TUDEHOPE: I made them six months ago, Premier.

Mr CHRIS MINNS: Maybe I only got around to your outrageous accusations in recent times. What's the difference?

The Hon. DAMIEN TUDEHOPE: They're not that outrageous.

The Hon. SARAH MITCHELL: Sorry, Premier, when the Minister was sworn into her new portfolios you spoke to the media that day and you said you were doing it as an abundance of caution. Do you not stand by that comment at the time?

Mr CHRIS MINNS: Yes. That's not inconsistent with anything I'm saying here.

The Hon. SARAH MITCHELL: You're saying it was because you were concerned about the Opposition's attacks on the Minister is why you did it.

Mr CHRIS MINNS: They're the same things. Why are they in contradiction with one another?

The Hon. SARAH MITCHELL: Because I think the inference of an abundance of caution makes it sound like you had some concerns about that conflict of interest—

Mr CHRIS MINNS: I stand by my comments. They're straightforward and they're consistent.

The Hon. SARAH MITCHELL: —and that potential conflict of interest.

Mr CHRIS MINNS: I stand by my comments; they're completely consistent.

The Hon. SARAH MITCHELL: I disagree.

The Hon. DAMIEN TUDEHOPE: In relation to the public service wage rises, Premier, do you accept that in your pre-election budget commitments the assertion was made that the budgetary effect of your policy is that existing targets as presented in the current budget will be maintained as a baseline and any remuneration increases beyond this will be linked to productivity increases?

Mr CHRIS MINNS: What are you referencing?

The Hon. DAMIEN TUDEHOPE: The ALP statement to the Parliamentary Budget Office.

Mr CHRIS MINNS: Is that what you're reading from?

The Hon. DAMIEN TUDEHOPE: Yes.

Mr CHRIS MINNS: I stand by—

CORRECTED

The Hon. DAMIEN TUDEHOPE: So that's wrong, is it?

Mr CHRIS MINNS: All I'm asking is what you're referencing. Is that such an outrageous request of you?

The Hon. DAMIEN TUDEHOPE: "Is that statement wrong?" is my question.

Mr CHRIS MINNS: No. Any wage increases, as we said in the election campaign—and this is completely consistent now in government—would be paid for by productivity gains and budget savings. That's exactly what we've done.

The Hon. DAMIEN TUDEHOPE: No, it didn't say that. "Linked to productivity improvements". Can you identify one productivity improvement in respect of wage increases which the Government has afforded as part of the budget provisions?

Mr CHRIS MINNS: Yes. We've obviously spoken to, and had extensive negotiations with, members of the Teachers Federation about getting executive senior positions back into the classroom. That was a measure that I thought was appropriate in the circumstances. I'm glad that we were able to have productive, so to speak, and efficient conversations with the Teachers Federation.

The Hon. DAMIEN TUDEHOPE: So what—

Mr CHRIS MINNS: Wait, sorry. You asked me the question; I'm happy to give you the answer.

The Hon. SARAH MITCHELL: It didn't go so well for some of them.

Mr CHRIS MINNS: In the end, that would've meant more face-to-face teaching time for members of the teaching profession and senior bureaucrats in the education public sector and less time—

The Hon. SARAH MITCHELL: Not correct.

Mr CHRIS MINNS: The previous Minister is here. She presided over a plethora of paper pushing and bureaucracy that meant that teachers weren't teachers anymore; they were responsible for filling in forms. It was a shocking state of affairs.

The Hon. SARAH MITCHELL: I'm not sure you're quite correct there, Premier.

The Hon. ROBERT BORSAK: I don't know how I follow that stuff. Mr Premier, I want to think about bushfire readiness and funding for a couple of minutes. Do you know how much fuel and hazard reduction burns, in terms of hectares, have been carried out since 28 June this year?

Mr CHRIS MINNS: I'm advised that it's about 40,000 hectares.

The Hon. ROBERT BORSAK: Okay. I'm advised it's 66,720.

Mr CHRIS MINNS: Well, that's even better. We'll go with your figure.

The Hon. ROBERT BORSAK: I shouldn't have mentioned that. My point is that, even at that level, it's only 0.89 per cent of the 7½ million hectares of parks in the State. What's your comment in relation to that?

Mr CHRIS MINNS: You're right. That's a big concern in terms of hazard reduction and back-burning in the run-up to the summer bushfire season. There are reasons for it. So you're right; that's fair enough. That is a concern for the Rural Fire Service and the Government. Looking at back-burning, though, conditions have got to be right. Back-burning and hazard reduction itself is inherently a dangerous practice. We need to do it. It is part of our bushfire management procedures for battling catastrophic bushfire conditions, but the conditions have to be perfect. Wet weather means it's difficult to get the load in place to start the process, and high winds on a localised weekend, for example, may mean that, with the best of intentions, you're unnecessarily putting houses and lives at risk.

The Hon. ROBERT BORSAK: Can I take it from that answer that you don't believe it's currently adequate?

Mr CHRIS MINNS: It's not, but there are reasons why it's not to the level that the Rural Fire Service would have liked as we head into the summer season, and they're largely to do with meteorological weather reasons.

The Hon. ROBERT BORSAK: Sure. Always local conditions drive what people do with these things.

Mr CHRIS MINNS: Yes.

CORRECTED

The Hon. ROBERT BORSAK: In terms of the money side of things, there was a fund called the bushfire recovery and resilience fund. Does that still exist?

Mr CHRIS MINNS: I might have to take that on notice, unless the Secretary of the Premier's Department could jump in? We can get that checked for you, Mr Borsak, and come back to you.

The Hon. ROBERT BORSAK: Okay, thanks. What I was going to was if it does, how much is still in there and is that fund being used for what it was meant to be used for—rather than pork-barrelling, as we saw in the previous Government—and an assurance that your Government is not using those funds for other purposes as well.

Mr CHRIS MINNS: Generally speaking, there's been a major increase in the funding for emergency services. This is important. Largely that took place in the previous Government—an increase in the budgets for the Rural Fire Service, the State Emergency Service and Fire and Rescue NSW. I'm not going to claim credit for that. There was a budget allocation approved by the previous Premier and we've stuck to it. Generally speaking, firefighting initiatives, particularly hazard reduction and back-burning, are conducted out of the general revenue provided to the agencies. It's core business, in other words.

The Hon. ROBERT BORSAK: At the NSW Farmers conference this year you announced, I think, \$10 million for aerial shooting. Where was that money coming from in the budget?

Mr CHRIS MINNS: A budget allocation through the ERC process.

The Hon. ROBERT BORSAK: So, in other words, it didn't come out of a fund like the resilience fund?

Mr CHRIS MINNS: Not directly, no.

The Hon. ROBERT BORSAK: From 2019 to the present, significant amounts of money have been spent on helicopters flying around and shooting deer and pigs instead of fire preparedness. Are you aware of that?

Mr CHRIS MINNS: I'm aware that feral pest programs are conducted via shooting those animals via helicopters, yes.

The Hon. ROBERT BORSAK: I guess what I'm saying is do you think it's appropriate to use hazard reduction and fire track control monies to fund helicopters doing feral animal control? In other words, was it really the right use of those funds, in your view? Is your Government still doing the same?

Mr CHRIS MINNS: I guess I would say that we've got an obligation to do both—feral pest reduction as well as hazard reduction. We've allocated unprecedented money for both. I don't think one is happening at the expense of the other.

The CHAIR: Premier, research has shown that an estimated 4.6 million Australians—many of them in New South Wales—have used cannabis in the past year, with higher use recorded outside of metropolitan areas and in disadvantaged groups. Would you agree that cannabis prohibition is an issue affecting regional, outer suburban and working-class areas more than others?

Mr CHRIS MINNS: I don't know those stats, so I'm reluctant to agree with the premise. I'm not saying I disagree, but I would probably want to see the study before I comment.

The CHAIR: Would you expect the current legal status of adult cannabis consumption to be one of the issues considered by your upcoming drug summit?

Mr CHRIS MINNS: Yes, I do expect cannabis use to be part of the drug summit, as we spoke about—impairment and motor vehicles, and a variety of views in relation to that.

The CHAIR: But, also—with respect, Premier—the issue of legalisation of adult use of cannabis.

Mr CHRIS MINNS: I'm happy for it to be debated at the drug summit. We're not committing to that.

The CHAIR: Not here today?

Mr CHRIS MINNS: I appreciate, Mr Chair, that the use of medicinal cannabis is taking place every day across New South Wales, but, no, I'm not making headlines by committing to that today.

The CHAIR: You've committed to the drug summit. There's been some uncertainty, especially amongst drug law reform advocates—and mostly they've welcomed it—about when it will happen.

Mr CHRIS MINNS: Yes.

CORRECTED

The CHAIR: The question has been when, and the latest comments from the Government are that it will happen in this term. Can you give any indication to the Committee of what "in this term" means in terms of timing? Will the drug summit be next year?

Mr CHRIS MINNS: We are tracking to that—next year. It is an election commitment. We will hold it. As we've well ventilated today, there's a lot on the agenda. We want to get the experts in the room. We're tracking to hold it next year. I can't give you a month; I can't announce that today. But, obviously, it would be better to have it earlier in the term than later. There are pressing issues that are affecting a lot of people's lives, and waiting four years is a long time to wait. But I can't give you a precise date. I know we need to get on with it, and we want to, but we have to do that in conjunction with all the other aspects of government work.

The CHAIR: I appreciate that, Premier. One of the issues that is adjacent to the issue of drug use is the policing of our current laws and the use of strip searches by police in New South Wales. Are you aware that 56 children aged under 18 were stripsearched over the past financial year, including 25 underage girls, three of whom were just 12 years old? Do you share the concerns publicly expressed by the police Minister about those facts?

Mr CHRIS MINNS: I am aware of that. We have been receiving briefings from police, the Law Enforcement Conduct Commission and external stakeholders that have raised these concerns with us. The laws in New South Wales are that that should only happen in the absence of parents or guardians being in attendance if police believe it's absolutely appropriate in the circumstances. That law is mirrored in every jurisdiction in the country, I think even in the Australian Capital Territory. Maybe that's wrong. But certainly in Victoria, Queensland and Western Australia.

The CHAIR: Are you confident that's the case, though? Are you confident that it's been appropriate or that there's an urgent and pressing need—I think that's the term—for those strip searches, mindful that 70 per cent of strip searches turn up nothing and the vast majority that turn up any sort of malfeasance, if you want to call it that, is personal possession of cannabis, which the Government is moving away from? What would you say to that?

Mr CHRIS MINNS: Firstly, in relation to strip searches—and I know that you know this, Mr Chair, but just for the general benefit of those watching—it cannot involve any contact between the police officer and the individual involved. A strip search includes anything related to anything other than the external removing of a coat, so it might be a jumper or another item of clothing. It can only happen without a parent or guardian if it's absolutely necessary. In the instance where there's a suspicion that illicit drugs by a minor is about to be undertaken, that might come about through a drug detection dog but not that alone. There have to be other reasons that would alert the reasonable suspicion of a police officer.

We have looked at and taken into consideration the Law Enforcement Conduct Commission's report into strip searches. They have recommended that New South Wales police undertake training in order to serve, for example, at a music festival. I know that New South Wales police will not allow any police officer—and have sent people home—to roll up for duty at a music festival if they haven't undertaken that compulsory training. As a result of all of those changes and prescriptions laid down by the LECC, I think we're in a better situation now than we were previously. It is never ideal. It wouldn't be. But police are in an impossible situation where they may have genuine concerns that a young person is about to take an illicit substance and that may have terrible consequences.

The CHAIR: I appreciate that, Premier. I will move to a different topic: coal seam gas. Premier, the report of your recently commissioned reliability check-up by Mr O'Reilly states:

... few believed Narrabri could address forecast shortfalls in the required time.

The assertion from Santos and the former Government was that coal seam gas and the Narrabri Gas Project were essential for our domestic gas needs, but the O'Reilly report says something different. Do you believe that the Narrabri Gas Project and its potential expansion is essential for the gas needs of New South Wales?

Mr CHRIS MINNS: Can you read to me what Mr O'Reilly said?

The CHAIR: In terms of the consultation with stakeholders, the report states:

... few believed Narrabri could address forecast shortfalls in the required time.

Mr CHRIS MINNS: That's not necessarily inconsistent with what Santos is claiming in relation to the project. Mr O'Reilly is specifically looking at the application of 30 terawatts of renewable energy generation in New South Wales for the east coast energy grid by 2030. I think he can make the claim that Narrabri is not going to come to the rescue there. We have to take into consideration the existing base load coal-fired power stations as well as rapidly and as urgently as possible getting renewable energy projects up and running.

CORRECTED

The CHAIR: He did further say, though, Premier, that the issue in New South Wales was gas storage—that with gas storage essentially our supply issue could be met.

Mr CHRIS MINNS: Yes.

The CHAIR: Do you concur with that?

Mr CHRIS MINNS: Help me with the question. With gas storage, how—

The CHAIR: He was saying that the issue is the transportation of gas from Victoria or Queensland and we don't have the storage facilities that we need to provide gas to our gas plants in New South Wales and that was the issue rather than new gas supplies that we needed to deal with. Do you concur with that?

Mr CHRIS MINNS: I don't want to misread or speak for Mr O'Reilly but it's important to note that his study and his report is really about the immediate and pressing policy decisions of the Government in a really short space of time, effectively. How do we make sure the REZs and transmission lines and decisions about Eraring are dealt with with all the facts on the table? Narrabri gas is obviously for domestic consumption and certainly for growth in industry but it's not, according to Mr O'Reilly—what am I trying to say? I'm trying to say that Narrabri going ahead or not going ahead is not necessarily material to our immediate energy needs but that does not mean that it's not necessary for growth in industry or longer term energy production and reliability for New South Wales. We are going to and future governments are going to have to make a decision about bringing renewable energy zones online and relying on renewable energy as a way of producing that power for industry and households, and then work out what we are going to do when the sun doesn't shine and the wind doesn't blow. Part of that will be storage—particularly hydro storage—and part of it will be gas.

Ms SUE HIGGINSON: So many questions, so little time. We are in a climate emergency, as we know. We are sitting on a colossal wealth of carbon savings, ecosystems services that benefit agricultural productivity, food security, climate impact stabilisation and the rest. It's called the public forest estate. At the moment, we are still logging it and it's costing taxpayers millions of dollars every year, not even including the subsidies: a \$28 million loss over the last two years and \$80 million in subsidies the previous year. We've seen report after report mounting in terms of the cost savings to the State. The carbon savings are unbelievably profitable. It's just waiting, Premier, for a leader to come along and make the decision and take us in the right direction. Are you going to do it?

Mr CHRIS MINNS: Good question. I know you are passionate about this issue. There are many industries and many companies and governments around the world that are desperate for carbon offsets and would be looking at jurisdictions like New South Wales in relation to that. You have to have the system up and running before you can quarantine a park or an area to allow for that area or that zone to be eligible for the carbon transfer. If you do it in reverse, then you can't retroactively go to that national park or that forest and say, "This will now apply to carbon offsets in the future." We are, in some ways, relying on the Commonwealth Government to get to the table to have a trading scheme up and running that can be applicable in the New South Wales economy.

Ms SUE HIGGINSON: Premier, can I interrupt? That's very helpful. In terms of our own budget and New South Wales, not necessarily thinking of the forest as a carbon trade dump, but for you, Premier, as fiscally responsible for our budget and the carbon savings, we are looking at a minimum of \$2.7 billion between now and 2050 and that's looking at carbon as a cost of \$35 a tonne right now. We know that Transport for NSW priced carbon as double that two years ago. We are losing money, Premier, but not just that; we are really harming communities and the environment. Will you commit to really looking closely at the genuine economics and even doing your own independent economic assessment? We've got four reports dumped on the table over the past two years begging for this work to be done. Will your Government commit to doing this work?

Mr CHRIS MINNS: Obviously, we want to work with the Commonwealth in relation to this. I don't have an announcement to make today in relation to your policy prescription. We're looking at all of those initiatives really closely. I don't have a reticence about it but it's really important to note that there needs to be an established market that is independently audited, if you like, that companies and governments around the world have confidence—

Ms SUE HIGGINSON: But what about your budget?

Mr CHRIS MINNS: I've got to get this out.

Ms SUE HIGGINSON: What about your budget? Not a market—our budget? New South Wales?

Mr CHRIS MINNS: Unless there's an internationally recognised trading marketplace that's established, then we would potentially miss out on billions of dollars' worth of investment.

CORRECTED

Ms SUE HIGGINSON: What do you say to the fact that your climate targets right now are less ambitious than the current targets that were set by the Coalition Government?

Mr CHRIS MINNS: I don't think they had a target.

Ms SUE HIGGINSON: They did. It's in legislation. It's written there right now in the Energy and Administration Utilities Regulation.

Mr CHRIS MINNS: No, I'm pretty sure that they—

Ms SUE HIGGINSON: It states 2035—70 per cent reduction. You're not proposing—

Mr CHRIS MINNS: No, they didn't.

Ms SUE HIGGINSON: —anything near that ambitious.

Mr CHRIS MINNS: I remember prosecuting this in the election campaign, actually, and saying to the previous energy Minister, "What's your target in relation to net zero or 50 per cent reduction by a particular date?" And he said, "Well, we're committed to that." And then I remember questioning the then leader of the National Party about exactly the same question and he said, "There are no targets." I think you're probably off track.

Ms SUE HIGGINSON: It's in regulation, Premier. It's in black-and-white writing.

The Hon. SARAH MITCHELL: Which Ministers sit on your Expenditure Review Committee?

Mr CHRIS MINNS: The Minister for Finance, the Treasurer, myself, Penny Sharpe, John Graham and the Deputy Premier.

The Hon. SARAH MITCHELL: Why do you not have any regionally based Minister sitting on your ERC?

Mr CHRIS MINNS: Well, generally speaking, you have finance departments and leaders of the Government in the upper and lower Houses. We've got senior positions, senior MPs, who are in regional electorates that represent different parts of government. But I think that's generally recognised.

The Hon. SARAH MITCHELL: But don't you think it's important that regional New South Wales has a voice on the committee that writes the cheques of government?

Mr CHRIS MINNS: Well, government decision-making and spending is primarily related to Cabinet decision-making. I mean, ERC has an important role to play, but the direction of government is determined at Cabinet and ERC gives effect to that decision-making. I believe it's well reflected at the Cabinet level.

The Hon. SARAH MITCHELL: So you won't look to put anyone who lives outside of Sydney on ERC?

Mr CHRIS MINNS: We're going to keep its composition the same way.

The Hon. SARAH MITCHELL: That's disappointing.

The Hon. DAMIEN TUDEHOPE: Do you normally attend ERC? Do you regularly attend?

Mr CHRIS MINNS: Generally, yes.

The Hon. DAMIEN TUDEHOPE: How many have you missed?

Mr CHRIS MINNS: I can't give you that number right now. I'd only miss if I had a clashing appointment. And we had many, many, many ERC meetings in the run-up to the budget. So I can't give you a number.

The Hon. DAMIEN TUDEHOPE: Well, was it more than half?

Mr CHRIS MINNS: No, it wouldn't be more than half, no.

The Hon. DAMIEN TUDEHOPE: 75 per cent?

Mr CHRIS MINNS: I can't give you a number. How many times do I have to tell you?

The Hon. DAMIEN TUDEHOPE: Premier, in your budget reply speech in June 2022, you said—

Mr CHRIS MINNS: When I was in opposition?

The Hon. DAMIEN TUDEHOPE: When you were in opposition, yes. You said:

CORRECTED

So I want to say very sincerely that the Government's initiative to put \$743 million into palliative care is a welcome and important budget announcement. For too long end-of-life care has been a low priority of governments of both political persuasions. No-one should have to suffer in silence but for too long we have allowed that to happen. Change needed to come, and I congratulate the Premier on that initiative.

Premier, why have you cut \$150 million from that needed investment?

Mr CHRIS MINNS: Look, a couple of things, I think, are really important for context. The palliative care budget is increasing. It's 6.8 per cent higher in 2023-24 compared to the last year of your Government and when you were in office, and it's expected to increase by an additional 8 per cent in 2024-25—so 7 per cent higher for next year and 8 per cent higher than that for the year after. That's important context. We believe that's an important investment. We understand that families, particularly for end of life, need that care. And I've spoken to regional communities in particular.

I've got to say, though, that the biggest impediment that we had in rolling out that \$740 million worth of investment was the human capital—people, nurses in particular. Upon being elected to government, we had the unhappy experience of discovering that 1,200 nurses that the previous Government had solemnly committed to being part of the budget going forward—these were surge nurses during the COVID pandemic that the previous Government said would now be a permanent part of our workforce both in the city and in the country. Having discovered that they were yanked out, taken out of the health system altogether, it wasn't possible to roll out the palliative care function—

The Hon. DAMIEN TUDEHOPE: I get that difficulty, but why did you cut \$150 million from the budget?

Mr CHRIS MINNS: The money needed to go to recruiting nurses, many of whom would be working in palliative care. I think the Committee would accept that it would be a ridiculous situation to not have 1,200 nurses in place, many of whom would be working in palliative care industries, and committing this funding but not having the people to do the work—

The Hon. DAMIEN TUDEHOPE: You could commit the funding to getting the people.

Mr CHRIS MINNS: —and in the end we decided that this was just too important not to do, notwithstanding the fact that palliative care funding will increase by 6.8 per cent this year and an additional 8 per cent the year after.

The Hon. DAMIEN TUDEHOPE: But you've cut it from the budget, though, haven't you?

Mr CHRIS MINNS: I've explained the circumstances. We were advised it wasn't possible to roll out that level of funding given the decline, or the prospective decline, in the number of people that work in our health sector. We couldn't run a health system if we withdrew 1,200 nurses from it tomorrow. We just couldn't run it. Forget palliative care; that's ICU, that's emergency departments, that's everything across the board.

The Hon. SARAH MITCHELL: Premier, you've just mentioned speaking to people in the regions about palliative care. I'm not sure if you're aware. The former Government had committed \$20 million for a new palliative care building in Tamworth, obviously a big regional centre. Is that something that your Government would honour—would provide that for regional people?

Mr CHRIS MINNS: We've got \$93 million worth of capital investment and that includes redevelopment and refurbishing health facilities, including palliative care units for Westmead, Nepean—

The Hon. SARAH MITCHELL: I'm asking about Tamworth.

Mr CHRIS MINNS: Hang on a second—Westmead, Nepean, Orange, Wyong and Tamworth.

The Hon. SARAH MITCHELL: So that \$20 million will come?

Mr CHRIS MINNS: My information is that we're investing \$93 million.

The Hon. SARAH MITCHELL: Could you provide on notice how much of that will go to Tamworth?

Mr CHRIS MINNS: Happy to. Yes, of course.

The Hon. SARAH MITCHELL: That'd be great for the community. Big issue.

The Hon. DAMIEN TUDEHOPE: I will take you to the Moore Park golf club.

Mr CHRIS MINNS: Yes.

The Hon. DAMIEN TUDEHOPE: Your call?

CORRECTED

Mr CHRIS MINNS: Sorry, what was that?

The Hon. DAMIEN TUDEHOPE: Was that your decision?

Mr CHRIS MINNS: Yes, that was my decision.

The Hon. DAMIEN TUDEHOPE: Because you'd be aware of the debate relating to Marrickville golf course, wouldn't you?

Mr CHRIS MINNS: In what regard?

The Hon. DAMIEN TUDEHOPE: A similar proposal was proposed for Marrickville golf course to restrict it to a nine-hole golf course and use the other land for other purposes. You may recall that Minister Haylen previously said the proposal was absurd. I think the Prime Minister said turning Marrickville golf course into a nine-hole golf course simply wouldn't be viable. So Moore Park golf course has said it is not likely to survive with a nine-hole golf course. Is this just your decision for the purposes of satisfying Alex Greenwich?

Mr CHRIS MINNS: No.

The Hon. DAMIEN TUDEHOPE: Did he make any representations to you about it?

Mr CHRIS MINNS: He might have. But, I mean, he wasn't alone. A lot of people, through civic leaders, public officials, members of Parliament—

The Hon. DAMIEN TUDEHOPE: Clover Moore.

Mr CHRIS MINNS: —councils, former Minister for Planning Rob Stokes—was he a supporter of it? I can't remember. I wasn't in the Cabinet room at the time. What did he think about it? Maybe he lobbied us. Did he lobby you?

The Hon. DAMIEN TUDEHOPE: Did he lobby you?

Mr CHRIS MINNS: He didn't. Did he lobby you?

The Hon. DAMIEN TUDEHOPE: You just said he did.

Mr CHRIS MINNS: No, I didn't. I just said that I know that that's his view.

The Hon. DAMIEN TUDEHOPE: You said maybe Minister Stokes.

Mr CHRIS MINNS: Did he lobby you, though? My point more generally is—you're suggesting that this was, you know, only being promulgated by perhaps Alex Greenwich or the lord mayor. I'm making the point that many people—

The Hon. DAMIEN TUDEHOPE: Well, you need his vote, don't you?

Mr CHRIS MINNS: —saw it as a good initiative, including your former colleague the Minister for Planning. For you to wilfully ignore that is a manipulation of the evidence.

The Hon. DAMIEN TUDEHOPE: Have you had any contact with Moore Park golf club about this?

Mr CHRIS MINNS: I haven't, but I know that they spoke to the planning Minister and presented their case to retain 18 holes and keep it as a championship course to the Minister and his office, I think, in September. I couldn't give you the date.

The Hon. DAMIEN TUDEHOPE: But Minister Kamper hasn't had any contact with them. You haven't had any contact with them.

Mr CHRIS MINNS: I couldn't speak for Minister Kamper. I don't know.

The Hon. DAMIEN TUDEHOPE: He told us yesterday at estimates that he had had no contact with them.

Mr CHRIS MINNS: I take him at his word.

The Hon. DAMIEN TUDEHOPE: And they were taken by surprise at the announcement, weren't they?

Mr CHRIS MINNS: No. We ensured that Golf NSW—

The Hon. DAMIEN TUDEHOPE: So—

CORRECTED

Mr CHRIS MINNS: Hang on, wait. Again, I'm not going to answer four questions in a row. I'm going to answer them one at a time. No, they weren't. We were in a situation where, before the announcement was publicly made, we ensured or took steps to ensure that Moore Park Golf were told. Golf NSW—

The Hon. DAMIEN TUDEHOPE: How did you do that?

Mr CHRIS MINNS: Hang on. Golf NSW were told prior to the announcement being made, and we were informed that Golf NSW told Moore Park Golf prior to it being publicly announced. I'm not pretending that they'd be happy about that announcement. I just want to make the point that, yes, they did present to Government and ask that it be retained as a championship golf course at 18 holes, but it wasn't possible to have 20 hectares worth of new public land for a brand new central park for Sydney and have that consistent with their desire to have 18 holes. That delta or that difference between the two views wouldn't have been breached by consultation and negotiations between the two sides.

The Hon. DAMIEN TUDEHOPE: Did you tell Mr Greenwich before you made the announcement?

Mr CHRIS MINNS: I didn't tell Mr Greenwich before the announcement, to the best of my recollection.

The Hon. DAMIEN TUDEHOPE: Are you sure?

Mr CHRIS MINNS: But I'm sure somebody did because he—

The Hon. DAMIEN TUDEHOPE: In your office?

Mr CHRIS MINNS: Hang on a second—because he was at the announcement.

The Hon. SARAH MITCHELL: He was probably told why he was going to be there, you'd assume.

Mr CHRIS MINNS: Unless it was one of the world's biggest coincidences that we ran him into him in a park. But I'm not trying to be coy. I'm not responsible for organising participants at media conferences. He was there.

The Hon. DAMIEN TUDEHOPE: That's just not true. You know who's coming to media conferences.

Mr CHRIS MINNS: Yes, I'm admitting that I'm sure he was told, but I didn't tell him. You asked me whether I told him, and I didn't.

The Hon. DAMIEN TUDEHOPE: You were aware he was attending that media conference with you.

Mr CHRIS MINNS: Again, I'm trying to answer your questions precisely. You asked me whether I told him. I didn't tell him, but I assume somebody did. Is that so outrageous?

The Hon. DAMIEN TUDEHOPE: Premier, you would have seen news reports of a train driver playing pro-Palestinian songs on the way to the protest rally last Sunday. Are you aware of that?

Mr CHRIS MINNS: In all candour, I'm not. I'm not aware of that.

The Hon. DAMIEN TUDEHOPE: If I was to tell you that on a train travelling to that rally, where there were not only people who were going to the rally, but other people, the train driver elected to play Palestinian music and songs on that train, would you think that's an appropriate course of conduct for a train driver to be engaged in?

Mr CHRIS MINNS: Look, I don't know the circumstances and—

The Hon. DAMIEN TUDEHOPE: I—

Mr CHRIS MINNS: Hang on, let me answer it.

The Hon. DAMIEN TUDEHOPE: As I put it to you.

Mr CHRIS MINNS: I don't know the circumstances, but if it is as described, then that's completely unacceptable. Not only would it be unacceptable for the guard or the train driver to play songs like that, but also to have any political position as he's transferring customers or train passengers from A to B. I'm taking you at face value here, and I don't know the circumstances of it. I'd probably like to see media reports or a report of it before I offer a longer commentary.

The Hon. DAMIEN TUDEHOPE: I accept that reservation in relation to what you have just put to me, but if, in fact, I had accurately described it—

Mr CHRIS MINNS: Well, as answered, then.

The Hon. DAMIEN TUDEHOPE: Premier, in 2015 you went to China, did you not?

CORRECTED

Mr CHRIS MINNS: Yes.

The Hon. DAMIEN TUDEHOPE: And you were a member of Parliament at the time?

Mr CHRIS MINNS: That's right.

The Hon. DAMIEN TUDEHOPE: Who paid for that trip?

Mr CHRIS MINNS: I'd have to take it on notice and report back, but I'm pretty sure it was covered in media inquiries at the time.

The Hon. SARAH MITCHELL: Did you pay for it?

Mr CHRIS MINNS: No.

The Hon. DAMIEN TUDEHOPE: Do you know who paid for it?

Mr CHRIS MINNS: I don't want to get the acronym wrong or the organisation wrong, but it was an Australia Chinese business organisation promoting trade and investment between the two countries that paid for not just me but a delegation across the board—State and Federal.

The Hon. DAMIEN TUDEHOPE: Do you recall who else was on that delegation?

Mr CHRIS MINNS: I do.

The Hon. DAMIEN TUDEHOPE: Who were they?

Mr CHRIS MINNS: Chris Bowen was on it as—I'm not sure whether he was the Shadow Treasurer or what position he held during that period, and other delegates. But you'd have to look it up. I'm sure it's been publicly reported.

The Hon. BOB NANVA: Point of order: These matters are traversing a period of eight years ago. I'm not entirely sure how they go to the relevance of the terms of reference of this inquiry.

The Hon. SARAH MITCHELL: Well, he's answering them.

The CHAIR: The inquiries have to be relevant to the administration of the State in terms of the budget and the forward estimates, so if the member could make sure his line of questioning relates to that, that would be appreciated.

The Hon. DAMIEN TUDEHOPE: Did Huang Xiangmo pay for the trip?

Mr CHRIS MINNS: Is that related to—

The Hon. DAMIEN TUDEHOPE: Did he?

Mr CHRIS MINNS: I don't know. It's important to put on the record, Mr Chair, that the trip was paid for by that industry association, and I believe that they're the people that paid the bill.

The Hon. DAMIEN TUDEHOPE: Was he involved in that industry association?

Mr CHRIS MINNS: I'd have to take that on notice.

The Hon. DAMIEN TUDEHOPE: That's fine. Just going back to who else was on the trip—Chris Bowen was on the trip?

The Hon. PETER PRIMROSE: Can I reiterate the point of order? Paragraph 9 of the procedural fairness resolution—this is an estimates session. Questions must relate to the estimates of expenditure from the consolidated fund and other matters covered by the budget papers. There is wide latitude, but this is beyond wide latitude.

The Hon. DAMIEN TUDEHOPE: I'm coming to it.

The CHAIR: I'll rule on the point of order. Yes, please do come to it, Mr Tudehope, because it is not clear to me how this relates to our terms of reference.

The Hon. DAMIEN TUDEHOPE: After you'd been on that trip, in your inaugural speech you made a commitment that you would like to see Mandarin rolled out in all primary schools in New South Wales. Do you recall making that observation after your trip?

Mr CHRIS MINNS: Is this germane to the budget papers today?

The Hon. DAMIEN TUDEHOPE: Yes.

CORRECTED

Mr CHRIS MINNS: I recall my inaugural speech, yes.

The Hon. DAMIEN TUDEHOPE: Are you still committed to that as a—

The Hon. SARAH MITCHELL: —policy?

Mr CHRIS MINNS: I've been asked this many times in the past—this isn't the first time today, Mr Tudehope—extensively in the election campaign, not since being elected Premier. I'm happy to answer it. The truth of the matter is that Australia's relationship with China has changed significantly since 2015, and I believe that while second languages are important and that they should be encouraged in school, that young people in particular should have access to a whole range of secondary—

The Hon. DAMIEN TUDEHOPE: I agree with you.

Mr CHRIS MINNS: Hang on, let me finish. They should have access to a whole range of secondary languages. The white paper on the Asian century by the Commonwealth Government indicated Hindi, Korean, Mandarin and Indonesian as the four languages, but the truth is everybody's learnt that for the sake and nature of both our multicultural communities and future trade and investment opportunities, we should in effect let as many languages be taught and learnt by young people as possible, because we don't know what emerging markets will eventually orient themselves to Australia and Australians in the years ahead.

The Hon. DAMIEN TUDEHOPE: Did you ever go to the ICAC in relation to this issue?

Mr CHRIS MINNS: I didn't, but that's obviously a pretty tricky question because it may be the case that some members of Parliament are unable to answer that question, and you'd be aware of that.

The Hon. DAMIEN TUDEHOPE: But you've answered it?

Mr CHRIS MINNS: I'm happy to answer it. I haven't. I've never been to ICAC, but I think you should be careful about asking that question because in some cases—I know your party's longstanding criticism of the ICAC. Notwithstanding that, there are still rules and provisions in place that may mean that a member can't answer that. But I can, and I haven't.

The Hon. SARAH MITCHELL: Premier, will you commit to the Department of Regional NSW remaining as a standalone agency under your Government and them being based still in the regions?

Mr CHRIS MINNS: Yes. That's our plan. We think it's important for New South Wales. If we have any changes or proposed changes, of course we'll ventilate that and explain it to the electorate.

The Hon. SARAH MITCHELL: Will you commit to no job losses in those regional communities that have department offices?

Mr CHRIS MINNS: I have to be careful there for a couple of reasons. Firstly, the Government has admitted to reducing the head count of the senior executive service in New South Wales by 10 per cent, and that's across the board. In some agencies it was more acute and larger than others. Notwithstanding that, it is still important that we meet that target and election commitment. It is a key way of curtailing budget spending and expenses. I can't give a blanket agreement to that.

The Hon. SARAH MITCHELL: In relation to regional issues, the drought is obviously starting to bite. What commitment will you give to provide support? Your Minister is not in ERC. You have no Minister who lives outside of Sydney on your Expenditure Review Committee. People in regional New South Wales are very concerned that there will not be support coming from your Government. Will you commit to giving whatever farmers and communities need to survive the drought?

Mr CHRIS MINNS: Obviously we are constantly working with farming communities, regional mayors and MPs on drought and regional development issues, ensuring that those communities have what they need to get through the changing weather patterns.

The Hon. SARAH MITCHELL: We look forward to seeing some money when the time comes, which is certainly upon us very soon, I suspect.

Mr CHRIS MINNS: It's a shame that there wasn't that kind of commitment to the changing weather pattern when you were Minister.

The Hon. SARAH MITCHELL: No, there was plenty of commitment to regional communities.

Mr CHRIS MINNS: It's a shame because a couple of days before the election there was an announcement made by the current leader of the National Party, but it came very late in the day.

The Hon. SARAH MITCHELL: That's not correct, Premier.

CORRECTED

Mr CHRIS MINNS: No money was allocated to the budget—not a dollar, not a cent.

The Hon. SARAH MITCHELL: We actually live outside of Sydney, so we know what it's like.

The CHAIR: Order!

Mr CHRIS MINNS: I understand that you're latter-day conversion to concerns about drought-affected communities in regional New South Wales—

The Hon. SARAH MITCHELL: I actually live there, Premier.

Mr CHRIS MINNS: —but that would have been material when you're in government rather than in opposition.

The Hon. SARAH MITCHELL: I live there, Premier. That's disrespectful. That's my home.

The Hon. EMILY SUVAAL: Point of order: Under procedural fairness resolution 19, witnesses must be treated with courtesy at all times.

The CHAIR: Yes. I remind all members of that.

The Hon. DAMIEN TUDEHOPE: Premier, will you give a commitment that Minister Catley will still be the Minister for Police and Counter-terrorism at Christmas time this year?

Mr CHRIS MINNS: Of course, yes.

The CHAIR: Premier, you may remember former resources Minister, Chris Hartcher. He once described New South Wales as a coal State. Do you think New South Wales is still a coal State?

Mr CHRIS MINNS: In terms of our biggest export, it's important to acknowledge that New South Wales' largest export is black coal. Last year we sold \$55 billion worth of coal to markets throughout South-East Asia. We've also got enormous amounts of goods and services that we sell to other jurisdictions and countries around the world. I think we're bigger and broader than just coal, but it is our single biggest export.

The CHAIR: Do you expect that export to continue for years or decades to come?

Mr CHRIS MINNS: I can't give a figure or a date on it, but I do know that of the export partners that New South Wales sells its coal to, all of them—maybe with one exception—have made public commitments to reduce their reliance and exposure to coal for their domestic energy consumption. New South Wales has got a job ahead of it, to diversify its economy and ensure that we are in a position to fill those export markets with other goods and services. Part of that will be critical minerals. Part of that may be green hydrogen. Part of it might be fintech and financial exports that we can get around the world. But we've got a big job ahead of us.

The CHAIR: Is the Treasury modelling a transition out of export coal?

Mr CHRIS MINNS: Generally speaking, Treasury horizons are over four years, particularly as it relates to the budget. Whether they've got—

The CHAIR: They do prepare something like an intergenerational report.

Mr CHRIS MINNS: They do, yes.

The CHAIR: So some of their horizons are a little further.

Mr CHRIS MINNS: Sure. They do. I can't speak to whether they've done one of those reports that has a longer horizon beyond four years, but I'm not aware of it.

The CHAIR: Should they, given your comments about the need to diversify?

Mr CHRIS MINNS: We should all be focused on having a diverse and complex economy. We've got world-class research universities. We've got a wonderful public education system. We've got 280 languages that are spoken in households across the State. In Western Sydney 60 per cent of households speak a language other than English at home. We have the knowledge, understanding and language skills of some of the biggest and most exciting and wealthiest markets in every corner of the globe, and we can sell more goods and services. We need to do better. That is just de-risking the New South Wales economy; it's not taking a particular dislike to any export commodity.

The CHAIR: The transition from fossil fuels to renewables is a thing that I've long argued for. When I was in the Central West, it seemed as though it was something that was a long way off. The Hunter and Lithgow regions are the tip of the spear—in particular, Lithgow really is the tip of the spear in terms of transitions. The coal-fired power generators are coming to the end of their life—no export markets for Centennial Coal. Those

CORRECTED

communities are doing some heavy lifting in terms of funding their own transition plans: the Hunter diversification action plan and the Lithgow emerging economy plan. But, despite lobbying, they didn't receive any money in this year's budget. There's the future jobs and investment authorities. Will the Government get behind those communities that are trying to transition out of those industries into those jobs of the future, by putting some money on the table to assist them?

Mr CHRIS MINNS: I acknowledge the criticism and we've got to take it on the chin. We'd like to do more. In terms of the future economic prospects of those two regions, it's important that we do more. My immediate challenge is the massive debt left to us by the Coalition, and \$180 billion worth of debt puts immediate pressure on all external spending in the short run. That doesn't mean we're closing the door to the kinds of investments that transforms economies in regional New South Wales. We do want to partner with them, in particular the Hunter valley which, in my view, is the most resilient part of the whole country. As evidence I've looked to the closure of the steelworks in the nineties and the ability of that town—of its industry, trade union and civic leaders—to think beyond the next couple of years. They're constantly looking at what comes next. It might be bio-medicine. It might be a new campus for their university. It might be being on the cutting edge of renewable energy and elaborately manufactured goods. I've never gone to the Hunter and not been blown away by how they are, almost to the distraction of everything else, focused on the future. That comes about because of their experience in the nineties. I think we could all learn from them.

The CHAIR: On that, they certainly have been resilient. The former Government collected a bucket of moneys, the royalties for a rejuvenation—the estimates are there's \$70 million there. Most reasonable people would argue that the Hunter Valley in particular hasn't got the money back into the community that its put into the State, if you look at the amount of royalties returning to that area. Is that something that you're concerned about and you'll look to in the future to make sure that we don't have another BHP, we don't have another collapse and we get on with that sooner rather than later?

Mr CHRIS MINNS: I'll have to take that on notice about the specifics of the funds. The quantum of money that's generated by coal, particularly royalties, is massive. It's central and important for the New South Wales economy. Money is fungible, so previous governments have been able to move around funding sources and claim that they're consistent with previous commitments to royalties to the region. The bottom line here is we want to make sure that the Hunter Valley is resilient and focused on the future, and that we in Macquarie Street are also, that the next generation of industries and jobs are also. As I said, we can learn a lot from the civic, business and union leaders up there. They've got their eye on the ball in terms of how their economy is changing because they've gone through it in recent memory.

The CHAIR: One of those industries which is emerging is AI, machine learning. You may be aware that this Committee is conducting an inquiry—

Mr CHRIS MINNS: I thought you were going to say this Committee's running on artificial intelligence.

The CHAIR: Well, it is.

Ms SUE HIGGINSON: It is.

Mr CHRIS MINNS: There you go.

The CHAIR: All of my questions today have been written by AI because I just thought it was easier than thinking for myself—that was a joke. But in that regard, the Government's recently announced that it was going to expedite planning approvals using AI.

Mr CHRIS MINNS: Yes.

The CHAIR: Considering how hard fought our well-recognised environmental planning laws are, that announcement has been made with so little community feedback that AI may expedite and create productivity but it also has the capacity to undermine some of our laws and democratic institutions. When you reflect on that, how is the Government going to manage that, especially in the planning space?

Mr CHRIS MINNS: Like having an out-of-control HAL approving waste disposal dumps in Mosman or something?

The CHAIR: Yes, exactly that. How do we make sure that the probity and democracy that are enshrined in our planning legislation are protected when we outsource to some foreign multinational program that's just going to approve a block of flats in 3.2 milliseconds?

Mr CHRIS MINNS: I guess that my fears aren't as dystopian as some in relation to this. I think we can get the balance right. We've got to be open to new ways of progressing more rudimentary and fundamental government decision-making. If that can happen via machine learning and we can get quicker outcomes, that's

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good for industry and that's good for the economy. Ultimately, the decisions that go into the computer that learns, in terms of compliance with codes, will still be written by humans and written by planners and reflected in our democratic institutions.

I will just say this: In terms of building completions, we have been hopeless. The State's not been anywhere near where it needs to be and that has directly contributed to the housing and homelessness crisis and the social housing crisis that we're seeing in every single part of the State, from the furthest town from Sydney in regional New South Wales to downtown CBD Sydney. We had 48,000 building completions last year in New South Wales. Victoria had 58,000. On a per capita basis, we produced about six houses per 1,000 people every 12 months; Victoria produces eight and Queensland produces nine. Even on the east coast, notwithstanding the fact that we've got the biggest population, the largest increase in population, the highest property prices, the highest rents and the highest increase in rents, we're last when it comes to completions in absolute terms, or as a percentage or per capita. Part of that is planners; part of that is AI. But we've just got to get it rolling because it's having a massive impact on housing.

Ms CATE FAEHRMANN: I want to touch on the issue of gambling and the Independent Panel on Gaming Reform. I understand that in June the Government announced that due to difficulty finalising the membership of this panel, that was the reason for the delay of the cashless trial. Can you please inform us what difficulties the Government had in finalising the membership of the panel?

Mr CHRIS MINNS: That is probably a question best directed to the gaming Minister, although I'm happy to take it on notice and report back to the Committee. My understanding is that the membership's in place and working well. I couldn't tell you how many meetings they've had, but they have met. There will be further announcements in the not too distant future about the progress of that panel's work and where they're up to in terms of collecting evidence.

Ms CATE FAEHRMANN: Are you aware that there is some concern—

Mr CHRIS MINNS: He's on tomorrow, I'm told—sorry to interrupt.

Ms CATE FAEHRMANN: Sorry?

Mr CHRIS MINNS: The Minister is here tomorrow.

Ms CATE FAEHRMANN: Yes, okay. I ask because you have taken a strong interest in this issue and one of the things you did in terms of the cashless gambling trial was to put in place this panel. I just wanted to check whether you are aware of concerns around the fact that declarations of conflict of interest for all of these members on the panel aren't made public. Is that of concern to you?

Mr CHRIS MINNS: I'm not concerned about that. I think people should give the panel the time and space to report back. It's broadly reflective of industry and stakeholder concerns, and those that are in the industry and therefore have a stake or an interest in its future. When you have expert panels—and I'm sure that the previous Labor Opposition was guilty of this, too—it's so easy to pull apart conflict of interest concerns because particularly those who work in the industry are going to have a history via their expertise. I think as long as it's managed and it's transparent and—

Ms CATE FAEHRMANN: It's not transparent, Premier.

Mr CHRIS MINNS: —the committee has an opportunity to present its work in a transparent way—and that if there are disagreements between the participants, both sides can eventually be ventilated—I think that unless people have got a specific concern or a specific worry about an individual member, I'm really reluctant to cast aspersions about them before they do their job.

Ms CATE FAEHRMANN: Are you aware of some of the recent data in relation to poker machines in New South Wales? For example, in the last financial year the number of poker machines jumped from 86,650 to 87,298. That's an increase of 648 machines. Are you aware of that?

Mr CHRIS MINNS: Would you mind just pointing me—

Ms CATE FAEHRMANN: It's an increase of 648 machines; plus, just in terms of that financial year as well, the people of New South Wales lost \$8.07 billion to poker machines. That's a 23 per cent increase on what was the last high year, which was pre-COVID, which was \$6½ billion recorded in 2018-19. Are you aware of those two figures, which suggest that gambling harm in New South Wales is higher than it's ever been?

Mr CHRIS MINNS: I'm not surprised that there's been an increase in the amount of revenue collected by gaming machines this year compared to last, or last year compared to the year prior to that, largely because of the changes to the health environment, COVID in particular. I would—

CORRECTED

Ms CATE FAEHRMANN: But this was against pre-COVID—

Mr CHRIS MINNS: Hang on a second, sorry—

Ms CATE FAEHRMANN: It was against pre-COVID numbers, Premier.

Mr CHRIS MINNS: Again, I'm going to take my time answering the questions because I'm entitled to do that. I'm not questioning the validity of your facts, but what document are you referencing when you mention the—

Ms CATE FAEHRMANN: This is data from an independent analysis undertaken—

Mr CHRIS MINNS: By who?

Ms CATE FAEHRMANN: —by Wesley Mission. You can obtain the data and then do an analysis on it.

Mr CHRIS MINNS: I'd probably want to peruse the data before I offer a detailed commentary about it. I'm not questioning it, but when facts are just presented to us—if I say that, yes, I'm aware of it and that's absolutely true and then it subsequently proves to be disputed then—I think you should probably just source it when you read them out.

Ms CATE FAEHRMANN: Okay. My time is up.

Ms SUE HIGGINSON: Premier, I take you back to the climate ambition and the fact that the current settings prescribed by regulation have a 2035 target of 70 per cent emissions reduction. Your Government right now is proposing to do less than that. Can you explain why? Why would we do that now?

Mr CHRIS MINNS: Your assertion is that the previous Government was going to reduce emissions by 70 per cent by 2030?

Ms SUE HIGGINSON: It's in the regulation, Premier.

Mr CHRIS MINNS: Which regulation?

Ms SUE HIGGINSON: It's in the Energy and Utilities Administration Regulation. It's based on all of the programs that the current Government set in place.

Mr CHRIS MINNS: Right. I have to say I'm happy to take on notice your question, but I did quiz the previous Government whilst Leader of the Opposition what about what its targets were and whether it agreed on it—and they didn't. The environment Minister did have a target and the—

Ms SUE HIGGINSON: They must have got it wrong.

Mr CHRIS MINNS: —Leader of the National Party didn't have a target.

The Hon. DAMIEN TUDEHOPE: He mightn't have known.

Mr CHRIS MINNS: They were all at sixes and sevens in relation to it.

Ms SUE HIGGINSON: Perhaps it was a Liberals target, not a Nats target.

Mr CHRIS MINNS: Well, maybe not! We should ask Mr Tudehope.

Ms SUE HIGGINSON: But it is currently in New South Wales—

Mr CHRIS MINNS: Is it your target, Damien?

Ms SUE HIGGINSON: Premier, this is my question.

The Hon. DAMIEN TUDEHOPE: It's in the—why don't you know?

Ms SUE HIGGINSON: Premier—

Mr CHRIS MINNS: I did ask questions about this. I'm not not asking questions—

Ms SUE HIGGINSON: Excuse me, Premier—

The CHAIR: Order!

Mr CHRIS MINNS: I remember asking the then Government—

Ms SUE HIGGINSON: Excuse me, Premier—

Mr CHRIS MINNS: —about all this a year ago.

CORRECTED

Ms SUE HIGGINSON: It is in regulation and it's inconsistent with your ambition.

Mr CHRIS MINNS: Well, that's what you say. I'm happy to take it on notice.

Ms SUE HIGGINSON: Thank you.

Mr CHRIS MINNS: There's a discrepancy. I do remember quizzing the previous Government about it and they couldn't agree on what their targets were.

Ms SUE HIGGINSON: Thank you. If you can take that on notice, I would be very grateful.

Mr CHRIS MINNS: Sure.

Ms SUE HIGGINSON: A lot of young people, climate advocacy organisations and science people are really holding enormous hope for that interim target—and, in fact, more ambitious targets. It would be great if you could take that on notice. If I can go back to forests, I am really concerned, Premier, that in December last year the Natural Resources Commission—your own independent advisory body on forest health and science—tabled a report that said that if we carry on managing our public forest estate the way we are, it's literally going to become a carbon emitter to New South Wales and we will run the workers and the industry off the cliff. We need to take an honest, earnest new look at the forest estate. We are talking about 1.8 million hectares. It's a very small amount of New South Wales but a very significant amount. There is a mountain of documents that keep piling up, begging us to look at this with fresh eyes. Premier, will you do that? Will you make a commitment to at least look at what we're doing with that public forest estate, what we've done over the past 200 years and what we might need to do for all of New South Wales moving forward?

Mr CHRIS MINNS: Obviously we will approach all of these issues with an open eye and look at all potential initiatives. You could say that without fear of contradiction. We did make a decision on 12 September in relation to 106 koala hubs where 42 per cent of the sightings for that protected species had been undertaken and that amounted to, I think, about 8,500 hectares-worth of land on the mid-North Coast of New South Wales.

Ms SUE HIGGINSON: I commend you for that decision by the way, thank you.

Mr CHRIS MINNS: Yes, and I think that was the right decision. Part of the dilemma that we have, as has been explained to me, is that obviously these timber agreements between government agencies and mills across New South Wales were entered into by the previous Government, but at the same, time logging to meet those agreements between those agencies and mills was effectively halted in the run-up to the election campaign. So we were met, having assumed office, with a whole bunch of pre-agreed commercial arrangements between the Government and milling operators in New South Wales, which is a regrettable situation and part of the reason why we made that decision on 12 September.

Ms SUE HIGGINSON: Premier, can I put it to you that those agreements literally could be bought out any day and actually, again, the cost benefit analysis of that has been done. It's in these reports that I'm asking you to have an open mind about, have a good look at and commission your own work if you think that's required. But the case to do this economically, environmentally, socially and politically has been made, so will you please commit to look at it?

Mr CHRIS MINNS: Again, I appreciate your passion and your commitment to this issue and we did make these decisions on 12 September, and of course we will approach all of these issues with an open mind.

The Hon. DAMIEN TUDEHOPE: Premier, I take you back to the questions which I was asking you about palliative care, and you correctly outlined there's an increase in palliative care funding next year and the following year. I assume that there is the capacity in the system to deal with that increase in funding. Who advised you that they couldn't spend the money in the out years? Who gave that advice?

Mr CHRIS MINNS: Well, when you say you presume that the funding is in place to accommodate those increases, only because we made a decision to retain 1,200 nurses in the system. So without that, no chance.

The Hon. DAMIEN TUDEHOPE: But you've cut \$150 million from it. Who gave you the advice that that amount of funding should be cut?

Mr CHRIS MINNS: Well, it's self-evidently the case that if you cut 1,200 nurses from the NSW Health workforce, then you'll have major problems, not just with palliative care, with emergency departments, with ICU, with wards across the board.

The Hon. DAMIEN TUDEHOPE: We assume that in the next two years—

CORRECTED

Mr CHRIS MINNS: And the premise of your first question was you assumed that the capacity is there for the 6.8 and 8 per cent increase in years one and two. That's only because the Government made a decision to retain those 1,200 nurses in the system.

The Hon. DAMIEN TUDEHOPE: I accept that, but who gave you the advice that it should be cut? Who gave that advice?

Mr CHRIS MINNS: No-one is giving advice that it should be cut. The question here is the allocation of public funds in a way that can work and that self-evidently wouldn't be the case if we took such a massive chunk—

The Hon. DAMIEN TUDEHOPE: Was it Health?

Mr CHRIS MINNS: It would be like saying we want to reduce the amount of crime in some part of metropolitan Sydney, but at the same time we are going to take 1,200 police officers out of the system. You can't do two things at the same time.

The Hon. DAMIEN TUDEHOPE: What are you doing between now and the next year's—

Mr CHRIS MINNS: Retaining the 1,200 nurses, not sacking them.

The Hon. DAMIEN TUDEHOPE: Then why haven't you got the capacity in two years' time to deliver the money which was promised in last year's budget?

Mr CHRIS MINNS: We've got to make sure that those healthcare professionals are in place and working on behalf of the people of New South Wales in the next two years and we'll look in terms of future health spending across the board. You would be aware—maybe you wouldn't be aware—but the state of the health system in New South Wales as left to us by the previous Government is a mess.

The Hon. DAMIEN TUDEHOPE: Has never been better. It was the best in Australia, the best in Australia.

Mr CHRIS MINNS: Is that right?

The Hon. DAMIEN TUDEHOPE: The best healthcare system in Australia.

Mr CHRIS MINNS: I guess we've got nothing to worry about then.

The Hon. DAMIEN TUDEHOPE: And that's why—

Mr CHRIS MINNS: I don't remember you running on that in the election campaign.

The CHAIR: Order!

The Hon. DAMIEN TUDEHOPE: And that's why you wouldn't cut \$150 million out of palliative care.

The Hon. PETER PRIMROSE: Asking the questions and answering them at the same time.

Mr CHRIS MINNS: Mr Chair, I guess this is what it all comes down to. The previous Government believed that they had the best health system in Australia and, as a result, they could cut 1,200 nurses from it—a terrible decision. Terrible decision.

The Hon. DAMIEN TUDEHOPE: And dealt with COVID better than any other healthcare system in the country, did it not?

Mr CHRIS MINNS: I have to tell you, one of the most short-sighted decisions I've seen since assuming government was to cut 1,200 nurses from the health system in New South Wales.

The Hon. SARAH MITCHELL: Lismore Base is dying.

The Hon. DAMIEN TUDEHOPE: COVID specialist nurses.

The CHAIR: Order!

The Hon. SARAH MITCHELL: Premier, I don't know if you are aware but there's been some very serious issues with crime in regional New South Wales, particularly over the last six months in certain areas. The Country Mayors Association have recently called for an inquiry into what's happening in regional policing and crime. Is that something that you'll support?

Mr CHRIS MINNS: An inquiry into policing in regional New South Wales—

CORRECTED

The Hon. SARAH MITCHELL: And resources and some of the issues. The country mayors, of which they have many members from right across the State, there was a call last week to have a parliamentary inquiry. Would you support that?

Mr CHRIS MINNS: Our focus when it comes to policing is to lift the number of police officers in the NSW Police Force and that's going to help regional New South Wales.

The Hon. SARAH MITCHELL: So you don't support the inquiry?

Ms SUE HIGGINSON: There's heaps already. There's 22,000.

Mr CHRIS MINNS: I just want to make it clear: an inquiry will not replace a serving police officer in regional New South Wales and the previous Government left us with the situation where New South Wales police had the lowest number of police officers per head of population of any jurisdiction in the whole country. So if you're asking me what my priorities are for police, more police on the beat, particularly for regional New South Wales.

The CHAIR: I have one last question, and that is subsequent to the scandal regarding water misuse and theft in New South Wales. I know it's an area that you are particularly interested in in your role as Opposition water spokesperson. We had the Matthews inquiry and the creation of the NRAR. It was an excellent board and executive and team. How are you ensuring that NRAR has the resources and the regulatory muscle to do the job to restore the health and integrity to our water management system and our rivers in New South Wales?

Mr CHRIS MINNS: I've got a lot of confidence in the Minister for Water, who is someone who has a real interest in and an appreciation of water markets and making sure that water users in the marketplace are consistent with the rules and regulations that have been put in place. You'd know, Mr Chair, that it's an extremely opaque market. It's difficult to navigate, it takes people years and years to understand the various motivations and incentives in water markets in New South Wales. Having a good and strong cop on the beat to ensure that people are complying with their obligations and consistent with the regulations is crucial to having functioning water markets. If we don't get it right, then you'll have—euphemistically it's called market value, but in the end it just means there's not enough for downstream users, not enough for the environment, not enough for Indigenous communities and, in the end, not enough for potable water for regional communities, which is something that we just have to watch out for all the time.

Ms SUE HIGGINSON: Premier, I want to take you to the fundamental, important right all New South Wales people have, to gather, assemble and protest together. We've seen a serious derogation of that right over the past 10 years in New South Wales. It has been on the centre stage how important it is. Are you willing to look with all of us at looking at the current state of protest, stop politicising that interfering with police and actually allow the laws to change to enshrine the right to protest, which would include repealing some of those awful, draconian incursions on the right to protest that we have?

Mr CHRIS MINNS: There's a couple of things. Firstly, the premise of the question is the right to protest is being abridged or abrogated by the State. It's not. There is a right to protest in New South Wales. There's no police, no government, no law; it's an implied freedom in the Australian Constitution. It's protected in the Summary Offences Act and all kinds of laws and regulations in the State.

I will say, though, that we have other obligations. In particular, traversing through the city or making a decision about ensuring that other citizens of New South Wales are free from racial vilification, hate speech and violence and walking that line is something that the New South Wales police and the Government has to navigate. In the current situation where there is an increased level of community protest, there are a few, I think, fundamental principles that have not been determined by my Government but have been in place for decades in the State, and that is there is an absolute right to protest but hate speech, vilification and violence are not tolerated.

Ms SUE HIGGINSON: Absolutely, no question. Will you consider looking at repealing some of those anti-protest laws?

Mr CHRIS MINNS: We're not repealing the laws. No, we're not repealing the laws.

Ms SUE HIGGINSON: And you wouldn't even consider them?

Mr CHRIS MINNS: And I want to make it clear that I don't agree with the assertion that was at the beginning of your question that the right to protest has been abridged in New South Wales.

Ms SUE HIGGINSON: It has.

Mr CHRIS MINNS: It hasn't.

CORRECTED

Ms SUE HIGGINSON: It has in no uncertain terms, not by your Government but by the Government before.

Mr CHRIS MINNS: But the idea that you could glue yourself to a bridge on a train line and put yourself, emergency service workers, police officers and firefighters at risk of death or serious injury is some kind of abrogation of protest rights, I don't believe and I don't agree with.

Ms SUE HIGGINSON: There are other laws that have incurred on the right.

Ms CATE FAEHRMANN: Premier, I do have that data that I referred to before. It's basically that the stats I gave you were from the quarterly data sets from Liquor and Gaming NSW. So that was what found basically the 23 per cent increase on what people of New South Wales are losing to poker machines on its pre-COVID high in 2018-19 of \$6.5 billion to, just last financial year, \$8.07 billion to pokies. Is the harm from pokies increasing under your Government? When will we see a cashless gambling card in New South Wales?

Mr CHRIS MINNS: We went to the election campaign with a promise to have an independent look at this, to have a trial to ensure that we understood what the technology was and whether there were any unintended consequences associated with the changes. I'm committed to that outcome. That's not me claiming that the harm isn't serious. I accept that it is and that changes need to be made. We've made a series of changes. I'm not going to bore the Committee by running through all of the changes to VIP signage laws and other provisions that we've put in place. I want the committee to do its work. I think it's a serious committee. I think they've been charged with the responsibility of presenting to government major changes to the State and I don't want to front-run their deliberations.

The CHAIR: Thank you for attending, Premier. We have finished with the questioning and the Committee will now break and reconvene at 2.00 p.m.

(The Premier withdrew.)

(Luncheon adjournment)

Ms SAMARA DOBBINS, Deputy Secretary, Delivery and Coordination, Premier's Department, sworn and examined

Ms KATE MEAGHER, Deputy Secretary, Community Engagement Group, Premier's Department, affirmed and examined

The CHAIR: We will recommence the Portfolio Committee No. 1 budget estimates inquiry. Thank you very much for your attendance. We'll turn to questions from the Opposition.

SIMON DRAPER: Chair, just before we start and take up the Coalition's time, Mr Borsak asked a question this morning of the Premier and I said I'd come back and just clarify. Is it a convenient time to quickly do that now or should I come back later?

The CHAIR: Yes, sure.

SIMON DRAPER: Mr Borsak asked about the Bushfire Community Recovery and Resilience Fund, which is a \$43.75 million fund. Mr Borsak asked how much of that had been expended. So far \$39.05 million of that has been paid, so there's \$4.7 million yet to be paid. That will all be paid before April 2024, when the fund expires. It has all been allocated but there are progress payments to be made.

The Hon. ROBERT BORSAK: I think I also asked questions around what it had been allocated for.

SIMON DRAPER: I don't have that detail. If you're after all the allocations, I can take that on notice.

The Hon. ROBERT BORSAK: Could you take that on notice?

SIMON DRAPER: Yes.

The Hon. SARAH MITCHELL: I want to start with some questions related to the Local Small Commitments Allocation program. I'm not sure who is best—perhaps, Mr Draper, through you and if Ms Meagher or anybody else wants to provide any additional information. I've been looking at the website and it says that the status of that program is that it's not open for application. These were all projects that were identified prior to the election. Is that correct?

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SIMON DRAPER: Not all of the elements that will be allocated were identified before the election. There is some money. You're quite right; Ms Meagher can probably expand on this. But there are elements which are targeted and they're being assessed, and there are elements which will be received by invitation to councils.

The Hon. SARAH MITCHELL: So the targeted ones presumably have come from Labor candidates prior to the election?

KATE MEAGHER: And MPs, yes. That's right, nominated projects, and then the balance will be distributed among councils.

The Hon. SARAH MITCHELL: I'll come back to the distribution to councils. In terms of the list of the community projects, you said that that will come from candidates and MPs. Did any Coalition MPs get the chance to put in any projects?

KATE MEAGHER: I'm sorry, I can't comment on that part of the process because that wasn't available to us. That was actually arranged by Labor when they were in opposition.

The Hon. DAMIEN TUDEHOPE: Just on that, where did you get the information from in relation to the grants that had been made? Who provided it to you?

KATE MEAGHER: So the list was provided to us.

The Hon. DAMIEN TUDEHOPE: Who by?

KATE MEAGHER: Advisers in the Premier's office.

The Hon. DAMIEN TUDEHOPE: An adviser in the Premier's office?

KATE MEAGHER: Yes, advisers in the Premier's office. That's right.

The Hon. DAMIEN TUDEHOPE: And so have you any idea how they collated that information?

KATE MEAGHER: I couldn't tell you, I'm sorry. We were provided with the list. That's right.

The Hon. DAMIEN TUDEHOPE: So there was a list provided by the Premier's office—

KATE MEAGHER: That's right.

The Hon. DAMIEN TUDEHOPE: —from a source, which you don't know, about so-called commitments which had been made.

KATE MEAGHER: That's correct. We were provided with that list. Then our role was to administer the list under the grants administration guidelines.

The Hon. SARAH MITCHELL: I am happy for you to take on notice the date when you received that list from the Premier's office.

KATE MEAGHER: Actually, I would appreciate taking that on notice, if that's okay.

The Hon. SARAH MITCHELL: That's fine.

KATE MEAGHER: Thank you.

The Hon. SARAH MITCHELL: Delving into this a little bit further, obviously there's a process—I'm assuming—to go through those applications?

KATE MEAGHER: That's correct.

The Hon. SARAH MITCHELL: But my understanding, after looking through the guidelines of the Act, is that the Minister responsible, who is the Special Minister of State, can seek probity advice.

KATE MEAGHER: That's correct.

The Hon. SARAH MITCHELL: A number of projects that have been hand-picked by candidates would appear to have some conflict of interest. Can you outline what the probity process is through DPC for those particular projects?

KATE MEAGHER: I understand there was a conflict of interest process when projects were nominated. Our role now is to assess projects as they come to us. We don't necessarily look at the conflict of interest aspects to it in relation to MPs or candidates because they're not the assessor. That's established under the guidelines. We're looking at the projects based on their merit against the set criteria. Our probity checks, which are through a

CORRECTED

company called Procurement Co, are in relation to our assessors and any conflicts they may have in relation to those projects.

The Hon. SARAH MITCHELL: The assessors?

KATE MEAGHER: That's right.

The Hon. SARAH MITCHELL: So the list came to you from the Premier's office after the election?

KATE MEAGHER: Correct.

The Hon. SARAH MITCHELL: But any conflicts of interest that may exist between candidates and the projects are not within your remit to look at?

KATE MEAGHER: That's correct, yes.

The Hon. SARAH MITCHELL: So there's an assumption that that was done by the Premier's office beforehand? Or do you not know?

KATE MEAGHER: I couldn't tell you, I'm sorry.

The Hon. SARAH MITCHELL: That's fine. That's an important point. In terms of any sort of probity advice that might come, it's only if the assessor sees an issue with it and not, for instance, if a candidate allocated money to an organisation with which they were involved.

KATE MEAGHER: I think also there is an opportunity for the Special Minister of State himself. If he wanted to do further work around probity, he has that option available to him as well.

The Hon. SARAH MITCHELL: Has he utilised that option?

KATE MEAGHER: I couldn't tell you at this point, I'm sorry.

The Hon. SARAH MITCHELL: Okay, thank you.

SIMON DRAPER: I think Ms Meagher has been clear, but just to reiterate, the conflicts of interest that our probity advisers would be looking at would be in the case of the assessors or the decision-maker, because there's a separation between those who may have nominated those projects—the assessor and then the decision-maker. The concern of our probity advisers would be around the conduct of the assessors and the decision-maker.

KATE MEAGHER: I forgot to add one thing.

The Hon. SARAH MITCHELL: I am keen to hear as much as you can tell me.

KATE MEAGHER: My colleague Kate Boyd would probably be able to explain this better than me because she's sort of the architect of the grants guidelines. The principle that we envisage uses a merit assessment process. We're assessing for community benefit, which helps to sort out any potential around private benefit. Kate, I don't know whether you want to add anything to that around how grants guidelines are applied in this case?

KATE BOYD: There was a question about transparency that was raised in the previous session. As you know, under that grants guide, all advice from government to the ministerial decision-maker is made public if the ministerial decision-maker makes a decision that's different to that recommended by the agency. So there is a high degree of transparency around the benefits of these grants and their public value, which is in keeping with the spirit of the guide.

The Hon. SARAH MITCHELL: The point I'm trying to understand, though, is that no-one is disputing that these aren't worthy projects that may have been nominated. The question is more around how these projects were chosen, particularly when there are very good community projects right across the electorates that weren't even given an opportunity to apply. That's the sticking point where this probably differs from other grants that are open for public application and assessed. It was a very targeted list of specific projects to be considered. I appreciate that was the decision of the Government and not you as an agency, but that probity piece is something that I think is quite challenging. In terms of the money that will go to local councils, my understanding is that if the full \$400,000 wasn't allocated to certain projects then the leftover would be divided evenly between councils in that LGA. Is that the methodology?

KATE MEAGHER: I think—and I will double-check the actual methodology—it is weighted depending upon how much an electorate is in a local government area.

CORRECTED

The Hon. SARAH MITCHELL: If the candidate or MP had put forward a particular local government area and they had got the bulk of the money already, that's classed as a separate allocation from the general one that local government areas are getting?

KATE MEAGHER: I might need to check that. I apologise.

The Hon. SARAH MITCHELL: I used the Dubbo example this morning. They got the bulk of the money. There were two local government areas in that electorate that got nothing. I'm not sure what the processes are if the project that was nominated was money for a council already by a particular candidate.

KATE MEAGHER: Yes, understood. I'm happy to take that on notice.

The Hon. SARAH MITCHELL: That would be great.

SIMON DRAPER: For clarification—and I think you were using this colloquially—but they haven't got that money and it hasn't been allocated to them yet because the decisions haven't yet been made. They may have been nominated in that direction.

The Hon. DAMIEN TUDEHOPE: So no decisions have been made?

SIMON DRAPER: Some have been.

KATE MEAGHER: We're doing them on a rolling basis and some decisions have been made by the Special Minister of State. Then, in accordance with the grants guidelines, they will be published online within 45 days—so imminent.

The Hon. DAMIEN TUDEHOPE: Ms Boyd, do you see an issue arising where grants are able to be made but the community doesn't know that they're available to be applied for?

KATE BOYD: I think what you're talking to goes to the difference between an open and competitive grants process or a closed, non-competitive grants process.

The Hon. DAMIEN TUDEHOPE: Correct.

KATE BOYD: Both are legitimate pathways under the grants guide. It's recognised that it is the prerogative of the Executive Government to allocate funds. That is their job.

The Hon. DAMIEN TUDEHOPE: Even on the basis of a closed grant process, you don't see any probity issue in respect of the making of a grant where only one potential community organisation knows about it but no-one else can apply for it?

KATE BOYD: I don't think it's a probity issue; it's a policy question. It goes to the Government's decision in making those commitments and designing that grants program. That's a question for the electorate to make a judgement about, not for public servants to comment on.

The Hon. DAMIEN TUDEHOPE: Well, only if the electorate knows the circumstances in which the grants have been made available.

KATE BOYD: I think they will because the grants guide ensures that.

The Hon. DAMIEN TUDEHOPE: They will, but they didn't at the time.

The Hon. SARAH MITCHELL: To the point of my colleague, I know that there are many elected members of Parliament who have no detail as to what these projects are in their electorates. Some have been told because they've been approved and they get a subsequent letter. But they have community members asking them about whether their grant will be successful and they don't even know that a grant application had gone in. Other colleagues have been told that there are six projects in their electorate but no there is detail as to what they are. This is challenging, particularly when you've got members looking at things like community building partnerships. While I respect that it's not your fault, Ms Boyd, for lack of a better term, there hasn't really been a lot of transparency around this because we don't know which grants have been put in, we don't know which ones have been approved and we don't know the probity, and I think that's concerning members of the community. In terms of the timing of when information will be made available, is it possible for the Committee to get a list of those that have been approved already? Is that something that could be provided today?

KATE MEAGHER: Yes, and they definitely will be published.

The Hon. SARAH MITCHELL: But not for 45 days?

KATE MEAGHER: Do you mind if I check? I will have to check that. It's the Special Minister of State's portfolio.

CORRECTED

The Hon. SARAH MITCHELL: Sure.

KATE MEAGHER: Thank you.

The Hon. DAMIEN TUDEHOPE: But you do have, do you not, Ms Meagher, a complete list already on your desk?

KATE MEAGHER: I appreciate that the Committee is interested in that complete list. I don't mean to sound like I'm being overly bureaucratic about it, but the process is such that those projects still need to be assessed. The reason that list hasn't necessarily been provided in whole to date is because we don't want to pre-empt the decision-making process.

The Hon. DAMIEN TUDEHOPE: But you could provide the list.

KATE MEAGHER: I am happy to take that on notice as well. I know the Premier was happy to consider that too. I wouldn't mind testing that from a legal law assessment process perspective to see whether that poses any problems in that respect.

The Hon. DAMIEN TUDEHOPE: And you could identify the ones that are yet to be approved so as not to give people an undue—

KATE MEAGHER: I guess that's right. Can I take it on notice, though, just to make sure that we're not setting a course that might in some way prejudice the determination?

The Hon. DAMIEN TUDEHOPE: Mr Draper, in relation to that, when the member for Davidson lodged a GIPAA about this list, the response that came back to him was that it was Cabinet in confidence. Was that wrong?

SIMON DRAPER: I couldn't comment on that. But the decision-maker for that GIPAA would have considered the status of that information. They would have made that determination on the basis of the information that they had to hand.

The Hon. DAMIEN TUDEHOPE: Even on whatever guidelines we're looking at, it was never Cabinet-in-confidence material, was it?

SIMON DRAPER: Again, I couldn't comment on whether that had been to Cabinet or not.

The Hon. DAMIEN TUDEHOPE: Ms Boyd, do you take the view that this should have been referred to as Cabinet in confidence?

KATE BOYD: I'm not sure of the provenance of it either. We would have to take that on notice. I wasn't the decision-maker in that particular application.

The Hon. DAMIEN TUDEHOPE: Would you do that? I can understand no rationale where this material, which was provided by the Premier's office and is now being assessed, is Cabinet in confidence.

KATE BOYD: It may have been some other public interest against disclosure that was relevant to the decision, not just a Cabinet claim. But we can take that on notice and provide that detail.

The Hon. SARAH MITCHELL: In relation to the guidelines for the program—and I haven't got a copy of them here—my recollection of reading them was that this was about \$400,000 per electorate to fulfil election commitments that were made for small projects. Is that basically correct?

KATE MEAGHER: That's right, yes.

The Hon. SARAH MITCHELL: If something is an election commitment, is it important that they are announced prior to the election?

KATE MEAGHER: I guess it's a matter for the parties. I don't know. General counsel ?

The Hon. SARAH MITCHELL: I suppose my point is how are you as public servants sure that the projects that came to you on that list from the Premier's office have actually been committed prior to the election?

KATE MEAGHER: Sorry, that's part of the eligibility criteria, yes. I beg your pardon.

The Hon. SARAH MITCHELL: So the eligibility criteria says there have to be election commitments?

KATE MEAGHER: That's correct, yes.

The Hon. SARAH MITCHELL: But does that mean they have to be publicly announced?

CORRECTED

KATE MEAGHER: I'm not actually sure about that. I can take on notice if there's a distinction between—

The Hon. SARAH MITCHELL: That would be good because, again, I know of many seats where there were no public announcements by any Labor candidates about what this money would be utilised for, and now certain projects are being funded. It's just getting to that transparency and that probity piece, which I think is pretty important. It might not be something you can answer, but what's the time frame anticipated for finalising which projects will be approved?

KATE MEAGHER: It could take some months, I guess. I'm kind of speculating a little bit there. I'm happy to take that on notice. But, yes, we are working through them methodically, however—not rushing.

The Hon. SARAH MITCHELL: I think, Mr Draper, you said before that some of these might be knocked back. What will be the process? Will it just be the community groups told? Will the local member who was elected be told whether a project is being funded or not, even if they weren't in a position or asked to nominate any projects prior to the election?

KATE MEAGHER: They are. They will be.

The Hon. SARAH MITCHELL: Will they know what doesn't receive funding either or which projects get knocked back?

KATE MEAGHER: All of those decisions made by the Special Minister of State will be available online. That's all transparent.

The Hon. SARAH MITCHELL: But that will happen 45 days after a decision has been made on each project?

KATE MEAGHER: I'll check for you about unsuccessful projects and notification of MPs. With regard to successful projects, that's right. I think it's within 10 days of the funding deed being signed but I'll triple-check that for you and take on notice the question around unsuccessful projects, if that's okay.

The Hon. SARAH MITCHELL: Yes, that's fine. In terms of the assessment, I think you said before about value for the community and what they were doing. Can you talk through a little bit more what that criterion is, how it's weighted and how those projects are being assessed?

KATE MEAGHER: I'm not 100 per cent sure how the assessment panel is weighting the criteria. Certainly, community benefit is—are you looking for the sorts of things that go into making those decisions?

The Hon. SARAH MITCHELL: Yes. I am just curious as to what they are looking at.

KATE MEAGHER: Obviously, we are looking for data that shows that "X" commitment will help expand access to community members, third-party endorsement and those sorts of things. Value for money and deliverability are the key criteria.

The Hon. SARAH MITCHELL: Is that part of the application process that the proponents had to put forward how that would be?

KATE MEAGHER: Yes. Once they engage with our program office, we obviously provide them with application forms. We support them in helping them find the right information or at least guide them towards how they might respond to the criteria. Yes, it's pretty standard, in terms of grants.

SIMON DRAPER: It's probably worth saying too that these are fairly small grants, and the grants guidelines make clear that the way that we assess grants should be proportionate to the value of the grant and the complexity of the grant. If it's quite a simple grant, then it's not likely to go into a very complex assessment process.

The Hon. SARAH MITCHELL: On that, Mr Draper, the Dubbo example that I used this morning is \$396,000 to one council. I don't think that's a small amount, with respect. I think that's quite a large amount. It is almost the entirety of the proportion of the \$400,000 that was allocated to that electorate. Is there any difference between, say, the probity or the examination of a grant like that as opposed to, I think it was, the remainder of that \$400,000 that went to year 3A in Dubbo? Do they get the same assessment? Is there any consideration of that differing amount of funding?

SIMON DRAPER: There are two different amounts of funding. One is much greater than the other. But I think one of the other considerations would be the type of recipients for the grant. If you're allocating money from a State government to a local government, that's a less complex matter than awarding it to a private party or a community organisation that's outside of the whole-of-government sector.

CORRECTED

The Hon. SARAH MITCHELL: But in that instance, where the person who nominated that, presumably, was the Labor candidate who is also a councillor on that specific council, would that get a second look given the potential complexities around probity there?

SIMON DRAPER: I think your question is going back to your first question you asked about conflicts of interest in nominations. I think, from the point of view of our assessors, they will take into account the complexity and the value of the grant but also the type of recipient. Generally speaking, State governments allocating money to a local government is a less complex matter than allocating money to a private party.

The Hon. SARAH MITCHELL: Yes, I appreciate that. But, in that instance—I just want to be clear—the assessors won't know that the nominee of that project was also a councillor on that council. That's not part of the information that's been passed along. I'm telling you that now; it's in the paper. That's not formally a part of what would be looked at.

SIMON DRAPER: I'm not sure that we would even want them to know that. We're asking them to evaluate those grants on the basis of the criteria in the guidelines. That wouldn't be one of the criteria.

The Hon. DAMIEN TUDEHOPE: Ms Boyd, are you aware of any other grant scheme where the people who have the ability to nominate for grants are not members of Parliament?

KATE BOYD: Yes, there are a range of grant programs where applicants are community organisations or private individuals.

The Hon. DAMIEN TUDEHOPE: The applicants are, but for a grant scheme which is a nomination scheme where an external person starts nominating organisations.

KATE BOYD: I think community—that's MPs, isn't it?

KATE MEAGHER: Maybe the Premier's Discretionary Fund is an example of that.

The Hon. DAMIEN TUDEHOPE: Sorry, which one?

KATE MEAGHER: The Premier's Discretionary Fund could be an example of that.

The Hon. DAMIEN TUDEHOPE: But that's the Premier. The Premier makes that nomination. This is an external person who is not a member of Parliament who nominates an organisation for a grant.

SIMON DRAPER: Which is the reason why it goes through a rigorous assessment process and there's separation between the person nominating, the person assessing and the person making the decision.

The Hon. DAMIEN TUDEHOPE: I'm just curious. I could walk outside and get someone off the street to nominate someone for a grant. What probity, transparency process goes through that process?

KATE BOYD: I think, as Simon said, the grant is then assessed on its merits.

The Hon. DAMIEN TUDEHOPE: You look at the actual recipient of the grant and say, "Are they a worthy organisation?" But don't you also have to have a look over here at who is nominating?

KATE BOYD: I don't know that you do. It's a matter for the government of the day to make that decision about how they want to design the program and who they want to hear from in terms of nominations. I would also say, to the extent that the nominators here are MPs or candidates, they are subject to rigorous, ethical obligations under the members code of conduct and under the ICAC Act. So I think there are measures in place to ensure probity, insofar as the conduct is conduct of MPs or candidates.

The Hon. SARAH MITCHELL: Can I just pick up on that, though, Ms Boyd. If you're a candidate who isn't a local councillor and if you're just an average person—

The CHAIR: Sorry, I might jump in there. Your time has expired, but the crossbench doesn't have questions so we'll just roll on with your questions.

The Hon. SARAH MITCHELL: Thank you, Chair. If you're just a community person who happens to be a candidate for a political party, what probity check would there be on—again, I'm not in any way trying to reflect on any candidates. But I used an example this morning of a candidate in the seat of Clarence, who—one of the funding applications went to his former employer. What kind of probity or other codes of conduct would someone like that be captured under?

KATE BOYD: As a candidate—obviously someone who's a prospective public official is subject to the corrupt conduct regime in the ICAC Act. So to the extent that that would constitute a breach of public trust or corrupt conduct, it might be **an issue** that—if you have an allegation like that, it would be appropriate to refer that

CORRECTED

and to deal with it that way rather than through the department's merit-based assessment process for the individual program.

The Hon. DAMIEN TUDEHOPE: Can I just be clear on that—that's your advice to the Government?

KATE BOYD: No, I don't know the facts that you're referring to. I'm just speaking in general terms.

The Hon. DAMIEN TUDEHOPE: Yes, but your advice to the Government would be that, in the event that there were issues relating to a breach of a conflict of interest by a candidate, that is something which should be referred to ICAC?

KATE BOYD: No, not necessarily. Not at all. What I'm saying is there are robust integrity frameworks in place in New South Wales both for MPs and for aspiring MPs, and you would need to assess the facts against those. But I'm not aware of any—

The Hon. DAMIEN TUDEHOPE: But you've raised the issue of potential referral to ICAC in circumstances where a person who is given an opportunity of nominating for grants makes nominations or election commitments in respect of those grants, which may, in fact, have some benefit to them or organisations with which they are associated.

KATE BOYD: Well, I think that's a matter of—that would be in dispute. I don't know that there is any private benefit there. That would be a matter for—

The Hon. DAMIEN TUDEHOPE: But if there was that level of not private benefit but a serious conflict of interest between the nominator and the organisation receiving the grant, that could be a matter for appropriate referral to ICAC?

KATE BOYD: Look, I think in this case the candidate is not the decision-maker, as Simon said. So there's no relevant public duty that would be in play here for that candidate. That's the biggest safeguard in the process, that there is a separate decision-maker and a separate assessment of that process. So there's very little likelihood of a true conflict arising in this case.

The Hon. DAMIEN TUDEHOPE: Well, except if the conflict wasn't disclosed.

KATE BOYD: I'm not sure that I can agree with that. As I said, I don't really understand the facts of this case very well other than what's been raised at a high level in this session today. But I would just say, look, if you have allegations or concerns, any member is able to refer those to the ICAC.

The Hon. SARAH MITCHELL: Just coming back to the amounts going to local governments when the full allocation hadn't been distributed to other projects, my understanding is it's for parks and playgrounds—is the criteria.

KATE MEAGHER: Correct.

The Hon. SARAH MITCHELL: So if a council had received money for something else and wanted to—there's no cause to look at other projects? They can only spend it on parks and playgrounds? They can't put forward a different project idea or—

KATE MEAGHER: Of the unallocated—yes, that's the decision, exactly.

The Hon. SARAH MITCHELL: My understanding is that the parks and playgrounds element of it—there could be potentially input from now elected members of Parliament for that feedback to work with councils. Is that correct?

KATE MEAGHER: There is a process whereby they work together, correct.

The Hon. SARAH MITCHELL: So that's separate to the other part of the allocation, because there are elected members of Parliament—

KATE MEAGHER: That's right.

The Hon. SARAH MITCHELL: —from the Coalition that weren't able to put forward projects for at least some of that money. Really, only if there's leftover money, they might be able to talk to local councils about it.

KATE MEAGHER: That's on the parks and playgrounds aspect. That's correct, yes.

The Hon. SARAH MITCHELL: So it's a bit of a half-measure.

The Hon. DAMIEN TUDEHOPE: Just going back, under the administration guidelines, Ms Boyd, there are supposed to be risk mitigation guidelines prepared. Is that not right?

CORRECTED

KATE BOYD: I think you have to assess risk but, as Simon said, it's in proportion to the amount of the grant.

The Hon. DAMIEN TUDEHOPE: Well, was there documentation prepared in relation to that?

KATE BOYD: I'll have to throw to Kate Meagher on that.

KATE MEAGHER: So we have a probity—I've got it in front of me. Yes, there's a probity plan in detail.

The Hon. DAMIEN TUDEHOPE: Could you provide a copy of that?

KATE MEAGHER: I'm happy to take advice if I can and provide it. I'll definitely come back to the Committee.

The Hon. DAMIEN TUDEHOPE: So that's the guidelines provided pursuant to clause 6.1.5 of the guidelines?

KATE MEAGHER: I'm happy to check that.

SIMON DRAPER: You're talking about—so there are specific guidelines—

KATE MEAGHER: There are the guidelines.

SIMON DRAPER: —for this program that are published that are separate from the grant administration guidelines.

The Hon. DAMIEN TUDEHOPE: Well, no. Under the grant administration guidelines documentation and risk mitigation of one-off, ad hoc grants has to be prepared. Has that documentation been prepared?

KATE MEAGHER: Yes, I think that's right. There is a probity plan and I'll find out if I can—

The Hon. DAMIEN TUDEHOPE: And this is the specific documentation pursuant to that clause.

SIMON DRAPER: I think we should clarify—

KATE MEAGHER: I'll clarify.

SIMON DRAPER: —whether this would be treated as an ad hoc, one-off grant. This is a grant program with its own program guidelines and assessment process. It's not a one-off.

The Hon. SARAH MITCHELL: But we asked the Special Minister of State a question about that in the last parliamentary sitting week. My recollection is he said it was an ad hoc and one-off grant.

KATE MEAGHER: They are ad hoc, one-off grants because they're not competitive, that's right. But I think what you're saying, Simon, is the—

SIMON DRAPER: Unlike many of those other one-offs, this one's got program guidelines overlaid on top of it.

The Hon. DAMIEN TUDEHOPE: But it does fit within the ad hoc, one-off grants.

SIMON DRAPER: It may well be.

The Hon. DAMIEN TUDEHOPE: It's not going to be there again next year and the year after.

SIMON DRAPER: I was only raising the question about whether it would be treated like that. It's slightly different to a one-off.

The Hon. DAMIEN TUDEHOPE: Well, the Special Minister of State has identified that it is treated as that.

SIMON DRAPER: I'll accept his interpretation.

The Hon. DAMIEN TUDEHOPE: Assuming that it is, I would expect there to be the relevant guidelines prepared pursuant to clause 6.1.5 of the—

KATE MEAGHER: There are guidelines that are published. There's also supporting material as well around that with regard to probity plans et cetera. So the guidelines are published. I'm very happy to take on notice whether I can provide the Committee with any of the other documentation.

The Hon. DAMIEN TUDEHOPE: In relation to the bargaining parameters for pay rises for public servants, what productivity enhancements have been identified in respect of pay increases for teachers?

CORRECTED

SAMARA DOBBINS: I believe the Premier addressed this this morning, but there are a number of processes in place in Education to identify productivity improvements for teachers and for schools.

The Hon. DAMIEN TUDEHOPE: Well, from your knowledge, in terms of the bargaining parameters for the individual department when they were negotiating with the Teachers Federation, did those bargaining parameters include productivity enhancements?

SAMARA DOBBINS: As you know, I can't disclose the discussions of a Cabinet committee, so I don't have that material in front of me. I'd need to take on notice the detail of those parameters and get advice on what can be released in the public domain.

The Hon. DAMIEN TUDEHOPE: There would've been a set of bargaining parameters—do you agree with that?

SAMARA DOBBINS: I'm nervous about discussing what has happened at Cabinet but, generally speaking, when negotiations occur between public sector agencies and unions, parameters are agreed, yes.

The Hon. DAMIEN TUDEHOPE: Were you involved or did you have any involvement in relation to the discussions which existed between Mr Gavrielatos, the Treasurer and the education Minister relating to reaching an agreement on the teachers award?

SAMARA DOBBINS: No, I did not.

The Hon. DAMIEN TUDEHOPE: Was it part of the bargaining parameters that the Teachers Federation would receive a first-year award? What was the amount? Do you recall?

The Hon. SARAH MITCHELL: It varied between 4 per cent and 12 per cent.

The Hon. DAMIEN TUDEHOPE: Between 4 per cent and 4.5 per cent in the first year. I think in the first year it was a 10 per cent increase. Thereafter it would be zero. You're aware of that?

SAMARA DOBBINS: I'm aware of what's reported in the press about the agreement that was made, yes.

The Hon. DAMIEN TUDEHOPE: Then subsequently the final negotiation, which was in fact settled upon, was a graduated amount for first-year teachers and a further amount for five-year teachers. Do you recall that?

SAMARA DOBBINS: That's correct.

The Hon. DAMIEN TUDEHOPE: You're aware of that?

SAMARA DOBBINS: Yes.

The Hon. DAMIEN TUDEHOPE: And you would have been party to documenting that agreement?

SAMARA DOBBINS: Not documenting the final agreement, no, because of course the agreement is between the employer and the federation.

The Hon. DAMIEN TUDEHOPE: The 2½ per cent which has been agreed for each of the following years—you're aware that that agreement has also been reached with the Teachers Federation?

SAMARA DOBBINS: There's a heads of agreement, yes.

The Hon. DAMIEN TUDEHOPE: Has that been approved, by the way, by the industrial commission?

SAMARA DOBBINS: I'm sorry, I'll have to take that on notice. I'm not sure.

The Hon. DAMIEN TUDEHOPE: I assume it has been. I think the pay rises are already flowing, so you would assume that it has been approved.

SAMARA DOBBINS: I think you're right.

The Hon. DAMIEN TUDEHOPE: As you sit here today, for all the industrial agreements which are currently being negotiated, and the bargaining parameters which have been agreed to by the Government in relation to those public sector wage increases, do any of them or all of them contain productivity requirements as part of the entering into of an award?

SAMARA DOBBINS: As you're aware, there are many employee groups whose awards expire over the next several months, and they're all at different stages of discussion and negotiation. I'm not across the detail of all of them, I'm sorry.

CORRECTED

The Hon. DAMIEN TUDEHOPE: Which one is the next one coming up for negotiation?

SAMARA DOBBINS: I think I've got that information somewhere in here. I think it might be something in Transport, but I'll have to take that on notice.

The Hon. DAMIEN TUDEHOPE: Are there productivity enhancements in relation to that award?

SAMARA DOBBINS: I'm not aware. Sorry.

The Hon. DAMIEN TUDEHOPE: You're not aware?

SIMON DRAPER: I think for the one that Ms Dobbins is referring to the expiry is 1 May next year, so there's some time before those negotiations would be advanced and completed.

The Hon. DAMIEN TUDEHOPE: In respect of the agreement being reached with nurses and midwives, were there productivity enhancements or outcomes negotiated in relation to that award?

SAMARA DOBBINS: Sorry, do you mean the current one-year agreement?

The Hon. DAMIEN TUDEHOPE: Correct.

SAMARA DOBBINS: I'm terribly sorry, Mr Tudehope, I don't have that information in front of me for all the different bargaining groups.

The Hon. DAMIEN TUDEHOPE: You're aware, aren't you, that the Government's position before the election was that all public sector wage increases over and above the current settings which were in place would be met with productivity savings?

SAMARA DOBBINS: Yes, I recall.

The Hon. DAMIEN TUDEHOPE: Given that that's the commitment of the Government, are you sitting here telling us today that in the negotiation process you can't tell us about any productivity enhancements or savings that are made as part of the negotiating positions with each of the public sector unions?

SAMARA DOBBINS: To be clear, I'm not saying there are no productivity improvements. I'm saying that—

The Hon. DAMIEN TUDEHOPE: Well, identify some.

The Hon. BOB NANVA: Point of order: The witness is saying that she's not across all bargaining streams. She's undertaken to provide some answers on notice. It's becoming rather repetitious, Chair.

The CHAIR: I don't uphold that point of order. But if Mr Tudehope would allow Ms Dobbins to—

The Hon. DAMIEN TUDEHOPE: Ms Dobbins, I'm happy for you to answer. You've had that bit of time to think about that now. Are you aware in respect of any of the agreements which have been entered into—and these were within your province—of any productivity savings which constitute the agreements which have been entered into?

SAMARA DOBBINS: As I said, I don't have the detail in front of me for each of the agreements that have been made, but I'm happy to take it on notice.

The Hon. DAMIEN TUDEHOPE: In taking that on notice, would you then identify each agreement and the productivity savings which are made as part of that agreement?

SAMARA DOBBINS: I'll see if I can get that detail, yes.

The Hon. DAMIEN TUDEHOPE: We're very interested in the detail. Just for the purposes of identifying, what do you identify as, potentially, the definition of a productivity saving?

The CHAIR: Order! I'm not sure that public officials are compelled to give opinion. Are you asking for an opinion?

The Hon. BOB NANVA: I'm taking a point of order on that, Chair.

The Hon. DAMIEN TUDEHOPE: No, I'm not asking for an opinion. The witness, in fact, is responsible for negotiating the outcomes in respect of public sector wage agreements.

The CHAIR: Maybe you can reframe the question. You did say "how you". Maybe you could say "the agency".

SAMARA DOBBINS: I'm happy to answer in generality, Chair.

CORRECTED

The Hon. DAMIEN TUDEHOPE: In general terms.

SAMARA DOBBINS: It's probably important to clarify, or re-clarify, that I am not the decision-maker nor the employer for all the bargaining arrangements across the different public sector agencies in New South Wales. That is a role for the employer. I have a coordination role, but I don't have insight into the detail. What I would say in relation to productivity is understanding of productivity in the public sector is broader than just financial costs and savings. There are broader issues at play. We're working very hard across all government departments to help them identify things that might benefit essential services, the community, the agencies and the public sector unions—all the parties—to find improvements in this next bargaining round.

The Hon. DAMIEN TUDEHOPE: But in terms of the Government's actual commitment to find productivity savings, that's a narrower compass than the definition you just gave. That actually does translate to dollar savings, does it not?

SAMARA DOBBINS: That's not my understanding, no.

The Hon. DAMIEN TUDEHOPE: The way that the Government has expressed its view relating to the funding of public service wage outcomes—they are looking for dollar equivalence out of savings, are they not?

SAMARA DOBBINS: No, I don't believe so. There's a difference. The current Government commitment is around an interest-based bargaining system and identifying productivity gains, as opposed to the former Government's approach, which was achieving employee related cost savings.

The Hon. DAMIEN TUDEHOPE: I'll read to you what the Government committed to in relation to—in fact, the commitment made by the Government was that it would be budget neutral. Are you aware that they used that expression?

SAMARA DOBBINS: That's my recollection, yes.

The Hon. DAMIEN TUDEHOPE: In fact, in the ALP wages policy costing request to the Parliamentary Budget Office it says, "The budgetary effect of this policy is that existing targets as presented in the current budget will be maintained as a baseline, and any remuneration increases beyond this will be linked to productivity improvements." That's going to be a dollar figure that they want to be able to identify, is it not?

SAMARA DOBBINS: No, I don't think that's quite what it's saying. I think it's going to be globally budget neutral.

The Hon. DAMIEN TUDEHOPE: Anyway, you'll provide the list of agreements and the productivity improvements which constitute parts of those agreements?

SAMARA DOBBINS: I'll take that on notice, yes.

The Hon. DAMIEN TUDEHOPE: Mr Murphy, thank you for being here. You've been waiting a while to be asked a question. Were you involved in the conducting of the Broadmeadow Governance Review?

WILLIAM MURPHY: I was.

The Hon. DAMIEN TUDEHOPE: Who did you take evidence from?

WILLIAM MURPHY: Actually, we spoke to quite a few people. I think it was 5 August that we commenced the review, and it was a very short review looking at the governance framework around decision-making in the Broadmeadow investigation area. We spoke to a range of stakeholders across New South Wales government agencies that were involved—obviously the Department of Planning, Transport and other New South Wales government agencies. We spent a lot of time talking to Newcastle council as well about that.

The Hon. DAMIEN TUDEHOPE: So you didn't, in fact, for the purposes of that review, interview the planning Minister?

WILLIAM MURPHY: I didn't speak to the planning Minister, but we had others conducting the review.

The Hon. DAMIEN TUDEHOPE: Did anyone speak to the planning Minister?

WILLIAM MURPHY: I can't answer that question today. I certainly didn't, but I'm happy to come back to you with an answer if someone involved in the review did.

The Hon. DAMIEN TUDEHOPE: Did you or anyone else that you know of speak to any other ministers relating to the extent to which they may or may not have been lobbied in relation to various projects which may have been impacted by the Broadmeadow review?

CORRECTED

WILLIAM MURPHY: No, the review scope was very clearly forward-looking. It was to have a look at the governance and the processes for stakeholder engagement and other things around future decisions around the Broadmeadow area, and to make sure that we could be confident that those processes were adequate, that the right sort of processes were in place to support effective decision-making and probity.

The Hon. DAMIEN TUDEHOPE: What you're telling me is that this wasn't a review to ascertain whether anything inappropriate had occurred, but this was a review to make sure there were robust measures in place for the purposes of making sure the projects were being properly assessed on their merits?

WILLIAM MURPHY: Yes, that's right. That's how I'd describe it. It wasn't backwards-looking. It was forward-looking.

The CHAIR: Mr Tudehope, your time has expired. Do you have many more questions?

The Hon. DAMIEN TUDEHOPE: I have plenty.

The CHAIR: I propose, in the absence of the crossbench having any questions, to allocate another five minutes before we then adjourn.

The Hon. SARAH MITCHELL: I thought we were going until 3.30 p.m.

The CHAIR: Apologies; you have another 20 minutes.

The Hon. DAMIEN TUDEHOPE: Thank you, Chair. In the absence of any examination into, potentially, the involvement of the member for Newcastle, the Broadmeadow review gives no assurances that nothing inappropriate had occurred in respect of his involvement in any of the decisions which had already been made.

WILLIAM MURPHY: That was not in the scope of the review. At that point the Premier had already referred these matters to ICAC, and that was the appropriate place to consider those questions. The scope of this review was clearly forward-looking to make sure the decision-makings and governance structures were appropriate for the process going forward.

The Hon. DAMIEN TUDEHOPE: Right, just going forward. It didn't look at past decisions which had been made?

WILLIAM MURPHY: We didn't look at any past decisions. It was about the forward structures for decision-making. I can confirm that we didn't speak to the planning Minister as part of the review, but we spent a lot of time with people from the Department of Planning about how that process would work.

The Hon. DAMIEN TUDEHOPE: Just for the abundance of thoroughness, did the Broadmeadow Governance Review find that undisclosed property holdings relating to the former Minister did not impact on the decision processes?

WILLIAM MURPHY: That question wasn't in scope of the review.

The Hon. DAMIEN TUDEHOPE: It was never there. And there's no finding in relation to whether the member's property holdings may or may not have been impacted by that previous decision-making.

WILLIAM MURPHY: That's right. There was no finding in that regard.

The Hon. DAMIEN TUDEHOPE: Other than the Broadmeadow Governance Review, has the Cabinet Office been involved in any review or assessment of the damage to good governance that may have been done by Mr Crakanthorp's involvement?

WILLIAM MURPHY: No, we haven't had any other involvement other than the role that our team plays in supporting the Premier in matters to do with the ministerial code of conduct.

The Hon. DAMIEN TUDEHOPE: The position which you're now occupying, Secretary of the Cabinet Office—has that been advertised?

WILLIAM MURPHY: I believe it was advertised earlier in the year. At this stage, I've been asked to act in it for a six-month period. No further advertising has been done yet.

The Hon. DAMIEN TUDEHOPE: Back to you, Ms Dobbins. What are the current wage settings for the New South Wales Government?

SAMARA DOBBINS: Do you mean what is the current wages policy?

The Hon. DAMIEN TUDEHOPE: The wages policy.

CORRECTED

SAMARA DOBBINS: There's no wages policy that sets out a standard percentage pay increase for the public sector beyond the announced 4 per cent plus superannuation.

The Hon. DAMIEN TUDEHOPE: Isn't it the case that on the Cabinet Office website at the moment, the Premier's memorandum M2022-05, which is the previous Government's wages policy, is showing as being active?

SAMARA DOBBINS: Is that the Premier's memorandum that discusses the process and the concurrence of the Minister for Industrial Relations?

The Hon. DAMIEN TUDEHOPE: No, it's the memorandum relating to the 3 per cent and then the 3.5 per cent for productivity enhancement which was set in May last year.

SAMARA DOBBINS: If that is still live and active on the Cabinet Office website, it shouldn't be. I can look into that. But that's not the current Government's approach, no.

The Hon. DAMIEN TUDEHOPE: What you do tell me, then, is there is no current wages policy?

SAMARA DOBBINS: There is a wages policy. It just doesn't have—every agreement is not subject to the wages regulation of 3.5 per cent, for example.

The Hon. DAMIEN TUDEHOPE: What is the wages policy?

SAMARA DOBBINS: The wages policy is an interest-based bargaining approach where parties come together, discuss mutual gains and benefits, and then—

The Hon. DAMIEN TUDEHOPE: It's all based on bargaining parameters?

SAMARA DOBBINS: It's all based on bargaining and discussions, yes.

The Hon. DAMIEN TUDEHOPE: To help the Committee—and I might have some knowledge of this but you might tell me again—what is the process for the bargaining parameters being set?

SAMARA DOBBINS: The process is very similar to under the former Government where the parties discuss, as I said, the issues of agreement and the issues maybe where there's no agreement, and employers, as in public sector agencies, need to go to government to get approval for final offers that might be made in each of those negotiations.

The Hon. DAMIEN TUDEHOPE: Mr Draper, why was there no budget outcome statement in the budget papers this year?

SIMON DRAPER: Mr Tudehope, I'm not responsible for producing the budget papers so I couldn't tell you the answer to that question.

The Hon. DAMIEN TUDEHOPE: In your capacity as the Secretary of the Premier's Department, were you consulted as to the wisdom of that decision?

SIMON DRAPER: I wouldn't expect to be consulted on that. The budget papers are produced by Treasury—as you know—and the Treasurer, and introduced into Parliament. I wouldn't expect to have been asked what the contents of the budget papers should be.

The Hon. DAMIEN TUDEHOPE: Have you got the budget papers in front of you?

SIMON DRAPER: I've got *Budget Paper No. 02*.

The Hon. DAMIEN TUDEHOPE: *Budget Paper No. 01?*

SIMON DRAPER: I haven't got No. 01, sorry.

The Hon. DAMIEN TUDEHOPE: Has anyone got a copy of *Budget Paper No. 01*? I want to take you to the budget papers relating to the Premier's Office. Can you go to page A5-9?

SIMON DRAPER: Yes.

The Hon. DAMIEN TUDEHOPE: You'll see there's an allocation for funding for the small commitments allocation to provide grants of \$400,000 for fair distribution in each of the 93 electorates. Do you see that there?

SIMON DRAPER: I do.

The Hon. DAMIEN TUDEHOPE: How much of the allocation there—you see the total expenses, \$99.6 million?

CORRECTED

SIMON DRAPER: That's over a five-year period.

The Hon. DAMIEN TUDEHOPE: Yes, over the five-year period. You've got the funding for the small—"Material Measures" includes the small business allocation. Then you've got an allocation for treaty, and we know the Premier has spoken about \$5 million. There is an "Additional funding program for the Stolen Generations Keeping Places program". I think that's \$3.4 million. Is that right?

SIMON DRAPER: I could check that in my notes.

The Hon. DAMIEN TUDEHOPE: I think that's the figure that has been allocated for that. That totals about \$48.6 million, those three figures.

SIMON DRAPER: Yes.

The Hon. DAMIEN TUDEHOPE: They are the measures in the measures statement for the Premier's Department. We're trying to get to \$99.6 million. How's the balance being spent?

SIMON DRAPER: I'll have to get a breakdown on the balance. But yes, they would be the most significant elements. That's why they're referred to as the material measures. But I can take that on notice.

The Hon. DAMIEN TUDEHOPE: But you are able to give that, aren't you, the 99—if that figure exists there, there should be a breakdown of how that figure is arrived at, should there not?

SIMON DRAPER: Yes. I've said I'll take it on notice.

The Hon. DAMIEN TUDEHOPE: I don't expect you to have the detail in front of you, but I do expect you to have an expectation that you would be able to provide it.

SIMON DRAPER: Most certainly.

The Hon. DAMIEN TUDEHOPE: In respect of most of the other measures statements which go to the formulation of the budget, the relevant Minister should be able to identify, in relation to expenses, how the figure is being arrived at. It makes common sense, you would have thought.

SIMON DRAPER: Yes.

The Hon. DAMIEN TUDEHOPE: The measures statement also lists, presumably, a decrease in expenditure to departmental and agency contributions—that's again in the last line:

... including reductions in advertising, consultant, travel, legal, senior executive and labour hire expenses

There's going to be a reduction in previous years' expenses, so you should be able to identify, should you not, the amount of deductions which you would receive in relation to those areas?

SIMON DRAPER: Agreed.

The Hon. DAMIEN TUDEHOPE: I would expect you would be able to provide me with a dollar figure in relation to the estimate reduction or savings that you would be able to make?

SIMON DRAPER: Yes, we have a number of areas we're trying to make savings, that's for sure.

The Hon. DAMIEN TUDEHOPE: Mr Murphy, there was a statement put out by the Premier's office, based on your understanding of the Broadmeadow review. The statement said this:

The review found undisclosed property holdings relating to the former minister did not impact on decision making processes or governance relating to the Broadmeadow project.

Do I understand, from what your evidence today, that that statement is wrong?

WILLIAM MURPHY: Are you saying that's a—sorry, that was a statement—

The Hon. DAMIEN TUDEHOPE: I'm just saying that the manner in which the review has been interpreted is this:

The review found undisclosed property holdings relating to the former minister did not impact on decision making processes or governance relating to the Broadmeadow project.

You've told us today, have you not, that you didn't even consider that?

WILLIAM MURPHY: I don't know the statement that you're referring to, but certainly the scope of the review was forward-looking and didn't look back into particular decisions. But the nature of the review was to say, "Are there robust governance and probity arrangements in place around decisions around the Broadmeadow investigation area?" The finding was that the appropriate mechanisms were in place.

CORRECTED

The Hon. DAMIEN TUDEHOPE: There's some level of inconsistency in relation to that. I just wanted to clear that issue up. Going back to you, Mr Draper, I want to be absolutely clear that what you are taking on notice is that you will provide us with a breakdown of the \$99.6 million, including the savings measures that have been made, and provide a breakdown of how that 99.6 plus the savings measures has been arrived at.

SIMON DRAPER: Yes. We have savings measures that amount to between \$2½ million to \$3 million a year over the forward estimates period. We can provide that for sure.

The Hon. DAMIEN TUDEHOPE: I'm loath to go down this place—I think I already know the answers to a lot of these questions and I know what you're going to say, Ms Boyd.

KATE BOYD: **Have a crack anyway**

The Hon. DAMIEN TUDEHOPE: I don't think you will have a crack, but anyway. Ms Boyd, the ministerial code of conduct provides:

- (2) A Minister who becomes aware of any such gift or hospitality must promptly disclose it in writing to the Secretary of the Department of Premier and Cabinet.

What is your definition of "promptly"?

KATE BOYD: "Without undue delay", I think is the dictionary definition.

The Hon. DAMIEN TUDEHOPE: Thank you. I suppose "undue delay" varies according to whatever circumstances—

KATE BOYD: I would agree with that, yes.

The Hon. DAMIEN TUDEHOPE: —in which a particular decision is being made. What would you consider in relation to a Minister receiving a gift would be an "undue delay".

KATE BOYD: It would really depend on the circumstances, I think.

The Hon. DAMIEN TUDEHOPE: If I can take you to a different area, the transport Minister owns two properties, one within 300 metres and one within 500 metres of the Sydney Metro and City and Southwest line. The Minister has said in Parliament that property owners close to the metro line will see an uplift in property values. Are you aware of that circumstance?

KATE BOYD: I'm aware that the Minister has disclosed residential property holdings, yes.

The Hon. DAMIEN TUDEHOPE: Did she seek legal advice from you in relation to how that should be managed?

KATE BOYD: I'm not in the practice of disclosing confidential advice—

The Hon. DAMIEN TUDEHOPE: I knew you would say that!

KATE BOYD: But I would refer you to the Minister's really good explanation, I thought, in Parliament about the fact that the code recognises that members of Parliament will derive a community benefit from certain government decisions and those are not conflicts of interests. Where the relevant benefit is shared by a broad demographic group and the member of Parliament is one of that group, that will not be a private benefit for the purposes of assessing conflicts of interests.

The Hon. DAMIEN TUDEHOPE: I'm not asking you to disclose the advice you may have given. I'm only asking whether she has sought the advice. I think you can disclose that.

KATE BOYD: No, I don't think that would be my role here. But you're more than welcome to ask the Minister. I think that would be appropriate.

The Hon. DAMIEN TUDEHOPE: Have you given advice to any other Ministers with property interests?

KATE BOYD: I think the Cabinet Office's role in that regard is well established.

The Hon. DAMIEN TUDEHOPE: Thank you. Did you ever advise a Minister that they should remove themselves from decision-making and require another Minister be given authority to act or require another minister to attend meetings? Have you given that advice in respect of any Minister to date?

KATE BOYD: Current and former Ministers, that is one option for managing potential conflicts under the code.

CORRECTED

The Hon. DAMIEN TUDEHOPE: Ministers make disclosures of financial interests. When you get those disclosures of financial interests, what do you do with them?

KATE BOYD: The Premier is briefed on all matters that require a decision by the Premier. Our role is to prepare that briefing and to provide advice to the Premier on those disclosures and any issues that might arise from them.

The Hon. SARAH MITCHELL: But Ministers can also seek advice from you, Ms Boyd, in terms of the best way to manage those conflicts—potential, perceived or otherwise?

KATE BOYD: Yes. That's part of our role in assisting the Premier with the day-to-day administration of the code, I would say.

The Hon. DAMIEN TUDEHOPE: But when you receive—and I assume you've received it in respect of each individual Minister—their declaration of interests, you would have formed a view about whether alarm bells should be ringing in respect of some of the things contained and you prepare a brief?

KATE BOYD: We prepare a brief in the normal course even if there are no issues, just so that the Premier's informed of disclosures.

The Hon. DAMIEN TUDEHOPE: Do you also form a view about whether alarm bells are ringing in relation to certain or other disclosures?

KATE BOYD: Look, we provide full and frank advice based on the information in front of us.

The Hon. DAMIEN TUDEHOPE: Mr Draper, are Ministers given charter letters?

SIMON DRAPER: That's probably a question better directed, I think, to the Cabinet Office.

The Hon. DAMIEN TUDEHOPE: Mr Murphy?

WILLIAM MURPHY: Yes, Ministers receive letters.

The Hon. DAMIEN TUDEHOPE: They are given charter letters? Are those charter letters available?

WILLIAM MURPHY: I haven't seen those charter letters myself. I don't know if they're available. Kate, have you?

KATE BOYD: They're not proactively released. As you would appreciate, some of them may or may not contain matters relating to Cabinet deliberations or agendas, so to that extent they would not be routinely made public.

The Hon. DAMIEN TUDEHOPE: I take it that the charter letters—I'm aware that Ms Higginson is here.

Ms SUE HIGGINSON: And you've already stolen all my time. No, I'm joking. It's fine. We weren't here.

The Hon. DAMIEN TUDEHOPE: In relation to the charter letters, they do set out the Premier's Priorities, I assume?

KATE BOYD: Yes, they set out what the Premier's expectations are in relation to that Minister's portfolio.

The Hon. DAMIEN TUDEHOPE: Are you saying to me you can't produce the charter letters issued to individual Ministers?

KATE BOYD: We would have to assess each one on its face, I would think, just as to whether or not there was a public interest against disclosure of that document.

The Hon. DAMIEN TUDEHOPE: Can you take that on notice—

KATE BOYD: Yes, sure.

The Hon. DAMIEN TUDEHOPE: —as to whether you can produce the charter letters for each Minister in the current government?

Ms SUE HIGGINSON: I would like to just for a moment focus in on Mr Ken Henry's review—

The CHAIR: Ms Higginson, can I ask that you speak into the microphone for the benefit of the hearing-challenged members of the Committee and for Hansard, because I'm struggling to hear you over there.

CORRECTED

Ms SUE HIGGINSON: Okay, I'll do my best. Could we focus on the environment just for a moment. Ken Henry tabled a report a couple of months ago that basically said our entire environmental legal system is failing and that gave a very compelling case for how if we don't do something we're going to have serious impacts, possibly 50 per cent of GDP because of the impact that it's going to have on commercial enterprises and so on. The Minister committed to a whole-of-government response. Can I ask what Premier's or Cabinet is doing about that? I say this on the basis that I can't find anything in the budget, notwithstanding Henry tabled the report in Parliament before the handing down of the budget.

WILLIAM MURPHY: One of the functions of the Cabinet Office is to bring agencies together around policy matters that impact multiple agencies across government to help come together a collective view for Ministers to consider and ultimately for those positions to go to Cabinet for consideration. And so, with something like that no doubt we will be working with agencies across government to bring a sort of a whole-of-government package of advice together around that review.

Ms SUE HIGGINSON: Has that started, is really what I'm saying? Have we made steps to do that? Is it a priority? Is something happening?

WILLIAM MURPHY: I know that the Government is considering the review and we're certainly talking to a number of agencies about that.

Ms SUE HIGGINSON: With that, how will the process go in terms of driving his recommendations? How will that happen? I suppose the gist is it seemed very urgent and very big. I suggest that's why the Minister said there would be a whole-of-government response. Do we have a time? Can we expect something? What are the next steps?

WILLIAM MURPHY: The time frame for responding to that will be a matter for the Minister to work with her colleagues on through the Cabinet process, so I can't give you a time for that now.

The CHAIR: Just for the benefit of the Committee, which is the Minister you are referring to?

Ms SUE HIGGINSON: This was the Minister for Environment, Climate Change and Energy, but she also issued a joint statement with the Minister for Agriculture as well. Because there were actually two reports tabled at the same time.

The CHAIR: That's right.

SIMON DRAPER: It's probably worth just adding that one of the announcements of government in terms of machinery government changes is to create a Department of Climate Change, Environment, Energy and Water, so that's a significant change in the way government's structured in pursuing those outcomes.

Ms SUE HIGGINSON: Thank you. Can I also ask, earlier the Premier was confused about the existing legal climate change targets that we have in terms of emissions reductions. Is the Premier's Department and the Cabinet Office aware what the current legal obligations are in relation to climate change and emissions reduction and was he perhaps just a bit confused?

KATE BOYD: Yes, I think the confusion might have arisen because it's part of the functions of the net zero board and they are to consider those objectives in providing advice to government, so there are a couple of steps. I think that's probably how that arose. But we can take that on notice and provide you with a clearer answer once we've reflected on it.

Ms SUE HIGGINSON: Thank you. Just on that, does the net zero board—it reports to government, it actually reports to the Premier's office?

KATE BOYD: My understanding of the governance around that board is not very detailed, but we would be more than happy to take that on notice and provide you with a proper answer about that.

Ms SUE HIGGINSON: Thank you. Is the Premier's office aware of how we are tracking with the objectives and targets that we currently have?

KATE BOYD: I think that would be a question for them, but we can certainly go away and have a look at it, the current status of it.

Ms SUE HIGGINSON: Is there somewhere that a member of the public can see how we are tracking in terms of those emissions reductions?

WILLIAM MURPHY: We can come back to you on that question as well. I'm not across the operation of that board myself. I've been in this role now for about seven weeks and getting across the agenda but I'm happy to look into that in detail and come back to you.

CORRECTED

KATE BOYD: And I'm sure our colleagues in the planning and environment session will be able to give you a much better account of this than we're able to at the moment.

Ms SUE HIGGINSON: Is it something that perhaps you think the Premier's Department should know about in terms of how we're tracking with our emissions reduction targets? Is that something that—

WILLIAM MURPHY: I'm not saying that our team don't know. I'm saying I personally don't know, but happy to come back to you with some detail.

Ms SUE HIGGINSON: Thank you. That would be great. Can I ask as well, in the Premier's Department are there protocols in place with the Premier's staff in relation to their interactions with other MPs' staff? Do you have kind of clear protocols on how they should, or perhaps shouldn't, interact with other staff in the precincts?

KATE BOYD: Yes, there's a code of conduct that applies to ministerial staff that sets out their ethical and conduct obligations, and I'm fairly sure there's an obligation to treat everybody that they interact with, with respect.

Ms SUE HIGGINSON: Is that available?

KATE BOYD: Yes, it's public, yes.

Ms SUE HIGGINSON: Thank you. Thanks, that's all I really have to ask for now. Thanks, Chair.

The CHAIR: That's it?

KATE BOYD: Can I just answer a question on notice so that I don't have to come back in writing on it?

The CHAIR: Certainly.

The Hon. DAMIEN TUDEHOPE: I might have another one.

The Hon. SARAH MITCHELL: Be careful what you wish for.

The CHAIR: Please do.

KATE BOYD: It's just about the GIPAA, I think it was Mr Cross's GIPAA.

The Hon. DAMIEN TUDEHOPE: Correct.

KATE BOYD: That one was decided and a number of documents have been made public on the Cabinet Office's disclosure log. The ones that were not released were not released because of—or the list of commitments that my colleague, Kate Meagher, was referring to in her evidence was not released but it wasn't because it was a Cabinet document. It was withheld for other public interest reasons and that decision is subject to the review provisions in the GIPA Act, so if—

The Hon. DAMIEN TUDEHOPE: You're saying to me that if the letter which went to Mr Cross was Cabinet in confidence, that was wrong.

KATE BOYD: I've got the letter here and the document. There were some documents that were refused on the basis of Cabinet but not that list. The list was not a Cabinet document. It was refused for other reasons.

The Hon. DAMIEN TUDEHOPE: Can I just clarify, with your good grace, Mr Chair.

The CHAIR: You're fine.

The Hon. DAMIEN TUDEHOPE: For an abundance of clarity, for the purposes of assessing the probity relating to the making of these grants, there is an initial process where the member or the candidate is advised that they have an opportunity of making commitments of up to \$400,000, and then there is a further process which Ms Meagher conducts to actually assess the worthiness or otherwise of the grant should it actually be made. At that first stage, is there a code of conduct which applies to the candidate, other than a general code to act ethically in relation to the manner in which they make promises in relation to the government's money?

KATE BOYD: Yes. So if the candidate is also an MP, the members' code would apply. If the candidate is not an MP, the point I made earlier was that they are still subject to the corrupt conduct regime that applies to all public officials, even prospective candidates. There's a provision in the ICAC Act that extends that regime to prospective public officials.

The Hon. DAMIEN TUDEHOPE: If a prospective public official was promising government money and not disclosing a conflict of interest in relation to it, that could in fact breach that normal—

CORRECTED

KATE BOYD: No, I wouldn't agree with that. There are no rules around disclosure that are specific to candidates. I think it would really depend on the facts and circumstances as to whether or not any misconduct had occurred. The point that I'm trying to make is that the appropriate body to consider these issues in New South Wales is the ICAC. So if you have a concern, it might be better if you raise that concern with them rather than us.

The Hon. DAMIEN TUDEHOPE: We've got the commissioner coming this afternoon. I'm concerned, though, that you say to a candidate who's not already an MP, "There's \$400,000 and you can make commitments in relation to it", and there are guidelines or general requirements that they do act in accordance with the guidelines which relate to public officials in respect of making those commitments.

KATE BOYD: Yes, the laws. Yes. They have to comply with the law.

Ms SUE HIGGINSON: Lo and behold!

The Hon. DAMIEN TUDEHOPE: So they have to comply with the law, and the commissioner will no doubt tell us that you would treat it on a case-by-case basis. But the law may in fact tell us that in making commitments in relation to the expenditure of government moneys, there are ethical requirements which apply to those candidates.

KATE BOYD: I guess, yes. It's a very broad general question but—

The Hon. DAMIEN TUDEHOPE: It's woolly because do candidates know about this? Rhetorically I ask this: Do they know that when they are told by their political party's head office "Go and make commitments up to \$400,000", that there are in fact guidelines or behavioural requirements relating to the way in which you make those commitments?

KATE BOYD: I would hope all candidates for public office would be across their ethical, legal obligations in New South Wales.

The Hon. DAMIEN TUDEHOPE: I want to put a hypothetical question to you, and you may not like it either.

The CHAIR: Mr Tudehope, public officials aren't required to express opinions, according to the resolution of the House.

The Hon. DAMIEN TUDEHOPE: We have one of the best lawyers in the State here.

Ms SUE HIGGINSON: And she has a great team as well, I hear.

KATE BOYD: My team are excellent.

Ms SUE HIGGINSON: I know some of them.

The Hon. DAMIEN TUDEHOPE: In respect of a candidate standing for an election who says, "In respect of money I'm about to promise to you, go round and make sure that you tell everyone about the fact that I'm making this promise as part of my election campaign", is that appropriate behaviour?

KATE BOYD: I think election commitments are a fairly well established part of our democratic process. I couldn't say that on that basis there was anything untoward about that or—

Ms SUE HIGGINSON: When the new Government came in, it instituted a new policy around the proactive release of documents under Standing Order 52. Can I just ask whether that is a good system or is appearing to be a good system, and whether that is assisting the Government in its functions of transparency and accountability from an operations perspective?

KATE BOYD: It's certainly a very welcome development from my perspective, and I think the numbers sort of speak for themselves in terms of the volume of formal calls for papers that we're receiving in this term. The protocol has been adopted pretty swiftly, I would say, by members and there has been a good level of dialogue between agencies and MPs that are seeking the proactive release of government information is my observation. The Cabinet Office has been active in that process as well. It's a very welcome development.

Ms SUE HIGGINSON: Good to know, because we're all playing by different rules so it's good to know. If we are seeing relationships between government agencies where there might be disagreement and difficulty in those relationships which then, from those relationships, appear to be thwarting the objectives of government, where do we go with something like that? Is there a role for Premier's office at that point to—

WILLIAM MURPHY: That is one of the functions of the Cabinet Office, which is to bring agencies together around ensuring alignment to delivering the Government's priorities.

CORRECTED

Ms SUE HIGGINSON: Can I tell you that there are disputes happening between Environment and DPI. I would strongly suggest there needs to be some intervention, particularly when it comes to the management and regulation of the environment, particularly in the forest sector where documents are revealing really what I would suggest quite intractable relationships happening there that are causing, I would suggest, land use conflict on the ground, community conflict on the ground, wasted resources and money, court time et cetera, and that there is some kind of intractability happening there, whether it's the interpretation of the laws and regulations. But it's not a good look and it's certainly not in the public interest.

WILLIAM MURPHY: It's not unusual in a Westminster system of government that agencies rightly operating to pursue their portfolio objectives—sometimes there's a need to broker cooperation and alignment between agencies in doing those things. That is a role that we play across government and we're always in conversation with our colleagues in all portfolios where those kinds of issues arise. So I'm happy to take your feedback there.

Ms SUE HIGGINSON: What is the correct process to mobilise that kind of process in the public interest as a crossbencher?

KATE BOYD: The Minister would probably be the appropriate port of call to raise the issue with and then, depending on the circumstances, the Cabinet Office might convene some sort of inter-agency group to deal with the issue where views are particularly polarised or positions are intractable on issues. But I think it's always appropriate to raise portfolio concerns with the responsible Minister in the first instance.

The Hon. BOB NANVA: A very quick one from me—a follow-up to Ms Higginson's questions around SO 52s. Ms Boyd, can you give the Committee a breakdown of the number of SO 52s and the volume of materials—so documents, pages, labour hours—spent preparing them?

KATE BOYD: I have a handy note here. I was hoping someone would ask this.

The Hon. SARAH MITCHELL: A lot less than the last Parliament?

The Hon. DAMIEN TUDEHOPE: And compare that with the previous Government?

The Hon. SARAH MITCHELL: You weren't here, Bob, but trust me—we've got a long way to go to catch up.

KATE BOYD: We know for sure that so far it's more than 1,190 hours of public official time dealing with orders for papers. That's not a definitive number because we don't have estimates for all of the orders because people don't have time to provide them.

The Hon. BOB NANVA: Sorry, that covers the period from March to—

KATE BOYD: Yes. This this term of government.

The Hon. DAMIEN TUDEHOPE: And in the previous year?

KATE BOYD: I don't have that to hand.

The Hon. DAMIEN TUDEHOPE: Could you provide that on notice?

KATE BOYD: It's all a blur.

Ms SUE HIGGINSON: There isn't a big enough number.

The Hon. SARAH MITCHELL: Could you provide it on notice?

KATE BOYD: Yes, I think we could.

The Hon. SARAH MITCHELL: That would be great.

KATE BOYD: There have been 20 orders for papers passed in the Fifty-Eighth Parliament. We've returned 57 boxes of privileged and personal documents and 53 boxes of non-privileged documents—so a total of 110 boxes. And there have been eight special requests for documents under the protocol since it was introduced.

The Hon. DAMIEN TUDEHOPE: So there would have been some under the previous Government where one SO 52 would've occupied the full 1,000 hours, would there not? There were some to Education.

The Hon. SARAH MITCHELL: Young library was a lot of boxes. Ask Mick Veitch about that.

KATE BOYD: I've blocked it out.

The CHAIR: Mr Nanva, have you got any more questions on this?

CORRECTED

The Hon. DAMIEN TUDEHOPE: I have one more question to Mr Draper. You are probably aware of the evidence given in relation to the Josh Murray employment, and that was a merit-based employment process. Have you implemented any processes going forward to make sure that in merit-based selection processes you, or whoever is conducting that process, ascertain as a component of that employment process whether candidates have made political donations?

SIMON DRAPER: The short answer is no, but the more thorough answer would be that I haven't identified any reason to introduce such a process. Nothing has come before me that makes me think that—

The Hon. DAMIEN TUDEHOPE: The evidence in that inquiry was that Mr Murray had, in fact, made political donations.

SIMON DRAPER: That's correct, but that doesn't give me cause to believe that I should, as a matter of course, introduce a system of asking potential candidates, whether they are secretaries or other levels of the public service, about their political affiliations or any prior political activities. In fact, I would say it would be contrary to our values as public servants to do so.

The Hon. DAMIEN TUDEHOPE: It may be just a probity question for the purposes of establishing whether they have made actual donations to a political party.

SIMON DRAPER: What we would usually ask about in the course of employment processes is whether any of the people on assessment panels have any conflicts of interest.

The Hon. DAMIEN TUDEHOPE: That part of it is absolutely correct, but you say no for the actual candidate?

SIMON DRAPER: I'm not sure. I would have to think through. But it's hard to envisage how a candidate themselves has a conflict of interest in that process.

The Hon. DAMIEN TUDEHOPE: What if they're applying for a very high, senior level public position?

SIMON DRAPER: But they're not a decision-maker in that process; they're an applicant.

The Hon. DAMIEN TUDEHOPE: I thought, for the purposes of transparency, it would be in the public interest to know whether they have made a donation to a political party.

SIMON DRAPER: I can see why you might say that. But the contrary view, which I expressed a moment ago, is that we don't want to start asking public servants about their political affiliations, views or any activities they've undertaken in the past which might colour a merit-based process for recruitment, which is a requirement of the GSE Act.

KATE BOYD: Donations are publicly disclosed in New South Wales anyway, I think, so there is already transparency around more than token donations. So there's that.

The Hon. DAMIEN TUDEHOPE: Token?

KATE BOYD: I think \$1,000 is the threshold, so less than that.

The CHAIR: Thank you very much to all the witnesses for your evidence today. We deeply appreciate you making the time to appear. The secretariat will provide you with a highlighted transcript, reminding you of all the matters you have taken on notice.

(The witnesses withdrew.)

(Short adjournment)

CORRECTED

Ms KATHRINA LO, Public Service Commissioner, NSW Public Service Commission, affirmed and examined

Ms MARGARET CRAWFORD, Auditor-General, Audit Office of NSW, affirmed and examined

Mr IAN GOODWIN, Deputy Auditor-General, Audit Office of NSW, sworn and examined

The HON. JOHN HATZISTERGOS, AM, Chief Commissioner, New South Wales Independent Commission Against Corruption, sworn and examined

Mr DARRIN MOY, Chief Executive Officer, New South Wales Independent Commission Against Corruption, sworn and examined

Mr JOHN SCHMIDT, Commissioner, NSW Electoral Commission, affirmed and examined

Mr MATTHEW PHILLIPS, Executive Director, Corporate, NSW Electoral Commission, sworn and examined

Ms RACHEL McCALLUM, Executive Director, NSW Electoral Commission, affirmed and examined

Mr PAUL MILLER, Ombudsman, NSW Ombudsman, affirmed and examined

Mr PETER JOHNSON, SC, Chief Commissioner, Law Enforcement Conduct Commission, sworn and examined

Ms CHRISTINA ANDERSON, Chief Executive Officer, Law Enforcement Conduct Commission, sworn and examined

The CHAIR: Welcome to the Portfolio Committee No. 1 inquiry into the budget for 2023-24. We very much appreciate you coming to give evidence today. We will begin with questions from the Opposition.

The Hon. DAMIEN TUDEHOPE: I will start with you, Ms Lo. In April this year there was a brief provided to you by the Acting Secretary, Peter Duncan, in relation to the process for the appointment of the new secretary of Transport for NSW. Do you recall that?

KATHRINA LO: Yes, I do.

The Hon. DAMIEN TUDEHOPE: In fact, there were two alternative approaches: a direct appointment or a merit-based selection process. That's correct, is it not?

KATHRINA LO: Yes.

The Hon. DAMIEN TUDEHOPE: Following that brief, prepared by you, Mr Duncan moved to the second alternative, a merit-based selection process. Is that right?

KATHRINA LO: That's correct.

The Hon. DAMIEN TUDEHOPE: The process according to the approved brief included a comparative assessment, did it not, under section 17 of the GSE Rules?

KATHRINA LO: That's not correct. How it works for secretary appointments is, as you've said, there can be a direct appointment made. If a decision is made not to proceed down the direct appointment path, it does not trigger part 3 of the GSE rules. There is a lot of latitude in terms of what can be done. The role may be publicly advertised, followed by a comparative assessment, or there may be a closed merit process. There is a lot of room in terms of the path that can be proceeded down.

The Hon. DAMIEN TUDEHOPE: With your knowledge of this particular process and in relation to this particular application, how did it proceed?

KATHRINA LO: A decision was made to advertise the role publicly, to engage an executive search firm to conduct a national and global search for candidates, to have an assessment panel to shortlist candidates, and then to have an evaluation panel to interview candidates and make recommendations to go to Mr Duncan, the Acting Secretary at the time of the Department of Premier and Cabinet. He then has the obligation of consulting with the Minister.

The Hon. DAMIEN TUDEHOPE: Once the decision has been made to go down that merit-based process, there wasn't an opportunity, was there, to go back to a direct appointment process?

KATHRINA LO: I don't think that's correct. The rules don't preclude that. The decision was made at the beginning, after contemplating the options, that they would proceed down an advertising path and a comparative assessment. If, for some reason, the candidates that came forward weren't appropriate, it is open to—

CORRECTED

The Hon. DAMIEN TUDEHOPE: But that would require the secretary to actually make a decision that the candidates are not appropriate.

KATHRINA LO: Correct. But that's not what happened.

The Hon. DAMIEN TUDEHOPE: That never happened.

KATHRINA LO: That's right.

The Hon. DAMIEN TUDEHOPE: In relation to that process, it was never open to just abandon the merit-based process and just proceed to a direct appointment process.

KATHRINA LO: It didn't come up and it wasn't contemplated because there were appointable candidates.

The Hon. DAMIEN TUDEHOPE: So you would agree that in the process which was, in fact, adopted the candidates were entitled to assume that they were being assessed on the basis of their comparative merits. Is that right?

KATHRINA LO: Yes, people would have known because the role was publicly advertised. They would have known the steps in the process. So they would have known that they were being assessed against other candidates and competing against other candidates.

The Hon. DAMIEN TUDEHOPE: And they would have had an expectation that that would be done on the basis of comparative merit.

KATHRINA LO: Yes.

The Hon. DAMIEN TUDEHOPE: You may or may not be aware but, if you are aware, Mr Duncan commented on this and is alleged to have said, "Look, in the process I was at pains to say that we would not be ranking, that we'd be deciding whether we had suitable candidates"—and I think that is consistent with your first observation—"or not. It is my view that we would at least have one or two candidates to go forward to the Minister for consideration and comment." How does that observation sit with rule 17, relating to comparative assessment?

KATHRINA LO: Rule 17 doesn't apply to secretary appointments. There's a lot of latitude in terms of how—

The Hon. DAMIEN TUDEHOPE: Why do you say it doesn't apply?

KATHRINA LO: Because the rule, subsection (4), says that comparative assessment does not apply to secretary appointments. That doesn't mean comparative assessments can't be done, but that's a choice that's made.

The Hon. DAMIEN TUDEHOPE: Were the candidates made aware of that?

KATHRINA LO: I don't know if they were told about rules.

The Hon. DAMIEN TUDEHOPE: Did you tell them?

KATHRINA LO: The conversations with candidates during the search process were with NGS Global.

The Hon. DAMIEN TUDEHOPE: But you were part of the interview process. Were you discussing with any of the candidates that rule 17 didn't apply to them?

KATHRINA LO: They knew they were being comparatively assessed. Certainly, in the conversation or in the interview that I was in there was no comment made that rule 17 does not apply.

The Hon. DAMIEN TUDEHOPE: No, but they all worked on the assumption that this was a comparative assessment process.

KATHRINA LO: Correct. The point I'm making is that rule 17 is not automatically triggered if a decision is made not to make a direct appointment.

The Hon. DAMIEN TUDEHOPE: Is that the evidence you gave last year in relation to the Barilaro appointment?

KATHRINA LO: That was a different situation. That was a band 3 senior executive.

The Hon. DAMIEN TUDEHOPE: And you say that there are different standards which apply?

KATHRINA LO: Correct. There's recognition in the legislative framework that secretary roles are different from other senior executive roles.

CORRECTED

The Hon. DAMIEN TUDEHOPE: The brief provides that the evaluation panel would provide a report outlining the relative merits of the candidates and rating each candidate as either "highly suitable", "suitable" or "not suitable". Are you aware that that's the process?

KATHRINA LO: Yes, I do recall that that's what the brief said. But, having said that, it is completely up to the panel how they frame their report and whether they rank or whether they use descriptors. In this case, the panel decided to use descriptors and not ranking or putting numbers next to candidates.

The Hon. DAMIEN TUDEHOPE: So they used "suitable" and "highly suitable" and those descriptors.

KATHRINA LO: Yes, which is consistent with previous secretary recruitment I have been involved in. People are put against descriptors.

The Hon. DAMIEN TUDEHOPE: Where did the descriptor "very suitable" come from?

KATHRINA LO: That is something that was drafted in the report. The report was drafted by NGS Global after they listened to the deliberations of the panel.

The Hon. DAMIEN TUDEHOPE: But it is not a descriptor which was provided for in your brief.

KATHRINA LO: I didn't prepare the brief outline that that's how it could be described. As I said, it is completely up to the panel how they frame their report.

The Hon. DAMIEN TUDEHOPE: Did you understand from the evaluation panel that the evaluation panel had, in fact, assessed Mr Murray as less suitable than a candidate given a "highly suitable"?

KATHRINA LO: As Mr Duncan said in his evidence before the other committee—

The Hon. DAMIEN TUDEHOPE: Which you have obviously read.

KATHRINA LO: Yes, I have. We thought both candidates were appointable. I think that the different descriptions reflect the different experiences that each of the candidates brings to the table, and those experiences are outlined in the panel's report.

The Hon. DAMIEN TUDEHOPE: But there must be a difference between the two expressions. Are there not?

KATHRINA LO: Yes, there are. If you read the report, I think it reflects the different experiences that each of the candidates—

The Hon. DAMIEN TUDEHOPE: So one of them was ranked more highly than the other?

KATHRINA LO: We didn't use a ranking. The word "rank" or "ranking" is not used in the report and numbers are not used next to candidates' names.

The Hon. DAMIEN TUDEHOPE: What is the difference then between "highly suitable" and "very suitable"?

KATHRINA LO: As I said, the report needs to be read as a whole and it describes the experiences each of the candidates brings to the table.

The Hon. DAMIEN TUDEHOPE: I take it from that answer that there must be some background material upon which you would rely to, in fact, formulate a view of how that difference of expression was arrived at, if it was not a ranking provision. So what was it that applied to Mr Murray that made him very suitable and what was it that applied to Benedicte Colin that made her highly suitable such that you would apply different descriptors to them?

KATHRINA LO: The matters that the evaluation panel took into account were the interview, a scenario that was given to candidates before they came to the interview and they had to present in response to the scenario. There were psychological assessment and referee checks as well. They were the elements that we took into account, and they are reflected in the report.

The Hon. DAMIEN TUDEHOPE: But you still haven't explained to me why the two different descriptors were applied.

KATHRINA LO: The best answer I can give to that is you need to read the report as a whole, and I think it reflects the different experiences that the two candidates bring to the table.

The Hon. DAMIEN TUDEHOPE: You say, though, that if I was to apply some sort of difference of interpretation to those two descriptors, there would be no difference, really.

CORRECTED

KATHRINA LO: Very little difference.

The Hon. DAMIEN TUDEHOPE: But there is a difference.

KATHRINA LO: Very little difference. The panel thought both candidates were appointable.

The Hon. DAMIEN TUDEHOPE: So in the circumstances—and you've outlined this earlier—there is a requirement that you get feedback from the Minister.

KATHRINA LO: The person that seeks the feedback is the Secretary of the Premier's Department.

The Hon. DAMIEN TUDEHOPE: And what weight is given to that feedback, in your experience?

KATHRINA LO: I think that's a question that needs to be answered by the Secretary of the Premier's Department. He is the one who exercised the employer functions in that instance and the GSE rules do not provide a formula setting out that weighting. It is a matter for the discretion of the secretary.

The Hon. DAMIEN TUDEHOPE: But some weight obviously is given to the feedback from the Minister?

KATHRINA LO: Well, the GSE rule says that the Minister is to be consulted before a decision is made. So I think you would put some weight on what the Minister says. As to what weight, that's a matter for the decision-maker.

The Hon. DAMIEN TUDEHOPE: And then who makes the appointment?

KATHRINA LO: In this case, it was the Secretary of the Premier's Department exercising a delegation from the Premier.

The Hon. DAMIEN TUDEHOPE: Correct. So any suggestion that someone else would make the appointment is wrong, is it not?

KATHRINA LO: I know what you are getting at. I cannot comment on the Minister's comments in relation to that because I have not seen—

The Hon. DAMIEN TUDEHOPE: Well, she didn't make the appointment, did she?

KATHRINA LO: No, she didn't make the appointment. Under the legislation, it is the Premier's Department secretary.

The Hon. DAMIEN TUDEHOPE: Any assertion by her that she was making the appointment was wrong.

KATHRINA LO: I saw the reference, in this morning's session, to a radio interview. I have never listened to that radio interview or seen the transcript, so I'm not going to comment on it.

The Hon. DAMIEN TUDEHOPE: I think you were overseas at the time.

KATHRINA LO: I'm not going to comment on it.

The Hon. DAMIEN TUDEHOPE: That's okay. But the position is that if, in fact, she was asserting that she made the appointment that would be wrong, would it?

KATHRINA LO: I'm not going to comment on that hypothetical.

The Hon. DAMIEN TUDEHOPE: Ms Lo, moving to another subject, what is the most recently available headcount of the number of senior executives in the government sector?

KATHRINA LO: That would be the 2022 workforce data. We're currently finalising the 2023 workforce profile data.

The Hon. DAMIEN TUDEHOPE: What was the figure for the 2022 data?

KATHRINA LO: I have that split by public service only and I think I've also got government sector as well, so is there a particular one that you're interested in?

The Hon. DAMIEN TUDEHOPE: Just the rounded-up number.

KATHRINA LO: For the public service, in 2022 the number was 2,484 and for the government sector, 4,059.

The Hon. DAMIEN TUDEHOPE: You've indicated that you're currently finalising the latest headcount numbers, is that right?

CORRECTED

KATHRINA LO: Yes.

The Hon. DAMIEN TUDEHOPE: When will they be available?

KATHRINA LO: I'll be submitting the workforce profile report and the state of the sector report to the Premier in January for tabling.

The Hon. DAMIEN TUDEHOPE: In terms of your experience in relation to this, on average how many senior executives each year resign, retire or die?

KATHRINA LO: I would need to take that on notice.

The Hon. DAMIEN TUDEHOPE: Apart from band 4 senior executives, how many new senior executives have been recruited since 1 April 2023?

KATHRINA LO: I would need to take that on notice too.

The Hon. DAMIEN TUDEHOPE: Do you see any challenges in the Government meeting its election commitment to reduce the number of senior executives by 15 per cent?

KATHRINA LO: The Government has made that commitment and we as a sector are working towards meeting that commitment collectively.

The Hon. DAMIEN TUDEHOPE: Are you aware of the current progress in relation to that?

KATHRINA LO: It is being progressed as a sector. As I said, the workforce profile data is being finalised now so we'll need to just take that into account as well.

The Hon. DAMIEN TUDEHOPE: I might ask some questions now to the Auditor-General. Ms Crawford, in respect of the current budget, TAHE is to be restructured as a non-commercial entity within the general government sector. Are you aware of that?

MARGARET CRAWFORD: I'm aware of the Government's announcement around that.

The Hon. DAMIEN TUDEHOPE: If that was to occur, would it require a re-evaluation of the assets on a replacement cost value?

MARGARET CRAWFORD: Mr Tudehope, the audit is still in progress. In relation to the various ways a valuation can be conducted, I might ask my deputy, Ian, to speak to that. But it may not be specific to TAHE because we haven't completed the audit for this year. But I think Ian can give you the principles.

IAN GOODWIN: Thank you, Margaret. In terms of the valuation principles for accounting purposes, some very broad principles there are if you have an entity that derives income from outside the general government sector—so, for example, a for-profit PNFC sector—you would use an income approach.

The Hon. DAMIEN TUDEHOPE: Use a what approach?

IAN GOODWIN: The income approach, which is to do a discounted cashflow valuation.

The Hon. DAMIEN TUDEHOPE: Is that the valuation method used by TAHE in its current—

IAN GOODWIN: For the last year?

The Hon. DAMIEN TUDEHOPE: Yes.

IAN GOODWIN: That is correct. As a principle, if the income is derived generally from the general government sector or if an entity is classified as a not-for-profit PNFC, then generally the principle would be to use current replacement cost. They are principles but then you would need to establish and look at the facts as they relate to each entity.

The Hon. DAMIEN TUDEHOPE: Well, I take it that everyone in the Auditor-General's office is very aware of the issues relating to TAHE. If, in fact, TAHE did require a re-evaluation, on the basis of what you've just told us, I assume that you have formed the view that that, as a matter of principle, would be on a replacement cost value. Is that right?

IAN GOODWIN: As it currently stands, TAHE is a SOC, which is a for-profit PNFC. That's what it is at the moment—

The Hon. DAMIEN TUDEHOPE: But if it's brought back into the general government sector?

IAN GOODWIN: —as at 30 June this year.

CORRECTED

The Hon. DAMIEN TUDEHOPE: Yes, I know. But looking forward in terms of the announced Government policy?

IAN GOODWIN: I think looking forward we would need to see when the legislation amends and then look at the principles as to what that—

The Hon. DAMIEN TUDEHOPE: Well, assuming it does come back—I don't want to be tortuous about this—assuming it comes back into the general government sector in the manner in which it was treated prior to it being a SOC.

IAN GOODWIN: I think the announcement is that it would remain in the PNFC sector. It's just that the announcement is that it would not have that profit focus. It would be a not-for-profit. Without making it too difficult—but I cannot be as precise. At the end of the day, it's the facts that would exist at that time. It would be a fair assumption at that point that you would use a current replacement cost basis consistent with other valuation approaches for those entities. But I'm not aware that there's any intention to bring it into the GGS. It would remain in the PNFC sector.

The Hon. DAMIEN TUDEHOPE: Well, we'll need to see the legislation before—

IAN GOODWIN: Correct.

The Hon. DAMIEN TUDEHOPE: And you're quite right. The depreciation which would then apply to that asset would be a significant difference between the depreciation formula that you'd apply in the circumstances which it currently finds itself as a SOC.

IAN GOODWIN: The depreciation would be an accounting consequence of the value and the useful life.

The Hon. DAMIEN TUDEHOPE: Is there an ongoing operation or assessment by the Auditor-General's office of TAHE? Or is it in respect of all the PNFCs and SOCs? Do you have a role in relation to—

MARGARET CRAWFORD: We have a role in auditing the financial statements of TAHE. That audit is underway at the moment.

The Hon. DAMIEN TUDEHOPE: It's in respect of TAHE?

MARGARET CRAWFORD: Yes, in addition to all the other audits that we're responsible for undertaking.

The Hon. DAMIEN TUDEHOPE: How many staff do you have?

MARGARET CRAWFORD: Approximately 300—a little bit higher at the moment

The Hon. DAMIEN TUDEHOPE: Are you reducing any of your senior executive branch?

MARGARET CRAWFORD: We haven't been requested to and I think the answer is no.

The Hon. DAMIEN TUDEHOPE: You hope. What do you say to that, Ms Lo?

KATHRINA LO: The Audit Office sits outside—

The Hon. DAMIEN TUDEHOPE: Outside? So it won't be part of—

KATHRINA LO: That will ultimately be a matter for Government but, noting that it's an independent agency, that sort of direction couldn't be given.

The Hon. ROBERT BORSAK: Mr Schmidt, in relation to donations, can you confirm if the Electoral Commission considers a tithe from an elected member a political donation but exempt from the New South Wales donation cap?

JOHN SCHMIDT: Sorry, Mr Borsak, I missed the—

The Hon. ROBERT BORSAK: A tithe. T-I-T-H-E.

JOHN SCHMIDT: Sorry, yes.

The Hon. ROBERT BORSAK: Is it exempt from the New South Wales donation caps?

JOHN SCHMIDT: I might pass to Rachel. I don't know we've considered a tithe situation.

RACHEL McCALLUM: What do you mean by a tithe, Mr Borsak?

CORRECTED

The Hon. ROBERT BORSAK: Well, there are parties in this—and The Greens, for example, are one. I think other parties do the same, where amounts are deducted from the members' pay before they get it and it's put straight back into the party.

RACHEL McCALLUM: I might take that on notice, Mr Borsak.

The Hon. ROBERT BORSAK: So you don't know whether it's a political donation?

RACHEL McCALLUM: No.

The Hon. ROBERT BORSAK: You don't know. Okay. Can you confirm that registered parties in New South Wales are prohibited from making donations to property developers?

JOHN SCHMIDT: That the parties themselves are prohibited from making donations to property developers?

The Hon. ROBERT BORSAK: Can you confirm that parties registered in New South Wales are prohibited from receiving donations from property developers?

JOHN SCHMIDT: As defined in the Act.

The Hon. ROBERT BORSAK: And what defines a property developer?

JOHN SCHMIDT: It's a lengthy definition which does cause some problems for people. I haven't got a copy of the definition in front of me but it refers to the number of applications—the mere fact that a person has done one building work does not mean they're a property developer, but it is a complex but tightly defined definition.

The Hon. ROBERT BORSAK: I note the definition of a property developer is provided on the commission's website. It also states that a person who is close to an associate of a property developer is considered a prohibited donor. Would that be right?

RACHEL McCALLUM: Yes, a close associate—is a property developer.

The Hon. ROBERT BORSAK: The answer's yes?

JOHN SCHMIDT: You're talking through layers of definition to trigger it then. So definition of property developer, then definition of close associate.

The Hon. ROBERT BORSAK: Would that include a spouse or close associate?

JOHN SCHMIDT: It can.

RACHEL McCALLUM: It could, yes.

The Hon. ROBERT BORSAK: It could?

RACHEL McCALLUM: Yes.

JOHN SCHMIDT: Yes.

The Hon. ROBERT BORSAK: According to the website of Indus Engineering Pty Ltd, the company offers services to many aspects of the building, construction and planning industry. Additionally, the website lists Mr Omar Faruqi as one of its directors. Is the commissioner aware of who the spouse of Mr Faruqi is?

JOHN SCHMIDT: We would have to take on notice any questions about specific individuals or companies. It's a well-known matter for this Committee and the Joint Standing Committee on Electoral Matters that the commission—I'm here as the commissioner; of course, the three-member commission deals with the area that you're delving into now—is subject to very strict secrecy provisions. In fact, they have only recently been amended to introduce a limited public interest test. One, I'm not going to say whether I do or don't know whether an investigation has been looked at or an allegation has been received. But if you wish to raise something with us, we will take it on notice. Whether, in fact, we can then say anything about that will depend on the commission's view about the operation of the legislation.

The Hon. ROBERT BORSAK: Where I'm going relates to disclosure of the tithes. You're saying you don't know whether a tithe is exempt from the donation cap or not?

RACHEL McCALLUM: If you could indulge me, I'll come back to that. It is exempt if it's a party levy.

The Hon. ROBERT BORSAK: Sorry, can you say that again?

CORRECTED

RACHEL McCALLUM: If a tithe is a party levy, it is exempt from the donation cap.

The Hon. ROBERT BORSAK: It is an exempt donation?

RACHEL McCALLUM: That's right.

The Hon. ROBERT BORSAK: Is a disclosure of that exemption required at all anywhere?

RACHEL McCALLUM: Yes, I believe so.

The Hon. ROBERT BORSAK: It is required to be disclosed?

Ms SUE HIGGINSON: Yes, we disclose it all the time. Every year. You can check.

Ms ABIGAIL BOYD: The party discloses it.

RACHEL McCALLUM: Yes.

Ms ABIGAIL BOYD: Point of order: I think this has gone on long enough.

The Hon. ROBERT BORSAK: I'd expect the point of order, because it's going into an area that's rather difficult for The Greens.

Ms ABIGAIL BOYD: The member is attempting to use the parliamentary privilege given to him by this Committee to make adverse reflection on someone else. That is not permitted under the procedural fairness resolution that governs committees that was passed by the house in 2018.

The Hon. ROBERT BORSAK: To the point of order: I haven't even got to the stage yet where I am making any adverse mention.

Ms ABIGAIL BOYD: It's very clear.

Ms SUE HIGGINSON: It is very clear, Mr Borsak.

The Hon. ROBERT BORSAK: I'm simply asking questions.

The CHAIR: Order! I'll rule on the point of order. I don't think at this point the honourable member has made an adverse reflection. He may well—

The Hon. ROBERT BORSAK: I may well get to that point.

The CHAIR: He may well get to that. But at this point he hasn't, so there's no point of order.

The Hon. ROBERT BORSAK: I've sort of lost the thread of that. You're saying that a tithe is exempt, but it has to be disclosed?

RACHEL McCALLUM: It's exempt from the cap, but it has to be disclosed. Yes.

The Hon. ROBERT BORSAK: If that's the case—and I'm aware of the fact that Senator Mehreen Faruqi has statements of interest and she has openly declared that she pays a monthly tithe to the NSW Greens as a Federal senator—where is that actually disclosed?

Ms ABIGAIL BOYD: Well, you know about it.

JOHN SCHMIDT: So it's a Federal senator who is—

The Hon. ROBERT BORSAK: Paying a tithe.

Ms ABIGAIL BOYD: Pays a tithe, and the party reports it.

The CHAIR: Order! Sorry, as much as The Greens may want to answer this question—

Ms SUE HIGGINSON: We were just assisting.

The CHAIR: I appreciate it. The commissioner is probably best placed, if he has questions, to direct them back through me to the member.

JOHN SCHMIDT: Thank you, Chair. I was just trying to follow the sequence of the flow of the money, if I can put it that way.

RACHEL McCALLUM: If it is a donation to the NSW Greens, it would be disclosed on our website.

The Hon. ROBERT BORSAK: That's right. Even if it's a Federal tithe paid to the NSW Greens, it still should be disclosed on the New South Wales register, shouldn't it? Even though it's exempt?

CORRECTED

RACHEL McCALLUM: If it is a donation, it would be disclosed.

The Hon. ROBERT BORSAK: You said that a title was a donation, but it was exempt from the cap.

JOHN SCHMIDT: Can we take this on notice and we will come back with a—

RACHEL McCALLUM: Yes.

The Hon. ROBERT BORSAK: Basically you are saying "Yes", but the reality is you are not really sure about what the answer to that is in terms of disclosure, because from my review of it, no disclosure has been made at all in relation to what Mehreen Faruqi is donating to the NSW Greens from her Federal Senate requirements in accordance with the New South Wales Greens constitution.

JOHN SCHMIDT: We will take the question on notice.

Ms ABIGAIL BOYD: Ms Lo, I understand the Premier has committed to the New South Wales target of having 5.6 per cent of public sector jobs filled by people with disability. In previous estimates we have seen that that percentage has not been tracking particularly well. I believe it was 2.5 per cent in 2022, so we have quite a long way to go to that 5.6 per cent by 2025. What mechanisms are in place to ensure that we meet the target?

KATHRINA LO: As I said earlier, we're finalising the 2023 workforce profile data, but what I do have now is the 2023 People Matter Employee Survey data. Pleasingly, that is trending in the right direction. Last year, 5.5 per cent identified as having a disability. This year, 6.7 per cent identified as having a disability.

Ms ABIGAIL BOYD: And can you remind me—

KATHRINA LO: It is an anonymous survey. There is a difference between the information in an anonymous survey and the data that is collected in the personnel systems of departments and agencies.

Ms ABIGAIL BOYD: So there is a 3 per cent difference between that official number and the survey number?

KATHRINA LO: Yes.

Ms ABIGAIL BOYD: What do you think accounts for that?

KATHRINA LO: We have looked into this. There would be a number of reasons why people might not want to disclose it on an HR system, and that might include that they don't feel safe to do so when they start a job. That's often when the information is first requested. Secondly, people might want to maintain their own privacy. Thirdly, people might not need a reasonable workplace adjustment, so they don't see the need to provide that information up-front. We have got some guidance for agencies around encouraging people to disclose that data in HR systems, because the more accurate it is—good data means we can develop better responses.

Ms ABIGAIL BOYD: Do you have any data around where those people with disability are sitting within the workforce? There has been some concern that people with disability tend to be in the lower payrolls. Do you have any further data on where they are sitting?

KATHRINA LO: I can get that data for you. I can break that down by grade.

Ms ABIGAIL BOYD: I am also wondering whether there is any data collected on the type of disability. For instance, the Council for Intellectual Disability has been calling for a 1 per cent target for people with an intellectual disability.

KATHRINA LO: No, not at the moment. We don't collect that level of data.

Ms ABIGAIL BOYD: Are there any plans to do so in the future?

KATHRINA LO: We could look into it, but that would be a pretty big system change and associated cost. We could consider it, but I note that there would be implementation issues around that.

Ms ABIGAIL BOYD: Just on that People Matter survey, when you talk about those percentages, that's of the people that responded?

KATHRINA LO: Yes.

Ms ABIGAIL BOYD: How many—what percentage do you get responding?

KATHRINA LO: This year we had our highest response rate ever, pleasingly. That's 53 per cent. At June last year, the employee head count was just over 433,000. I don't have a calculator here, but yes.

Ms ABIGAIL BOYD: What does that mean for the 2022 numbers?

CORRECTED

KATHRINA LO: In 2022 there was a 49 per cent response rate on the PMES.

Ms ABIGAIL BOYD: So on that basis though, when looking at the official recorded figure of 2.5 per cent, the survey figure of 5.5 per cent from the 49 per cent who responded in the 2022 figures doesn't give me the comfort I need to think that this is definitely tracking upward.

KATHRINA LO: Yes, I think we would want to see the workforce profile data, and I think it's a good thing to look at both data points.

Ms ABIGAIL BOYD: Yes, to see if there has been a genuine improvement. I was interested to read your report in relation to burnout. I'm interested in what triggered that report in the first place. The figures seem quite high when I look at the percentage of burnout, particularly in education and health. How does that compare with the other governments in Australia or to the private sector?

KATHRINA LO: I think there are a number of questions there. I think the first one is what triggered the work. Last year for the very first time we included a question on burnout in the People Matter Employee Survey. In that survey, for the sector as a whole—I think it was burnout—38 per cent of people said that they felt burnt out. When we looked at it across different types of workforces, there were higher burnout rates in frontline workforces, which is not surprising given what we have been through with COVID, bushfires and floods et cetera, but the frontline people were responding to that. As a result of that information, we did some more analysis and research. We wanted to understand what was driving burnout, and there are a number of things that do. In order to address burnout, we need to provide good resources around wellbeing. We need to support our people to have the time to do their work well and give them the resources to do that work well. As a result of that—and you've probably seen on our website—we've got some guidance there for agencies for impact actions targeted at an organisational level, a people manager level and an individual employee level about actual things they can do to prevent and address burnout.

Ms ABIGAIL BOYD: What about the comparison with the private sector or any data that you have from other public sectors and other jurisdictions?

KATHRINA LO: We are able to benchmark against two other jurisdictions that collect burnout data in their employee surveys, and we are roughly the same. That's Queensland and the Australian Public Service.

Ms SUE HIGGINSON: Could I ask a couple of questions to you, Commissioner Johnson, about LECC?

PETER JOHNSON: Yes.

Ms SUE HIGGINSON: In May 2023 we got the report, and there were a number of recommendations in there. The police responded to that, agreeing to two out of the seven recommendations.

PETER JOHNSON: Could I just ask which report you're referring to?

Ms SUE HIGGINSON: Yes. This is the final report, the five years.

PETER JOHNSON: This is the critical incident five-year review?

Ms SUE HIGGINSON: Yes.

PETER JOHNSON: Yes.

Ms SUE HIGGINSON: Of the seven recommendations, the police really only agreed to two and some in part. Do you have any concerns going forward about the lack of agreement to the recommendations from that report?

PETER JOHNSON: This is an ongoing process because our commission deals daily with police undertaking critical incident investigations. The way in which we exposed our thoughts in that report is the subject of ongoing dealings with them and communications with senior police. It's fair to say that it is an ongoing dialogue. Like many dialogues between the police and the commission, it can be robust at times.

Ms SUE HIGGINSON: I'm sure.

PETER JOHNSON: So that's the way I would seek to answer it. It's an ongoing process because we are dealing with particular incidents under our functions, which are somewhat limited.

Ms SUE HIGGINSON: Does it concern you then, in those robust discussions—there were 44 critical incidents—

PETER JOHNSON: Yes.

CORRECTED

Ms SUE HIGGINSON: My understanding now is that's the highest we've had in the last five years. It seems like we're increasing. In that five-year review, there was a clear statement that some of the powers of LECC—the term that was picked up was "illusory". I think what you were getting at—and correct me if you think this is not correct—is that there is a heightened public understanding that LECC perhaps had more power and this was a call from LECC to communicate, "Hey, we don't quite have the power you think we do." Is that a correct assessment?

PETER JOHNSON: The word "illusory" attached to one particular feature. That is under the statute, when it comes to the interview of the police officer involved in a critical incident. The capacity for the commission to be present and observe depends upon the consent of the officer. As a matter of practice that consent has—

Ms SUE HIGGINSON: Was being withheld.

PETER JOHNSON: —routinely been denied. That was the particular aspect that was described as "illusory". To get an understanding of the role of the commission and its powers, of course, one needs to look at all aspects and not just that. Some of the powers are more substantial than others, but the primary position is that the commission is not investigating the critical incident. It's exercising an oversight function with a capacity to observe, including in real time, what's happening, subject to things like that, the so-called illusory problem, because of our inability to sit in on the interview. There are ongoing communications in the context of critical incident oversight in particular cases about things. We seek things. If it's said to be a problem with getting it, we seek to get it to discharge our functions. But it is not straightforward, if I can put it that way.

Ms SUE HIGGINSON: In terms of the amount of complaints LECC receives, what proportion of those do you actually have the resources to investigate or deal with? This is obviously outside of the critical incidents.

PETER JOHNSON: We are a relatively small agency. We've got about 112 people all up. Clearly, there are practical limits on what we could do as a primary investigatory agency. I make that observation, which is the starting point. It is a relatively small proportion that we investigate directly because of those limits, but at the same time there is a process—a process which involves the commissioners and senior officers and the commission in assessing, looking at matters, determining what should be considered for investigation. If it's not to be investigated by the commission—and the great bulk are not—what is the subject of our oversight function?

We also have to bear in mind that there is a lengthy objects clause in the LECC Act, which actually makes one of the primary roles that the police and the Crime Commission, to the extent that they may have a problem in this area, investigate the matters themselves. That goes back to the Wood royal commission report in the sense where Justice Wood made clear that the police have to own the problem. If they don't own the problem then they just pass the problem to someone else—namely, an independent agency. It is that aspect, which has its tensions, that is played out from day to day in what the commission has to decide to investigate.

Ms SUE HIGGINSON: Can I just ask one follow-up? Is it available, the proportion of complaints that LECC actually investigates to the complaints that it receives? Is that information available?

PETER JOHNSON: Could I take that on notice? I'm conscious that there's an annual report that's come out recently, but there's some information.

Ms SUE HIGGINSON: Thank you.

The Hon. DAMIEN TUDEHOPE: I just want to start with the ICAC Commissioner, Mr Hatzistergos. Thanks for being here. You've done some work in relation to definitions of pork-barrelling. Generally, the common perception of pork-barrelling is where money is distributed, or grant money is provided, disproportionately in respect of potential electorates or seats, depending on their political parties. Is that fair to say?

JOHN HATZISTERGOS: It's one of the forms of it.

The Hon. DAMIEN TUDEHOPE: Is it also fair to say that the construction of pork-barrelling would also include grants in circumstances where they were made for political gain?

JOHN HATZISTERGOS: I don't know whether that's necessarily pork-barrelling. The concept I think that you're alluding to is that when a person exercises a public function, including in the allocation of funds, they should do so for a public purpose. I'm not sure if that's the same thing as what you're alluding to.

The Hon. DAMIEN TUDEHOPE: It may be. If a circumstance arose where a non-elected candidate was making commitment in relation to spending money, or government money, do any rules apply to the manner in which they should behave?

CORRECTED

JOHN HATZISTERGOS: Look, I'm not going to answer that question directly. Can I just say this to you, that our report in Operation Jersey deals with this issue extensively. The question of persons going to the electorate and promising or outlining to people how they're going to exercise power should they be successful is documented I think at pages 38 to 41 or thereabouts. You can read that and I think it may answer your question.

The Hon. DAMIEN TUDEHOPE: You may or may not choose to answer this. When a preliminary inquiry is finished, is there any public announcement of the conclusion of that preliminary inquiry?

JOHN HATZISTERGOS: Do you mean a preliminary investigation?

The Hon. DAMIEN TUDEHOPE: The investigation, I beg your pardon.

JOHN HATZISTERGOS: The practice that I have taken on with my colleagues since we came into office is that if a matter has been the subject of publicity and the commission has resolved not to proceed with the matter then we would consider, in appropriate circumstances, making an announcement of that. We've done that on two occasions. One was in relation to a complaint which was made to the commission in relation to TAHE; this was under the term of the previous Government. The second was in relation to the allegations concerning the appointment of John Barilaro to the position of trade commissioner, involving also a couple of other persons. In those circumstances we had proceeded to a full investigation and concluded, as we have outlined publicly, that we would not proceed further.

The Hon. SARAH MITCHELL: Commissioner, can I ask whether political candidates are covered by the ICAC Act? There was some suggestion earlier by Kate Boyd that that was the case. I just wanted some clarity on that.

JOHN HATZISTERGOS: Political candidates?

The Hon. SARAH MITCHELL: In an election campaign. If you are a candidate for a particular party, what requirements do you have under the ICAC Act, if any?

JOHN HATZISTERGOS: Our Act deals with public officials. There is a separate power under our Act which enables us to deal with electoral offences referred to us by the Electoral Commissioner, and that can deal more broadly.

The Hon. DAMIEN TUDEHOPE: I think the evidence that she gave is that a candidate for public office is in fact, for the purpose of the ICAC Act, a public official. She may be wrong on that, but that is—

JOHN HATZISTERGOS: I don't believe that's the case.

The Hon. DAMIEN TUDEHOPE: Thank you.

JOHN HATZISTERGOS: That doesn't necessarily mean that a person who is not a public official can't come within our jurisdiction. It depends upon the circumstances of the particular matter.

The Hon. DAMIEN TUDEHOPE: Again, you may choose not to answer this, but in respect of the referral for a preliminary investigation in respect of the member for Newcastle, if you conclude an investigation in relation to that, will you be making any public announcement in relation—

JOHN HATZISTERGOS: I'm not going to give a commitment one way or the other in relation to that at this point in time. A decision will be made appropriately. But I've indicated the position we took in those other two cases—and we took that, we thought, in the public interest, bearing in mind the amount of attention that it had—that it was necessary to clear the air.

The Hon. DAMIEN TUDEHOPE: Ms Crawford, returning to you, could I ask you some questions about the Central Coast Council? You provided unmodified or unqualified—I don't know whether "modified" or "unqualified". Are they interchangeable?

MARGARET CRAWFORD: Qualified. Modified is qualified.

The Hon. DAMIEN TUDEHOPE: So unmodified is unqualified?

MARGARET CRAWFORD: Yes.

The Hon. DAMIEN TUDEHOPE: So you did provide unqualified audit reports—that's an expression I use more often—for Central Coast Council for the years 2016-17, 2017-18 and 2018-19, that's correct?

MARGARET CRAWFORD: From memory, yes. I probably should take it on notice because I don't have that information in front of me, but from memory.

CORRECTED

The Hon. DAMIEN TUDEHOPE: Well, take it from me it is. Did you, in your report on the local government, claim that the treatment of water sewerage and drainage funds by the Central Coast Council was not restricted, was not an error and, therefore, there was no obligation on you to provide a modified audit opinion for Central Coast Council?

MARGARET CRAWFORD: I'm just trying to think of the best way to answer that. It was a very complex matter. But yes, in essence we received advice from the Crown Solicitor on the arguable nature of the difference between the Local Government Act and the Water Act at the time, which meant that the way the council at that time had proceeded was arguably okay and so it wasn't a matter to qualify.

The Hon. DAMIEN TUDEHOPE: But you obviously had some concerns in relation to this?

MARGARET CRAWFORD: We spent a lot of time investigating it and making sure—

The Hon. DAMIEN TUDEHOPE: These were public moneys which were being used by the council for any purpose whatsoever in circumstances where the council was under an obligation to refund those moneys.

MARGARET CRAWFORD: I'm not sure that I agree with what you're saying about their obligation.

The Hon. DAMIEN TUDEHOPE: There is restricted and unrestricted money. Unrestricted money means it's like consolidated revenue. Restricted money is money which should be sitting in a trust fund.

MARGARET CRAWFORD: Yes, I understand. But the interface between the two pieces of legislation did create a difference there. Certainly the obligations under the Local Government Act were quite clear, but in relation to the arrangements for the water and sewerage treatment, the arrangements could be different in that case.

The Hon. DAMIEN TUDEHOPE: What other councils were they different for? Have you identified any other councils that treated—

MARGARET CRAWFORD: That was a very unique situation. Central Coast Council was very unique in the arrangements that applied there.

The Hon. DAMIEN TUDEHOPE: So no other council was treating restricted money as unrestricted except this council?

MARGARET CRAWFORD: I couldn't say that. I'd have to go back and look at every other council.

The Hon. DAMIEN TUDEHOPE: It is an important consideration, Ms Crawford, because effectively this council became insolvent because of this practice.

MARGARET CRAWFORD: I'm not going to comment on that.

The Hon. DAMIEN TUDEHOPE: Well if, in fact—

MARGARET CRAWFORD: That council—sorry, sir. That council had a range of issues at the time that were quite broad in relation to its administrative practices, which we called out in our management letter points in previous years and consistently. The management of their finances was very complex. The way in which the water and sewerage interface with council's administration was complex and was one factor.

The Hon. DAMIEN TUDEHOPE: It was complex on this basis: Effectively it's like a solicitor using his trust account for his general account.

MARGARET CRAWFORD: That's an opinion that you have.

The Hon. DAMIEN TUDEHOPE: Effectively, if it's restricted money, it's not the council's money. You, in fact, when you provided an unqualified report in respect of that council, gave that council a pass.

MARGARET CRAWFORD: I'm not agreeing with the point you're making. We followed—well, I might ask Ian to go into more detail. He's probably had the opportunity to look back at the report.

IAN GOODWIN: Thank you. I'd probably just look to first point out that this matter was covered in the Auditor-General's report called *Report on Local Government 2020*. That report should be able to provide you the answer to the question. There was something unique about Central Coast Council. The water, sewerage and drainage arrangements for Central Coast Council are quite unique to all other councils in New South Wales. They are regulated under the Water Management Act where they operate because they operate a water supply authority. For other councils, these arrangements are regulated under the Local Government Act. That makes Central Coast a little bit unique in terms of how that was done.

CORRECTED

The issue around the financial audit—the financial audit is opining on whether the financial statements are true and fair, for want of a term. You mentioned the question of insolvency. My recollection on it—and we would have to take this on notice—is that we did not raise an issue around going concern, which goes to the question of insolvency. There was a very complex matter, though, around the treatment of whether the moneys were restricted or not restricted. There was a number of legal opinions that were sought. One of those opinions was from the Crown Solicitor's Office, and that opinion is appended to that local government report that the Auditor-General tabled.

The Hon. DAMIEN TUDEHOPE: I thank you for that. But if, in fact, you had formed the view that this was restricted money, would it have changed your view about their solvency? There was this view that they were using restricted money for unrestricted purposes.

IAN GOODWIN: Just to be clear, we haven't issued an opinion that challenged the going concern of the council.

The Hon. DAMIEN TUDEHOPE: But would you have if the Crown Solicitor had given you different advice?

IAN GOODWIN: The Crown Solicitor—and I would refer you to the Crown Solicitor's advice—

The Hon. DAMIEN TUDEHOPE: I've seen it.

IAN GOODWIN: —that looked at the unique arrangement for Central Coast Council and the intersect between the Water Management Act and the Local Government Act, and in that advice it was a somewhat complex, technical matter. The Crown Solicitor offered a preferred position and an alternate position. The matter of judgement for the financial audit team was whether that was treated correctly from an accounting perspective, and my recollection is that the council sought to treat it as an error, to restate their accounts. But from an accounting perspective, because there was an arguable position from the Crown Solicitor—I mean, there was a clear preferred position, but there was a clear alternative position—we did qualify the accounts, so that's to modify the audit opinion around how the council treated the presentation of those funds. So it was a presentation within the notes to the accounts.

The Hon. DAMIEN TUDEHOPE: You did, in fact, modify the accounts at a later date?

IAN GOODWIN: I believe we actually issued a disclaimer of opinion on Central Coast. A disclaimer of opinion is where matters are material and pervasive that prohibits the auditor from being able to offer an opinion on whether the accounts are fair.

The Hon. DAMIEN TUDEHOPE: We are talking about \$88-odd million here, are we not?

IAN GOODWIN: It's in the Auditor-General's *Report on Local Government 2020*.

The Hon. SARAH MITCHELL: My questions are to Mr Schmidt as the Electoral Commissioner. Do you have any data in relation to the March election in terms of people who were issued with notices that they didn't vote, but who in fact have then subsequently put in a rebuttal of that? Anecdotally there seems to have been quite a few people who have said that they did go and vote but were told that they didn't. How often do you collect that data? Is that publicly available? Is it something you can provide to the Committee?

JOHN SCHMIDT: It's an interesting question and one which has been canvassed at the Joint Standing Committee on Electoral Matters, in their inquiry into the previous State election. In fact, one of the recommendations was that we report on that data. There is a challenge. Anyway, we are in the process now of sending out notices to people, which is why it's come to your attention, about whether our records—they could receive an apparent failure to vote notice. We're saying, "It appears from our records you didn't vote", and that invites them to come back with an explanation and there are other options. A number of people come back and tell us they did vote. We have no way, necessarily, of confirming that. We take it on face; they are signing what is in effect a legal document, an assertion. We ask them to identify the polling place they went to and we will have figures in due course for this election, which will show how many people were excused, their notice was withdrawn because of that.

There are occasions where people are incorrectly marked off on the roll. That can happen. There are occasions when we have electronic mark-off at prepoll. When that happens we have backup arrangements; depending on whether people have automatic access to the paper roll or whatever, they may keep a record of the people that they've issued votes for. The reconciliation of that may sometimes have a flaw. But there is no accurate figure by the very nature of the interactions which happen between us and the voters over a period of time. But we can give you figures for the number of notices which are issued and the number of people who assert that they did in fact vote.

CORRECTED

The Hon. SARAH MITCHELL: When would that be made available to the Committee, or to the public, whichever way you do it?

JOHN SCHMIDT: It will be some months, because the process is ongoing. We can give you figures from the previous—if it would assist in your deliberations, I will take it on notice and give you the figures for that process from the last State general election.

The Hon. SARAH MITCHELL: Then also, along the same line, if people are recorded as having voted twice, does that get captured by that dataset as well, and at which electorates? Is that part of the breakdown?

JOHN SCHMIDT: Yes, and in fact the election report for the State general election was submitted. Under the legislation, I do the review as soon as practical. That report has been given to the Government on the thirteenth of this month. The Government has a month before they table it and that will have data about that. There was a significant drop this time round in the apparent incidence of multiple voting. It was in the order of over 2,000 for 2019. It was just over 1,000 for the most recent election. We have a process where we go out to every single person who we have identified. If they've voted more than twice—and it was a handful, a very small number who appear to have voted more than twice—we send formal notices out saying please explain. Otherwise, we write to people and say, "Our records indicate you may have voted twice. Give us an explanation."

The reason I am going through the process is because those figures raise a couple of questions. Why the significant drop, for example, between 2019 and 2023? We think that there may be a number of themes which lead to those figures. One is that in the previous election, when iVote was available, there were people who had doubts as to whether their internet vote may have been received. Similarly with postal voting—a certain percentage of the people who responded to those notices said they did it because they weren't confident that their postal vote would be returned in time. It may have been received late from Australia Post and they were concerned about getting it back.

We have an interesting bit of data analysis we've done this time, which suggests that there is a correlation in some electorates which have a large culturally and linguistically diverse population. The numbers are very, very small—vanishingly small, really, when spread across the entire 93 electorates. It may be that we have to do more to explain to people that you can—they may vote early and then vote on election day, or they may use another channel. Is there a misunderstanding out there that people feel that they voted first but they believe they still have to vote? They're told by their friends, "No, you must turn up and vote on election day"—very, very hard to get to the bottom of that. But there's not a single electorate—and we have numbers for every single electorate—where it could have possibly influenced the outcome of the election.

The Hon. SARAH MITCHELL: I look forward to reading that report when it's tabled. Thank you.

The Hon. DAMIEN TUDEHOPE: Just one final question to Ms Lo. You made reference earlier as to the brief which you prepared in relation to the process which was able to be adopted—

KATHRINA LO: The brief was prepared by the Department of Premier and Cabinet and, yes, I had input into it.

The Hon. DAMIEN TUDEHOPE: You've told us earlier also that rule 17 doesn't apply to the appointment of a secretary.

KATHRINA LO: Rule 7, do you mean, sorry?

The Hon. DAMIEN TUDEHOPE: Rule 7?

KATHRINA LO: No, 17. It is 17, I'm sorry.

The Hon. DAMIEN TUDEHOPE: You told us earlier that that doesn't apply to the appointment of a secretary.

KATHRINA LO: I'm just going to bring the rule up.

The Hon. DAMIEN TUDEHOPE: It's what you told us earlier.

KATHRINA LO: Yes, it is. That's correct; it doesn't apply. So that part 3—

The Hon. DAMIEN TUDEHOPE: Why does the brief say that it does apply?

KATHRINA LO: I don't have the brief in front of me, so I can't answer that.

The Hon. DAMIEN TUDEHOPE: Can you take that on notice—

KATHRINA LO: Sure.

CORRECTED

The Hon. DAMIEN TUDEHOPE: —and provide an explanation as to why the brief may have said that rule 17 does apply?

KATHRINA LO: Sure.

The CHAIR: Commissioner Hatzistergos, recently ICAC sought and received powers under the Surveillance Devices Amendment Regulation 2023 which enabled ICAC to lawfully possess, use and share recordings that may have been caught by the provision of the Surveillance Devices Act. In relation to that ultimately successful request, the Leader of the Opposition, Mark Speakman, said that it was a reckless power grab and that "the integrity agency may have broken the law". What sort of impact, if any, did that have on the commission and its operations?

JOHN HATZISTERGOS: I'll answer the question in this way: I tell the staff of the commission regularly, whenever matters of controversy arise concerning the way the commission does its business, not to be distracted. And I remind them of that. In any circumstances where we're subject to criticism of that sort of nature, I ensure that my staff is aware that we carry out our public duties as we're required to do.

The CHAIR: I assume you don't agree that it was a reckless power grab or that your integrity has been brought into question?

JOHN HATZISTERGOS: I've got broad shoulders and I used to be in a position that you are and I'm well-versed to the political banter that goes around. It doesn't make any difference to the way I discharge my responsibilities and it doesn't make any difference to the way the agency operates.

The CHAIR: Well, that's good.

JOHN HATZISTERGOS: I don't agree with the comments. I'm not sure what people expect us to do—in circumstances where we come across a situation where we feel we can't proceed further and the relevant information may be important to an investigation—other than to make appropriate representations to ensure that we're able to lawfully proceed with our business, and that's what we did. What we sought is already available to three other commissions in Australia on a permanent basis.

The CHAIR: Commissioner Johnson, in December 2020 you released a report which was the *Inquiry into NSW Police Force Strip Search Practices*. The audit made 27 recommendations, including greater scrutiny of strip searches on First Nations peoples, legislation to better define the rules around strip searches, police training and that police training should canvass the potential traumatic effects on young people. Does the commission stand by these recommendations and what action, if any, has the Government taken in consultation with you to see these changes come about?

PETER JOHNSON: The 2020 report in this area was a major report by the commission. There has been a further report recently that looked at further aspects of training, record keeping and other features of strip searching.

The CHAIR: Yes, I apologise. I may have misspoken and mixed the two up.

PETER JOHNSON: They're of course linked and the major work was the 2020 one. The more recent one is consistent with what the commission does from time to time, which is to come back to these issues for certain purposes. There were, as a result of the 2020 report, some statutory amendments. The more recent report indicates that there are still some problems in this area. The commission is conscious of further recent public discussion about this issue. It is a sensitive one and a difficult one.

The commission deals with these matters in a practical way, apart from reports of the type that you've referred to, by dealing with individual complaints and how they are dealt with. The commission does not have at this stage a further official function to look at this topic generally. If, of course, the Government wished the commission to look further at this aspect more generally, the commission would stand ready to do so. It overlaps of course with other things that the commission deals with. Much of what the commission does relates to the exercise of police powers, which are various and at times expanding—and so if I could deal with it in that rather general way, which I hope provides some answer to your question.

The CHAIR: It does, thank you. My final question is to the Electoral Commission, with a little touch of self-interest, you'll see. The commission's website tells us that their role, your role, is to run independent, fair and accessible elections. Do you agree?

JOHN SCHMIDT: That's certainly one of our primary aims, yes.

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The CHAIR: Excellent. Would you agree that one aspect of a fair election is that candidates and political parties should be free to reach the electorate through appropriate advertising, with appropriate disclosures if required?

JOHN SCHMIDT: I suspect that there's a sting to the tail to the question perhaps, so I'll wait until you finish the scenario.

The CHAIR: There's definitely a sting, but do you agree that a key aspect of fair elections is that candidates should be able to communicate with the electorate using appropriate advertising and with the appropriate disclosures and approvals if required?

JOHN SCHMIDT: Certainly for a democratic society, this is not the commission; this is our society for a democratic election to function successfully. There should be freedom of expression, freedom of political communication. So in the broad, as a proposition that seems to be a sound proposition.

The CHAIR: Who protects that freedom to communicate if not the Electoral Commission? Who in the government is making sure that there is that freedom to communicate, freedom of association, these implied freedoms and actual freedoms enshrined in legislation? Who in the government protects those?

JOHN SCHMIDT: It's an interesting question. The commission, and myself as commissioner, we only have power because the legislation gives us power. It's the be all and end all. So, I have—

The CHAIR: But is there another agency if not you?

JOHN SCHMIDT: I think there is a raft of agencies. There is the national communications authorities.

The CHAIR: But New South Wales specific.

JOHN SCHMIDT: Well the national communications authority applies to television advertising, for example. There are regulatory regimes. But is there a particular problem that you are alluding to which might help me focus?

The CHAIR: Yes, there is. I represent the Legalise Cannabis Party. We're a registered political party in New South Wales, and yet we are unable to advertise on social media. We are denied access to the advertising that all other political parties use and we don't seem to have any recourse. We've looked through the commission's website, and I think you've just confirmed that we have no recourse. We've sent letters to Meta and Google, which is sort of like throwing a rock into the Pacific Ocean and waiting for a response. We get letters back from Delaware, of all places, saying Facebook doesn't exist. With the increasing spread of social media, power of social media, power of these organisations, power of AI, is this an area that you think needs to be addressed in terms of specific legislation in ensuring our legislation and our laws protect those freedoms that you have talked about?

JOHN SCHMIDT: It's a very interesting question. I'm going to disappoint you, I think, with my answer in that it really is a policy issue. I can't opine. The only comment I would make is the situation you have outlined really is something which requires a national response and at the moment there is a consultation process. It may have closed at a national level with the Federal Government's regulation of the social media companies. Ultimately I think for it to work in Australia, the point you raise and other issues that people have with social media engagement is at a national level. But from a New South Wales perspective, from an Electoral Commissioner perspective, if the New South Wales Government or the Parliament wants to do something, that's a matter for them. I couldn't comment.

Ms SUE HIGGINSON: If I could just come back to you, Commissioner Johnson, in relation to the LECC. I understand that there has been reported 15 deaths in 2022-23 as a result of police responding to incidents that involve a mental health situation or a vulnerable person, and it seems to be causing a lot of concern. It certainly is for me and the people who are contacting me, and I think the community broadly. Is there something the LECC is doing in relation to this more broadly in addition to each particular critical incident that has been declared?

PETER JOHNSON: If I could put it this way, this is an issue which clearly emerged from the five-year report. Looking back, and as experience passes, the community would be aware that there are incidents that have tragically involved fatalities where police have responded to a person who is mentally ill. That's created a controversy in the community about whether police—often young—responding to an incident like that with limited training and with no medical background, of course, should be the first responders.

Within the Police Force there is now a process underway, of which the commission is aware because we have been briefed on it—we're aware of it—to seek to develop a broader and more flexible way, if I could use that term, of dealing with these things. That's a matter for the police, of course. We don't run the Police Force; we're an oversight and integrity agency, but we are inextricably linked to these issues. Other countries—the UK and parts of the US—have been working out that sending police to an incident like that where someone is mentally

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ill, police officers in uniform, carrying weapons, end up exacerbating the situation, with frequently tragic outcomes, and that's entirely contrary to the interests of the community generally.

So we're aware of these things and we're talking to the police about it. That is just a broad response. I'm not at liberty to talk about individual things, except to say that we are involved and it's very much in the interests of the community that there be some improvements in this area that can assist everyone, not only those who are tragically killed and their families and friends, but the community generally and the Police Force, because young police officers in particular can end up being traumatised and you can see police officers being lost because they're involved in tragic incidents of this sort. It's a broader government issue, as we see it, which includes health as well as police and other aspects of government. I hope that rather longwinded answer deals with what you raised.

Ms SUE HIGGINSON: It is very helpful. Thank you. What about the critical incidences involving Aboriginal and Torres Strait Islander people? My understanding from reading the numbers is that things are not improving in terms of bad outcomes where police are responding with the involvement of Aboriginal and Torres Strait Islander people, including where serious injury and death result from police responding. Is this an area of work that the LECC is looking at from a systemic point of view as well or not?

PETER JOHNSON: The commission looks at it because, once again, it goes to one of our core functions, which is the critical incident one. We're conscious of the work done by the coroners and their recommendations in some of these areas. They have picked them up and made some recommendations that involve different ways of doing things. If, for example, the police want to execute a warrant on someone, they go through the ALS and bring them into it, rather than the police turning up unannounced—things like that. Those sorts of things involve a more nuanced approach. We can see the advantage of those, and encourage it, so that there is a process of consultation. Part of the commission's involvement is through its prevention and education side, which generates important reports, as well as the critical incident side. There is a cooperative approach within the commission to try to improve things in this area.

Ms SUE HIGGINSON: The data and the evidence would suggest that we're perhaps not having as much impact if the objective is to decrease these outcomes. Is there something the LECC needs more to be able to have more influence in terms of your view of the operations and the operating environment of the LECC?

PETER JOHNSON: The function of the commission and what we're asked to do is, of course, a matter for government. But it is a situation in which, in this area, we're able to play a role right now. It's a matter for government as to what role the commission has generally and in the future. But this involves in some ways a proper understanding of what's already been discussed and revealed at inquests, in commission reports, and through interaction with the police and other agencies, to see if there can be improvements. I don't at this stage say that this is a situation where the commission seeks further resources, for example. That's a policy matter for government. But it's obviously a matter that requires ongoing attention, and we're doing our best with what we have.

Ms SUE HIGGINSON: In terms of the use of force—something that has been interrogated quite a lot—again, it doesn't seem like the incidences involving use of force are decreasing, if that's the objective and the aim. In terms of the LECC and its functions and objectives, can you see in the reports that the LECC is achieving its objectives and purposes? One of those is to have an oversight of police operations. Surely implied in that is that where improvements need to be made, the LECC has some power and influence to direct those. Where is the breakdown? If the LECC is making recommendations and it's involved with these oversight roles, what is it that is not improving in police performance?

PETER JOHNSON: There are a few elements in the question. If the LECC makes recommendations in certain categories under section 146 of the LECC Act, the police commissioner has a responsibility to respond in a timely fashion and the commission has a statutory obligation to consider whether what has been done in answer to recommendations is reasonable and proportionate, and there's a pathway for certain action to be taken if the commission formed a negative view. That's the technical answer.

We deal with these matters, report on them and seek to maintain an ongoing dialogue with the police, with a view to improving training a wide range of things. There will be another report coming out before the end of the year dealing with the use of force and associated issues, including police interviewing young persons. They deal with systemic issues. There is nothing that I would say right now in this forum as to what particular additional powers or functions there may be. I would think that every agency would say that there are probably some additional powers and functions that they could do with, but that is ultimately a matter for policy and government.

Ms SUE HIGGINSON: Is the LECC making suggestions through policy avenues about extra powers or improvements to its functions? Is that something that you are feeding back into government?

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PETER JOHNSON: There are discussions which occur, which I think are probably routine, dealing with issues of this sort. I think I would leave it at that for the moment.

Ms SUE HIGGINSON: There is a long way to go. I think we're losing public trust, to some degree.

The Hon. DAMIEN TUDEHOPE: Ms Lo, I now have a copy in front of me of the brief and its options for recruitment of the Secretary of Transport for NSW. On the last page it refers to you as the person consulted on this basis. It turns to "Merit-based Selection Process" and says:

Appoint an ongoing Public Service Senior Executive under the GSE Act. This process is called a comparative assessment under section 17 of the GSE Rules.

But you now say section 17 does not apply?

KATHRINA LO: Yes, so I don't have that in front of me, but what I will say is there was a sub-rule that I was wanting to bring to your attention before and I've now found it.

The Hon. DAMIEN TUDEHOPE: Good.

KATHRINA LO: It is rule 52. The heading for that rule is "Appointment of Secretaries of Departments".

The Hon. DAMIEN TUDEHOPE: So you were wrong—

KATHRINA LO: No, hang on. Let me finish the answer.

The CHAIR: Order!

KATHRINA LO: Rule 52 (4) states, "Part 3 does not apply to the Secretaries of Departments", and rule 17 sits within part 3. While I don't have that in front of me, I'm happy to go back and take a look at what was eventually submitted. I know that my office was consulted on it. I don't know whether we saw what ultimately was submitted, but I'm happy to get back to you on that.

The Hon. DAMIEN TUDEHOPE: Then in relation to the evaluation panel, of which you were one member, it talks about the evaluation panel and the conducting of interviews and evaluating the candidates. It provides:

Based on this information, the panel can provide a report to the Premier outlining the relative merits of the candidates and rating—
this is the words contained in the report—

each candidate as either 'Highly Suitable', 'Suitable' or 'Not Suitable' for appointment.

You'll notice that there is no category there called "Very Suitable". So is it the case that, first, this was supposed to be a rating process; and, second, "Very Suitable" was a term used by the panel in relation to this process, which is not something contained in the adoption of the evaluation report?

KATHRINA LO: I will build on the answer I provided earlier and I think, if I've heard you read that correctly, you said the panel "can" do that. And that's true. The panel can. It is not the panel "must". So the rules don't prescribe whether there needs to be a ranking. The rules don't prescribe the descriptors that are used and it's completely open to the panel how it frames its report. While that brief flagged that that can be done, it is not a case of it must be done.

The Hon. DAMIEN TUDEHOPE: Well, the report which was ultimately produced didn't indicate any deviation from this particular process, did it?

KATHRINA LO: I'm not sure I understand the question.

The Hon. DAMIEN TUDEHOPE: Well, the final report which was prepared by the panel didn't say, "We are not going to use the descriptors"—

KATHRINA LO: It doesn't need to say that. The report is the report and it reflects the unanimous views of the panel.

The CHAIR: Thank you very much, everyone, for your attendance and your fearless and frank testimony. We very much appreciate it. The Committee secretariat will be in touch in the near future regarding any questions taken on notice or any possible supplementary questions. Once again, thank you all for attending and your excellent evidence.

(The witnesses withdrew.)

The Committee proceeded to deliberate.