

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

**Friday 30 August 2019**

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

## **SPECIAL MINISTER OF STATE, PUBLIC SERVICE AND EMPLOYEE RELATIONS, ABORIGINAL AFFAIRS, AND THE ARTS**

**UNCORRECTED**

**The Committee met at 9:30**

### **MEMBERS**

The Hon. Tara Moriarty (Chair)

The Hon. Niall Blair

The Hon. Robert Borsak (Deputy Chair)

Ms Cate Faehrmann

The Hon. Ben Franklin

The Hon. Trevor Khan

The Hon. Taylor Martin

The Hon. Adam Searle

The Hon. Walt Secord

Mr David Shoebridge

### **PRESENT**

**The Hon. Don Harwin**, *Special Minister of State, Minister for the Public Service and Employee Relations, Aboriginal Affairs, and the Arts*

## **CORRECTIONS TO TRANSCRIPT OF COMMITTEE PROCEEDINGS**

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

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



**The CHAIR:** Welcome to the public hearing of the inquiry into budget estimates 2019-20. Before I commence, I would like to acknowledge the Gadigal people who are traditional custodians of this land. I would also like to pay respect to the elders, past and present, of the Eora nation and extend that respect to other Aboriginals present. I welcome Minister Don Harwin and all of the accompanying officials to the hearing today. Today this committee will be examining the proposed expenditure for the portfolios of Special Minister of State, Public Service and Employee Relations, Aboriginal Affairs, and the Arts. I remind everybody that the proceeds are webcast via the Parliament's website.

In accordance with the broadcasting guidelines, while members of the media may film or record Committee members and witnesses, people in the public gallery should not be the primary focus of any filming or photography. I also remind media representatives that they must take responsibility for what they publish about the Committee's proceedings. The guidelines for the broadcast of proceedings are available from the secretariat.

All witnesses in budget estimates have the right to procedural fairness according to the procedural fairness resolution adopted by the House in 2018. There may be some questions that a witness could answer only if they had more time or with certain documents to hand. In those circumstances, witnesses are advised that they can take a question on notice and provide an answer within 21 days. Any messages from advisers or members' staff seating in the public gallery should be delivered through the Committee secretariat, but I remind the Minister and officers accompanying him that he is free to pass notes and refer directly to advisers seated at the table behind him. This is an appropriate time to remind everyone to switch mobile phones to silent. Transcripts of this hearing will be available on the web from tomorrow morning.

Before we get started, I advise witnesses that Government members will not be asking questions during the morning session of the hearing. For that reason we have shortened the session by a third. So the first session will conclude at 11.30, give or take 10 minutes, because we have had to change seating arrangements. I advise witnesses that we are not splitting the portfolios. So all witnesses will be seated at the table and examined concurrently.

**LISA HAVILAH**, Chief Executive Officer, Museum of Applied Arts and Sciences, affirmed and examined

**KATE FOY**, Deputy Secretary, Community and Engagement, Department of Premier and Cabinet, affirmed and examined

**TIM REARDON**, Secretary, Department of Premier and Cabinet, sworn and examined

**EMMA HOGAN**, Public Service Commissioner, affirmed and examined

**JASON ARDLER**, Head, Aboriginal Affairs, Department of Premier and Cabinet, affirmed and examined

**LOUISE HERRON**, Chief Executive Officer, Sydney Opera House, affirmed and examined

**MAUD PAGE**, Acting Director, Art Gallery of New South Wales, affirmed and examined

**PAULINE MCKENZIE**, Executive Director, Heritage, Community and Engagement, Department of Premier and Cabinet, affirmed and examined

**The CHAIR:** I declare the proposed expenditure for the portfolios of Special Minister of State, Public Service and Employee Relations, Aboriginal Affairs, and the Arts open for examination. There are no opening statements so we will open now for questions from the Opposition.

**The Hon. WALT SECORD:** Minister Harwin, I want to take you to some questions about the Regional Cultural Fund. Can you give me a description of the types of projects that are funded in the Regional Cultural Fund?

**The Hon. DON HARWIN:** A very wide range of projects, Mr Secord, and a very wide range of art forms, as well. The art forms are as wide as circus, dance, visual arts, performing arts, screen, keeping places, museums, heritage, public art, libraries and youth arts. The funds are for infrastructure and redevelopment projects, ranging from major new and performing arts spaces—broadly defined—through to refurbishment of libraries, theatres and museums and, of course, small grassroots community projects. There was also funding for digitisation and facilities that support those venues.

**The Hon. WALT SECORD:** How is funding of those projects determined?

**The Hon. DON HARWIN:** The key thing that needs to be borne in mind is that the regional cultural fund was established as a regional growth fund under the portfolio of the Deputy Premier. Actually the allocation was to him. On an ongoing basis, now staff from Create NSW assist with the administration of that program and the expenditure of the money. They were involved in convening an assessment panel to advise me and the Deputy Premier on the allocation of those grants.

**The Hon. WALT SECORD:** So you would announce projects as well as the Deputy Premier?

**The Hon. DON HARWIN:** Correct.

**The Hon. WALT SECORD:** Would you accept all of the recommendations of the assessment panel, or do you take them as an advisory and then make your decision?

**The Hon. DON HARWIN:** As I was saying, it is different to the arts and culture development program, which is the key funding program, for which I am exclusively responsible as the Minister for the arts and which is allocated to the arts Minister. In this case, as I mentioned, the Regional Cultural Fund was established as a regional growth fund. The other thing that needs to be borne in mind is that after the assessment panel made its decision I would write to the Deputy Premier saying, "These are the recommendations of the assessment panel," and then we would jointly discuss them.

It is important that I bring to your attention two other matters that are relevant. First of all, a key principle for both the Deputy Premier and me was to ensure that as far as was possible, based on the applications, every region in the State felt that it was getting its fair share. That is quite important. There is one other thing that it is important for me to stress. Obviously I am not going to be in a position to assist you with this but the Deputy Premier, consistent with the approach he took with all the regional growth funds, thought it was important to consult with local members about what they saw the principal priorities were in towns.

The final list that emerged was always after a discussion between the Deputy Premier and me based on the principle that every region got its fair share and on consultations that the Deputy Premier made with local members. I think that it was quite appropriate that we approach it in that way.

**The Hon. WALT SECORD:** Who was on the assessment panel?

**The Hon. DON HARWIN:** I am sure I was told who was on the assessment panel but, generally speaking, my approach is not to ask who was on the assessment panels. I am happy to take the question on notice if you actually want to know.

**The Hon. WALT SECORD:** Yes, I do.

**The Hon. DON HARWIN:** If you allow me to pause for a minute, I might have some more information here. The way that the assessment panels were done was not always the way that the Arts portfolio would always do it. There were more people on that panel who were not just from an arts background, consistent with the approach taken on other regional grant funds.

**The Hon. WALT SECORD:** Minister, I will accept that you will take the names of the assessment panel on notice. How much is in the fund?

**The Hon. DON HARWIN:** My advice is that the fund has been fully allocated but not yet fully spent. The purpose of the fund was to have it spent over a four-year period although we have now permitted, due to the fact that some of the projects are quite complex, that money to be spent over a five-year period. But it is fully allocated following the first two rounds.

**The Hon. WALT SECORD:** Can I take you to one particular funding project?

**The Hon. DON HARWIN:** Certainly.

**The Hon. WALT SECORD:** Retford Park.

**The Hon. DON HARWIN:** The Southern Highlands regional art gallery?

**The Hon. WALT SECORD:** Yes, the Southern Highlands Regional Gallery. It used to be a property that was owned by the Fairfax family?

**The Hon. DON HARWIN:** It was owned by James Oswald Fairfax AC, who was the last family chair of John Fairfax prior to Warwick Fairfax's takeover bid.

**The Hon. WALT SECORD:** And it was gifted to the National Trust?

**The Hon. DON HARWIN:** Yes, indeed it was.

**The Hon. WALT SECORD:** Is it correct that you announced funding towards the development of it into a regional gallery?

**The Hon. DON HARWIN:** Yes.

**The Hon. WALT SECORD:** How much was that allocation?

**The Hon. DON HARWIN:** I will just get figure for you. I do not have it on the top of my—

**The Hon. WALT SECORD:** Was it \$2.49 million?

**The Hon. DON HARWIN:** Yes, correct. Out of a total estimated project cost at that time of \$4,834,234.

**The Hon. WALT SECORD:** How was funding of this particular project determined?

**The Hon. DON HARWIN:** Sorry?

**The Hon. WALT SECORD:** Why was this particular project selected for funding? What was the importance of it?

**The Hon. DON HARWIN:** As I recall, it was not one of those recommended. Let me just check something.

**The Hon. WALT SECORD:** I think it was not one of those recommended by the assessment panel but I could be corrected by the bureaucrats. Is that correct?

**The Hon. DON HARWIN:** My recollection is that is correct.

**The Hon. WALT SECORD:** That it was not one of the ones—

**The Hon. DON HARWIN:** It emerged in discussions between the Deputy Premier and myself consistent with the principle that every region should get its fair share of funding.

**The Hon. WALT SECORD:** What made this so attractive to be funded?

**The Hon. DON HARWIN:** It was an excellent proposal.

**The Hon. WALT SECORD:** It was an excellent proposal.

**The Hon. DON HARWIN:** The money that was offered was 50 per cent. So it was never going to go ahead unless, basically, the other half was raised from the community. I judged that this was a proposal that was capable of getting 50 per cent of its fundraising from the community. Given that I felt it was important that every community get its fair share, I was prepared to approve that—and that emerged during the discussion that the Deputy Premier and I were having as a project we felt should go ahead.

**The Hon. WALT SECORD:** You used the concept of a partnership. Who were the others? So there is the New South Wales taxpayer. Who were the others?

**The Hon. DON HARWIN:** There is a committee of people working on it.

**The Hon. WALT SECORD:** Who is on that committee?

**The Hon. DON HARWIN:** I would have to get you the names.

**The Hon. WALT SECORD:** But you have met them. There is a photo in the local press so you must remember.

**The Hon. DON HARWIN:** I could not tell you who all the committee members were. In that photo you would recall there was one of the art gallery trustees, Ben Quilty. Also in the photo when it was originally announced I think the local member was there, but I am sorry I cannot remember all the other names.

**The Hon. WALT SECORD:** Your memory is very good.

**The Hon. DON HARWIN:** I have subsequently attended a fundraiser in the premises for the regional art gallery, which was enormously successful. There were very large numbers of people from that community who were present.

**The Hon. WALT SECORD:** Now was the fundraiser before the allocation of the grant or after?

**The Hon. DON HARWIN:** Subsequently.

**The Hon. WALT SECORD:** So Ben Quilty was there. Do you know Ben Quilty very well?

**The Hon. DON HARWIN:** Yes. I met him as a trustee of the art gallery.

**The Hon. WALT SECORD:** And he is a driving force behind this project?

**The Hon. DON HARWIN:** He was one of the people very involved in it but I would not say he was the only supporter of it—far from it.

**The Hon. WALT SECORD:** Do you often get gifts of paintings and things like that in your duties as the Minister for the arts?

**The Hon. DON HARWIN:** No.

**The Hon. WALT SECORD:** No? Pieces of art, artworks?

**The Hon. DON HARWIN:** No, I do not often get them.

**The Hon. WALT SECORD:** I will rephrase it. Have you received gifts of art—

**The Hon. DON HARWIN:** Well, Mr—

**The Hon. WALT SECORD:** No. You were very careful. You were surgical in your answer. Have you received gifts of artwork?

**The Hon. DON HARWIN:** During my time as Minister?

**The Hon. WALT SECORD:** Yes.

**The Hon. DON HARWIN:** Yes. Absolutely. And they were declared, first of all, according to the Ministerial Code of Conduct to the Premier's department. My recollection is I also included it on my parliamentary pecuniary interest disclosure several years ago. It is not exactly a secret.

**The Hon. WALT SECORD:** Have you received any paintings or artworks from artists in the Southern Highlands area that would be connected to this gallery?

**The Hon. DON HARWIN:** It is there in my pecuniary interest disclosure. I was given a painting by—

**The Hon. WALT SECORD:** I have your pecuniary interest, and it does not have a declaration. I am asking you.

**The Hon. DON HARWIN:** I think you will find that it was declared. You might be looking at the wrong year. That is to the best of my recollection.

**The Hon. WALT SECORD:** To the best of your recollection.

**The Hon. DON HARWIN:** In any case, it was declared as it was—

**The Hon. WALT SECORD:** I would remember if I received a painting.

**The Hon. NIALL BLAIR:** Point of order—

**The Hon. WALT SECORD:** This relates purely to—

**The Hon. NIALL BLAIR:** The Minister is answering the questions and is only getting two or three words into his sentence before the member is interrupting him and trying to berate him. The Minister has not tried to avoid any questions and should be given the respect to be able to answer the questions. The member has also acknowledged that he has the necessary declarations there so I think the line of questioning has probably exhausted itself.

**The CHAIR:** There is no point of order but I would just—

**The Hon. WALT SECORD:** May I resume? I have it here too.

**The Hon. ROBERT BORSAK:** Do you want to pass it up to the Minister? Minister, I have your declaration there, dated and signed by you.

**The Hon. DON HARWIN:** For which year?

**The Hon. ROBERT BORSAK:** December 2018, signed in March this year, and there is no declaration for artworks received by you in that declaration. It is there. Can you explain that and why the answer you have given us is not right?

**The Hon. DON HARWIN:** I certainly can, Mr Borsak. I certainly can. That is because the disclosure is for 1 July 2018 to 31 December 2018 and I did not receive it during that period. I received it earlier than that. Check an earlier declaration before you start throwing around questions like that.

**The Hon. ROBERT BORSAK:** Are declarations not meant to include past recorded gifts as well or do you put them in and take them out again, do you?

**The Hon. DON HARWIN:** I know exactly when it was given to me, Mr Borsak.

**The Hon. WALT SECORD:** Oh, you remember now?

**The Hon. DON HARWIN:** Yes, I do. I have not not remembered. I know exactly when it was given to me. I am giving you truthful answers and full answers to the questions you are asking me.

**The Hon. WALT SECORD:** Do you remember the title of the painting?

**The Hon. DON HARWIN:** No.

**The Hon. WALT SECORD:** You do not remember the title of the painting.

**The Hon. DON HARWIN:** No, I actually do not remember the title of the painting.

**The Hon. WALT SECORD:** Do you remember who gave you the painting?

**The Hon. DON HARWIN:** Yes, I do.

**The Hon. WALT SECORD:** Who gave you the painting?

**The Hon. DON HARWIN:** Ben Quilty gave it to me.

**The Hon. WALT SECORD:** Ben Quilty gave you the painting. Do you know the estimated value of a painting from Ben Quilty?

**The Hon. DON HARWIN:** First of all, it is not a painting.

**The Hon. WALT SECORD:** Oh, what is it then?

**The Hon. DON HARWIN:** It is an artist's proof of an engraving or sketch. It is not an original artwork.

**The Hon. WALT SECORD:** What is the estimation? Did you receive an independent evaluation?

**The Hon. DON HARWIN:** I most certainly did and I supplied the independent valuation to the Premier's department and the cheque for the difference between \$500 and the valuation, as I am required to.

**The Hon. WALT SECORD:** What was the value of the painting?

**The Hon. DON HARWIN:** I do not remember, I am sorry. I do not have it with me.

**The Hon. WALT SECORD:** Can you take that on notice and provide it to the Committee?

**The Hon. DON HARWIN:** I can give you an approximation. It was somewhere between \$5,000 and \$6,000. I would have written out a cheque for somewhere between \$5,000 and \$6,000 to the Premier's department in order to keep it because it had sentimental value.

**The Hon. ROBERT BORSAK:** Minister, you said you got an independent valuation. Can we see it?

**The Hon. DON HARWIN:** Certainly.

**The Hon. ROBERT BORSAK:** Can you produce it, please?

**The Hon. DON HARWIN:** Today? No.

**The Hon. NIALL BLAIR:** He has just answered that.

**The Hon. ROBERT BORSAK:** Take it on notice.

**The Hon. DON HARWIN:** But I am very happy to. The secretary of the Premier's department—

**The Hon. ROBERT BORSAK:** Well, you did not say you would take it on notice.

**The Hon. NIALL BLAIR:** He did.

**The Hon. DON HARWIN:** That is fine, but the secretary of the Premier's department would have it on file.

**Mr REARDON:** I can take that on notice.

**The Hon. ROBERT BORSAK:** You will take it on notice—thank you.

**The Hon. DON HARWIN:** Feel free. The letter is there. I have complied completely with the relevant section of the Ministerial Code of Conduct. Also my recollection is that in an earlier period I did include it in my pecuniary interest declaration.

**The Hon. WALT SECORD:** Minister, the time between getting the painting and sending the cheque to the Premier's department—

**The Hon. DON HARWIN:** You are really clutching at straws now, Walt. I know you are trying to scrape the mud off your face but feel free to keep going.

**The Hon. WALT SECORD:** Or maybe you should answer the question.

**The Hon. DON HARWIN:** I have, actually. I have answered all of them.

**The Hon. WALT SECORD:** You received a painting.

**The Hon. DON HARWIN:** Yes.

**The Hon. WALT SECORD:** And you had an evaluation and you paid the Premier's department—how long after receiving the painting?

**The Hon. DON HARWIN:** It would have been within a matter of weeks.

**The Hon. WALT SECORD:** Weeks? Weeks, months, years?

**The Hon. TAYLOR MARTIN:** He just said weeks. He just answered.

**The Hon. DON HARWIN:** I think it would have been within a matter of weeks, Walt.

**The Hon. WALT SECORD:** Where is the painting now—or the etching?

**The Hon. DON HARWIN:** Well, I am sorry, I am not going to go talking about where valuable artworks are located.

**The Hon. WALT SECORD:** You said it wasn't. You said earlier that it was a piece of art worth \$500—

**The Hon. NIALL BLAIR:** No, he didn't.

**The Hon. DON HARWIN:** You might not think \$5,000 to \$6,000 is valuable but I think it is.

**The Hon. WALT SECORD:** How long ago, Minister, did you receive the painting after the—

**The Hon. DON HARWIN:** After what?

**The Hon. TAYLOR MARTIN:** It is going to be a long day.

**The Hon. NIALL BLAIR:** Let him go. This is a good waste.

**The Hon. WALT SECORD:** The receipt of the grant on December 2018—when did you receive the painting?

**The Hon. DON HARWIN:** What date are you—

**The Hon. WALT SECORD:** You announced \$2.49 million to the National Trust Retford Park regional gallery on 11 December 2018.

**The Hon. DON HARWIN:** At least 18 months prior to that.

**The Hon. WALT SECORD:** Thank you. Minister, what is the current status of the Theatre Royal project?

**The Hon. NIALL BLAIR:** That went well.

**The Hon. WALT SECORD:** It did go well. You will see, boys.

**The Hon. NIALL BLAIR:** "Minister complies with all procedures".

**The CHAIR:** Order! Let's focus on the questions not the commentary.

**The Hon. DON HARWIN:** "And pays \$5,000 for the privilege".

**The Hon. WALT SECORD:** Afterwards—a long time afterwards, scrambled to recover.

**The Hon. DON HARWIN:** You have no evidence of that, Walt, and when that gets provided, you will see how wrong you are—anyway. Right, we are moving on. Would you mind repeating your question?

**The Hon. WALT SECORD:** What is the latest information on your plans to reopen the Theatre Royal?

**The Hon. DON HARWIN:** First of all, it is a matter of record that musicals are making an important contribution to the New South Wales economy. The cultural infrastructure strategy put out by Infrastructure NSW [INSW] in 2016 noted that Sydney has two less lyric theatres than Melbourne. It also notes the Destination NSW statement that this lack of infrastructure is negatively impacting New South Wales' competitiveness in the visitor economy. The 2019 ImagineSydney arts and culture report by Deloitte Access Economics indicates that the economic visitation each year for live theatre and concerts is \$472 million. Additional theatres are required to heighten Sydney's competitiveness for first-run major touring musicals and theatre productions such as *Harry Potter and the Cursed Child*, which is showing in Melbourne.

The Theatre Royal is one of Sydney's oldest theatres, opening in 1827 and closing in 2016 as part of the redevelopment of the MLC Centre. The New South Wales Government has been in discussions with the owner of the MLC Centre, Dexus, regarding the future of the theatre. In February 2019 Create NSW entered into a heads of agreement with Dexus and secured an exclusivity period to negotiate and execute a 45-year lease of the theatre. Lease negotiations are being finalised and Create NSW intends to sublease the theatre to a commercial operator who will be required to provide a financial contribution towards reopening the theatre and complete upgrades to the theatre auditorium. This will ensure the Theatre Royal reopens and can support the live performance industry and assist in creating uplift to the New South Wales economy from the presentation of first-run major musicals.

An international expression of interest process was conducted in April 2019 to determine market interest in subleasing the theatre. Applications were assessed by an expert advisory panel and four respondents were selected to participate in a more detailed tender process. A select two-stage tender was released to these four

organisations in May 2019 and focused on their financial capacity to contribute to the required base building works. Stage two of the tender process is currently underway and will close in a short period—relatively soon, in the month of September.

**The Hon. ROBERT BORSAK:** Minister, getting back to the old chestnut of the Powerhouse Museum again—

**The Hon. DON HARWIN:** I am shocked—not.

**The Hon. ROBERT BORSAK:** Has the design project competition completed yet?

**The Hon. DON HARWIN:** No, it is not due to complete until towards the end of the year.

**The Hon. ROBERT BORSAK:** Towards the end of this year? Okay. How many designs and how many architects have actually come to the stage you are at now? In other words, where are you at with it? Are you down to one or two?

**The Hon. DON HARWIN:** Six. I have actually answered—in fact, in response to Government members in question time, I have twice answered questions about that, but I am very happy to go through it again if you would like. Yes? All right, I will go through it. The competition attracted 74 submissions made up of 529 individual firms from 20 countries across five continents. The six finalist teams are ALA from the United Kingdom and Architectus from Australia; Bernades Architecture from Brazil and Scale Architecture from Australia; BVN Architecture from Australia and Carlo Ratti Associati from Italy; CHROFI with Reko Rennie, both from Australia; Moreau Kusunoki from France and Genton from Australia; and Steven Holl Architects from the United States and Conrad Gargett from Australia.

The shortlisted teams attended a site visit in June 2019 in preparation for stage two of the competition. A technical panel will review the entries and produce a report for the jury which will also review the entries and conduct interviews before selecting a winner. Announcement of the winning team and design, as I said, will be later this year. Let me see if I have anything more I can help you with. No, that is probably what you need to know.

**The Hon. ROBERT BORSAK:** Has there been any upgrade in the likely outlook of the cost of the project?

**The Hon. DON HARWIN:** No, within the budget envelope. But since we are still designing it you would not expect there to have been any change. But there of course has been no change.

**The Hon. ROBERT BORSAK:** Other projects, including the vertical Parramatta high school, Sydney Modern for the Art Gallery of New South Wales and Walsh Bay precincts, have all seen severe blowouts of costs. Do you agree with that?

**The Hon. DON HARWIN:** No.

**The Hon. ROBERT BORSAK:** You do not? Why is that?

**The Hon. DON HARWIN:** You are quite wrong about Sydney Modern.

**The Hon. ROBERT BORSAK:** Can you explain why?

**The Hon. DON HARWIN:** There is no basis for saying that at all.

**The Hon. ROBERT BORSAK:** Can you explain why?

**The Hon. DON HARWIN:** I will shortly be able to, but I can tell you I am optimistic about that building being delivered on budget.

**The Hon. ROBERT BORSAK:** You just told me I am wrong, then you are saying you are optimistic. You must have some facts you are basing that on?

**The Hon. DON HARWIN:** The Government has been focused on getting a value-for-money outcome for the people of New South Wales, as well as the individuals who have donated money to the delivery of the project. A competitive tender process has been underway over recent months. We have received four bids from the market, which are currently in the process of being evaluated. We expect to award a contract to the preferred tenderer in the very near future, with construction commencing in 2019. We are confident of delivering a world-class, high-quality expansion of the Art Gallery of New South Wales within the budget set by the Government. That is what I am able to say right now.

**The Hon. WALT SECORD:** Four bids?

**The Hon. DON HARWIN:** Yes.

**The Hon. WALT SECORD:** Minister, now that you have four bids on the Sydney Modern—

**Mr DAVID SHOEBRIDGE:** Heaven forbid.

**The Hon. WALT SECORD:** Did you in fact have to change the prospectus, the scoping of it to attract more bids?

**The Hon. DON HARWIN:** The Secretary of the Department of Premier and Cabinet [DPC] is best placed to give you that information.

**Mr REARDON:** When we initially went out last year, we received far less than four bids and that is the reason we are back into a re-tendering process right now. The scope of work is as it was. If there is any refinement it will be brought in by bidders if they wish to, as would be the normal process with a tendering process. Infrastructure NSW is running that process and, as the Minister pointed out, it has been out into market and we are looking to conclude that as soon as practicable.

**The Hon. WALT SECORD:** Has it changed the cost of the project?

**Mr REARDON:** The project and the preferred tenderer will be put to government shortly and they will announce that when they see fit.

**The Hon. WALT SECORD:** The Minister has denied that there is a blowout. If there has not been a blowout—

**Mr REARDON:** On the budget, the reason we have gone back to market is to ensure we get a competitive market and value for money for taxpayers on that project. Where we are up to in that process, as you would be well aware, with Infrastructure NSW we have been through business case stages, both strategic and final, we have been out to market late last year and, as I said, we re-tendered to ensure we receive value for money. We are just about to conclude that step and when we conclude that step on what is currently a confidential tendering process the Government will announce, when it sees fit, what the outcome of that tendering process is, including the time frame and the cost of that project.

**Mr DAVID SHOEBRIDGE:** What number is a lot less than four? You said a lot less than four, so there are not many options in terms of tenders—three, two, one or none. What is the number?

**Mr REARDON:** Can you clarify?

**Mr DAVID SHOEBRIDGE:** You said earlier when you first went to market there were a lot less than four tenders received. How many were received?

**Mr REARDON:** I understand there was—actually, I will take that on notice because I do not recall the actual number. I will take it on notice.

**Mr DAVID SHOEBRIDGE:** There are not many options: three, two, one or none.

**The Hon. TAYLOR MARTIN:** Yes, and he said he will take it on notice.

**Mr REARDON:** I will take it on notice.

**Mr DAVID SHOEBRIDGE:** Would you remember if there were none?

**Mr REARDON:** If I can come back to you—no, I would remember if there were none. But I will come back to you if I can, even during the hearing, with exactly what that number was.

**Mr DAVID SHOEBRIDGE:** Thank you, Mr Reardon.

**Mr REARDON:** Because when it comes to market testing, people can put forward that they will be involved in that market and at any stage during that process they may pull out. So I cannot remember how many actually put forward a response to a request for tender. I will take it on notice.

**Mr DAVID SHOEBRIDGE:** The question I have was not just how many put in a response; how many were still in it at the end of the tender process? Perhaps you could answer both those things if people pulled out.

**Mr REARDON:** Again, I will take that on notice as well.

**The Hon. DON HARWIN:** Would it be convenient for me to deal now with the questions from the Hon. Walt Secord earlier about the artworks, or would you like to wait until after the crossbench have finished, Madam Chair?

**The Hon. ROBERT BORSAK:** I have about a minute and a half.

**The Hon. DON HARWIN:** Alright. I will wait. I am happy to answer some more questions.

**The Hon. ROBERT BORSAK:** Minister, Craig Limkin has left his job at Create Infrastructure. He was formerly with the Cultural Infrastructure Program Management Office. Is there any connection between these cost blowouts and his departure?

**The Hon. DON HARWIN:** Staffing matters and decisions relating to the structure of Create are decisions that were within the purview of the secretary and the deputy secretary following the machinery of government [MOG] changes. I will invite the secretary to respond.

**Mr REARDON:** The Government's machinery of government changes following the election were quite significant. We have gone from 10 clusters across the New South Wales public service down to eight. Within the Premier and Cabinet cluster there have been quite significant changes. With the Special Minister of State coming into the cluster, we have now picked up Heritage, Create NSW and the Arts; we have picked up Employee Relations; and we have picked up a number of other areas, including Aboriginal Affairs. Exiting from the cluster has been the Natural Resources Commission, the Western City & Aerotropolis Authority, and the Independent Pricing and Regulatory Tribunal. We have abolished UrbanGrowth NSW and we have abolished the Barangaroo Delivery Authority. So there has been a lot of change across our cluster.

To Create NSW, I have established with the Department of Premier and Cabinet a quite streamlined structure below me in deputies; a Deputy Secretary of Community Engagement was established where Create sits within that. To give you a feel for streamlining that we have undertaken, that deputy secretary is sitting across Heritage, across Aboriginal Affairs and a number of other areas where there were formerly deputy secretaries of Create NSW, formerly a Chief Executive of the Office of Environment and Heritage. There was formerly a Deputy Secretary of Employee Relations. None of those roles now exist. It has been streamlined down. Similarly, within Create NSW there has been a streamlining.

**Mr DAVID SHOEBRIDGE:** Minister, welcome today. Submissions on the Aboriginal cultural heritage reforms closed in April 2018—a year and a half ago. The relevant government website says that there was further feedback and there was additional targeted stakeholder consultation during January and February 2019, and some further work to refine the proposals in the draft bill. What were the concerns that were raised in that consultation that were leading to refining of the proposals of the draft bill?

**The Hon. DON HARWIN:** Certainly. Cultural heritage holds very deep significance for Aboriginal people, as I am sure the honourable member knows. It is inextricably linked with connection to and responsibility for country, shaping identity, culture and social structure. Government is committed to supporting Aboriginal self-determination and improving the way Aboriginal cultural heritage is managed in New South Wales. The Government demonstrated the depth of that commitment by bringing responsibility for Aboriginal Affairs and the Aboriginal cultural heritage portfolio to the centre of government and under the responsibility of one Minister. We consulted on a proposed new system for managing Aboriginal cultural heritage in 2017-18, as you referred to.

Feedback from the public consultation showed there is support for reforming the way cultural heritage is managed. It is obviously completely inappropriate that it is a matter dealt with under the National Parks and Wildlife Act. We also heard some diverse views about certain aspects of the proposed new system, which we are considering. It is a complex matter and there are strong views from some Aboriginal-controlled community organisations that are unhappy with the model that had been put up.

**Mr DAVID SHOEBRIDGE:** Which is what I am seeking to explore with you, Minister. There was very real concern about government-appointed decision-makers who were selected and appointed by the Government. What concerns have you heard and what are you doing to address them?

**The Hon. DON HARWIN:** That is a very good question. I think we are almost at one on that issue. I have heard those concerns loud and clear. Therefore, I have not proceeded with the bill in the form that it was in when it was consulted on. I am reviewing the bill to see if there is a better way to proceed.

**Mr DAVID SHOEBRIDGE:** Is that going to include a fresh or different round of consultation, particularly with First Nations peoples across New South Wales?

**The Hon. DON HARWIN:** Of course it will involve consultation with First Nations people. More than that, I am committed to co-design. I think it should be designed by both Aboriginal Affairs NSW and community-controlled organisations in the Aboriginal community.

**Mr DAVID SHOEBRIDGE:** And that will reach beyond land councils, I assume?

**The Hon. DON HARWIN:** Yes.

**Mr DAVID SHOEBRIDGE:** What other organisations are you reaching out to?

**The Hon. DON HARWIN:** There is a range of organisations. I will be very clear that this matter is under active consideration right now. There is a number of issues in the Aboriginal Affairs space and we are getting to a point where there needs to be some work done. That includes the five-year review point, which we have reached, for the Land Rights Act itself. It includes the interface of native title legislation with the Land Rights Act. Then there are other related issues to that. Dealing with land, cultural heritage and the whole issue of cultural authority is tied up in all of that. Inevitably what we do on cultural heritage has to be informed by what we are going to do in terms of those other two issues. That is why I cannot give you an exact answer. I have to consider all of those issues simultaneously. But I do say this: I am determined to try to get a bill into the Parliament next year and not let this go on too long. I agree that it is time to get it done and proceed.

**Mr DAVID SHOEBRIDGE:** We agree that leaving Aboriginal cultural heritage in the National Parks and Wildlife Act is wrong. Indeed, it is offensive because it treats First Nations peoples like flora and fauna. We agree on that. We agree that government-appointed decision-makers and custodians from First Nations peoples is the wrong approach if we are going to move to a fresh self-determination model—

**The Hon. DON HARWIN:** I am not going to say I agree but I certainly think that there are problems with it and we need to look closely at how we do it.

**Mr DAVID SHOEBRIDGE:** Do we agree that the decision-makers have to be more than just the land councils when you are talking Aboriginal cultural heritage?

**The Hon. DON HARWIN:** Inevitably, because land councils are creatures of statute. When you are talking about cultural heritage you have to account for cultural authority.

**Mr DAVID SHOEBRIDGE:** Yes, and that is one of the principles you are feeding into this reform?

**The Hon. DON HARWIN:** Of course.

**Mr DAVID SHOEBRIDGE:** Every political party that has adopted a position on Aboriginal cultural heritage reform has, for over a decade now, said that we need reform in New South Wales and that every year there is further delay we see more cultural heritage being disrespected because First Nations peoples do not have self-determination on it. Do we agree on that?

**The Hon. DON HARWIN:** Yes I would be inclined to agree with that. But obviously I am going to do my level best as the Minister to make sure that does not happen.

**Mr DAVID SHOEBRIDGE:** I accept that. When will we see your proposal for consultation or— I prefer the language you used—your co-design methodology and, more importantly, when are First Nations people going to see that?

**The Hon. DON HARWIN:** Relatively soon. Only earlier this week Mr Ardler, my deputy secretary, Pauline McKenzie from Heritage, my staff and I had a discussion about that exact issue. We have not yet reached an end point but we are certainly working on it now. It is one of the biggest issues facing us—there are so many big issues in Aboriginal Affairs—and I am determined to make it a priority.

**Mr DAVID SHOEBRIDGE:** Given the scope of that project and given the required extent of consultation with all of the First Nations—not just a few peak bodies—across New South Wales, has the department got sufficient resources to undertake this task and finish it in a timely fashion?

**The Hon. DON HARWIN:** I will ask the Secretary of the Department of Premier and Cabinet to comment on that.

**Mr REARDON:** The short answer is that we apply our resources to the priorities of the Special Minister of State and that is what we will be doing in this case. If your question is more specifically about the amount of people we have for stakeholder consultation you might like to clarify that.

**Mr DAVID SHOEBRIDGE:** I am not sure I understood that answer.

**The Hon. DON HARWIN:** I would like to make one point, which I should have said before handing over to the secretary. The fact is that Aboriginal Affairs was moved into the Premier and Cabinet cluster because it is so complex and because there are well established resources for government coordination and dealing with complex cross-cluster issues that were not available to the portfolio when it was part of the Education cluster. I think the chances of it being well supported have significantly increased since the change in March.

**Mr DAVID SHOEBRIDGE:** That is good. Perhaps I will take Mr Reardon up on his offer and ask if he will advise me of what the budget is for this aspect of Aboriginal Affairs and what the number of staff who have been allocated is?

**Mr REARDON:** You mean for this specific initiative?

**Mr DAVID SHOEBRIDGE:** In the Aboriginal culture heritage reforms area.

**Mr REARDON:** We would not have it down to that level of granularity right now.

**Mr DAVID SHOEBRIDGE:** As much as you can.

**Mr REARDON:** Basically when I described that we had established a more streamlined agency, a big part of that was because we had the community engagement area that we set up under Kate Foy, the deputy secretary, who is here. That group does have Heritage, Arts and Create NSW and all of Aboriginal Affairs. There are greater opportunities for synergies within those groups to apply resources, as Kate sees fit, to the priorities that the Special Minister of State outlines.

**Mr DAVID SHOEBRIDGE:** Ms Foy, what specific skills or experience do you have in consultation with First Nations communities that you are going to bring to this? If you do not personally have that experience, where are you getting it from?

**Ms FOY:** Thank you for the question. If I could just put a specific frame around the secretary's response, the community engagement team covers Aboriginal Affairs, Heritage, Employee Relations and Create NSW—both infrastructure and the policy and arts side. We have just shy of 500 people as part of that organisation, with an immense amount of capability and skill. We have a very strong leadership capability, particularly with Mr Ardler and Ms McKenzie.

**Mr DAVID SHOEBRIDGE:** My question was focused on First Nations skills and capacity, not the broader picture.

**Ms FOY:** Within Aboriginal Affairs and Heritage we have a significant capability in community engagement. I will talk about my experience in a little moment if that is okay. Mr Ardler and Ms McKenzie and their teams undertake a vast amount of engagement with First Nations people. I have worked in government in New South Wales for about 20 years and a vast amount of that work has been on big projects, policy projects and capital works projects. I have worked in regional New South Wales, supporting Ministers and former directors in consultation with children, young people, families, community service people, First Nations people, children in child protection and families who are suffering a significant amount of disadvantage.

I used to work in practice with children and young people so I have a significant amount of experience in working with the community. With respect to policies that affect First Nations people, Jason Ardler and his team are with us because they have a particular amount of skills and capability. That is also why we have the Aboriginal Cultural Heritage Advisory Committee to provide us with advice in terms of consulting with Aboriginal communities. That is why we have a very talented team in Pauline McKenzie's area looking after Aboriginal cultural heritage and working with us. I should also say—

**Mr DAVID SHOEBRIDGE:** Ms Foy, my question was not about other people's teams. My question was about your team and I am yet to hear it.

**Ms FOY:** Sorry, that is my team. They are my team.

**Mr REARDON:** The community engagement group has been brought together under Ms Foy, including Aboriginal Affairs, Heritage and all the other areas she listed to provide the level of priority to those areas, including the area that you are talking about. If the Special Minister of State requires us to apply our resources there, I am quite confident that we have enough capability and skills in the centre now to drive that.

**The Hon. DON HARWIN:** Madam Chair, I am terribly sorry to do this. I need to take a short break for health reasons and then I will be straight back. Feel free to add it on to the end of the hearings.

**The CHAIR:** We will resume in 10 minutes.

**(Short adjournment)**

**The CHAIR:** Welcome back, everybody. We are back to Opposition questions.

**The Hon. DON HARWIN:** I would like to correct the record first in terms of an answer I gave earlier in relation to a question from the Hon. Walt Secord that was wrong, and so I want to correct it. I think I might have stated that the Southern Highlands regional art gallery proposal was not recommended by the panel. In fact, it was recommended by the panel. I was in error when I said earlier that it was not and my recollection was wrong. I just thought I should say that. I am also in a position to make clear that when I estimated that the painting was worth between \$5,000 and \$6,000, sadly I was wrong—if only! It is only worth \$4,000 and I do have the valuation.

I do have the letter that I sent to the secretary of the Premier's department dated 21 July 2017—only about four weeks after I was given it. I do have my member's ordinary return on 28 September 2017, which clearly shows the gift. So I am sorry. I am very happy to table them all. They are all public documents, so at least one of them has been available for almost two years and the other one, I think, is normally made available if requested. So there it is.

**The CHAIR:** So those documents will be tabled?

**The Hon. DON HARWIN:** I am very happy to table them. So everything that the Hon. Walt Secord tried to imply with his innuendo was just completely false.

**The CHAIR:** We are back to Opposition questions.

**The Hon. ADAM SEARLE:** Minister, you are the Minister for the Public Service and Employee Relations. That is formerly the portfolio known as Industrial Relations, is that correct?

**The Hon. DON HARWIN:** Correct.

**The Hon. ADAM SEARLE:** In relation to judicial officers more generally, last year the Parliament lifted judicial retirement ages from 72 to 75. Members of the Industrial Relations Commission [IRC] have to retire at 65 but their terms can be extended. Your Government, I think, extended the term of office of commissioners Stanton and Murphy. Is that correct?

**The Hon. DON HARWIN:** I would have to seek advice on that. I am not familiar with individual commissioners' work profiles. We would have to take that on notice.

**The Hon. ADAM SEARLE:** Chief Commissioner Peter Kite, SC, is going to reach his retirement age either this year or next year. Is it your intention to extend his appointment?

**The Hon. DON HARWIN:** The current chief commissioner, Peter Kite, was the first permanent chief commissioner appointed to the Industrial Relations Commission of New South Wales in April 2017. As for all commissioners of the IRC, the statutory retirement age is 65, which is consistent with similar other jurisdictions—including the Fair Work Commission. The chief commissioner reaches the statutory retirement age in December this year. I have had a meeting with the chief commissioner and advised him that the Government will be looking at appointing a new chief commissioner of the IRC upon his retirement. Department of Premier and Cabinet will oversee the process to seek expressions of interest from suitably qualified candidates for the role of the chief commissioner prior to any nomination I make to Cabinet and then to the Governor for her to appoint the next chief commissioner.

I am hoping to be able to announce a new chief commissioner prior to the retirement of Chief Commissioner Kite. Chief Commissioner Kite has overseen the operation of the IRC for a number of years and the recent appointment of three new commissioners to the IRC, as well as the relocation from the Chief Secretary's building in the CBD to the new modern IRC location at Parramatta. I wish to take this opportunity to publicly acknowledge the work undertaken by Chief Commissioner Kite since his appointment and wish him all the best for the future.

**The Hon. ADAM SEARLE:** Given that it has been the policy of your Government to retain the skills and experience of experienced judicial officers by keeping them engaged for longer by lifting retirement ages, why will you not use the mechanism you have already got and extend the term of office of the current chief commissioner, as your Government has for two other commissioners of that body?

**The Hon. DON HARWIN:** I have made my decision. The earlier answer is what I am informing the Committee is the position.

**The Hon. ADAM SEARLE:** I understand what your position is. I am asking you to explain it to the Committee. Do you have any concerns about the performance of his duties by Peter Kite?

**The Hon. DON HARWIN:** Commissioner Kite has reached the statutory retirement age and I have decided to proceed with a new appointment.

**The Hon. ADAM SEARLE:** I understand that that is your position, but I am asking you to explain to the Committee why. What informed that decision?

**Mr DAVID SHOEBRIDGE:** He is extremely highly regarded across partisan divides.

**The Hon. ADAM SEARLE:** You would accept that he is well regarded?

**The Hon. DON HARWIN:** I made that clear in the answer I gave earlier.

**The Hon. ADAM SEARLE:** As Mr Shoebridge said, he is highly regarded whether you are talking to employee organisations or employer organisations. I am struggling to understand how you have reached this conclusion. You have extended the term of office of two other, more junior members of the commission.

**The Hon. DON HARWIN:** I have not.

**The Hon. ADAM SEARLE:** Your Government.

**The Hon. DON HARWIN:** I was not the Minister that did it.

**The Hon. ADAM SEARLE:** You are here in your representative capacity as representing the Government in which you serve. Your Government has made these policy decisions to keep judicial officers working longer, if possible. You have extended the term of office—

**The Hon. BEN FRANKLIN:** On two occasions, for the two that you have claimed.

**The Hon. ADAM SEARLE:** I meant more generally. But in relation to the two occasions that I have mentioned, two other more junior members of this tribunal had their terms of office extended. I am asking you to explain yourself to the Committee as to what informed your decision not to allow Chief Commissioner Kite to retain office a little bit longer.

**The Hon. DON HARWIN:** I considered the matter and decided not to. The statutory retirement age is 65 and I decided that it was appropriate to draw a conclusion at the point of the statutory retirement age.

**The Hon. ADAM SEARLE:** You are not being responsive to the question, Minister. We know where you have ended up.

**The Hon. DON HARWIN:** I am giving you the answer that I am going to give you.

**The Hon. ADAM SEARLE:** It is not because in the last couple of years there have been an increasing number of industrial disputes focusing on the employer's obligations to consult the workforce before engaging in workplace change and the commission has been requiring employers to engage with that?

**The Hon. DON HARWIN:** No, it is not.

**The Hon. ADAM SEARLE:** Again, I am asking you to explain the decision you have reached.

**The Hon. BEN FRANKLIN:** Point of order: Obviously the Leader of the Opposition has due respect from the Government, but he has asked the same question now four times. He has been given the same answer four times. I would respectfully suggest that we move on.

**The CHAIR:** There is no point of order. The question has not been answered, which is why the Hon. Adam Searle is asking it in a different way.

**The Hon. BEN FRANKLIN:** He has been given an answer.

**The Hon. ADAM SEARLE:** I would like the Committee to note that the Minister has not been responsive to the question.

**The Hon. NIALL BLAIR:** The Minister has answered it every time.

**The Hon. ADAM SEARLE:** Minister, you are responsible for the public service. Whose responsibility, then, are the overall issues of bullying in the workplace more generally? I note, for example, in the most recent state of the sector report by the Public Service Commissioner, it talked about bullying remaining a stubbornly

significant feature of the workplace. I think 18 per cent of employees say that they have been subjected to it. A third have witnessed it in the workplace in the public sector. Is that your responsibility to do something about?

**The Hon. DON HARWIN:** I am very happy to give you an outline of the remit of the portfolio. The portfolio of Public Service and Employee Relations is a responsibility which covers employees in the public and also to the private sector on certain matters. The Industrial Relations Act provides for the regulation of working conditions for owner-drivers and taxidrivers operating throughout New South Wales. The portfolio includes responsibility for legislation that provides a range of entitlements and protections to the workers of New South Wales as well as a framework for the effective resolution of industrial disputes and the determination of working conditions. This includes long service leave entitlements and public holiday benefits for the New South Wales workforce. While public sector employers operate within this legislative framework, the operational decisions about resourcing, staffing levels, work locations and other local matters are decisions which are made by those within the relevant organisation.

As Minister, I am not responsible for making decisions about the location of where people undertake work, the number of people who undertake the work or the mix of skill required to deliver government services or projects. They, again, fall within the relevant government agency. However, the Public Sector Commission, which is in my portfolio, does run an annual People Matter Employee Survey [PMES], which involves the voluntary participation of New South Wales public sector employees. The first survey in 2012 revealed a high incidence of bullying, with almost one-third—29.2 per cent, to be accurate—of survey respondents reporting that they had experienced at least one instance of bullying in the 12 months leading up to the 2012 survey. This rate dropped to 17.8 per cent in 2017 after concerted efforts across the public sector. More recently, the rates of self-reported experienced and witnessed bullying have remained constant.

**The Hon. ADAM SEARLE:** Just on that, you will recall I recently asked you a question in Parliament about an investigation into allegations of workplace bullying at Landcom, which is a State-owned corporation. And you will recall that the answer you gave me on notice was that because the person left the employment of the State-owned corporation, the investigation was brought to an end. Are you aware that that person is now employed in a fairly senior role in the budget sector part of the public service?

**The Hon. DON HARWIN:** Because it is a matter of detail about a particular employee and staffing matters are left by me to the secretary, I will ask the secretary to respond.

**The Hon. ADAM SEARLE:** Just before the secretary responds, I am asking—and this is the focus of my inquiry—is it good enough for people who are subject to allegations serious enough for an independent investigator to be appointed to not be held to account simply because they changed the identity of their employer? I mean, how is it that people can move in and out of the public service, between service and State-owned corporations or other bodies and simply evade the consequences of their actions? This is what has happened.

**Mr DAVID SHOEBRIDGE:** Step from one agency to another.

**Mr REARDON:** Two parts to that. If your question still is about an individual in an organisation—

**The Hon. ADAM SEARLE:** The individual case that I am referring to is sort of an exemplar of the problem that I am identifying.

**Mr REARDON:** But you mentioned an agency.

**The Hon. ADAM SEARLE:** Yes. A State-owned corporation.

**Mr REARDON:** Okay. And that State-owned corporation would be within the Treasury cluster?

**The Hon. ADAM SEARLE:** It would. But the issue here is that—

**Mr REARDON:** I just wanted to get clarification.

**The Hon. ADAM SEARLE:** No, it is in Planning. But that is not the issue. The issue is, is it the case that in the public service or in the broader public sector of New South Wales, people who are subject to bullying allegations can evade any investigation simply by changing the identity of their employer?

**Mr REARDON:** As a general principle, the bullying levels that we have seen through the People Matter Employee Survey are something that has dropped but they still remain at a level that is not acceptable to us. We would not be in our roles if we did not think it was. So for mine, the thing that we are finding is over the last six or seven years it has dropped from that 29.2 per cent down to about 18. But as the Public Service Commissioner reminds secretaries constantly, that is still 18 per cent. So we do need to do something about it. It is very, very important to us. In terms of, actually, the participation rate in that PMES survey that we talk about that we do

annually around May to June, and did it again even with machinery of government this year, the participation has actually gone up dramatically.

**The Hon. ADAM SEARLE:** It is just under 50 per cent.

**Mr REARDON:** Yes. Now about 185,000 people are participating in that. It is probably the largest employee engagement process that is undertaken in Australia. We often ask large private sector organisations that if they know a larger one then we would like to share notes. On the specifics around the acceptability of bullying, no, it is not acceptable. Bullying and harassment is not acceptable. Therefore, the principle of someone moving between agencies—the behaviour is the behaviour. So we would want to stamp out what we could, where we are. Is it a concern for us in the public service? Of course it is. Like flexible work is and was a concern. Like diversity and inclusion and acceptance is and was a concern. So we focus our attention on two or three areas per year and we have moved the dial quite a bit on flexible work. If not, why not?

We have moved the dial on diversity inclusion within clusters quite a bit and we actually get good feedback on that. We get good feedback on people wanting to work in the New South Wales public service probably more than ever before. They like the capability and skills that they have. They like the reason that they are there and the purpose of actually being in the New South Wales public service. But the rate of certain areas like bullying and harassment is something that we are always going to be working on and grinding down.

**The Hon. ADAM SEARLE:** Okay. So whose responsibility should it be in the case of the example I gave? Should the original organisation have continued its investigation even though the person left? Or should it be the responsibility of the new employer?

**Mr REARDON:** That is why I broke it into two parts.

**The Hon. ADAM SEARLE:** Where does the employer's responsibility lie in the public service now?

**Mr REARDON:** I will give you a general as opposed to specifics.

**The Hon. ADAM SEARLE:** Of course.

**Mr REARDON:** Where an individual leaves an organisation—and that individual could go to the private sector or they could go anywhere else—

**The Hon. ADAM SEARLE:** Let us assume they are staying in the public service.

**Mr REARDON:** But it is irrelevant. Where the new employer is picking up that person, they have to do their own due diligence on the background of that person. If it is within the New South Wales public service I will take it on notice if there are any specifics that you wish to raise with me, but I would not like to comment on an individual circumstance for obvious reasons, I hope you would imagine, here.

**The Hon. ADAM SEARLE:** Sure.

**Mr REARDON:** But if there are individual circumstances, I am happy to take that on notice.

**The Hon. ADAM SEARLE:** Okay. Thanks for that.

**Mr DAVID SHOEBRIDGE:** But is there a policy that if someone is being re-employed in the New South Wales Government in one agency or another, if there is an unresolved complaint against them that is either concluded or given close regard to before they are reengaged?

**Mr REARDON:** Certainly the latter.

**Mr DAVID SHOEBRIDGE:** Where is that policy?

**Mr REARDON:** I will take that on notice, but in terms of how we actually do things in practice, you do take close regard to those things. You do take close regard to a whole range of matters including obviously their performance, their referee checks and any outstanding matters. Certain clusters do certain close-out activity when people actually exit from their organisation either to go to another public service agency within the New South Wales public service or to another public service, whether that is interstate or Commonwealth or the private sector, and they do have some close-out activities to the point you are raising. Our consistency across the entire public service, I am happy to take on notice.

**The Hon. ADAM SEARLE:** It was Equal Pay Day a couple of days ago. The gender pay gap in Australia is said to be around 14 per cent. What is the pay gap specifically for the New South Wales public sector, and what active measures are you, as Minister, pursuing or considering to close the gap?

**The Hon. DON HARWIN:** I am going to refer the question to the secretary.

**Mr REARDON:** Mr Searle, there is a great deal of focus on that pay gap. There is a great deal of focus on gender balance within the public service. You would probably be aware there is a Premier's priority on women in leadership as a target. Across the entire public service that number has gone from the low 30 per cents almost to 40 per cent now. Within certain clusters in the New South Wales public service that is not two or three additional women in leadership roles, that is hundreds and hundreds of women in leadership roles. We are climbing a mountain. We are getting there and we will get there.

**The Hon. ADAM SEARLE:** But at the rate of progress you are only going to get to 40 per cent, not 50 per cent, by 2025.

**Mr REARDON:** I disagree with that. I fundamentally disagree with that.

**The Hon. ADAM SEARLE:** That is from the Public Service Commission's document.

**Mr REARDON:** As the Public Service Commissioner, I give an address on the outputs of the state of the sector. We would not be in our jobs if we capped it at 40 per cent. We would not be in our jobs.

**The Hon. ADAM SEARLE:** I understand that.

**Mr REARDON:** We have targets we are duty-bound to reach in terms of Premier's Priorities as secretaries. The Secretaries Board, as a group of eight people plus the Public Service Commissioner and the police commissioner, dwell on this almost every second meeting, on how we are going with the Premier's Priorities, how we are going with diversity and inclusion across the public service, specifically on women in leadership and gender balance in leadership and we will not cap that out. Yes, there are a range of measures. Yes, there is a considerable amount of commentary and media out there about how we will hit another glass ceiling. We had that same commentary in the Transport cluster, where I came from, when we were at 16 per cent. We are no longer at 16 per cent.

**The Hon. ADAM SEARLE:** But the pay gap—you have not addressed the pay gap issue.

**Mr REARDON:** You asked me another question about the gender balance. I was dealing with that first and then I will move on to the pay gap. On the pay disparity, certain clusters measure it really tightly. We are just getting more consistent with how we measure. You cannot manage what you do not measure. Certainly I think we are getting better at that. I am accountable for the penultimate level, so secretaries level. I am taking active steps on that right now to deal with that. Statutory and Other Offices Remuneration Tribunal [SOORT] determinations, as you know, are publicly available and we are wanting to address that immediately. In terms of each level then, each cluster secretary will make their own judgements on the leadership of bands 1, 2, 3 and 4. I am very proactive, because normally human resource groups who come through our organisations—chief people, officers et cetera—will have a standard.

Where it happens in the moment of truth a lot of the time is when a man walks in for a job and seeks to negotiate a pay outcome, he will look for middle rung, there will be a general unconscious bias about how that man will negotiate that outcome. Normally what we find is when a woman is in the same position they are just grateful that they will happily go along with the bottom rung, and that is borne out in how negotiations work. I can say that from personal experience over a long period of time now. You have to proactively deal with that right then and there. You have to proactively reject when contracts come through about trying to normalise that there, because secretaries, as I said, are duty-bound and are held to account for their target for gender balance. We should also then be held to account how recruitment works, and having 50-50 on shortlists for recruitment.

We should also—this is where I am spending my time now—be duty-bound to be held to account for the pay disparity. We are the New South Wales public service, we are the largest employer in the country and therefore we have not only a significant obligation to do that, but we can move the dial if we get a bit on with things.

**The Hon. ADAM SEARLE:** Okay, but other than having more women on shortlists and the measures you have outlined, what specific measures are you doing—for example, I think the Public Service Association has a pay equity case on foot. Are you actively engaging with them on resolving the issues in that particular matter?

**Mr REARDON:** We engage with a lot of people. I think I just outlined to you the moment of truth, which is one of the most important things. When you put a signature on a contract with a salary on it, that is your moment where you can actually proactively deal with some things. If you are looking for specific action as opposed to just doing more studies, research or reviews, that is how you can do it. You can do it by deliberative action.

**The Hon. ROBERT BORSAK:** Minister, can you please explain to us what the current status is of the OCHRE plan that was launched in April 2013?

**The Hon. DON HARWIN:** Yes, it is on foot, but it is at the point where under the plan a review was to be undertaken, and that is also being supported by an additional review that is being done by the Deputy Ombudsman. The outcome of the Deputy Ombudsman's review I believe is due to be given to me in September. Otherwise, the OCHRE approach to policymaking is on foot and remains our policy and is getting a number of good outcomes here, particularly in terms of Local Decision Making.

**The Hon. ROBERT BORSAK:** Minister, in relation to the Aboriginal Affairs New South Wales budget and the allocation for the OCHRE plan, has the Government allocated funding to support Local Decision Making accords in the 2019-20 financial year? If so, how much?

**The Hon. DON HARWIN:** I am going to ask Mr Ardler, the head of Aboriginal Affairs for New South Wales, to comment in relation to that specific question you have asked about the amounts.

**Mr ARDLER:** Thank you. There is money allocated within the broad Aboriginal Affairs budget for Local Decision Making. The amount allocated in the budget for Aboriginal Affairs this year is in the order of \$47 million. Within that, we absolutely allocate funding specifically towards Local Decision Making. I have not got that exact amount but it is in the order of about \$4 million.

**The Hon. ROBERT BORSAK:** Sorry?

**Mr ARDLER:** About \$4 million in direct costs. That does not include staff salary costs supporting the initiative.

**The Hon. DON HARWIN:** In terms of the note I have just been handed, Mr Borsak, the actual amount for 2018-19, consistent with what Mr Ardler said, was \$3 million.

**The Hon. ROBERT BORSAK:** And 2019-20?

**The Hon. DON HARWIN:** I think in terms of actual budgets and the disaggregation, Mr Ardler did make a comment about that, but the secretary would like to add to it.

**Mr REARDON:** Just right now we are landing on a budget that is similar to the question raised earlier by Mr Shoebridge about how much resource we will apply. We will apply resources to the priorities that the Minister has us apply. But at the moment we will take a very strong guide on what that budget was from last year that both Mr Ardler and the Minister just mentioned.

**The Hon. ROBERT BORSAK:** The Minister said a few minutes ago that there were evaluations going through the processes. That answer is a little bit unclear. You do not actually have a number for this financial year.

**Mr REARDON:** We will take a strong steer on what that was from last year. You are talking about a budget for the cluster of about \$2.7 billion and that is for a significant amount of activity across the cluster. Where the community engagement group will spend its money, including in Aboriginal Affairs, they will still work through what the priorities are. That is a normal activity once a budget is handed down of that scale.

**The Hon. ROBERT BORSAK:** That is a good answer if you ask a question about the cluster, Mr Reardon, but I was asking a question about the OCHRE program and what specific purpose. First of all, how much money has been allocated for the 2019-20 financial year? If you do not know, take it on notice. And what is the purpose of that funding—in other words, what is it being directed at?

**The Hon. DON HARWIN:** I think it is a little unfair to suggest that he does not know.

**The Hon. ROBERT BORSAK:** Sorry, I cannot hear. Can you pull the microphone over?

**The Hon. DON HARWIN:** I am sorry, Mr Borsak. I think it is a little unfair to say that he does not know. It is not uncommon after a department receives an allocation to take a little while before deciding how much to give to each sub-program within a portfolio. That has been complicated even further this year by the fact that there were machinery of Government changes that needed to be bedded down. I do not think you should regard it as any—

**The Hon. ROBERT BORSAK:** The machinery of government process is an excuse for not being able to answer anything.

**The Hon. DON HARWIN:** It is not an excuse, Mr Borsak. It is just a fact of life that it takes some time to bed everything down. You should not regard it as in any way surprising the fact that there is not a figure that we can give you straight away on it.

**Mr REARDON:** But we will take a very strong steer on what that figure was in 2018-19, at this point in time.

**The Hon. ROBERT BORSAK:** Can you take on notice what projects were on foot in 2018-19, and what projects you expect to continue to fund in 2019-20? You should be able to give me that.

**Mr ARDLER:** With respect to what?

**The Hon. ROBERT BORSAK:** Specifically with respect to OCHRE.

**Mr ARDLER:** The OCHRE funding is ongoing funding. So for all the activities that we have undertaken in relation to OCHRE—language nests, Opportunity Hubs, Local Decision Making et cetera—there is ongoing allocation. Those programs will continue.

**Mr DAVID SHOEBRIDGE:** You must be able to tell us how much it is.

**Mr ARDLER:** Not all of the OCHRE funding is allocated to Aboriginal Affairs. A number of the initiatives are run out of the Department of Education. The Aboriginal education area runs language nests. The skills area in Education run Opportunity Hubs. Our responsibility is for Local Decision Making, primarily, and the evaluation of OCHRE. The difficulty I am having giving you a precise answer is because there will be a specific amount allocated for the purpose of Local Decision Making. To answer the question which I think you half asked earlier, most of that will go directly to regional alliances participating in Local Decision Making—of which there are now eight—to support their ability to come together, build their capacity and come to the table with government and negotiate around their priorities.

Within Aboriginal Affairs, we see Local Decision Making now as essentially our core business. We see absolutely that our core business is to work with Aboriginal communities locally to support their more effective governance. So while we have a number of community alliances now participating formally in Local Decision Making, we also have a number of emerging alliances that we are also supporting with our existing resources—our existing staff numbers. So, yes, there will be a specific amount in the budget dedicated to Local Decision Making, but in fact we run that program or that business across the whole of our organisation. It is integrated as our business as usual.

**The Hon. ROBERT BORSAK:** Minister, aren't there Aboriginal owned and controlled community governance arrangements that could be more cost-effective and deliver the voice and views of the Aboriginal community to government in New South Wales?

**The Hon. DON HARWIN:** Which ones are you suggesting?

**The Hon. ROBERT BORSAK:** For example, the New South Wales Aboriginal Land Council.

**The Hon. DON HARWIN:** The land councils also play an important role. I greatly respect and value the work they do, but the model of Local Decision Making that the Government has advanced has been in place now for some time. It is working well in terms of the agreements that have been struck in some regions, and are delivering on the grounds. Equally, I would say that there is some controversy about that approach from some community-controlled organisations who are not completely supportive of that approach. I am aware of that. In a sense, that was dealt with in an answer I gave earlier to Mr David Shoebridge. I am aware of the fact that there is much to be done in the whole area of Aboriginal affairs and the Aboriginal Affairs portfolio. I am concerned to make sure that we get it right in terms of the way we do it—that we have the co-design of programs and that we have as much self-determination as we possibly can in terms of the delivery of those programs.

**The Hon. ROBERT BORSAK:** Thank you, Minister. In 2018 the New South Wales Government evaluation of Local Decision Making criticised it as being ineffective—

**The Hon. DON HARWIN:** Sorry, what was that year? I apologise.

**The Hon. ROBERT BORSAK:** In 2018 a New South Wales Government evaluation of the Local Decision Making processes—regional alliances, I might also say, are established under that process—was that it was "ineffective, inherently unequal and undermines existing Aboriginal governance". Yet you have just told me that it all works fine.

**The Hon. DON HARWIN:** No. In fact, I said that there was a variety of views about how it is working. I also said to you earlier that we are about to receive a report from the Deputy Ombudsman with his evaluation.

**The Hon. ROBERT BORSAK:** So it needed re-evaluation.

**The Hon. DON HARWIN:** I do not think your characterisation of what I said really reflected what I actually said.

**The Hon. ROBERT BORSAK:** What I quoted to you was exactly what the New South Wales Government's evaluation was at the time—in 2018.

**The Hon. DON HARWIN:** Can I see the document that you are referring to you?

**The Hon. ROBERT BORSAK:** I will get you a copy of the original document.

**The Hon. DON HARWIN:** Please. I am not sure that I know which document you are referring to. I prefer not to comment on it.

**The Hon. NIALL BLAIR:** Can I get a copy too, please?

**Mr ARDLER:** My suspicion, without seeing the document—the evaluation that was undertaken of OCHRE and Local Decision Making—was undertaken independently by the University of New South Wales [UNSW], which found overwhelming support for Local Decision Making. In fact, I think one of the quotes they used was that it was the furthest expression of Aboriginal self-determination in the country. I think the comment that you are referring to was made by one stakeholder that was quoted in the evaluation report.

I think there is some misconception about Local Decision Making, and I think it is worth explaining where this came from, and reminding people that Local Decision Making, like everything in OCHRE, was agreed to and recommended by the ministerial task force that, aside from the Ministers, also included Aboriginal community representatives, including the coalition of peak Aboriginal organisations represented by the New South Wales Aboriginal Land Council. So Local Decision Making was recommended by task force that included the peaks.

**The Hon. DON HARWIN:** Quite right.

**Mr ARDLER:** What happened was that when the task force was doing its round of community consultations of the things that might go into OCHRE, those consultations were done in partnership between the Government and the coalition of peaks. When the community forum saw the peaks all together at these conversations there was a sense of "What a great idea; we need to somehow find a mechanism to come together at a more local level so that we can have a whole-of-community conversation with the Government rather than just through our individual portfolio interests." So Local Decision Making grew out of, specifically, the community saying, "That is what we want: We want local focus and more say locally in decisions that impact us. And we want greater transparency."

**Mr DAVID SHOEBRIDGE:** Minister, will you table with us the UNSW review that Mr Ardler has just spoken about—

**Mr ARDLER:** It is on the website; it is publically available.

**Mr DAVID SHOEBRIDGE:** —and the various regional agreements?

**Mr ARDLER:** They are all on the website.

**Mr DAVID SHOEBRIDGE:** Mr Ardler, you would know that there is a multiplicity of voices amongst First Nations, and many people on the ground in the First Nations community are deeply suspicious of a process being run through the peaks. You would know that, wouldn't you?

**Mr ARDLER:** Local Decision Making is not run through the peaks, which is really the point that I was trying to make. The first thing to say is that we did an open expression of interest.

**Mr DAVID SHOEBRIDGE:** Mr Ardler, we have run out of time. If you wish to put more on notice I would be very happy to hear it, but I want to move on to something else. Minister, what policies are in place to ensure that New South Wales government advertising is not displayed on sites with offensive content?

**The Hon. DON HARWIN:** I will ask the secretary to reply to that.

**Mr REARDON:** The advertising guidelines for the State for all New South Wales government agencies has been centralised. That includes any guidelines, what we advertise and where we have distribution channels. That is run through our Customer Service cluster.

**Mr DAVID SHOEBRIDGE:** Does that allow New South Wales government advertising on platforms which promote racist, sexist, transphobic or homophobic content?

**Mr REARDON:** The advertising guidelines are quite specific on what you can and cannot do—

**Mr DAVID SHOEBRIDGE:** Does it prohibit that?

**Mr ARDLER:** Yes.

**Mr DAVID SHOEBRIDGE:** Then how is it that the New South Wales government advertising was on the trans attack site on *The Australian* newspaper website, the so-called "Gender Issues". How is it that the New South Wales Government advertised on that?

**Mr REARDON:** I will take it on notice. I do not know the specifics.

**Mr DAVID SHOEBRIDGE:** The concerns were prominently raised on social media in just the last few weeks, when the New South Wales Government was advertising—I can give you a copy of it—in that particularly offensive transphobic part of *The Australian* website. You are not aware of that?

**Mr REARDON:** I cannot recall it. Quite frankly I am happy to take it on notice, as I indicated. If I have more detail I will come back to you rather quickly but, as I said, we have advertising guidelines that set out what you can and cannot do and they are enacted and enforced—I know that from personal experience—from time to time to ensure that we adhere to those guidelines. But, no, I have not sighted that on social media in the last couple of weeks. I see a lot of things across the board but that is not one of them.

**Mr DAVID SHOEBRIDGE:** Minister, do you believe it is inappropriate for the New South Wales Government to be advertising on that attack piece in *The Australian* against trans people called "Gender Issues"?

**The Hon. DON HARWIN:** *The Australian* newspaper?

**Mr DAVID SHOEBRIDGE:** *The Australian* newspaper.

**The Hon. DON HARWIN:** I have nothing to add to what the secretary has already said.

**Mr DAVID SHOEBRIDGE:** Minister, does the Government advertise on Breitbart?

**The Hon. DON HARWIN:** I have to say in the ordinary course of events, even though I think there is a joint allocation of the Government Advertising Act to me and the Premier, I do not deal with matters to do with government advertising. So if you are going to ask a series of questions I just want to let you know that they will all be referred to the secretary.

**Mr DAVID SHOEBRIDGE:** All right. Well, then I would ask you to take on notice whether or not there is a prohibition on the Government advertising on Breitbart and what the specific details are that would prevent in the future the New South Wales Government advertising on sites that are racist, transphobic or homophobic.

**Mr REARDON:** I will deal with it in reverse order. The guidelines from my reading and recall of them are quite clear on the second parts you were raising, so that is the response to that. On the first, on the specifics of the website or the social media channel, I just do not know the details, Mr Shoebridge, so I will take it on notice.

**Mr DAVID SHOEBRIDGE:** Minister, when will you take steps to ensure that bodies representing for-profit groups such as the Property Council of Australia are properly considered as lobbyists and managed accordingly?

**The Hon. DON HARWIN:** I am aware of the fact that there is a corruption prevention inquiry going on in relation to lobbying at the ICAC at the moment. I will consider the findings of that body when it concludes and if there is a need to legislate then obviously I will ask the Premier's department to look at what steps need to be taken to advance that.

**Mr DAVID SHOEBRIDGE:** Minister, it makes a mockery of the lobbyist rules in New South Wales if when an organisation is paid by a developer to be a lobbyist they have to register and disclose and go through all of that but the Property Council of Australia, which is 100 per cent funded by and a voice for and an advocate of the property industry and developers, can ignore all of those rules, does not have to comply with the lobbyists and just comes in and gets free and ready access. You agree that makes a mockery of lobbyist rules, don't you?

**The Hon. DON HARWIN:** Some people have that view.

**Mr DAVID SHOEBRIDGE:** I do. Do you?

**The Hon. DON HARWIN:** These committees operate under the rules of the House. In the House we do not ask for people's opinions. I am a Cabinet Minister. I carry out the policies of Cabinet. I have made a very clear response to you earlier about what the position is. If there are any matters in the findings from this corruption prevention inquiry recommending that action be taken in the area that you are talking about then I will certainly commence discussions with the Department of Premier and Cabinet with a view to legislating if thought necessary.

**Mr DAVID SHOEBRIDGE:** Minister, are you saying that if ICAC does not move against groups like the Property Council of Australia you will do nothing? Is that the position?

**The Hon. DON HARWIN:** No, that is not what I said. I said I will await their report and then I will consider the position then.

**Mr DAVID SHOEBRIDGE:** You have, effectively, the industrial relations portfolio, although it has been rebranded.

**The Hon. DON HARWIN:** Yes.

**Mr DAVID SHOEBRIDGE:** Are you aware of the allegations against the Escarpment Group, who owns Lilianfels and Echoes in Katoomba, the Hydro Majestic in Medlow Bath, Parklands Country Garden and Lodges in Blackheath and The Convent in the Hunter Valley, forces workers on 407 training visas to pay exorbitant rates for room and board? Are you aware of those allegations?

**The Hon. DON HARWIN:** I think I did see a media report to that effect, yes, but I have not received any submissions or briefings from the department on it.

**Mr DAVID SHOEBRIDGE:** Why hasn't the New South Wales Government—any part of it that is responsible for fair and decent wages—done something to respond to what is an appalling abuse by that company of workers in New South Wales?

**The Hon. DON HARWIN:** We are committed to ensuring that all workplaces are fair and free from exploitation and abuse. We believe that any employer found guilty of this sort of behaviour should be subject to the full force of the law. This is not the only case that has been aired through the media about exploitative behaviour or allegations to that effect in businesses operating in the State. As these are private sector businesses, though, they are subject to Federal industrial relations laws. Following the referral of powers to regulate these workplaces in 2009 the New South Wales State jurisdiction has very limited authority and capacity to regulate private sector workplaces.

The current Federal legislation specifically excludes State laws that attempt to deal with issues already covered by the Fair Work system. On that point it should be noted that the Commonwealth Parliament passed legislation, the Fair Work Amendment (Protecting Vulnerable Workers) Act 2017, aimed at addressing the exploitation of workers. The legislation creates new relevant offences and enhances investigative powers for the Fair Work Ombudsman. As an active and influential partner in the national Fair Work workplace relations system, the Government is committed to ensuring that all workplaces are fair and free from exploitation and abuse.

**Mr DAVID SHOEBRIDGE:** But, Minister, that has comprehensively failed and in this case the employer—the Escarpment Group—is forcing workers to underreport hours, sign false declarations, which is an offence under State law, not provide them with adequate meals and terminate their employment contracts if they complain about their treatment. You simply saying that you are going to leave it up to the Commonwealth to continue to under-regulate is betraying those workers, is it not, Minister? You could at least advocate for them.

**The Hon. DON HARWIN:** Mr Shoebidge, you are well aware—you are a lawyer—you know the fact that States are unable to regulate wage theft because Commonwealth law already regulates this area—

**The Hon. ADAM SEARLE:** Well, you could criminalise it.

**The Hon. DON HARWIN:** —and any attempt to do so is almost certainly likely to be found to be unconstitutional and that is the advice that I have received from my department.

**The Hon. WALT SECORD:** You are cutting into my time.

**The Hon. DON HARWIN:** I apologise to the Chair and the Committee about this. I am suffering from hay fever which requires me to drink a lot of water at the moment and I am going to have to ask for another break.

**The CHAIR:** Thank you, Minister. We will take a five-minute break.

**(Short adjournment)**

**The CHAIR:** We are going to extend the time to conclude to 11.55 a.m. The remaining time will be split evenly between the crossbench and the Opposition and they have 17 minutes each.

**The Hon. WALT SECORD:** Minister Harwin, you may want to refer this to Ms Herron. What is the current policy for projecting on the Opera House sails? This was after the recent matter last year. What is the current status of play?

**The Hon. DON HARWIN:** I am going to get the chief executive of the Opera House to outline the detail of the policy.

**Ms HERRON:** Our responsibility is to ensure that whatever is projected onto the sails of the Opera House on exceptional occasions when it is allowed is appropriate to our World Heritage status and our responsibilities that go with that. Our sails are exceptional in heritage terms and by anyone's standard so they have the highest heritage rating of any part of the building. We take our role as the symbol of Australia and a World Heritage listed building very seriously. We balance all activities appropriately to ensure that we comply with our World Heritage status and all of the responsibilities that go with that. What happened with the sails lighting was no different. Before a decision was made on the Racing NSW sails lighting proposal the Opera House made its position clear in accordance with our policy, but the New South Wales Government can make a decision to light the sails because I am subject to the direction and control of the Minister and we supported that decision. Ultimately we are a State asset and we respond to the Government.

We frequently receive requests to illuminate or project colours onto the roof of the Opera House sails and it is our responsibility to ensure that we review and approve those requests in line with our policy and the conservation management plan. In the past the Opera House sails have been lit for community events or cultural moments such as World Autism Day, National Diabetes Week, Remembrance Day and you will remember recently the silver fern was projected onto the sails to commemorate the Christchurch attack—also Remembrance Day. We are committed to managing these requests to meet community expectations as well as to be consistent with our World Heritage obligations, while always preserving the integrity of the sails.

**The Hon. WALT SECORD:** Have you had any applications for commercial projections in the coming year?

**Ms HERRON:** Not that I am aware of.

**The Hon. WALT SECORD:** Have you approved any upcoming projections of the Opera House?

**Ms HERRON:** Yes, we have. I will have to take on notice which sails projection has been approved but it is a community body.

**The Hon. WALT SECORD:** Thank you.

**The Hon. ADAM SEARLE:** Minister, you mentioned in conversation with Mr Shoebridge about the State not having any constitutional capacity to deal with wage theft but the criminal law of the State is always something that has been its own. You could have criminalised wage theft as the Commonwealth Government is now considering, could you not? Is it simply the case that if someone is not a public sector employee then as far as the New South Wales Government is concerned they are on their own?

**The Hon. DON HARWIN:** Yes, that would be true, you could make it a crime. I am aware that is your proposal, yes.

**The Hon. ADAM SEARLE:** But it is not something that has recommended itself to your Government?

**The Hon. DON HARWIN:** That is not the Government's policy at this time.

**The Hon. ADAM SEARLE:** In relation to matters like the escarpment matter, does your Government have any policy to act to support those people in any way?

**The Hon. DON HARWIN:** I would make this point—and it is a general point about the entire industrial relations jurisdiction—I think it was a good thing when the Hawke-Keating Government, supported by the Greiner Government of the day, decided to make major changes to the way we deal with industrial relations so that we could deal with it in a united way so that all of the players did not have to face different rules in every State. I think that was a good thing that your party did during that period of government and I think we should still, as far as

possible, try to stick with that. It is, I think, a matter of regret that it appears that your party is moving away from the Hawke and Keating legacy.

**The Hon. ADAM SEARLE:** I am aware that that is your position. In relation to modern slavery and your reference to the Standing Committee on Social Issues, why did you decide to give the committee the term of reference questioning whether or not there should in fact be any modern slavery legislation for New South Wales?

**The Hon. DON HARWIN:** Because I believed that it was important to give it the widest possible terms of reference so that members would be free to make whatever recommendations they wanted to make and not to limit them.

**The Hon. ADAM SEARLE:** Does it not indicate a walking back from the Government's commitment to that legislation?

**The Hon. DON HARWIN:** Not necessarily.

**The Hon. ADAM SEARLE:** But possibly?

**The Hon. DON HARWIN:** No, it does not.

**The Hon. ADAM SEARLE:** You are the Minister responsible for the Heritage Act, I believe.

**The Hon. DON HARWIN:** Yes.

**The Hon. ADAM SEARLE:** But you are not styled as the Minister for heritage, are you? Is there some reason for that?

**The Hon. DON HARWIN:** Correct. Sorry?

**The Hon. ADAM SEARLE:** What is the reason for that?

**The Hon. DON HARWIN:** You would have to ask the Premier. She was the one who made that decision.

**The Hon. ADAM SEARLE:** In the machinery of government changes, I think Mr Reardon was mentioning there used to be a Deputy Secretary for Heritage with the Office of Environment and Heritage, now Ms Foy has Heritage as a part of her portfolio. You have got Employee Relations, Heritage, Aboriginal Affairs. Does that not all indicate a downgrading of the importance of heritage within the Government of New South Wales?

**The Hon. DON HARWIN:** I think that is nonsense. I think the fact that it has been brought into the Premier's cluster indicates quite the reverse. As I said earlier in relation to I think a question from Mr David Shoebridge, probably the most important issue facing the Heritage portfolio right now is the issue of Aboriginal cultural heritage. I think it makes immense sense for it to be dealt with by the person who is also Minister for Aboriginal Affairs. Even though of course both offices—if I can put it that way—or agencies have been working together, I think it makes great sense for one Minister to be overseeing both Aboriginal Affairs and those reforms at the moment. Given that you have asked a specific question about the number of deputy secretaries and that staffing is a decision for the secretary of the department, I will ask Mr Reardon to comment.

**Mr REARDON:** The community engagement group does pick up all of the areas that sit with Special Minister of State, and the deputy secretary is accountable for those areas. We left them together because there are linkages and coordination across those areas. The same comment that the Minister made, heritage actually coming to the top table does have a lot of linkage and it is already working that way with Aboriginal Affairs that we are finding that the conversations and the efficiency and effectiveness of them coming together is proving fruitful, in terms of what they can focus on in public service terms.

The former Office of Environment and Heritage, just to correct you, had a chief executive and that person is no longer in that role and that role does not exist. Ms Foy's role has picked up the bringing together of a range of areas and we have streamlined them so we do not have as many deputy secretaries and that chief executive. There are probably around three or four of those leadership roles we have not needed any more. We wanted a single line of accountability to me as secretary for that deputy secretary. We have specifically called it "community engagement" because that is what we think it does across Heritage, Aboriginal cultural heritage, Aboriginal Affairs, the Arts, and Create NSW. As I said, that is working well. We think there are massive opportunities in how they can do their work together, but they are in the same place at the same time and they can resolve matters as they go. That is what we have done.

**The Hon. ADAM SEARLE:** Minister, how many heritage groups have you met with this year in the first three months of your tenure as Minister?

**The Hon. DON HARWIN:** I actually went to I think it was an important annual occasion for the National Trust, at which I met a very large number of people associated with heritage.

**The Hon. ADAM SEARLE:** But your ministerial diary disclosure does not indicate that you have met with any heritage groups this year.

**The Hon. DON HARWIN:** No, beyond that I think that would probably be correct.

**The Hon. ADAM SEARLE:** Is it because none of them sought a meeting with you?

**The Hon. DON HARWIN:** I think that is right. I do not recall. I could stand corrected if my office—

**The Hon. ADAM SEARLE:** Could you check; take it on notice?

**The Hon. DON HARWIN:** I am happy to but I do not recall receiving any invitations to meet. But if you have another question I am happy to take it.

**The Hon. ADAM SEARLE:** Minister, Naomi Williams, a Wiradjuri woman, was 27 years old and pregnant when she died of septicaemia at Tumut hospital and there was quite a scathing Coroner's report. As Minister for Aboriginal Affairs, what action have you taken in response to that Coroner's report?

**The Hon. DON HARWIN:** I am sorry, I was distracted because I was listening to something Ms Herron said which I thought was relevant to the previous question. So I am going to have to ask you to ask it again.

**The Hon. ADAM SEARLE:** It is the Coroner's report into the death of Naomi Williams at Tumut hospital in January 2016. She died of septicaemia while significantly pregnant. She was a Wiradjuri woman. The Deputy State Coroner, Harriet Grahame, expressed her views about the level of health care given in quite strong terms, particularly given the, at least implicit, bias that was existing in that case of the provision of health care. I am wondering what you, as the Minister for Aboriginal Affairs, have done in response to that?

**The Hon. DON HARWIN:** It sounds like it is a terrible case.

**The Hon. ADAM SEARLE:** It is.

**The Hon. DON HARWIN:** And quite tragic. My portfolio is not responsible for the delivery of health, human or justice services. Responsibility for the—

**The Hon. ADAM SEARLE:** But you are an advocate.

**The Hon. DON HARWIN:** Yes. Delivery of these services rests with other ministries. However, collectively as a government, all Ministers have responsibility for working together to address the disproportionate outcomes that Aboriginal people experience compared to non-Aboriginal people. I think that is very important. Aboriginal communities have told us that the reason that outcomes for Aboriginal people are not improving is because Aboriginal people are not involved in defining the problems or designing the solutions, and that is one of the reasons why I emphasise co-design as a way forward. In the Aboriginal Affairs portfolio, we are focused on policy reforms that Aboriginal people themselves have identified as a priority to address disadvantage and realise aspirations. This is our key point of difference and the value that we bring to the world of the New South Wales Government.

**The Hon. ADAM SEARLE:** In relation to the death of Rebecca Maher at Maitland police station in July 2016 and the further Coroner's report, also making a number of important recommendations about changes in law enforcement and the like, what advocacy have you made to the Attorney General in relation to those issues?

**The Hon. DON HARWIN:** Is it in relation to a death in police custody?

**The Hon. ADAM SEARLE:** Correct. It is another coronial report.

**The Hon. DON HARWIN:** A death, particularly in these circumstances, is a deeply sensitive and distressing issue for all of the families affected, and communities. While they may be matters for the Minister for Police and Emergency Services and while it is inappropriate for me to comment on individuals, as Minister for Aboriginal Affairs, I want to ensure that families have access to appropriate support during this difficult time. With the family's consent, Aboriginal Affairs NSW within the Department of Premier and Cabinet can assist them to navigate and access any available services. Aboriginal Affairs NSW is also working with the Justice cluster to improve outcomes for Aboriginal people in contact with the justice system.

Part of my role is to bring Aboriginal voices into policy and service design to support the social, cultural and economic aspirations of Aboriginal people, which includes reducing their interaction with the justice system in the first place. There are a number of mechanisms used by government to listen to the community on these matters. I will continue to listen to individuals, community leaders and peak Aboriginal organisations to improve the social and economic outcomes for Aboriginal people. I will take that on notice and check whether that was one of the instances where a request from Aboriginal Affairs NSW was sought by the family. To the extent that it is appropriate within the appropriate bounds of privacy for the family, I will see what other information I can provide you.

**The Hon. WALT SECORD:** Minister, I would like to return to the Arts portfolio. You would be familiar with the recent discussion in the public arena about value for dollar for cultural activity attracted to New South Wales and the recent comments about the Yoko Ono exhibition at the Museum of Contemporary Art [MCA]. Yesterday Treasury said it was doing a review of Destination NSW and Create NSW and attractions in New South Wales. Do you think we get value for—

**The Hon. DON HARWIN:** Did they in fact say Create NSW or did they say Destination NSW?

**The Hon. WALT SECORD:** I could stand corrected but they were talking about reviewing cultural activity being attracted into New South Wales. Do you feel that we are getting value for money?

**The Hon. DON HARWIN:** Value for money from what?

**The Hon. WALT SECORD:** From the attraction of cultural activity to New South Wales. You stand up in Parliament quite often to talk about how we are bringing shows to New South Wales and how we are bringing events. Do you think we get value for money?

**The Hon. DON HARWIN:** You are really asking me for an opinion again, Walt.

**The Hon. WALT SECORD:** No, I am asking you to defend your Government's policy on pursuing and attracting events. Do you think that in fact you get value for money?

**The Hon. DON HARWIN:** I know for a fact that there is a number of events that take place in the State of New South Wales where the support of Destination NSW is very important. I will continue support events that seek funding from Destination NSW under its rules and guidelines because I think it does help. Whatever support can be given each year in the budget to Destination NSW, according to what the taxpayer can afford, is quite critical. There is no doubt that a number of the arts events that Destination NSW has supported have been excellent value for New South Wales in terms of the visitors that they have brought in.

**The Hon. WALT SECORD:** How much did New South Wales contribute to the Yoko Ono exhibition?

**The Hon. DON HARWIN:** That is question you should be asking Minister Ayres.

**The Hon. WALT SECORD:** It was at the MCA. You must have had input into the decision?

**The Hon. DON HARWIN:** No, I do not have any. That was a matter for Minister Ayres as the Minister responsible for Destination NSW or, in the case of Yoko Ono, probably his predecessor, and in particular for the board of Destination NSW to make. They are commercial agreements and they do not get referred to me.

**The Hon. WALT SECORD:** In the latest rounds of the arts and cultural grants, how many applications were received?

**The Hon. DON HARWIN:** I am sorry, you will need to be more specific than that.

**The Hon. WALT SECORD:** There were 164 applications, seven of which were successful. That is a 4.6 per cent success rate. Do you think that is—

**The Hon. DON HARWIN:** I accept that—

**The Hon. WALT SECORD:** You know what I am referring to, Minister.

**The Hon. DON HARWIN:** Actually I do not. Up until this point the Arts and Cultural Development Program has been a complex program with 14 sub-programs. You need to tell me which sub-program you are talking about.

**The Hon. WALT SECORD:** How about round two, where 162 applications were lodged, valued at \$6.2 million, and only seven applications were awarded? You know that is a fact because arts organisations spoke about it yesterday and this morning. Do not pretend that you do not know about this.

**The Hon. DON HARWIN:** You are talking about the Michaela Boland story. Are we right?

**The Hon. WALT SECORD:** No, she quoted—

**The Hon. DON HARWIN:** Wrong again.

**The Hon. WALT SECORD:** Educate me, Minister. The success rate 4.6 per cent.

**The Hon. DON HARWIN:** There was never supposed to be a second round of the arts and cultural section of funding—which I think is what you are talking about, the second round for 2018-19. It was only a relatively small round. There was \$377,000 or just slightly over that. Is that the one you were referring to?

**The Hon. WALT SECORD:** Sorry, I was reading my documents. What was that?

**The Hon. DON HARWIN:** Was it round two of the arts and cultural projects for 2018-19?

**The Hon. WALT SECORD:** Yes.

**The Hon. DON HARWIN:** It was not planned originally to have that round. But as Ms Boland canvassed this morning in the media and you have canvassed previously in the House, a second round was inserted when the Sydney Symphony Orchestra returned their money.

**The Hon. WALT SECORD:** Oh, that one. The one where you interfered in the process.

**The Hon. DON HARWIN:** The \$337,000 reflected the amount that was diverted from arts and cultural projects in 2017.

**The CHAIR:** We are going into the crossbench time

**The Hon. WALT SECORD:** Who diverted that funding?

**The Hon. DON HARWIN:** I think your time has expired.

**The Hon. WALT SECORD:** Who diverted that funding? I think it was you.

**The Hon. ROBERT BORSAK:** Minister, how many museum organisations are directly funded by the \$56 million distributed through Create NSW?

**The Hon. DON HARWIN:** I apologise, Robert, I just did not hear you.

**The Hon. ROBERT BORSAK:** Minister, how many museum organisations are directly funded by the \$56 million distributed through the Create NSW Arts and Cultural Funding Program?

**The Hon. DON HARWIN:** I would have to take that question on notice in the interests of time. I could probably go through it and give it to you now but it is probably best that I give it to you on notice.

**The Hon. ROBERT BORSAK:** That is okay, you can take that on notice. What percentage of the \$56 million in grants goes directly to museums, as opposed to the devolved funding?

**The Hon. DON HARWIN:** The devolved funding goes to Museums and Galleries NSW. There is a program there and there is an amount that goes to Museums and Galleries NSW.

**The Hon. ROBERT BORSAK:** Yes, \$1.195 million.

**The Hon. DON HARWIN:** Yes, it is most of its funding because it is effectively a devolved organisation that manages our interface with regional museums and regional art galleries. Beyond that, in terms of direct funding to regional galleries and regional museums, I will take the question on notice. There are quite a few.

**The Hon. ROBERT BORSAK:** I would like to see that. How much of that funding is available for grants to directly assist volunteer-managed museums in regional New South Wales?

**The Hon. DON HARWIN:** The answer is probably not enough. One of the beauties of the Regional Cultural Fund was that it gave a lot of support to volunteer-run museums and a lot of good work was done in those museums during the operation of that fund. I visited quite a few of them, including an excellent one in Lockhart. It was very good. There were lots of others that benefitted but I will not take up more time.

**The Hon. ROBERT BORSAK:** I am informed that it was about \$85,000 in the past 12 months.

**The Hon. DON HARWIN:** To volunteer-assisted museums?

**The Hon. ROBERT BORSAK:** Yes.

**The Hon. DON HARWIN:** That may well be right but we will check it and give you the answer on notice.

**The Hon. ROBERT BORSAK:** That is less than 6 per cent. When was the last time the funding was increased to those museums?

**The Hon. DON HARWIN:** To volunteer-assisted museums? I will take that on notice and get back to you.

**The Hon. ROBERT BORSAK:** During the museum inquiry we heard evidence that the devolved grants to volunteer-museums were on average less than \$2,000 and that if the available funds were distributed across the volunteer-managed museum sector it would equate to about \$280 per museum. Do you think that is fair, given the amount of money that gets spent in Sydney?

**The Hon. DON HARWIN:** Personally I am a strong believer in the importance of us doing what we can to support regional museums, including volunteer-run museums. When I set up the Artform Advisory Boards, one of the reasons I decided to have the Museums and History Board was that I wanted a group of advisers who could bring more focus to this particular area, look at its need and advise me on how we can do it better. I would agree with you that we can do it better.

**The Hon. ROBERT BORSAK:** That is good to hear, but has the Government increased funding to volunteer-managed community museums?

**The Hon. DON HARWIN:** I thought you just asked me that before and I agreed to take the question on notice. But if you didn't, then I am happy to take it on notice. But the key point is what I said about the Regional Cultural Fund. Just to make sure you have all of the relevant information, we will also include details about the grants that we gave to regional museums and volunteer-assisted museums under that program.

**The Hon. ROBERT BORSAK:** Just to keep talking about regional museums—that is obviously no surprise to you—what is the funding for regional cultural infrastructure?

**The Hon. DON HARWIN:** In what period? Do you want to be more specific about that?

**The Hon. ROBERT BORSAK:** I am talking specifically about museums: cultural infrastructure funding for volunteer-based museums. Does the Government actually assist in that?

**The Hon. DON HARWIN:** Yes. The \$100 million Regional Cultural Fund was available for regional museums and volunteer-assisted museums.

**The Hon. ROBERT BORSAK:** I am specifically talking about infrastructure assistance.

**The Hon. DON HARWIN:** Yes.

**The Hon. ROBERT BORSAK:** You can take it on notice if you do not know.

**The Hon. DON HARWIN:** I think I will take that on notice. I know we make a lot of money available for recurrent purposes to regional museums, but I just have to check in terms of capital.

**The Hon. ROBERT BORSAK:** My understanding is it is nil. You might contradict me on that and I would be happy to hear that.

**The Hon. DON HARWIN:** I will double-check it but I suspect you are right.

**The Hon. ROBERT BORSAK:** If that is the case, why would there not be any cultural infrastructure assistance in the last budget for regional museums? Why does it not have a priority?

**The Hon. DON HARWIN:** It is not broken down between museums and galleries. But in round one 22 museums and galleries were funded and in round two 18 museums and galleries were funded under the Regional Cultural Fund.

**The Hon. ROBERT BORSAK:** But that is recurring funding?

**The Hon. DON HARWIN:** No, the Regional Cultural Fund was for infrastructure. So that is 40 in total that were funded.

**The Hon. ROBERT BORSAK:** Can you give me, on notice, a list of all the organisations that got funding for infrastructure, please, in the regions?

**The Hon. DON HARWIN:** Certainly. You asked a question about why there is no infrastructure fund. The fact is for a long period of time there has not been infrastructure funding. But there is a structural reason why that is, and that is because the capital works program of the Government in the budget can only be spent on assets that the State Government own. Therefore, it has to come through the recurrent budget in the form of a grant. The Arts and Cultural Development Program [ACDP] that I inherited did not have a capital program for regional infrastructure, simply because the Regional Cultural Fund was in place. There was Creative Capital, which was available to museums—well, to all arts organisations that were not eligible for Regional Cultural Fund funding. But the fact is that now, under the new guidelines that are in place for the Arts and Cultural Development Program, my recollection is that there is no impediment to a regional museum asking for a small infrastructure grant.

If I am not correct, obviously I will come back to you with a supplementary answer. But my understanding is in terms of the changes that we made to the ACDP, we were determined actually to deal with some of the problems that were in the old system. So we decided that we would scrap the 14 sub-programs and bring it down just two: one which was for Aboriginal arts and one which was just general funding. In fact, from recollection, there has even been media criticism that we took that decision from one particular individual who is often quoted in the newspapers. But the reality is now under the ACDP regional museums would be able to apply for small grants for infrastructure purposes.

**Ms CATE FAEHRMANN:** Minister, say I am a tourist coming to Sydney for a few days and want to have an experience of Aboriginal culture and art within the Sydney CBD. Where would I go? What would I do?

**The Hon. DON HARWIN:** Very good question and one that is uppermost in my mind. You would be quite aware that, in fact, there has been in the Cultural Infrastructure Strategy that was prepared by Infrastructure NSW—

**Ms CATE FAEHRMANN:** This one? I have got it.

**The Hon. DON HARWIN:** No, that is the Cultural Infrastructure Plan. That is our response to the Cultural Infrastructure Strategy. I was going to go back to the strategy but we will—

**Ms CATE FAEHRMANN:** Maybe go straight to the plan.

**The Hon. DON HARWIN:** But we will just go straight to the fact that we have identified that we do not have in this city—despite the fact that it is the first point of contact between Aboriginal Australians and colonising Europeans—an adequate telling of our story here in Sydney. It was identified in the Infrastructure NSW strategy as a gap. It is identified in the Cultural Infrastructure Plan as a gap. Any number of times the Government has been told that through visitor surveys. People who visit Sydney want to experience more about Aboriginal Australians.

**Ms CATE FAEHRMANN:** So what is your plan?

**The Hon. DON HARWIN:** The good news is that we are doubling the size of the art gallery—that is the first—and there is going to be a significantly expanded area in Sydney Modern where Aboriginal art is on display. The second good news is there is work being done on the Australian Museum, which will basically transform an area which is currently storage to basically increase the floor space of exhibitions. As a result, there will be more First Nations content in the Australian Museum, which, it is acknowledged, has a fantastic collection. I know that Ms Havilah is looking very closely at how we can increase the focus on Aboriginal applied arts and sciences in the new museum. I could ask Ms Herron to go through all her very expensive Indigenous programs, if you would like.

**Ms CATE FAEHRMANN:** Can I ask a question—

**The Hon. DON HARWIN:** But Ms Herron and the Opera House, with Rhoda Roberts, who has got Aboriginal programming, is doing a spectacular job.

**Ms CATE FAEHRMANN:** Has the Minister had had any approaches from within the Indigenous community for a separate cultural centre within the Sydney CBD? Was there anything considered, for example, at Barangaroo? Will the Government consider something that is run and managed by the community?

**The Hon. DON HARWIN:** Actually I do not recall anyone directly approaching me since I became the arts Minister. I will check that. But the issue of the Cutaway was looked at before I became arts Minister some time ago by, I guess, the Barangaroo Delivery Authority [BDA]. Since its opening in 2015, yes, it has been used as a multipurpose arts, cultural and events venue, but frankly it is not used as much as it could. The BDA certainly preserved the internal space within the recreated headland for future civic or cultural use. With the central Barangaroo development in its final phase, it is certainly timely to investigate options for its future use as a

permanent cultural destination and an opportunity to strengthen Barangaroo's reputation as a new, world-class cultural destination.

**Ms CATE FAEHRMANN:** Minister, if I may, going back to separate cultural infrastructure, which is critical—

**The Hon. DON HARWIN:** Yes, and I was just going to say that Hetti Perkins and other Aboriginal cultural leaders specifically looked at the option of having the Cutaway as an Aboriginal cultural centre and rejected it and did not want it. So that is not what I am looking at.

**Ms CATE FAEHRMANN:** What were the reasons for the rejection?

**The Hon. DON HARWIN:** Because it is underground and culturally they felt that that was inappropriate.

**Ms CATE FAEHRMANN:** Well, there you go.

**The Hon. DON HARWIN:** But I support their aspirations to have an Aboriginal cultural centre and am actively looking for opportunities to do so.

**Ms CATE FAEHRMANN:** So the cultural infrastructure plan here would have been, you would have thought, the ideal place to signal that you are committed to a separate cultural centre for Aboriginal or Torres Strait Islander peoples—First Nation peoples—in the Sydney CBD, but there is nothing here.

**The Hon. DON HARWIN:** A separate what facility?

**Ms CATE FAEHRMANN:** A cultural facility, a cultural hub, a cultural centre where they can tell their stories, they can tell the stories of occupation of colonialism—anything. They do not have that. It is not just about art. It is not just about a museum. It is their storytelling now. I have had people come to me and say this should be a world-class city. Sydney should be telling the story of its Aboriginal peoples—First Nations peoples—for tourists. And we do not have anything. Do not you think that is a massive, glaring omission?

**The Hon. DON HARWIN:** Yes, I do. And that is why I am working on it.

**Ms CATE FAEHRMANN:** But the plan—this is the plan. I have it in front of me and there is nothing tangible.

**The Hon. DON HARWIN:** That might be the cultural infrastructure plan that was produced by Create NSW, but it certainly does talk about the fact that we need—

**Ms CATE FAEHRMANN:** This goes to 2025, and doesn't it lay out all of the Government's priorities?

**The Hon. DON HARWIN:** I beg your pardon?

**Ms CATE FAEHRMANN:** Does this lay out all of the Government's priorities in terms of cultural infrastructure spend?

**The Hon. DON HARWIN:** Not necessarily, no. Not necessarily.

**Ms CATE FAEHRMANN:** So you are saying that there could be or there is commitment from you to look at—and again, it is not just more art space?

**The Hon. DON HARWIN:** I do not have the document in front of me. I cannot comment on what is in the document. I do not remember what it actually says. But I am telling you, in terms of my priorities as the Minister, it is an important consideration for me and I am actively looking at what I can do to respond to that need and what I can do to do a better job of making sure there is, first of all, a national keeping place here in Sydney, an Aboriginal cultural centre and a place where we tell the story of Australia in a museum. I am actively looking at options for all of those things right now.

**Ms CATE FAEHRMANN:** Okay. That is exciting—

**The Hon. DON HARWIN:** I am committed to doing it.

**The Hon. BEN FRANKLIN:** It is good. It is exciting.

**Ms CATE FAEHRMANN:** —and should be viewed as a strong commitment for those communities who have been asking for something.

**The Hon. NIALL BLAIR:** He is very passionate about this.

**Ms CATE FAEHRMANN:** That is great news.

**The Hon. BEN FRANKLIN:** It is great news.

**Ms CATE FAEHRMANN:** Minister, in relation to the Artform Advisory Boards—

**The Hon. NIALL BLAIR:** Are you going to ask another one of my questions?

**Ms CATE FAEHRMANN:** I do not think it is going to be the same as what you asked, Mr Blair. How were the boards determined—the composition?

**The Hon. DON HARWIN:** The composition of the boards? The Artform boards were determined by assessing the rate of applications across the Artforms in previous funding rounds and modelled expected increases in application numbers enabled by the reform guidelines.

**Ms CATE FAEHRMANN:** Yes, but this is the composition of the boards themselves.

**The Hon. DON HARWIN:** Basically, there was an expression-of-interest process. But it was all made quite clear. I actually have made this clear in the House, I think, on more than one occasion in questions that I was asked. So I suggest you have a look at it. Basically, the chairs of each of the committees were selected by me. I made it quite clear from the beginning that they would be selected by me. They would be selected by me on, basically, their affinity for the arts and their capacity to chair a committee. Then I went to our six State cultural institutions and our State significant organisations. Plus I also went to our major performing arts groups, who are highly funded by the Commonwealth and State governments, and asked them to provide a few sector leaders who would also provide value on each of those committees. Then the balance of the committees, the great bulk of the 80 or so people serving, were people who emerged from an open expression-of-interest process.

**Ms CATE FAEHRMANN:** And you approved all of the members? Just one last final question on that.

**The Hon. DON HARWIN:** So I discussed the composition of each of the Artform Advisory Boards with, first of all, Grainne Brunson from Create NSW—a very senior staff member who I think actually was the acting executive director of Create NSW at the time.

**Ms FOY:** At the time, yes. She was.

**The Hon. DON HARWIN:** And I drew upon her expertise and knowledge of the sector and had a collaborative process with her. And then when we had come up with a draft list, I consulted the people that I was nominated as the chairs of the Artform Advisory Boards as to what they thought of the proposed list. In some cases, I made small adjustments. To be fair, in terms of the Aboriginal Artform advisory board the chair, Wesley Enoch, actually had a very large say, which I thought was appropriate, in who went on that committee. In fact, I basically showed him the list of people who had expressed interest and he thought we needed a few more people, so we approached some other people as well who had not expressed interest. But that was basically the process. Frankly, I am delighted with the response from the sector. It has been very positive, and not even Esther Anatolitis had anything negative to say. Esther and I have perestroika and glasnost at the moment, since we both went to her chairman's wedding recently.

**The Hon. WALT SECORD:** She is relentless.

**The CHAIR:** Thank you, Minister. This session has now concluded and, Minister, your time and questioning has finished. For the purposes of everybody else, we will resume the formal proceedings at 2.00 p.m. So all the other witnesses are required to be back here at 2.00 p.m. But the Committee will need to have a deliberative session at 1.55 p.m. to work out questions et cetera for this afternoon since we do not have an answer yet.

**(The Special Minister of State, Minister for the Public Service and Employee Relations, Aboriginal Affairs, and the Arts withdrew.)**

**(Luncheon adjournment)**

**The CHAIR:** Welcome back, everybody. Thank you for coming back this afternoon. As we resolved this morning we are essentially going to deal with all of the portfolios in one go. We will just have to deal with questions as they arise if they are in your area. We will kick off with the Opposition.

**The Hon. ADAM SEARLE:** Mr Reardon, I am just trying to understand the delineation of the portfolio arrangement. Mr Harwin is Special Minister of State. Is that separate to the Public Service and Employee Relations, or is it all one?

**Mr REARDON:** The Minister's portfolio covers his Special Minister of State role but he is also the Minister for the Public Service and Employee Relations.

**The Hon. ADAM SEARLE:** Given the allocation of that, what falls into the Special Minister of State portfolio?

**Mr REARDON:** Those matters which the Premier sees fit to allocate to him. They have been allocated in that way. Some may be allocated to both and the Premier may allocate certain ones to the Minister, and that has been done.

**The Hon. ADAM SEARLE:** In relation to the Public Service and Employee Relations portfolio, that came in from Treasury originally with the machinery of government changes.

**Mr REARDON:** I will do them in turn. The Public Service Commission has been within the Premier and Cabinet cluster for some time. Employee Relations came from the Treasury cluster into us.

**The Hon. ADAM SEARLE:** In the budget papers traditionally—at least for the last however many years—there has always been a line item about industrial relations and there has usually been an entry as to the industrial relations services that the Government will be providing but there is no mention of that in *Budget Paper No. 3* this year. Could Ms Foy or you outline what constitutes the Employee Relations area, such as how many staff, the grades and the programs? For example, is there an award and inquiry service, as there used to be, and how many inspectors is there and the like?

**Mr REARDON:** When we did the machinery of government changes, as I mentioned this morning, there were quite significant changes for both the central agencies, for the Treasury cluster and the Premier and Cabinet cluster. As I said, we exited five agencies and we brought the whole range in. One of them was Employee Relations. Employee Relations was a division within the Department of Treasury prior to the election. We have brought them in mostly with the machinery of government changes. We brought groups in just in the whole. We went across a whole range of areas: people, budget, their information and communications technology [ICT] requirements, their accommodation requirements and also their industrial instruments. We lifted some, brought some across and brought some into a new cluster. We did that from 10 clusters down to eight. There were a lot of multiple moves in that. We put a steering committee together to drive that.

That may seem like a lot of detail but it is worth knowing that all cluster secretaries participated in that process so we could move as fast as possible in the first 100 days, so we could actually get to 1 July reasonably clear with the new structures. On 18 June we were able to announce the budget with the new outcomes framework for those eight clusters as well. That was a lot of work. We did not want to disturb smaller groupings by trying to readjust and realign them. The only thing we did with Employee Relations—and it was only at 30 June to 1 July—was we said we would not need a deputy secretary to continue in that role, specifically for that area. That was my call about bringing together a community engagement group. That was not about an efficiency gain per se. One, that was about a bit of streamlining but, two, we wanted more synergy across the areas, particularly the Public Service Commission and Employee Relations.

That was one of the reasons for bringing it into the centre, into Premier and Cabinet. But the budget items for areas such as that, as I said—across people, budget, ICT and accommodation—will lift and drop somewhat. There was not a squeeze on anything. The broader efficiency savings from the election commitments, and from the 18 June budget announcement with further savings within the public service, apply to us all at the macro level. As I said, a \$2.7 billion budget—we are going through those processes now but there has been no specifics around Employee Relations shrinking overnight or anything like that. I cannot comment much on the 2015-16, 2016-17 or 2017-18 budgets about the industrial relations as you described it and why it is not in this time around.

A little bit about cluster structures and outcomes framework comes into that, because it sits within a certain area. But I can be quite clear that there has been no further discussions at a broad level about how Employee Relations sits within the community engagement because I have been waiting to get a deputy secretary on board and then we will start working out where we go from here. Ms Foy, I do not know if you want to add anything to that.

**Ms FOY:** No. As the secretary, Mr Reardon, said, at the moment we have lifted and shifted industrial relations into Premier and Cabinet. Fifty-seven people around four senior executive staff continue to do the work that they did when they were in Treasury. They promote compliance with industrial legislation; they continue to support workplace reform, particularly with strategic advice to agencies and Government on the reform of employment arrangements to help deliver on priorities; they ensure that the Public Sector Wages Policy is effectively implemented; they actively participate and partner with the Commonwealth's national workplace

relations framework; and they have a dedicated inspectorate dedicated to monitoring and enforcing the provisions of building and construction procurement guidelines.

If I can give some understanding about the kind of day-to-day work they do: They had about 14,000 phone calls from members of the public and 1,900 email inquiries in the last financial year; they received 207 complaints over the year and concluded about 190 matters. For me, being Employee Relations, it is about the person. They recovered about \$680,000 in long service leave and other entitlements for 58 workers. As part of their proactive education services to citizens, workplace advisers delivered around 130 information workshops, 70 of which—more than half of which—were hosted in regional New South Wales.

**The Hon. ADAM SEARLE:** Which parts of regional New South Wales?

**Ms FOY:** I beg your pardon?

**The Hon. ADAM SEARLE:** Whereabouts in New South Wales?

**Ms FOY:** I am happy to take that on notice. I do not have a list of the towns. I am happy to come back.

**The Hon. ADAM SEARLE:** That is fine. It is not a trick question, I am just interested to know.

**Ms FOY:** No problem. I am happy to come back.

**The Hon. ADAM SEARLE:** There are four senior executive service staff, 57 staff in total and that is the same number that came over with the MOG changes?

**Ms FOY:** I would have to get back to you on the exact number of staff but there are 57 full-time equivalent at the moment. But other than the changes with the deputy secretary, as Mr Reardon outlined, there were not any others. We have created an executive director role and I am acting one of the directors into that.

**The Hon. ADAM SEARLE:** In terms of the strategic advice across government, how many of the staff are engaged in that, and what does that look like? Are you responsible for coordinating government response, for example, with major industrial cases, or do you not play that coordination role?

**Mr REARDON:** The same as accountable and responsible government, and effective and coordinated government, it fits exactly into the category you just said. They still have that same role of working across government—whether that is, as Ms Foy said, implementing wages policy on an annual basis and assisting with each cluster with major enterprise agreement parameters. They continue to do that, as they did before 1 July; they continue with those roles.

**The Hon. ADAM SEARLE:** I might come back to that but I will just ask some other questions now about Aboriginal Affairs. In relation to the Aboriginal Affairs budget and the allocation for OCHRE, how much has been allocated to each of Connected Communities, Aboriginal Language and Culture Nests, Opportunity Hubs, language and culture development and Local Decision Making? Do you have the line items for those?

**Mr REARDON:** The \$47.5 million is the line item for Aboriginal Affairs. The breakdown of that I will leave to Mr Ardler to maybe make some comments about.

**Mr ARDLER:** I do not have the break-up in front of me. I am happy to provide that on notice. I would just say that Connected Communities is a separate budget that is provided directly to the Department of Education and a number of the other initiatives also go directly to other clusters who are responsible for implementation, but we can certainly get you the breakdown, not a problem.

**The Hon. ADAM SEARLE:** Okay. Are you able to tell me whether the budget allocation for each of the initiatives that I outlined is an increase on the budget allocation for the last financial year?

**Mr ARDLER:** I cannot speak for those budgets that sit with other clusters. I would have to come back to you on that.

**The Hon. ADAM SEARLE:** How many staff within Aboriginal Affairs work on OCHRE to help deliver on its key principles?

**Mr ARDLER:** One way or another, virtually everybody in Aboriginal Affairs works on OCHRE. As I said this morning, the programs that we are responsible for under OCHRE—primarily Local Decision Making but including the work that we do on languages—are seen as core business for the organisation. One way or another, everybody is engaged in OCHRE functions, whether it is delivery on the ground, policy work or evaluation and the policy refresh work that goes with that. There are about 146 full-time equivalent staff within the organisation.

**The Hon. ADAM SEARLE:** Are you able to tell me whether the Government has allocated funding to support the Local Decision Making accords for the 2019-20 financial year?

**Mr ARDLER:** Yes. The Minister mentioned this morning that there is \$3 million in the Aboriginal Affairs budget that directly supports Local Decision Making. Most of that goes directly to the regional alliances participating, to support their governance capacity and their ability to meet and come to the table with government.

**The Hon. ADAM SEARLE:** Can you tell me how the funding is designed to be allocated?

**Mr ARDLER:** It is a year-by-year conversation, and we actually determine that with the alliances themselves. So the chairs of these, now, eight alliances that are engaged with Local Decision Making meet regularly. We sit down with them and talk through and take their advice on how they think we should allocate the funding across them. Their view has tended to be a preference for an equal split, but it is a year-by-year conversation.

**The Hon. ADAM SEARLE:** When you say "equal split" what do you mean by that? Is that between all the accord groups?

**Mr ARDLER:** Yes, that is right.

**The Hon. ADAM SEARLE:** Just divvy it up equally?

**Mr ARDLER:** Correct.

**The Hon. ADAM SEARLE:** It is year by year, so it would not be used, for example, to underpin a multi-year program. What happens then? Do they have to keep coming back each year to see if they can keep getting extra money?

**Mr ARDLER:** The budget for Local Decision Making was enhanced considerably in the last year. That was the first year of the enhancement, and so that was the first occasion we sat down and negotiated the split.

**The Hon. ADAM SEARLE:** How much has been allocated to the New South Wales Coalition of Aboriginal Regional Alliances [NCARA]?

**Mr ARDLER:** I would have to take that on notice, specifically.

**The Hon. ADAM SEARLE:** Can you also take on notice, if you do not know, how much was paid to NCARA members in 2018-19, broken down by position and individual amounts allocated?

**Mr ARDLER:** Paid to NCARA members?

**The Hon. ADAM SEARLE:** Yes.

**Mr ARDLER:** To each alliance or to individual members?

**The Hon. ADAM SEARLE:** Just however you can break down the budget—what it has been spent on for the last financial year and proposed for this financial year, if you know. What are the key outcomes for NCARA?

**Mr ARDLER:** I do not have the strategic plan in front of me. They do have a strategic plan. It is primarily to come together and talk about issues of mutual concern across New South Wales. It is to give voice to their constituents' aspirations and concerns to government decision-making and policymaking. They have an accord with the New South Wales Government that they signed at the end of last year, which nominates two specific areas that want to work with the New South Wales Government on, particularly those that they see as issues for all of the alliances.

One is Aboriginal young people entering the justice system, and the second is early childhood development—integrated early childhood development. Those are the two issues that they have identified. Of those two, they have elected juvenile justice as the first issue that they have want to work with the Government on. So we have been in a process with them now for a little while unpacking data, understanding exactly what the issues are, and defining with them and the relevant agencies what are the key strategies that we should address, specifically, that we think will be most effective in addressing issues of over-representation of Aboriginal young people in the justice system.

They are having direct dialogues with Government departments—senior decision-makers in a number of Government departments—on issues like attendance at school, relationships with police, health related issues and housing related issues. Ultimately, the purpose of Local Decision Making is to provide the opportunity for

Aboriginal governance bodies—Aboriginal leaders—to sit down directly with Government decision-makers and jointly identify issues and jointly come up with solutions for the issues that have been identified.

**Mr REARDON:** It is probably worth noting, as well, that out of the 40 outcomes of the budget, one of those is empowering Aboriginal communities. That now sits within Premier and Cabinet, which is one of the reasons that it has its own outcome area, aligned to what Mr Ardler just said.

**Mr ARDLER:** What is really innovative and valuable in Local Decision Making is that it is bringing a whole-of-government to a whole-of-community conversation. So it is not saying that juvenile justice is the responsibility of justice; it is actually unpacking the complex interrelationship of issues that lead to what looks like a justice issue—hence, school attendance and those kinds of issues. So it is interesting, I think.

**The CHAIR:** Following up on that, are you guys aware of the New South Wales Audit Office report that was tabled yesterday entitled *Mental Health Service Planning for Aboriginal People in New South Wales*?

**Mr REARDON:** Yes, we are.

**The CHAIR:** Do you have a view on the findings of that report?

**Mr REARDON:** Mr Ardler may make a couple of comments in a moment, but I have not had a chance to go through it in detail, to be frank, given the time frame. We are certainly well aware of it. We will go through the recommendations like any of the Auditor-General's reports and respond accordingly. Mr Ardler may want to make a comment.

**Mr ARDLER:** As it only came out yesterday we are only broadly across it. My understanding, though, is that NSW Health has effectively accepted the recommendations and will want to work on addressing those recommendations, and we will absolutely be working with them on those responses.

**The CHAIR:** I accept that it only came out yesterday and that, based on that answer, you will be working with NSW Health on implementing those recommendations. But the report was quite damning. Mental health is obviously a massive problem in Indigenous communities across New South Wales. It is one of the biggest killers and shortens life expectancy in Indigenous communities across the State. The Auditor-General is very critical of the fact that there does not seem to be a specific plan from the Government about how to address that. Have you got any suggestions—particularly in working with Aboriginal communities—about how to address these issues directly in their communities? Have you got views on that? Have you done any work on that?

**Mr ARDLER:** We have not done any work on that specifically. My view would be that the way to go about it—the Minister was talking about this this morning—would be a genuine co-design approach. That is what we would be suggesting to Health. I suspect, through their own centre for Aboriginal Health, that is exactly the approach that they would be seeking to take.

**The CHAIR:** Again, I accept that it only came out yesterday, so I do acknowledge that people are still getting their heads around the recommendations. Has there been any consideration by the Aboriginal Affairs department—and how it fits in the Premier's department—in relation to this space, particularly because it is such a massive issue in these communities?

**Mr ARDLER:** Not directly on the issue of mental health. It is coming up a little bit in the conversations that we are having with NCARA around juvenile justice and understanding that mental issues are a factor in the number of Aboriginal young people going into the justice system. It will be through that process that we will be wanting to sit down or facilitate a conversation between NCARA and the mental health people on that issue. Otherwise, the work that we are doing—this came out of the conversations and the priorities that were articulated most by Aboriginal people—is in healing space. Again, the conversation with Aboriginal people said, "Healing is really important to us. It is about trying not just to close the gap but break the cycle of disadvantage and keep people out of the service system in the first place. We need to be able to heal from the trauma that has been a result of historic injustices and practices."

There was a desire to have a conversation with government—locally and at a State level—about what this thing called "healing" was. It is different for different people. It is different for different communities. It is different for different families. There was a real question about what the Government's role was in that community. They certainly did not want the Government coming up with another healing program.

There was a very strong sense of whatever happened in that space had to be community led and community designed. So what we have been doing is facilitating conversations across the State between Aboriginal communities, again co-designing those conversations and service providers—both government and non-government service providers—to get a much better local understanding of trauma and healing, and how best

we might work together to try and address some of those, or support Aboriginal people trying to address those issues. Unfortunately, like many Aboriginal people, I have had my own personal experience with this stuff. Issues like suicide and mental health tend to come out of intergenerational complex trauma. It is pervasive in our communities unfortunately.

**Mr REARDON:** The Government announced five areas of focus. One of those areas of focus is intergenerational disadvantage and tackling some of that. It then announced Premier's Priorities. About three of the Premier's Priorities will go directly to this, about towards zero for suicide reduction, self-harm reduction, recidivism and, specifically, about more Aboriginal kids graduating from high school. They will be quite business unusual to try and disrupt how we normally do things within government, how we partner with community. They proved to be reasonably successful in the last term of government, of aligning across clusters—not perfect but pretty good about aligning across clusters. We are going through the first parts of that right now after they were announced a month or two ago.

**The Hon. ROBERT BORSAK:** Mr Ardler, this morning you mentioned a University of New South Wales report. I said it was a Government report. Indeed, it was a report prepared at the behest of Government and paid for by Government, so that is what it was. It was obviously quite a wideranging report; obviously a lot of findings. It identified a lot of strengths of the potential programs and also a lot of challenges. We probably did need the sort of review which was ultimately done. One of the things which sticks out in that report is it talks about resources and that gets back to my questions around the budgeting this morning. Resources for the programs do not match the goals of the Local Decision Making model, particularly regarding the geographic scale. How is the Government going to accord priorities in all of those? How are you going to meet that challenge?

**Mr ARDLER:** One of the issues with Local Decision Making—and it is a good problem for us to have—is that community interest is such that we have become a victim of our own success in some respects, which goes to my point that it is now just business as usual for all of us in Aboriginal Affairs. It is not seen as a small program with a small number of dedicated staff to it; it is basically what our regional network—

**The Hon. ROBERT BORSAK:** Excuse me. Could you please talk into the microphone as I am having trouble hearing you?

**Mr ARDLER:** Sure. We have had growth. When we announced Local Decision Making as an initiative, our intention was to start with three trial sites to see how it went. But the demand right from the beginning, we ran an open expression-of-interest process as we certainly did not want to be anointing communities we were going to be working with. We were learning from previous approaches, saying this needs to be an opt-in approach. We want to see who wants to work with us on this so we ran an open expression-of-interest process, looking for three sites initially. Because of the quality and the quantity of interest that we got, we ended up with six. At some point down the track one of those decided that their boundary was too big, too many communities and too complex. They decided for themselves that they would split into two. That was a bit of an issue for us but, in the principle of self-determination, we said okay. We are now seven.

Then another group came along and said, "We were not one of the original areas to express interest, but we want to be part of this." We were not sure we had an ability to support that but their response was, "We don't care; this is going to work for us so we are in." So all of a sudden there were eight. In my mind, that is real self-determination. These organisations were not going to take no from a government agency. So we have had to reorganise ourselves, in that sense, to make sure that this is the business we do now, not just the money that we get through OCHRE. Having said that, the intent from the beginning when the Government released OCHRE was that there would be a rolling evaluation. So what we have done now is the first phase of what will be three phases of evaluation to test the effectiveness and impact of OCHRE over time.

The intent was that, on the back of the first evaluation, there would be the opportunity to come back to government and say, "Here is how we think it is going, this is what we want to do in terms of a refresh", and there has been a commitment to a refresh of OCHRE. I guess in the process of that we will have to look at what the ongoing business case will look like. That will be the next phase of work for us, but we are waiting on the report from the Deputy Ombudsman that the Minister referred to this morning. We want to take the results of the evaluation that you have got, combine them with whatever recommendations come from the Deputy Ombudsman and work up a comprehensive Government response to both reports.

**The Hon. ROBERT BORSAK:** I did mention it this morning but just to get a little more detail if you can give it to me, we talked about the potential for overlap of these programs with the existing structures. I mentioned the New South Wales Aboriginal Land Council but there are others, the New South Wales Aboriginal

Education Consultative Group [AECG], the National Aboriginal Community Controlled Health Organisation and a couple of others. How do you envisage that is going to be handled?

**Mr ARDLER:** The intent of Local Decision Making, as I mentioned this morning, was to provide the opportunity for communities to come together—however they defined that—to work with the Government; whole of community to whole of government.

**The Hon. ROBERT BORSAK:** But is that not an unequal matching of resources, abilities and even money?

**Mr ARDLER:** Well, of course. That is why the bulk of the money that we have allocated under Local Decision Making is directed to those alliances to support their capacity building. When we were going through the expression-of-interest process and we went out to talk to communities who had indicated they might be interested in this, we got a lot of the usual questions we expected around, "Well, what is a region?" Our response was, "That is entirely up to you. This is about self-determination and what is going to work for you." There were questions about, "Well, who has to be our membership." Again, we said it is entirely up to you. This is about what is going to work for you. This is not about the Government imposing any particular stipulations on you; the only thing that we would expect, if we are going to do business with you, is that you can demonstrate that you are broadly representative of the various Aboriginal interests within your region and you have made, at least, very good attempts to be representative—you cannot force people to participate.

Quite a number of those alliances—so the peak bodies that you talked about—quite a number of their local constituent groups, so local land councils, local AECGs and local medical services, are in fact part of those alliances. That was the intent that we tried to get again. It is not about the AECG not having a direct line to the Department of Education on education matters, or the land council having a direct line to the Minister responsible for lands on those matters; it is about the interests of the whole community coming together and saying, "Between us, we think that the priorities for this community—however we have defined it—are, whatever they might be." I do not have all the memberships in front of me, but you would find I think that most of the regional alliances would have places open for the sorts of bodies you are talking about.

**The Hon. ROBERT BORSAK:** Yes. One of the things that does come out in the report—and you are criticised for it—is that there is a genuine perception of inequality; that the Government, at the end of the day, can simply say, "No, we are not going to do that." Without those stronger organisations that have been traditionally set up, they are going to find it hard to feel equal partners in the whole arrangement.

**Mr ARDLER:** If you sat down and talked to the NSW Coalition of Aboriginal Regional Alliances [NCARA], I do not think that would be their view at all. They have found that over the last couple of years they have been operating, they are being taken more seriously. They are meeting with Ministers, they are meeting with secretaries, they are meeting with deputy secretaries, they are influencing policy in their own right. They take a very strong view—and this is their view—that what they represent are the recipients of services, and that in many cases the peaks are the providers of those services. They are funded by government to provide services to their members, and that is what they see as their point of difference.

**The Hon. ROBERT BORSAK:** Thank you for that but your own report says, "Local Decision Making has the potential to make a difference at the margins but it is unlikely to be able to change or influence core policies." And of course the core policies are those of the New South Wales Government.

**The Hon. NIALL BLAIR:** Is that the New South Wales uni report? That is not his report.

**The Hon. ROBERT BORSAK:** It is absolutely—it is his report. Weren't you listening at the start?

**The Hon. NIALL BLAIR:** Yes. You said New South Wales university provided the report. That is not his report.

**The Hon. ROBERT BORSAK:** It is his report. Didn't you listen to what I said at the start? Were you asleep?

**The Hon. NIALL BLAIR:** No.

**The CHAIR:** We are not debating this around the Committee. The question has been asked.

**The Hon. ROBERT BORSAK:** You were asleep because I dealt with that right at the very start.

**The Hon. NIALL BLAIR:** He did not prepare the report.

**The Hon. ROBERT BORSAK:** He did.

**The Hon. ADAM SEARLE:** Point of order: The Hon. Niall Blair should be addressing his comments through the Chair. He is not taking a point of order. He is just interrupting proceedings.

**The Hon. ROBERT BORSAK:** He is asleep.

**Mr ARDLER:** Just to clarify that point, it is a report that is an independent evaluation that we commissioned but the report itself—

**The Hon. ROBERT BORSAK:** But paid for by the New South Wales Government.

**Mr ARDLER:** It is not on the New South Wales Aboriginal Affairs website. There is a link to the University of New South Wales—

**The Hon. ROBERT BORSAK:** I can take you to half a dozen references in the report that say it is basically a New South Wales Government report. I am not going to get into that argument.

**The Hon. NIALL BLAIR:** We just did.

**The Hon. ROBERT BORSAK:** You acknowledged at the start of this discussion in relation to this report that it was your report—that is it. Do you want to go back to that point we were discussing before we were so rudely interrupted by the somnambulant here?

**The Hon. NIALL BLAIR:** Point of order—

**Mr ARDLER:** I am sorry, you will have to remind me what the question was.

**The Hon. ROBERT BORSAK:** We were discussing "Local Decision Making has the potential to make a difference at the margins but it is unlikely to be able to change or influence core policies".

**Mr ARDLER:** I would argue that we are actually seeing it change core policy already in terms of—

**The Hon. ROBERT BORSAK:** I will come back to it.

**Ms CATE FAEHRMANN:** I want to go back to a very important issue that the Chair, Tara Moriarty, was talking about before, which was the Auditor-General's report into Aboriginal mental health and emergency department presentations. The report—as I am sure you are aware—suggests that, while Aboriginal people make up just under 3 per cent of the population, in 2017 they accounted for nearly 11 per cent of emergency department presentations for mental health reasons, and in regional and rural areas the proportion was 21 per cent. I want to get clear, Mr Ardler, what role your agency has with NSW Health in this area and what communications have you had with NSW Health to assist with Aboriginal mental health issues?

**Mr ARDLER:** Specifically on this issue, we do not have a direct role. We have more of an advisory role for NSW Health. I think this goes to some points the Minister was making earlier this morning about the complexity of these issues and a number of significant issues in the Aboriginal Affairs space. There are complicated relationships and interrelationships between a number of issues impacting Aboriginal communities—we know that. So mental health, poverty, domestic violence—those things—you really cannot separate them. So when the Minister said it is everybody's responsibility, that is exactly right. I would go further to say no one agency is going to be able to address these particular issues. They are complex issues and they are multifaceted issues. I suppose for me that is the beauty now for Aboriginal Affairs of being in the Department of Premier and Cabinet and having that very clear strategic coordination function. We now have a much greater clout in terms of coordination and leveraging the not insignificant efforts of other government departments.

For us, our role is exactly what Aboriginal communities have asked of us. They have said to us, "We don't want Aboriginal Affairs delivering services. That's not what you do. There are others who do that. What we want from you is for you to amplify our voice into government—so not speak for us but provide the space and the opportunity for us to have our own say to government, to represent our own views into government." So we do that through deep listening to what the community tell us. We are in communities every day listening to them, listening to their aspirations, listening to their concerns and then trying to reflect that back into our advice across government. And we do that through mechanisms like Local Decision Making; so building the confidence, building the capability, building the relationships for these communities to sit down directly with the government agencies responsible for the various services that are at play here and be able to talk to them one on one about what their aspirations are, what they think the issues are and how they think the best way is to go about resolving those.

**Ms CATE FAEHRMANN:** You mentioned before that it is an advisory level—I think your words were "more of an advisory level"—

**Mr ARDLER:** We provide advice, yes.

**Ms CATE FAEHRMANN:** —in terms of your input into NSW Health. So just to be more specific—because I think what you were explaining then all sounds well and good but in reality in terms of how the public service and government operate there needs to be, I am assuming, a formalised structure for your input and participation to be heard and taken seriously by NSW Health—what does that look like and what does it look like in relation to Aboriginal mental health? What does your input look like for NSW Health?

**Mr REARDON:** Could I answer that as you are asking about the entire public service instructions?

**Ms CATE FAEHRMANN:** Sure.

**Mr REARDON:** I mentioned before we are the coordinator across government on most matters and any matters that are a priority, and there are priorities called Premier's Priorities at this point in time. In the last term of government one of them was the very point you were raising about emergency department presentations and targets. Our role in Premier and Cabinet was to track with Health how they were improving towards 81 per cent—

**Ms CATE FAEHRMANN:** Was that for the general population?

**Mr REARDON:** For the general population. I am raising it for a broader point to tell you, because you have asked about structures and I am going to respond to you about cross-cluster and the culture that is growing about cross-cluster. So, two things: One is Aboriginal Affairs has just come back into the centre of the Government. It is a very, very good thing and it will continue to engage in those Premier's Priorities to drive our clusters. We have our specific Premier's Implementation Unit to help but, with Mr Ardler's team's clear, deep understanding of First Nations peoples, they will bring that to the table as well. So on some of those very, very challenging cross-cluster issues such as, as I said, recidivism, youth suicide and therefore mental health as precursors we are better at gathering the data now.

We are better at habits in government of actually trying to do something about it when we focus our attention on it. And if this is an area where the audit report has made certain recommendations and Health is to take on those recommendations and respond to them, we will help Health and any other agency that is connected to that as much as possible to try to assist with that. We, as secretaries—there are only eight of us—meet fortnightly about these very matters. So if there is a matter that is arising that is high priority and it clearly connects with a Premier's priority, that is a positive for us about doing something about it and collectively trying to drive an outcome. They are the types of structures we have to try to respond to these things. The Premier's Priorities themselves we actually talk about every fortnight. It is not a chat—it is about driving really clear descriptions, really clear data sources and then holding ourselves to account for trying to move the dial on.

**Ms CATE FAEHRMANN:** So to NSW Health, with this Auditor-General's report coming out saying that essentially they are not putting enough resources into Aboriginal mental health at all—and it is quite a damning report—there is no formal structure for Aboriginal Affairs to liaise with NSW Health around Aboriginal mental health? There is no formal structure? It is advice—that is it?

**Mr REARDON:** In terms of Aboriginal Affairs at the moment, as Mr Ardler pointed out, if that is how they have been doing it for a long time then that is how he described it. If we need to change that we will change it.

**Ms CATE FAEHRMANN:** It would seem it probably does need to change.

**Mr REARDON:** I understand, but I made a comment before about a report that has come out 24 hours ago. I have a lot of information at my disposal. I knew the report had come out; I just have not had time to go through it. I apologise for that—I just have not had time to go through it.

**Ms CATE FAEHRMANN:** But it would seem to suggest that NSW Health is very much lacking in terms of expertise and priorities, given these damning figures, so potentially more than simply an advisory role for Aboriginal Affairs for NSW Health might be called for.

**Mr REARDON:** Yes. I will try not to repeat myself, but basically of course I concur with you; it is more than an advisory role in terms of how Aboriginal Affairs would play a role in that. They are about trying to hold ourselves to account to do something specific. The more specific question is around things like a Premier's priority or, specifically, where it might be related the better it is because you are not trying to boil the ocean; you are actually trying to specifically attain a goal on a specific issue.

**Ms CATE FAEHRMANN:** Just to be clear with the Premier's Priorities, I think you mentioned that it was the last term that the priority was around emergency department presentations. Is that correct?

**Mr REARDON:** Yes.

**Ms CATE FAEHRMANN:** This term I missed what the priorities were in terms of mental health.

**Mr REARDON:** There are multiple. There are 14 all up.

**Ms CATE FAEHRMANN:** Mental health?

**Mr REARDON:** No, not specifically using the term—although I might point to that and ask if you can grab those for me—but there is towards zero in terms of self-harm, there is minor recidivism and there is about five, if not six, that are social policy related. We also have a regional youth Minister now, so the focus on mental health is quite prevalent. It would not be the only report that has come out talking about mental health and the greater nature of that in the community, particularly for youth. So of course we will place greater focus on it.

**Ms CATE FAEHRMANN:** Now that you have raised it, the Premier's Priorities from last term—is it?—around emergency department presentations, I think if that was a goal or a priority that did not go so well, did it?

**Mr REARDON:** No. I will turn that on its head. It actually went very well, because it shone a light on how we were to drive outcomes. Premier's Priorities are there to stretch us as far as possible in the public service. They are there to change culture, to try to put some reverse process engineering back into our agencies to do things better. One of them was, as we talked about before, about diversity and inclusion and gender balance targets within the senior leadership of the public service. If we accept we just hit a cap at 40 per cent, that is a poor culture. We do not accept that. We try to drive further to do things. On the hospital presentations, they reached a certain level but because you have not hit 81 per cent does not mean you put your tools down and do not continue—

**Ms CATE FAEHRMANN:** What is 81 per cent?

**Mr REARDON:** That is 81 per cent of presentations are dealt with within four hours. We have disaggregated that further to be very clear on what triage one, two, three, four, five are and specifically how quickly you would want a triage one to be dealt with. Within those presentations are the entire community. If we need to disaggregate that further to assist with the report you are talking about we will do that.

**The Hon. NIALL BLAIR:** We will give up our questions this round. The other members are doing a good job asking government questions, so they can go on.

**The Hon. WALT SECORD:** Ms Hogan, no-one has asked you a question today. How many people are employed in the New South Wales public service, as of the most recent data?

**Ms HOGAN:** We have just taken a workforce census as at 27 June. We are just clearing that data at the moment, but last year it was 396,000 and this year 328,459 fulltime equivalent as at 27 June 2019.

**The Hon. WALT SECORD:** Yesterday when I asked the Treasurer and the Treasury secretary about how was it progressing on the 2,500 job cuts that he announced in the budget I was told to come to you for the answer. How many job cuts have occurred since the budget?

**Ms HOGAN:** We do not actually know the answer to that yet. There are some senior executives that have been—a reduction in senior executive numbers and I do not have those numbers to hand that have occurred as a result of machinery of government changes. What I think the Treasury secretary may have been referring to yesterday was non-executive roles and, to date, each secretary and each department is working through what the structure of their organisation is going to be and what those numbers might look like.

**The Hon. WALT SECORD:** What is the timetable for that? When do we know those numbers?

**Ms HOGAN:** I imagine each secretary will implement any changes they need to make at a time that is relevant for them. What the commission advises on is making sure that the appropriate change processes are in application, but it is up to each departmental secretary to make those changes as they see fit in line with their business.

**The Hon. WALT SECORD:** What are change processes?

**Ms HOGAN:** For example, if they decided to restructure an organisation, the way in which they share that information with employees, the way in which they communicate and the way in which they manage excess employees—those sorts of policies are advised on by the commission. But the actual numbers themselves and the implementation of those policies is a matter for each department. We would not have the exact numbers. We do the census at the end of June every year. All of the changes that are occurring now we would pick up in the census on 27 June or thereabouts next year.

**The Hon. WALT SECORD:** Do you think the Government will be able to meet the target of 2,500 by next budget?

**Mr REARDON:** I will take that. We are charged to make certain savings targets. I just do not think this saving—it is our job to do as secretaries, as Ms Hogan indicated. She will do her census check and report it in the state of the sector report, as she does every year. I am not sure if she is in a position to opine on how we will go with that.

**The Hon. WALT SECORD:** Can I ask another question? The Government has a lot of back-office staff rather than frontline staff. What is the definition of "back-office staff"?

**Ms HOGAN:** I do not have so much a definition of—if I can flip that and respond to the frontline?

**The Hon. WALT SECORD:** Okay.

**Ms HOGAN:** Frontline, we have some obvious classifications such as teachers, police, direct frontline services. Other roles outside of that are also worked out by each secretary. It is very difficult for the Public Service Commission to collect data on frontline and back office because some of it is a bit of a grey area. Where it is obvious we have got numbers of what frontline are—such as teachers, police, nurses et cetera—but the definition of back office would be up to each secretary and relevant to each team and department. Again, Mr Reardon might wish to respond as it applies to DPC but each secretary would be able to define that individually.

**The Hon. WALT SECORD:** Mr Reardon, as Secretary of the Department of Premier and Cabinet, would all of your staff be back-office staff, except for you?

**Mr REARDON:** In the main, they would be back-office staff; not all, but in the main they would be, yes.

**The Hon. WALT SECORD:** Yesterday, in response to similar questions, I asked about the departure packages for Martin Hoffman and Ms McNally in planning, and it was suggested that I come to you to find out in fact how much their packages were.

**Mr REARDON:** Mr Secord, if you do not mind, I will deal with that question.

**The Hon. WALT SECORD:** Yes.

**Mr REARDON:** Secretary's contracts are entered into by myself with that secretary as the head of the service. The contracts themselves, they are a standard contract. The provisions in those contracts, they draw on the Government Sector Employment Act.

**The Hon. WALT SECORD:** So that is 38 weeks, is it?

**Mr REARDON:** I was just going to add if you go to section 41 of that Act it outlines a range of different matters, including what any compensation will be if you have notice, or you have no notice, or if you leave because of a reason of misconduct. Having no notice could be for a usual reason, which is structural changes within the agency. In this case, we went from the 10 clusters to eight across the board; we merged some clusters and therefore we do not have 10 secretaries any more, we have eight. But be aware that almost every person has come across under the new government sector employment senior executive of band 4, 3, 2, 1. There were one or two residual, but they are pretty much tidied up. They were residual because they were from a long time ago, but I think in the main most people are onto those new provisions now. But that is what they are.

**The Hon. WALT SECORD:** As part of the merger of the clusters from 10 to eight, how many senior executives or secretaries or chief executive officers were made redundant or no longer needed?

**Mr REARDON:** There were four.

**The Hon. WALT SECORD:** What were those positions?

**Mr REARDON:** Secretary of Department of Finance, Services and Innovation.

**The Hon. WALT SECORD:** That is Mr Hoffman, right?

**Mr REARDON:** Yes. The secretary of Justice, the secretary of the former Planning and Environment cluster.

**The Hon. WALT SECORD:** That was Ms McNally.

**Mr REARDON:** And the secretary of the former industry cluster, who is now the Chief Executive of Infrastructure NSW.

**The Hon. WALT SECORD:** You probably do not have it with you now, but could you provide the total remuneration package for all those positions?

**Mr REARDON:** What I can do is point you to the Statutory and Other Offices Remuneration Tribunal determinations, which have been there forever. The latest one came in today, I believe. The SOORT determinations for those people over the last six years sit on the SOORT website, as they do all the time.

**The Hon. WALT SECORD:** It would be much easier if you provided it, rather than referring me to it.

**Mr REARDON:** It is a website.

**The Hon. WALT SECORD:** I know, but it would be much easier if you calculated it for me and provided it on notice.

**Mr REARDON:** I will print it off and provide it to you. I will not take it on notice; I will just print it off and provide it to you.

**The Hon. WALT SECORD:** What about the merger of RMS and Transport for NSW? How many positions were made redundant or no longer needed?

**Mr REARDON:** I can talk about it in the broad but I suggest that there is another hearing on right at this point in time where they might be talking about that.

**The Hon. WALT SECORD:** I was told to ask the questions of you.

**Mr REARDON:** Is your question about the number of senior executives across all levels or specifically just the lead role?

**The Hon. WALT SECORD:** It was actually going to be both.

**Mr REARDON:** I think I have gone through the secretaries. There were four. In terms of Transport for NSW and RMS becoming even more integrated as a cluster, clearly the Chief Executive Officer of Roads and Maritime Services left that role. There are other roles that have been realigned, such as Sydney Trains and NSW Trains, and the State Transit Authority has been realigned into an urban group or division and then a regional division. It is much less transport-mode specific and is much more about the total integrated transport view of the world. That is what they have done and the Transport secretary is continuing to get on with implementation.

**The Hon. WALT SECORD:** Excuse my ignorance, but it has been a while. There are bands—there is a senior executive service. Does that still exist?

**Mr REARDON:** There are four bands. Band 4 is secretaries, band 3 is deputy secretaries and other chief executives, band 2 is executive directors and band 1 is other directors.

**The Hon. WALT SECORD:** Are there bands within bands like band 4-1 or 4-2?

**Mr REARDON:** No, but there would be a range in remuneration based on performance, promotions et cetera. To be frank, the Government Sector Employment [GSE] Act came in to normalise and harmonise that across the New South Wales public service. That was no small job. Most people went in the first round. Three areas followed a little later, being Police, Transport and Health. They are all massive service delivery areas and it just took a fair while to align those areas. They point to the GSE Act and basically mirror its provisions. That is how it works. It basically does mean we have consistency.

One of the big drivers of that way back in 2012 or 2013 was to allow a lot more mobility. It was seen that we did not have a lot of mobility of senior executives across the public service. Even in the last few years we did not have a lot. In the last structural change in the last 120 days to 130 days we have seen a lot of mobility—the very thing that the Government Sector Employment Act was supposed to provide for. We have seen a lot of people be able to move around, including a couple of people to my left and right, within the cluster. They have been able to move around a lot more readily without level differences and without not understanding what role they are in their previous agency to the next agency. It is not quite perfect but it is a lot better than it has ever been before.

**The Hon. WALT SECORD:** You have answered some questions that I anticipated asking earlier. I want to talk about the issue around "mobility". We have heard before that there is a number of ways around the wages cap, which is to have promotions and things like that. When you say "mobility", what does that mean? Does that mean jumping up different levels and going to different bands?

**Mr REARDON:** No, and it is not in inverted commas. I simply mean—

**The Hon. WALT SECORD:** What do you mean when you say mobility? I thought you were saying mobility in the sense that people can jump up to higher pay levels.

**Mr REARDON:** No, this is about horizontal mobility. This is basically saying that if you were in the Health cluster you could have a largely similar role in the Premier and Cabinet cluster, the Treasury cluster or the Transport cluster. You could move around. Traditionally in a State government, particularly in New South Wales—I cannot speak too much for other places—there has been quite a silo mentality that if you were brought up in the Justice cluster then that was your career or if you were brought up in the Transport cluster that was your career, and there was no way you could go to Premier and Cabinet. I might be living proof that that is not the case because you can. And we have just created a culture that has gotten over the mindset that you cannot move around the New South Wales government. It is happening more than ever before this time. It is not about jumping levels and it is not about promotions by stealth, if that was what your question was.

**The Hon. WALT SECORD:** Yes, that was my question.

**Mr REARDON:** It is simply about a deputy secretary being able to move to another role as a deputy secretary. If people legitimately go through an assessment and interview process, win a role and get promoted that is well and good. But it is done through a proper process. The Government Sector Employment Act sets out the rules for that.

**The Hon. WALT SECORD:** There are only eight clusters, so would I be safe to assume that there are eight band 4 people?

**Mr REARDON:** Yes.

**The Hon. WALT SECORD:** Okay. So how many people are in band 4? Eight?

**Mr REARDON:** I will have to refer to the commissioner simply because I do not know if there are some other roles that might be specific in that. The eight secretaries certainly are, but I do not know if there are any others classified as that.

**Ms HOGAN:** I will double check for you but my understanding is that there is eight. There are roles categorised as band 3—often if they are a chief executive—and if the question was to go to remuneration there is what is called an above band SOORT determination, which may make those people look more aligned to a band 4, but they are actually classified as a band 3.

**The Hon. WALT SECORD:** Mr Reardon, earlier you mentioned performance bonuses. Do they still exist?

**Mr REARDON:** I did not mention them, but I will respond and say basically that for secretaries performance bonuses have been abolished.

**The Hon. WALT SECORD:** They have been abolished?

**Mr REARDON:** Yes, as part of the 18 June 2019 budget.

**The Hon. WALT SECORD:** Are there any enhancements, bonuses or incentives that secretaries can obtain?

**Mr REARDON:** They can work really hard and be paid for doing their job.

**The Hon. WALT SECORD:** No, no, no—

**Mr REARDON:** No, there are no incentives. I will just repeat that the Remuneration Tribunal made its determination earlier today.

**Ms HOGAN:** It was gazetted this morning.

**Mr REARDON:** We are trying to harmonise. I made a comment about pay parity in the earlier session, but there is nothing. We basically have a remuneration and that is that.

**Mr DAVID SHOEBRIDGE:** You get paid enough.

**Mr REARDON:** Thanks for your comment.

**The Hon. WALT SECORD:** Ms Havilah, I want to ask you a few things about the Powerhouse Museum. How is the locomotive move going? Has how you are going to move the locomotive from the Powerhouse been finalised?

**Ms HAVILAH:** Currently the museum team is working on developing a strategy in partnership with regional galleries and museums across New South Wales to look at how we can give increased access to our incredible collection during the period that we are closed. We are in the process of doing that but it is not finalised as yet.

**The Hon. WALT SECORD:** So you are going to take parts of the museum to regional galleries around New South Wales?

**Ms HAVILAH:** That is the plan, yes.

**The Hon. WALT SECORD:** Back to the locomotive—the one you see when you walk into the Powerhouse. Has a plan been put in place to move that? Has that been finalised?

**Ms HAVILAH:** As part of the business case that went to government, work was done that outlined and budgeted for the move of Locomotive No. 1. There has been no further work done at this stage.

**The Hon. WALT SECORD:** Have there been any changes to the plans for the exhibition space at the new Powerhouse in Parramatta?

**Ms HAVILAH:** The museum is currently working in partnership with Create Infrastructure and Infrastructure NSW to prepare for the outcome of the architectural competition so we can get ready to work with the architect that is awarded the competition.

**The Hon. WALT SECORD:** Have there been plans for larger exhibition spaces at the new museum?

**Ms HAVILAH:** The commitment of Government is for 15,000 square metres of exhibition space and that is what we are planning to deliver.

**The Hon. WALT SECORD:** Are you working on a plan to have a larger exhibition space?

**Mr REARDON:** The point is that there is a spec that has been put together to go to the design competition. We are asking six architectural designers to come in and assist us with that. I imagine their innovation will bring a whole range of things to the table.

**The Hon. WALT SECORD:** I am asking Ms Havilah if she is working on any alternative plans or other plans to increase the exhibition space at the museum.

**Ms FOY:** I think the commitments of the Government and that the Premier has made in recent years continue to stand. The design process and the design competition absolutely restates that commitment. The way that the space is organised—we want to get the best out of our architects. I think the Minister read today the six architectural firms that are involved in it. We absolutely want them to bring the best of their thinking to the way we construct the Powerhouse and design the Powerhouse. Ms Havilah's job is to make sure that we have got a world-class museum of applied arts and sciences in Parramatta, and that is exactly what she is striving at the moment, with the support of Infrastructure NSW as our delivery partner.

**The Hon. WALT SECORD:** Mr Reardon, who do I put the questions to if I want to ask a question about the Australian Museum?

**Mr REARDON:** It depends on the aspect of it, but you can start with me.

**The Hon. WALT SECORD:** What happens to the staff that are employed at the museum while it is closed?

**Mr REARDON:** With all of the cultural institutions that are having significant upgrades under the Cultural Infrastructure Plan, each one of them has to go through a whole range of things. They have to go through their business continuity plan, without a doubt. As cultural institutions, they have to go through a fairly significant build—and they are all doing that, and they are all doing a good job about doing that. They will have to move collections and they all have to think about what they do with their employees. If you get into the very specifics of the Australian Museum and what they are specifically doing, I will take it on notice. But each one of the cultural institutions has been working with the deputy secretary on what their processes are for their people, because clearly there will be disruption to both customers and people as we go through a year of close-down in any one of the cultural institutions. People will be dealt with as we would normally do in the public service: with dignity and respect in how we deal with conversations with them about that period of disruption.

**The Hon. WALT SECORD:** Can you take it on notice and come back to me?

**Mr REARDON:** I will take it on notice.

**Ms FOY:** I am happy to pick up the details. I think this is one of the great things about having our cultural institutions as part of Premier and Cabinet. If I could just outline Project Discover, a \$50 million refurbishment of Australian Museum: enormous, great, new spaces to exhibit will be ready for the opening of the King Tut exhibition. So we are really excited. I know that the museum has been working closely with the Museum of Applied Arts and Sciences [MAAS]—the Powerhouse—so we can have the photographic exhibition shown while they are in a period of closure. So I think congratulations to the two CEOs for working so well together. If I can go specifically to your question about the staff during the closure period, the temporary closure for that year—which I think started a couple of weeks ago—will not result in job losses for ongoing or temporary staff. Ten staff involved in—

**The Hon. WALT SECORD:** So the casuals are okay?

**Ms FOY:** Let me get to that. Ten staff involved in visitor service, programming and retail activities will be directly impacted; and 24 staff involved in education, exhibitions, visitor experience, marketing and membership teams will have minor changes to their current duties. The managers are working and will continue to work with any affected team members to determine what it means for individuals. Affected staff will be temporarily allocated work during the period of closure, and this could include reassignments to temporary duties within both the museum or a secondment to other government agencies. I know that is something that the chief executive and I frequently talk about. Certainly the aim for the chief executive is to ensure those activities are substantial, they are meaningful and they are aligned with people's skills, capabilities and interests.

Approximately 81 casual staff working in frontline activities will be affected. While contracts for casual staff will not be terminated, we anticipate there will be very limited opportunities for work during the closure. If other opportunities arise for casual staff during the closure, the museum will distribute expressions of interest to casual staff to other cultural institutions in the arts and culture sector. Certainly the museum has consulted with the Employee Relations people in our cluster and the Public Service Association has been consulted through the process.

**Mr REARDON:** That is one of the benefits of bringing it all together, I reckon: You engage a bit better. The cultural institutions can all communicate with Ms Foy about any movements.

**Mr DAVID SHOEBRIDGE:** Mr Reardon, was your department or, more specifically, the Powerhouse contacted by the Government at the time that they instructed the Greater Sydney Commission to review the planning controls in Pymont?

**Mr REARDON:** I will have to take it on notice. I do not know the answer to that.

**Mr DAVID SHOEBRIDGE:** Ms Havilah, have you been consulted about the Greater Sydney Commission review of planning controls in Pymont?

**Ms HAVILAH:** Not to my knowledge. I have not been contacted, no.

**Mr DAVID SHOEBRIDGE:** You are aware there is now less than five weeks in which to put a submission in and be heard in relation to the review of the planning controls for the Pymont area, which also includes the Powerhouse?

**Ms FOY:** We might need to take that on notice, Mr Shoebridge. We have got a lot of people that work on the Powerhouse project supporting Ms Havilah and Create. I am very happy to find out if there has been some consultation.

**Mr DAVID SHOEBRIDGE:** Would you expect your institution, which currently sits smack in the middle of that review area, to be given some advance notice or consultation before there was a planning review done for the precinct?

**Mr REARDON:** Sorry, Mr Shoebridge. I will take it now. To the specifics: The Greater Sydney Commission has been given a reference to get on and do that review, as you pointed out. The Greater Sydney Commission prides itself on being a very effective stakeholder and consultation lead and does a very good job across the Sydney regional plan that it has put out and in the three cities. Within that area they will consult with all key stakeholders. I will take on notice whether they have approached the Museum of Applied Arts and Sciences and determine whether that has occurred and we will come back to you, because it would not be their style to not do that.

**Mr DAVID SHOEBRIDGE:** Mr Reardon, for your Government's business case to stack up you need the Greater Sydney Commission to review the planning controls so you can get your 68-storey super-towers done, do you not?

**Mr REARDON:** Which business case do you mean?

**Mr DAVID SHOEBRIDGE:** The business case that your department is currently working through for the Ultimo site.

**Mr REARDON:** You will need to be more specific. We have a lot of business cases on foot, including in that part of the world.

**Mr DAVID SHOEBRIDGE:** I do not mean to be ambiguous about this. We heard yesterday that the Government is going through and working out its extended business case expressly about the Ultimo site for the Powerhouse.

**Mr REARDON:** Sorry, in relation to the Powerhouse? My apologies.

**Mr DAVID SHOEBRIDGE:** If there was any ambiguity about this being about the Powerhouse site, then let me be very clear: the extended business case that your Government is working through now for the Ultimo site that requires significant rezoning so you can get the yield to get the money. That one.

**Mr REARDON:** Do you want to talk about the business case?

**Ms FOY:** Yes, sure. The Powerhouse project has a couple of components to it. It has got Parramatta, which Ms Havilah is largely accountable for the design and the operation of it, with the delivery from Infrastructure NSW. It has a collections museum at Castle Hill. We have got the move of all of the artefacts from the museum and we have the Ultimo site. Create NSW is responsible for the business case for the Ultimo site and that is the work that we are doing at the moment. As with any business case, it goes through the proper processes.

**Mr DAVID SHOEBRIDGE:** You say—that is highly contested.

**Mr REARDON:** I would not mind responding to that, Mr Shoebridge.

**Mr DAVID SHOEBRIDGE:** I am asking you about whether or not the planning review will be completed. Let me be clear. Will the planning review—which is done in five weeks—be completed before the business case is released?

**Mr REARDON:** I do not know, but I would not mind addressing the comment you made about being a highly contentious and extended business case. There is a business case for the MAAS project in Ultimo, so thank you for clarifying that. There are other business cases in that part of the world, which is why I asked the question. But any contention that that is not done appropriately—I would be happy to take any comment, because the Powerhouse itself has to work with Create Infrastructure and then through Infrastructure NSW to do these things. The Powerhouse Museum business cases themselves, as you would be aware, have already been done. It is not an extended business case; it is simply a business case for this new site, and it will be done in accordance with other business cases that Create NSW and Create Infrastructure have to do and then hand off to Infrastructure NSW to build.

**Mr DAVID SHOEBRIDGE:** Is it true that the Government is looking to trash the existing planning controls for Ultimo to allow for substantially increased yields on the Ultimo site, which the Powerhouse currently occupies? Is that being considered in the business case that is being done for the Ultimo site?

**Mr REARDON:** Mr Shoebridge, I believe I understand the question you are asking me which is, is the Greater Sydney Commission's terms of reference—which I have not sighted—in terms of its review going to mean that there is some outcome for the Powerhouse? I do not have information on that. I think I am happy to take it on notice, but I have not seen the review's terms of reference and I also have not been involved in the business case. Ms Foy, I do not know if you want to make any comment about where it is up to.

**Ms FOY:** The business case is underway at the moment. The principles of the business case are consistent with those that have been discussed for some time now. So it is looking at what are the uses available on the site. As with any business case, we have to sound out the market. We have to understand what the current market conditions are. We are doing that in a number of ways, but we are also looking at uses of the site to involve cultural activities, whether that is a theatre or whether that is other kinds of cultural activities. That is underway. We are working very hard to get it done and then it will be presented to Government for consideration.

**Mr REARDON:** We will come back to you on your specific question about the timing of those two as well.

**Mr DAVID SHOEBRIDGE:** Is residential development any part of the business case, consideration of residential development on the site?

**Ms FOY:** As with a business case, when you are talking to a market you look at a range of options, a range of uses on the site.

**Mr DAVID SHOEBRIDGE:** But I am asking you about a very specific one. So I am not asking you about the range.

**Ms FOY:** Let me get back to you on what is specifically there. But there is—

**Mr DAVID SHOEBRIDGE:** You would be aware of something as simple as that.

**The Hon. TREVOR KHAN:** Point of order—

**Mr DAVID SHOEBRIDGE:** Is residential part of the business case?

**Ms FOY:** A range of uses was—

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

**The Hon. TREVOR KHAN:** Point of order: The witness is seeking to answer and, as is not uncommon with Mr Shoebridge, he has a tendency to jump down the throat of the witness before the answer has been delivered. I would ask that he be encouraged to restrain his enthusiasm, before I put it any stronger than that.

**The CHAIR:** I do not uphold the point of order.

**The Hon. WALT SECORD:** Come on, Chair. I think he has a point.

**Mr DAVID SHOEBRIDGE:** Make your own point of order, Walt.

**The Hon. TREVOR KHAN:** We will get there eventually, David.

**The CHAIR:** The question is allowed and we will get back to the answer.

**The Hon. TREVOR KHAN:** There is a requirement for a degree of civility, David.

**Mr DAVID SHOEBRIDGE:** Ms Foy, it is a simple question. I am not asking you about the 50 different options that you considering. I am just asking you about this one. Is residential development part of the options considered for the business case?

**Ms FOY:** I am happy to come back to you on the details of what has been considered, but a range of options would be considered. We have to take account of the current planning controls when we look at options, which has been done. If there are future planning controls, we would look at that.

**Mr DAVID SHOEBRIDGE:** Is the business case looking at the potential to change the planning controls in order to get greater yield?

**Ms FOY:** Again, I would have to take that. I am not sure I understand your question, to be perfectly honest. Could you rephrase that for me?

**Mr DAVID SHOEBRIDGE:** I will be very clear. Is part of the business case the consideration of amending the planning controls so as you could get development that would give great financial returns to the Government on the same land?

**Ms FOY:** I would be coming at it from the other point of view, which is as part of the business case we would undertake a market sounding. I am sure the market will come back to us and talk about the range of options that would be available to them under the current or other planning controls.

**Mr DAVID SHOEBRIDGE:** That is what I am asking you about—changes to the planning controls, not about market testing the current development yield you would get with the current planning controls.

**Ms FOY:** I see.

**Mr DAVID SHOEBRIDGE:** I am asking you about whether or not the business case is considering changing the planning controls so the options broaden and the potential financial returns increase.

**Ms FOY:** I feel as though I have answered the question, but perhaps the secretary might want to answer it in a different way.

**Mr REARDON:** I do not think we have any more to add on that.

**Mr DAVID SHOEBRIDGE:** Mr Ardler, how many outstanding Aboriginal land claims are there currently in New South Wales?

**Mr ARDLER:** Approximately 36,000 undetermined claims.

**Mr DAVID SHOEBRIDGE:** You say approximately 36,000. Do you have a figure?

**Mr ARDLER:** No. The figure I have on me is approximately 36,000—36,393.

**Mr DAVID SHOEBRIDGE:** How would you characterise that?

**Mr ARDLER:** How would I characterise that? It is a big number.

**Mr DAVID SHOEBRIDGE:** It is an appallingly unacceptable backlog, I would put to you, Mr Ardler. What do you say to that characterisation?

**The Hon. TREVOR KHAN:** Point of order: That is an inappropriate thing—and I am not being in any way belittling. That is an inappropriate invitation for a member of the public service to be asked to respond to. He can put those sorts of things to Ministers, but it is inappropriate to put it to Mr Ardler.

**The CHAIR:** I will not uphold the point of order, but you can reconsider the wording of the question.

**Mr DAVID SHOEBRIDGE:** What was the outstanding number of land claims last year? A year ago?

**Mr ARDLER:** I do not have that figure.

**Mr DAVID SHOEBRIDGE:** Has it gone up or down?

**Mr ARDLER:** I could not say for sure. My deep suspicion is that it has probably gone up.

**Mr DAVID SHOEBRIDGE:** Well, perhaps you might take that on notice, but starting with your deep suspicion, given that last year in budget estimates there was an acknowledgement that the numbers were vastly too high, that it was deeply inappropriate and that the Government had a strategy to try to reduce it, given that it has gone backwards. Can you explain what has gone wrong?

**Mr ARDLER:** No. The assessment and determination of land claims is a matter for the lands Minister. It is certainly not a matter for me or my agency, or even the Aboriginal affairs Minister.

**Mr DAVID SHOEBRIDGE:** So your agency has made no advocacy about this?

**Mr ARDLER:** I would not say that. What we have done and what we are responsible for is looking at the enabling conditions within things like the Land Rights Act, so we were responsible for the review of the Land Rights Act that resulted in the provisions that allowed for the Aboriginal Land Agreements [ALAs], which would allow for negotiated settlements around land claims, but the implementation of those provisions and the responsibility for the assessment and determination of land claims sits with the lands Minister and the lands department.

**Mr DAVID SHOEBRIDGE:** Mr Ardler, your agency led legislative reform to allow for ALAs in order to reduce the backlog of lands claims. Is that correct?

**Mr ARDLER:** That is correct.

**Mr DAVID SHOEBRIDGE:** It has not worked, has it?

**Mr ARDLER:** It is in progress, is what I am saying. There are live negotiations underway right now.

**Mr DAVID SHOEBRIDGE:** Has the backlog reduced?

**Mr ARDLER:** No.

**Mr DAVID SHOEBRIDGE:** In fact, it has increased. Is that correct?

**Mr ARDLER:** As I said, that is my suspicion.

**Mr DAVID SHOEBRIDGE:** The ALAs have not worked to reduce the backlog, have they?

**Mr ARDLER:** The ALAs need to be given time to work. They are a relatively new mechanism. There are negotiations underway.

**Mr DAVID SHOEBRIDGE:** There are 36,393 outstanding Aboriginal lands rights claims. How many successful ALAs have been negotiated now?

**Mr ARDLER:** There are a number currently under negotiation.

**Mr DAVID SHOEBRIDGE:** How many successful ALAs have been negotiated?

**Mr ARDLER:** To my knowledge there are none that have been finalised to the point of land transfer.

**Mr DAVID SHOEBRIDGE:** So there are 36,393 outstanding land claims and not a single successful ALA—

**Mr ARDLER:** Completed.

**Mr DAVID SHOEBRIDGE:** Completed? What other strategies are you now going to be advancing to deal with that extraordinary backlog, which clearly produces injustice for First Nations peoples?

**Mr ARDLER:** With respect, that is a question for the Minister.

**Mr DAVID SHOEBRIDGE:** Why is it that not a single ALA, which was meant to be the quicker, cleaner, faster way of getting matters resolved, why is it that not a single one has been successfully negotiated yet?

**Mr ARDLER:** You would have to direct that question to the department responsible for the negotiations. They are in negotiation.

**Mr DAVID SHOEBRIDGE:** Are you taking no responsibility for this?

**Mr ARDLER:** I am saying that my agency does not have any role in the negotiation of Aboriginal Land Agreements.

**Mr DAVID SHOEBRIDGE:** So having advocated for the change, having got the change through as, allegedly, the way of resolving the outstanding number of lands claims, you have now just walked away from it and you are taking no role in the ALAs?

**The Hon. TAYLOR MARTIN:** I think this is a stunt.

**Mr REARDON:** Sorry, I will respond to that. In terms of walking away from it, if Mr Ardler and Aboriginal Affairs have been involved in establishing a process under Aboriginal Land Agreements, that is one thing. You then drew the direct conclusion that not one of them has been resolved, therefore the number is going up, therefore that is not working. I do not think Mr Ardler agreed with that and I also think it is probably not accurate to say because not one has been resolved, the setup—and you used the words, "walked away from." Aboriginal Affairs works with a lot of different parts of the New South Wales Government to advocate and drive outcomes. But if it does not have direct accountability for service delivery, including in this area, then we can have a conversation about it, but you could not draw a conclusion that Aboriginal Affairs has walked away from ALAs.

**Mr DAVID SHOEBRIDGE:** Using your language, Mr Reardon, what has Aboriginal Affairs done "to advocate and drive outcomes" in terms of the ALAs? What have you done in the last 12 months to use your language, Mr Reardon, "to advocate and drive outcomes" for ALAs?

**Mr ARDLER:** I cannot give you the specific detail, but I can tell you that senior staff within my organisation have been in conversations with Lands and with the New South Wales Aboriginal Land Council about process for ALAs, and we are in conversation about the issues that are creating complexities and—I do not want to say delays, because they are not delays. These are complex negotiations that are taking place—unprecedented, in many ways. We have not had these types of negotiations with Aboriginal land councils over land settlements, but we are absolutely in conversations to try and understand where the barriers to getting to successful outcomes here might be.

**Mr DAVID SHOEBRIDGE:** Can you enlighten us as to what the complexities are that are causing—you do not want to characterise it as delay but are preventing the ALAs having been concluded by now?

**Mr ARDLER:** I would have to come back to you on the detail. But I could say, for instance, one of the issues we will be facing would be capacity in local Aboriginal land councils to identify their priorities and come to the table and negotiate, which is why, when the ALA provisions were introduced, included with that was resourcing to support capacity building of land councils to participate. But this takes time, and none of this was ever going to be a quick, overnight fix.

**Mr DAVID SHOEBRIDGE:** Who amongst the witnesses here is responsible for the Ultimo site and the storage of artefacts in the interim between now and the establishment of the Parramatta site?

**Ms HAVILAH:** I am.

**Mr DAVID SHOEBRIDGE:** Ms Havilah, there have been some suggestions that MAAS is lowering its environmental standards for the storage of large objects so they can go into various sheds with no climate or dust controls during the transition phase—once Ultimo is shut down but before Parramatta is opened. Are those concerns valid?

**Ms HAVILAH:** We take the care of the 500,000 objects under our control incredibly seriously. We have a total of 338,000 objects that we have care and control of at the Ultimo site. We are working through a plan to relocate those objects to Ultimo, and we are also working through a plan—

**Mr DAVID SHOEBRIDGE:** Relocate them from Ultimo or to Ultimo?

**Ms HAVILAH:** From Ultimo to the Museums Discovery Centre in Castle Hill. We are also working through a plan from 2021 and 2022 to partner with regional galleries and museums across New South Wales to give increased access to the collection across the State. We would never put any of the objects under our care and control into jeopardy and put them into conditions that would in any way compromise them.

**Mr DAVID SHOEBRIDGE:** But, Ms Havilah, my question was really specific. I would appreciate you addressing the specific question. Is MAAS lowering its environmental standards for large objects?

**Ms HAVILAH:** No.

**Mr DAVID SHOEBRIDGE:** Is MAAS asking volunteer-managed museums to house objects in the meantime to save storage costs?

**Ms HAVILAH:** No.

**Mr DAVID SHOEBRIDGE:** Did the business case budget for the storage of the museum's large objects once they have been removed from the Powerhouse Museum site in Ultimo?

**Ms HAVILAH:** I will have to take that on notice and go back to the business case to get the exact details on how that is budgeted, but I believe there are allowances for the appropriate storage of our collection.

**Mr DAVID SHOEBRIDGE:** Is it true that there is a proposal to disband the Powerhouse Museum's research library?

**Ms HAVILAH:** No, that is not true.

**Mr DAVID SHOEBRIDGE:** Will the library remain open and accessible to curators and researchers at Ultimo?

**Ms HAVILAH:** It will, until the closure in June 2021.

**Mr DAVID SHOEBRIDGE:** Will it then be open at Parramatta?

**Ms HAVILAH:** It will, as part of the opening of the new Powerhouse Precinct at Parramatta.

**Mr DAVID SHOEBRIDGE:** With the same access and the same resources that it has at Ultimo?

**Ms HAVILAH:** Absolutely. With the incredible investment that has been made into Parramatta, there will be enhanced access to the collection, to the archives and to the library.

**The Hon. ADAM SEARLE:** Mr Reardon, recently—at about the time of the budget—the Premier indicated that there would not be any cuts to government jobs in rural and regional New South Wales. I think the Deputy Premier has reiterated that on a number of occasions. Can you indicate whether that guarantee remains in place, and how has it been formalised within Government? Is there a Premier's memorandum, is there a practice note of some kind to senior executives?

**Mr REARDON:** Firstly, I can confirm that all secretaries of every cluster are very well aware of the requirement that no impact on frontline jobs, no impact on regional jobs as a result of the machinery of government changes. That is the position that we are all working to. In terms of formalising that, there are a range of processes underway, which is definition of metropolitan and regional. Metropolitan is clearly Sydney, Newcastle local government area and Wollongong LGA. Outside of that, basically, we said we would bring anything back to Government on a case-by-case basis. A case would be the recent comments around Essential Energy. Another one would be around the media release around Grafton jail, because there is a brand-new Clarence correctional facility that will be opening up in the near future, and therefore the current Grafton jail is going to close.

In those cases, they are specific to those locations. More broadly, it would be worth just making the Committee aware that Ms Hogan said there were 329,000 full-time equivalent roles in the New South Wales

public service, the largest employer in the country. That equates to just under 400,000 people once you take into account full-time, part-time and job sharing et cetera. At any particular time there is a lot of movement of jobs—between agencies, people who leave the public service, people who join the public service—and those changes continue on a day-by-day basis, simply for the fact that resource allocation decisions need to follow priorities of Government. There is always a movement of people. The churn rate is somewhere around 8 per cent to 10 per cent in the New South Wales public service. That is going on all the time.

It is worth you having that context because they are just matters of fact that can be borne out in the state of the sector report. Notwithstanding that, specifically related to the machinery of government impacts, all secretaries are well aware of their requirements for no impact on frontline and regional. That is basically right at Secretaries Board level, so it is being delivered through that channel to ensure that we are all aligned with that message.

**The Hon. ADAM SEARLE:** How is "regional" defined? Is that still a work in progress?

**Mr REARDON:** I just outlined, but I will go through again. Sydney, the Newcastle local government area and the Wollongong local government area is designed as metropolitan; anything outside that is considered regional. But, as I said, we will take a case-by-case approach on anything that is either on the boundary or where there is a specific. Again, the two specifics I called out were Essential Energy and Grafton prison.

**The Hon. ADAM SEARLE:** You said that this was to do with job losses connected with the machinery of government changes only. That is a very specific nexus—

**Mr REARDON:** It is not that specific. It is more about just giving clarity to the fact that at any particular time someone may seek to recruit or resign out of any particular regional location, which is an employee's own decision-making. It is not possible to simply say that you cannot move your job because of the no loss of regional jobs related to the machinery of government changes. People still do move around. It is a free trade of people in terms of within the public service, between the public and private sectors, and private to public. Those things still occur by the rights of individual employees' decision-making.

**The Hon. ADAM SEARLE:** All right, but that is not usually the circumstances that cause community unrest; it is usually where there is an active decision to downsize certain jobs or abolish them from the—

**Mr REARDON:** That is right. And that active decision is known across secretaries, I can assure you of that. That is why I called out those two examples, and there may be others. For example, when a major road project—which is a major employer in regional areas—is completed, you would expect that the project crew will move on up the highway.

**The Hon. ADAM SEARLE:** Of course. There has been a bit of talk about permanent employment in the public sector versus casuals or temporaries. The number of public sector employees who are permanent has decreased by nearly 8 per cent since 2012. In that same time, the contingent labour has increased by nearly 32 per cent. Isn't that increasing uncertainty in the public sector workforce—making it a bit more insecure and a bit more anxious about their long-term future?

**Mr REARDON:** I will make some broad comments and then hand over to Ms Hogan for some specifics on data. The public service in New South Wales is a broad employer, as we know. We, only in the last few years, started talking about the public service being those 400,000 people. We never used to speak of it like that—the largest employer in the country. Some say it is the largest employer in the Southern Hemisphere. There is a lot of pride in being in that public service. As I said this morning, 185,000 of those people participated in telling us what is on their minds—whether they are happy or less than happy and what we are doing, as leadership.

In the main, people are very proud to work for the State of New South Wales. They are proud to do their jobs. Not surprisingly in public service, they have a sense of duty and a sense of purpose. That is very high. The engagement of our workforce over the last few years has sat at about 65 per cent per year—engagement scores across all of us. Even with these structural changes that we have just had—which were quite significant—that has not changed across all of us. So you do not have to take my opinion; it is what 185,000 people are telling us.

It is volatile because we have had such a change, and people have moved around a lot, but at the macro level—at the most broad level—they have remained fairly solidly engaged in their work. The comment about full-time or part-time, with a lot more focus on diversity and inclusion, with a lot more focus on flexible work, we do things in the public service that have probably gone from pretty mediocre a fair while ago to pretty much leading Australia in a lot of areas. We have people who come back and join us from a lot more diverse backgrounds, a lot more gender-balanced backgrounds, because we market ourselves as having flexible work and being decent about diversity and inclusion.

So we have a far more diverse workforce than we have ever had before. People want to job-share. People want to work in a whole range of different ways. Your point was about how much contingent workforce we might have in certain areas. The surge in the infrastructure program—\$93 billion over the next four years and the last four years and probably the four years before that—does mean that you do grow your contingent workforce in certain priority areas. But that is balanced against where the Government is taking us about the savings measures around contractors and consultants. We need to get that balance right, but there will always be surge capacity required in certain areas.

The supply lines of professional people we need in this State right now, with that level of economic growth and the infrastructure pipeline, mean that we are somewhat an employer of choice for a lot of people around the world in infrastructure areas. They like working here because there is so much diversity in the work that we do. Probably for Ms Hogan, we are starting to look at our next steps because there is a Premier's priority about a world-class public service. We are proud to have a Premier's priority saying that. We map how many women we have in leadership. We map how many people we have as Aboriginal leaders—and that continues to grow—and hold ourselves to account. We are now going to start mapping how many people with disability are in, because it is not high enough. We need to do better in that area.

So we are bringing people in from all backgrounds to give them an opportunity for a very good job. Whether they all come in as full-time, part-time, job share or on a casual basis, the trends probably worldwide are not that different to some of the stuff that we see as well. All I know is that we are a very big employer, and people, more than ever, see a lot of pride in working for the New South Wales Government. They see it as an opportunity for stewardship while they are there, and for doing something right. The last comment I will make is that a lot of people believe that people come in as a full-time equivalent and are there for life. The state of the sector report will probably dispel that. I think the average is about nine or 9.1 years of a public servant in this State. So people like coming in, doing their period of stewardship and then doing other things with their lives. Ms Hogan may want to provide a comment.

**Ms HOGAN:** I do not have anything to add to that.

**The Hon. ADAM SEARLE:** Good. I have some further questions. Further to that, Mr Reardon, contingent labour now makes up more than one-fifth of the public sector. You have said there was a significant growth over the last few years. What are the rules about converting long-time or long-term temporaries to permanent employment in the public sector? Are those rules in place or have they lapsed?

**Ms HOGAN:** I would have to take the details of the question on notice, but there are provisions to convert temporary employees to permanent roles, which I think is subject to post advertising. I would have to check the Act and come back to you.

**The Hon. ADAM SEARLE:** You could take that on notice and come back to me. I think there are nearly 75,000 contingent labour employees in the public sector presently in New South Wales. Can you indicate how many of those are long-term temporaries and how many of those are employed regionally, as you define "regional"?

**Ms HOGAN:** I would have to take that on notice.

**Mr REARDON:** I will take that on notice, including the number, because I do not know.

**The Hon. ADAM SEARLE:** Can you also indicate how many of those have recently been terminated or are about to be terminated as a result of the machinery of government changes? Is that known?

**Mr REARDON:** I can only tell you on a temporal basis the next time there is a report in the macro. I would not be able to tell you who might be about to be terminated.

**The Hon. ADAM SEARLE:** You can tell me who has been.

**Mr REARDON:** Yes, but it might have a bit of lag to it—just to set expectations. With machinery of government changes on this scale it may be that the next census information that Ms Hogan talked about—in June next year—is as reported in the state of the sector next year. If we take it on notice it may be that time frame, to give you that macro-level response.

**Ms HOGAN:** The data that we present as at 27 June, which will be available in September, will give us some indication of fluctuations. So we would be able to give you that. That is within 21 days so we will provide that on notice.

**The Hon. ADAM SEARLE:** Tally what you can within the notice period, and if need be we will come back in October and in February and we will keep asking. In relation to the growth in temporary or insecure work, nearly half the TAFE Commission staff are casually employed in New South Wales. With Venues NSW I think 82 per cent of the staff are casual; Sydney Olympic Authority, nearly 49 per cent—and the list goes on. Is there a policy about growing casual, temporary and insecure work in the public sector, or, seeing that it has been growing for so many years, is any thought being given to what can be done to ensure that, where there is growth in employment opportunities, it is in the permanent area?

**Mr REARDON:** Most of those areas would be in surge capacity, I imagine. I will not speculate too much, but places like Venues NSW is what it says on its label. They would be venue management and venue workers. For TAFE, I imagine some of the teachers would be in that category. The broader point for us is that probably in the next 10 years we are doing work on jobs for the future and what we need to do. It is not just for the New South Wales public service. I think across Australia a lot will happen with disruption to some jobs. So we have been turning our minds to that quite a bit—about what is coming right now not just what will come, and doing work on what jobs growth areas there will be in certain sectors, whether it is digital, artificial intelligence. We have turned our minds to that pretty fast, because of our areas of work. We do not necessarily disaggregate that across part-time, job share, full-time, contingent workforce necessarily at the moment, but there is nothing to say that we could not do that to map where certain jobs may be disrupted more than others. We could certainly take that on board. We are doing work at the moment about that.

**The Hon. ADAM SEARLE:** Just to give you two further examples, since 2015 permanent full-time equivalent employment in Justice has increased by about 1 per cent—probably a bit less—but the spending on contingent labour has increased by 64 per cent in that department. Again, in Transport, full-time equivalent jobs have increased by around 1 per cent and contingent labour is up by 43 per cent. I think in Treasury the respective figures are 24 per cent in full-time equivalent employment growth but contingent labour grew by 140 per cent. If those figures are right that is a very significant skewing of spending and employment to non-secure work in agencies—Treasury, Transport, and Justice—that are not in the space that you were referring to, where you might expect contingent labour to grow. Now if those figures are right that is again very significant skewing of spending and employment to non-secure work in agencies—Treasury, Transport, Justice—that are not in that other space that you were referring to as where you might expect contingent labour to grow.

**Mr REARDON:** I will just respond to one which would be in places like Transport. If they are in an infrastructure program I think the surge capacity required was what I was referring to previously. Beyond that I do not know the numbers you have in front of you. We would be happy to take them on board but I—

**The Hon. ADAM SEARLE:** By all means go away, check and come back.

**Mr REARDON:** That is fine but I do not have any of those numbers so I cannot necessarily acknowledge them. If we need to check we will.

**Ms HOGAN:** Mr Searle, can I just ask what you are using to classify as contingent labour there so we can make sure how we respond?

**The Hon. ADAM SEARLE:** Temporaries, casuals, contract labour—I assume labour hire employees are caught up in that—I think anybody who is not an ongoing direct employee of the relevant agency.

**Ms HOGAN:** Just to make sure we get the question on notice correct—thank you.

**The Hon. ADAM SEARLE:** Of course. In relation to the People Matter survey, which of course is open to the broader public sector, is it a matter for the agencies whether they participate or not, particularly in relation to the State-owned corporations, for example?

**Ms HOGAN:** All government sector agencies participate. In the State-owned corporations most do. There is one that has not—you may be referring to TAFE that has not participated previously and I know you have asked that question before. I am in discussions with the acting CEO at TAFE to participate in the years ahead and will continue to do that with whoever is appointed as the permanent CEO.

**The Hon. ADAM SEARLE:** And again whose decision is it? Is it the decision of the management of those State owned corporations or independent bodies?

**Mr REARDON:** At the broadest level it is a decision that we basically respect the independent authority of the Public Service Commissioner to put a survey forward. A bunch of clusters during the year might also do pulse surveys just to augment that. For the first couple of years of this process there was some resistance in places to participate because agencies were doing their own thing that had been set up. Now you would probably describe

it as very strong voluntary involvement from all clusters at the leadership level, without a doubt, to the point where we actually report to each other on how we are going during the process because asking people what is on their mind, good or bad, about their workplace is a free kick to let us know what is on their mind. They take it. And it has grown so sharply now to 170,000 last year and 185,000 this year. I think it started at around 60,000 with the participation rate.

**The Hon. ADAM SEARLE:** Do not misunderstand me—I am not being critical. But when I was just checking on the website in previous years I saw that, for example, Essential Energy participated in the past but I have not seen a more recent report from them.

**Mr REARDON:** We can pick up—

**The Hon. ADAM SEARLE:** Does Landcom participate? I am just wondering—

**Ms HOGAN:** Landcom and Sydney Water participated in 2019. All public sector agencies are expected to participate with the exception of State-owned corporations that participate on a voluntary basis. Landcom and Sydney Water both participated this year. We also have four agencies that are not part of the sector that have participated every year which include the Audit Office, ICAC, the Judicial Commission and New South Wales Parliament.

**Mr REARDON:** We encourage them and in the main it is not a discussion any more about not participating. We will pick up the comment about State-owned corporations because it is simply a good thing to do at that scale. It is the largest participation process we have now. The data we get out of it, it is up to us to do things about that information but they certainly give us the background on what is on their mind.

**The Hon. ADAM SEARLE:** You are a mind-reader, Mr Reardon. I was just coming to that bit. In relation to the most recent People Matter survey there is a sort of ready reckoner of highest and lowest scores. Just looking at some of the problematic areas, "I believe action will be taken on the results from this survey by this organisation", I think that is only around 37 per cent, "I have confidence in the way recruitment decisions are made", 37 per cent and, "I feel that senior managers listen to employees", only 43 per cent. And then again when you are looking at the highest disagreements, "I have confidence in the way my organisation resolves grievances", again only 26 per cent. These are some quite worrying results. You tabulate them and you produce them.

**Ms HOGAN:** We do.

**The Hon. ADAM SEARLE:** But whose responsibility is it to make sure that improvements are driven across the sector? Is that yours, Mr Reardon?

**Mr REARDON:** Firstly accountability is at secretary level for the cluster and then that responsibility chain basically drives through deputy secretaries for their areas and chief executives within those clusters. In the main the leadership within each cluster basically has this as a key item on their boards or executive structure—however they have it—pretty much constantly. Most of the ways that people have responded in the last few years is to try, again, not to boil the ocean but to pick three, four or five specific actions to get on with during the year. During the last year in Premier and Cabinet, for example, we have tried to drive the remainder of—we try to drive flexible work for everyone and make it the accountability for management to drive that outcome.

**The Hon. ADAM SEARLE:** Can I just put a pin in "flexible work" and we will come back to that.

**Ms HOGAN:** Chair, can I just finish the response to that question? What I want to say is that we obviously release the results both to secretaries and we release them publicly as well. It is up to each secretary to drive improvements across their area and each CEO to drive them in their teams. One of the things the commission does, however, is look at where the trends are, where we see things that we think need addressing and seek to provide sector-wide advice on how those things can be improved. So matters such as bullying or performance management process, best practice around recruitment and those sorts of things we are constantly looking at to provide improved guidance and advice for the sector to help them improve, albeit that they are directly accountable for those results.

**The Hon. ADAM SEARLE:** I will come back to that too.

**The CHAIR:** Who from the crossbench wants to go first?

**The Hon. ROBERT BORSAK:** I think this is probably for you, Mr Reardon, unless someone else has some information. How much has been paid to consultants on the Powerhouse Museum move to Parramatta final business case and extended final business case?

**Mr REARDON:** The specifics of consultant spends come out in annual reports every year so you will see it there. What we have at the moment in terms of the strategic business case, final business case et cetera, I daresay we may need to take on notice. We will not have the specifics here.

**The Hon. ROBERT BORSAK:** That is okay. I am not sure whether this one was covered and it probably would have been assumed in those reports how many cultural jobs are going to be created in Parramatta—

**Mr REARDON:** Out of the business case?

**The Hon. ROBERT BORSAK:** —as part of that modelling, I suppose. Maybe you can answer that, Ms Havilah?

**Ms HAVILAH:** I would have to take that on notice to get the actual detail.

**Mr REARDON:** But the actual jobs in and around the precinct, one would expect that that is part of the business case formulation.

**Ms FOY:** That would be part of the business case.

**The Hon. ROBERT BORSAK:** On notice?

**Ms HOGAN:** Yes.

**Ms FOY:** I might take that.

**The Hon. ROBERT BORSAK:** When will the nomination of the Powerhouse Museum for State heritage listing be considered by the Heritage Council of NSW? Who is that one?

**Ms FOY:** It is probably a couple of us. I will have to ask my colleague Ms McKenzie to talk about the details but the Heritage Council does consider a range of applications for State heritage listing. With respect to the details of the Powerhouse Museum, I can—

**The Hon. ROBERT BORSAK:** We will get a question for the Opera House in a minute—I will think of one. There was a good one about pictures on the sails.

**Ms McKENZIE:** In relation to the heritage listing we have received a nomination for the Powerhouse site in Ultimo and we are working with Create NSW and the Museum of Applied Arts and Sciences to consider that listing along with the plans that they have around the move. The process for listing involves the nomination, the research of the heritage significance of the site and then there is a process of negotiation generally with the owners around that. After that process it will go for preliminary consideration by the State Heritage Register Committee. The State Heritage Register Committee would then determine if that listing will progress through the listing process. Depending on the outcomes of that there would be a public process around that and then the committee would determine whether or not it was recommended for listing.

**The Hon. ROBERT BORSAK:** But why has it taken so long? The initial nomination was made in 2015, yet Federation Square was listed in just 12 months. Why has the Powerhouse Museum taken so long?

**Ms McKENZIE:** The listing process is an acquired, complex process and we do actually have a lot of nominations. We do work through those nominations and the priorities that are set for us by the Heritage Council. Also, a site that is complex like that with a whole lot of existing plans about how it might be dealt with into the future, it is not an unusual amount of time to try to get settled with that.

**The Hon. ROBERT BORSAK:** That is an interesting point to make, is it not? Because obviously an unencumbered development site is worth a hell of a lot more than a site that is encumbered with a heritage order, would you agree?

**Ms FOY:** I do not think that would be appropriate for Ms McKenzie to express her opinion—

**The Hon. ROBERT BORSAK:** Excuse me. I will decide what questions are appropriate, they can decide whether they want to answer them.

**Ms FOY:** I am sorry, Mr Borsak, I did not mean to insult you.

**Ms McKENZIE:** I cannot express an opinion on the value.

**The Hon. ROBERT BORSAK:** If you want to answer the question, Ms Foy, please do.

**Ms FOY:** Look, I am happy to address the question. If I can answer yes or no, I cannot. But what I can tell you is that the area of the Powerhouse for the business case has been identified as something of heritage importance and it is known that there is an application before the Heritage Council. Any suggestion—I am happy to try and understand the premise of your question.

**The Hon. ROBERT BORSAK:** The premise of my question is exactly what I said, and that is if it was an unencumbered site it would be worth a lot more than a site that is encumbered by a heritage order on the main building on the site, which is the Powerhouse Museum.

**Ms FOY:** I would not speculate on that, Mr Borsak. I am sorry, we have a process in place for the Powerhouse business case. We are going through a market sounding with the current controls in place and understanding what it might be, particularly identifying that it is part of the heritage core of the Ultimo site.

**Ms McKENZIE:** But also I would just like to say that I cannot express an opinion on the particular issue of the value of that site with or without heritage listing. I would like to point out that heritage listing can be an extremely positive thing, depending on the site itself and the use to which that site is going to be made. The heritage listing is something that we are working collaboratively with the owners of the site in the way we would normally do with any site owner. And we are working more positively towards the idea that we want to celebrate the heritage of our sites, we want to work with owners so that this is a more positive experience and so that the listing actually adds to the owners' enjoyment of their property and can uplift the value. There is quite a bit of research that shows that is the case.

**The Hon. ROBERT BORSAK:** I agree with you 100 per cent, but how many State heritage nominations sit around for four years with no action?

**Ms McKENZIE:** We have a process that we work through. We actually do have quite a large number of nominations that are on hand and a number of them would be older than that.

**The Hon. ROBERT BORSAK:** Could you take that on notice for me please?

**Ms McKENZIE:** Sorry, can I be clear on what I am taking on notice?

**The Hon. ROBERT BORSAK:** How many State heritage nominations sit around for four years or more undeclared as heritage items?

**Ms McKENZIE:** I can take on notice that of the ones that are on hand at present how many are older than four years.

**The Hon. ROBERT BORSAK:** Of course.

**Ms McKENZIE:** I want to be clear that I am not going back to check the last 10 years.

**The Hon. ROBERT BORSAK:** You have got some outstanding for 10 years, have you?

**Ms McKENZIE:** No, no. I am saying there has been a lot, if you asked me if it included ones that got listed last year, how long they had been around before they were listed, that is what I mean. But you mean I am just looking at the ones on hand?

**The Hon. ROBERT BORSAK:** That is right, I am interested in the ones that are on hand that have been four years or longer in consideration.

**The Hon. WALT SECORD:** May I ask Ms McKenzie, last week the Minister announced in the Parliament the heritage listing of the Manly Oval.

**Ms McKENZIE:** Yes.

**The Hon. WALT SECORD:** Where did that come from, and was that a long process? Did that happen quickly or what were the steps behind that?

**Ms McKENZIE:** Where did it come from? It was a nomination from a community organisation. I cannot quite recall its name but it was a community-based organisation that was wanting to—

**The Hon. WALT SECORD:** We were very surprised that—

**Ms McKENZIE:** It has been—no, the listing would be—I would have to take on notice the exact time but it was not a five-minute, it was a number of years.

**The Hon. WALT SECORD:** You answered my question.

**Mr DAVID SHOEBRIDGE:** Ms McKenzie, I am not going to ask you to respond to the concerns and the suspicions that have been given to me that there has been a delay in the listing for the Powerhouse for the Government's purposes, but what I would ask you to respond to, and I think it is where the Deputy Chair is going, is can you give us some context for the time which has been taken for the consideration of the application for the Powerhouse as against other applications? What has been the average time that matters have taken, what has been the median time that matters have taken, and how many, if any, outstanding ones are older than the Powerhouse?

**Ms McKENZIE:** I cannot answer that question.

**Mr DAVID SHOEBRIDGE:** No, but could you take it on notice?

**Ms McKENZIE:** I would have to take it on notice, but I can assure you that there are a considerable number that take that sort of time. It is a quite lengthy process. It has a quite significant impact in terms of the process that an owner needs to follow in the future, so we do work very carefully with the owners and negotiating how that process will work.

**Mr DAVID SHOEBRIDGE:** Ms McKenzie, I am just giving you the opportunity to put it in context. If you give us that data so we can put it in context, then we can respond to that.

**Ms McKENZIE:** We will take it on notice. In answering the question of how many are on hand that are as old or older, we will give you that.

**Mr DAVID SHOEBRIDGE:** Those other matters that I put to you earlier, if you could address those on notice as well, the average time for matters and—

**The Hon. TREVOR KHAN:** Over what time frame?

**Ms McKENZIE:** Yes, so average time, or which time frame?

**Mr DAVID SHOEBRIDGE:** Those that have been resolved over the last two years, if you could tell us what the average time has been for those over the last two years. I do not want to put you to unnecessarily going back 10 years. If you could look at the average time for those over the last two years that would be a reasonable task.

**Ms McKENZIE:** I would just make the comment, average time has limited meaning in this context.

**Mr DAVID SHOEBRIDGE:** You give us better data. If median is better, by all means give us the median data.

**The Hon. ROBERT BORSAK:** Following on from that, and I mentioned Federation Square, a bit longer, can you maybe in a reasonably summarised fashion tell us—

**The Hon. TREVOR KHAN:** That is in Melbourne, is it not?

**The Hon. WALT SECORD:** Yes, Melbourne is dumping all over us. Another example.

**Mr DAVID SHOEBRIDGE:** That is where their heritage laws work.

**The Hon. ROBERT BORSAK:** —what might have been considered for that particular heritage listing, would they be working on the same basis as you would be working on?

**Ms McKENZIE:** Heritage legislation is State legislation, so the Victorian legislation is specific to Victoria. There are lots of similarities in the legislation across the jurisdictions in Australia but there are significant variations as well.

**The Hon. ROBERT BORSAK:** Can you give me a flavour of what you would consider if you had a project like that in New South Wales?

**Ms McKENZIE:** It is not so much the project, it is the legislation as well that is different. There are different roles, different players in the way in which the process works in Victoria.

**The Hon. ROBERT BORSAK:** Okay, so I am not going to get an answer?

**Ms McKENZIE:** Sorry, I do not know the specifics of the heritage significance of Federation Square. I have not looked at it.

**The Hon. ROBERT BORSAK:** I am not asking you to deal with the specifics of Federation Square. I am saying if you had something similar to look at here, given the New South Wales legislation, what other

factors would you take into consideration, without going into all the real drilled down detail of every specific item?

**Ms McKENZIE:** If you are talking about what are the considerations, because there are considerations in the Act in relation to heritage significance and then there are the considerations in actually going through a listing process and the things that we would need to be engaged in in order to actually reach a point of, say, going to a notice of intention to list on behalf of the Heritage Council and they involve the owner, for example, or the number of owners. So the complexity of a site, the more owners you have, the more consultation you need to do, the more you might have conflicting views over what the boundary of the listing should be, the more site-specific exemptions you might be needing to negotiate in that process.

Also, depending on exactly what the site is whether your sources of information about heritage significance are easy to access or they are difficult to access. It could depend on the type of the nomination and how well put together and well researched the nomination is, whether you need to go back to original sources in order to actually get that information. There are quite a lot of things that would make a difference to how any listing would proceed.

**The Hon. ROBERT BORSAK:** The Government at no stage approached the Heritage Council to put the project of the consideration of the Powerhouse Museum for State heritage nomination on the backburner?

**Ms McKENZIE:** Absolutely not. The Heritage Council is also an independent body.

**The Hon. ROBERT BORSAK:** I understand that. I did not say they instructed you; I said maybe they approached you. That is all.

**Ms McKENZIE:** No.

**The Hon. ROBERT BORSAK:** I am not sure who this question goes to, but has the Government factored in the collapse in confidence in apartments and the pricing they may bring with respect to the Powerhouse site and how that would affect the final business case or the extended final business case? Would that be something for you, Mr Reardon?

**Mr REARDON:** Apart from your language, we have put in the Building Commissioner more broadly across the State to respond to the issues you raised. In terms of getting on with this development, the business case will look at the options that Ms Foy previously considered. We would expect that a development would be done very effectively.

**The Hon. ROBERT BORSAK:** Are you saying that even though the pricing has changed it would still work? Is that what you are saying?

**Mr REARDON:** No.

**The Hon. ROBERT BORSAK:** I did not quite catch or really understand what you said. Could you say it again?

**Mr REARDON:** You asked a question that basically said that—

**The Hon. ROBERT BORSAK:** Would the price of the apartments affect the calculations in the final business case?

**Mr REARDON:** I said the final business case will consider a number of options for what the development could be. One and two is—

**The Hon. ROBERT BORSAK:** Yes, and the price of developments?

**Mr REARDON:** I will not speculate on property prices, apartment prices or office space prices, if that is your question. All I can say is that the business case will be done. I expect that a developer will develop in that part of that world effectively for whatever that development is.

**Mr DAVID SHOEBRIDGE:** Ms Hogan, earlier either you or Mr Reardon spoke to some figures about the reduction in the number of bullying claims and the incidents of bullying and the increase in the participation in the People Matter Employee Survey. A number of people have contacted my office and asked whether you have considered the fact that the increase in the participation rate may mean that you are getting a broader cross-section of people engaged, whereas a lower participation rate is likely to attract those people who have a grievance and are therefore more likely to enter into the survey. Have you looked at the data to see whether the increase in the participation rates dilutes the rates of success, if you like?

**Mr REARDON:** I would not say that we were at the success point—we are at 18 per cent. We are not sitting here saying that we have moved to good.

**Mr DAVID SHOEBRIDGE:** Yes, I heard you say that.

**Mr REARDON:** We are moving in a direction. In terms of the data, it is very rich. A lot more frontline people probably participated, for example, and a whole range of new people have come along. I imagine that the participation will be skewed in various directions. I will let Ms Hogan respond to that question but I raised the issue because the data is so rich now and we can draw more conclusions than we have been able to previously. You have just raised a hypothesis and Ms Hogan might want to respond.

**Mr DAVID SHOEBRIDGE:** I ask that question in the context of you now having a very large data pool covering a period of time. Are you doing that kind of analysis to work out what the trends are and, if so, could you please tell me what they are?

**Ms HOGAN:** We absolutely are. I do not have anything to report back on. Just in the last week we have enlisted the support of an external provider who can go further than we can internally to look at all of that data and see what trends it is actually providing. To your point about there being more people and the average still being 18 per cent, we can do deep dives into each department to tell us what the bullying numbers are at local levels. There is still accountability for people to take action as it relates directly to their departments or broader areas. We are running some data now on what the commonalities are around where there are higher numbers and where there are lower numbers. We are looking at the last three years of data to see what the trends are and where we have had significant drops, so we can look to stories of success and where we have significant increases. So we can check for patterns.

**Mr DAVID SHOEBRIDGE:** But what I am suggesting to you is that it would be useful to investigate whether or not, as you have had an increase in the participation rates, you have considered whether that increase might have actually skewed the historical data because—as I tried to say earlier—you are more likely to have people with a grievance entering into the system and recording their grievance than people who think, "Oh everything is going fine." As you increase the participation rates and get more of the less-engaged people to complete the survey, you may well be diluting the rate of bullying.

**Mr REARDON:** That is an assumption or a hypothesis.

**Mr DAVID SHOEBRIDGE:** Yes, it is a hypothesis. Have you looked at that or considered that?

**Mr REARDON:** You are asking if we have the data to deal with that. We would have a lot of the data to deal with that. We may have to look at some other datasets as well to augment it. But would we consider that a reasonable question? Absolutely we would.

**Mr DAVID SHOEBRIDGE:** I just give to you as one of the various hypotheses: the idea that it may make it very difficult to say—as you go year to year and there has been a reduction in reported bullying—whether or not the data accurately reflects an overall reduction in the public service. Are you doing that kind of analysis or are you just going year after year and saying, "This year's numbers are different to last year's numbers, therefore this is an indicator of success or failure"?

**Ms HOGAN:** Yes, we are looking at those numbers now. But I do not have an outcome for you today.

**Mr DAVID SHOEBRIDGE:** Do you know when that is likely to be available?

**Ms HOGAN:** The current data analysis that we are running is probably six to eight weeks away. That will give us some findings that may or may not support that hypothesis.

**Mr DAVID SHOEBRIDGE:** I do not pretend to know whether that is true or not. I am just putting it forward as one of the potentials. Will those conclusions be published?

**Ms HOGAN:** I would have to take that on notice. We will absolutely share those findings with the secretaries and we will potentially share them. But I have not given it any thought yet.

**Mr REARDON:** I suppose I can make a comment. For the state of the sector report, that would come out of the results. The actual responses go back to the secretaries to deal with. Ultimately, we are going to communicate with all of our people. That may or may not be made public. But a lot of people will have that information in their hands. It is mainly about their work. It will be aggregated. We would not talk about very finite areas because the Public Service Commission puts a lot of effort into making sure that we de-identify the data. But we will do exactly what you said.

I will finish off with what Ms Hogan said. The macro results that are just starting to emerge now used to come out in November. Ms Hogan's team have worked endlessly year in and year out to bring them forward. Now we get the results in July, which means we can do some stuff about it a lot quicker. The data analytics are getting better but they still need to improve. To your question—and there may be other ways of asking that question—we should absolutely look at those things.

**Ms HOGAN:** The main point is that we are very committed to resolving the issue of bullying and getting underneath the data around that.

**The CHAIR:** Are there any Government questions?

**The Hon. TREVOR KHAN:** I think we will keep our powder dry at this stage.

**The CHAIR:** Indeed. Opposition questions?

**The Hon. WALT SECORD:** I have a few questions for Ms Havilah.

**The Hon. TREVOR KHAN:** There is going to be a zinger at the end though, I can tell.

**The Hon. WALT SECORD:** When did the *Star Wars* exhibition run—from when to when?

**Ms HAVILAH:** I am sorry, Mr Secord, I cannot tell you the dates off the top of my head. It finished about a month ago.

**The Hon. WALT SECORD:** What were the attendance figures like?

**Ms HAVILAH:** I do not have them off the top of my head, I am sorry. But I can take the question on notice and give you those figures.

**The Hon. WALT SECORD:** How did it compare to other exhibitions?

**Ms HAVILAH:** I would have to do an evaluation of that.

**The Hon. WALT SECORD:** Did staff give you an indication that it performed better or worse than usual—whether it was a very well attended exhibition or that there were very few attendees? What was the staff feedback to you?

**Ms HAVILAH:** The museum set an ambitious target for visitation and we did not quite meet that target.

**The Hon. WALT SECORD:** You did not quite meet the target. Did that prompt a review or an evaluation of future exhibitions?

**Ms HAVILAH:** We have a very diverse and vibrant program that goes across a whole range of different areas. As part of the renewal process for the museum we are looking at our exhibition program and are looking at reinvesting into, amplifying and including our collections more in our exhibition program.

**The Hon. WALT SECORD:** Did the *Star Wars* exhibition—my understanding from public coverage of it was that it actually, as you say, did not meet expectations of attendance. Did it prompt a review on how future exhibitions are selected?

**Ms HAVILAH:** Sorry, I now have the dates of the exhibition. It opened on 16 November 2018 and it closed on 10 June.

**The Hon. WALT SECORD:** Do you have attendance figures there too?

**Ms HAVILAH:** I do not have the attendance figures but we can get them for you. Of course, we go through detailed evaluation on the performance of all of our exhibitions in terms of how they relate to our ambition as an institution to engage the communities of Greater Sydney and New South Wales. We are in the process at the moment of evaluating in detail the impact and performance of *Star Wars* and we will use that information to look at how we program going forward.

**The Hon. WALT SECORD:** My understanding from the curatorial community was that it was, how do I say, not very well received. It was actually quite disappointing. That is the feedback I got from the curatorial community.

**The Hon. TREVOR KHAN:** You are not a happy man sometimes.

**The Hon. WALT SECORD:** I was never a fan of *Star Wars*.

**Ms HAVILAH:** It was an internationally renowned exhibition that has toured the world. We were very proud to present it and the museum staff did an incredible job in terms of its presentation. It was a very complicated exhibition to present and required very detailed technical skills, and it also required a lot of front-of-house invigilation in terms of the translation of the exhibition to the community. We have an incredible front-of-house team that did a really extraordinary job on doing that. I think everyone that did go to that exhibition had a positive and valuable experience of it.

**The Hon. WALT SECORD:** Can you take me through when will the Powerhouse Museum close its doors?

**Ms HAVILAH:** The Powerhouse Museum will begin a staged closure on 30 June 2020. On 30 June 2020 we will close the heritage core of the museum and we will retain the Wran part of the building open till June 2021.

**The Hon. WALT SECORD:** Do you have exhibitions booked in for that one-year period?

**Ms HAVILAH:** We are working on an exhibition program that we will announce at the end of the year for that whole period.

**The Hon. WALT SECORD:** So at the moment there has not been a program announced?

**Ms HAVILAH:** No, not till November this year.

**The Hon. WALT SECORD:** Mr Reardon, maybe you can direct this to the appropriate person. Waverley Council has indicated that the Department of Premier and Cabinet has expressed interest in the Sculpture by the Sea exhibition and the continuing of that. Can you tell us what is the Department of Premier and Cabinet's involvement in that?

**Mr REARDON:** Apart from being another major event, I will have to take it on notice because I do not know.

**The Hon. WALT SECORD:** Ms Foy, do you have any information on that?

**Ms FOY:** No, I do not. I would also have to take it on notice. If there is a specific question that—

**Mr REARDON:** If it is more of a Create NSW question, as opposed to the broader department—in the department, just for clarity, we do hundreds and hundreds of major events.

**The Hon. WALT SECORD:** I actually think you are right. I think it was a major event inquiry.

**Mr REARDON:** Right, so I do not know. I have not had that brought to my attention.

**The Hon. WALT SECORD:** Is there anyone here involved in Create NSW that would have an involvement in Sculpture by the Sea?

**Ms FOY:** No. As I understand it, that is a—I need to check the facts on it, but that is a matter between the council and the company. I think we have very limited, if any, involvement but I am happy to check that and correct the record if I am wrong.

**The Hon. WALT SECORD:** Several days ago the Minister was in the public arena talking about a live theatre space down at Barangaroo.

**Ms FOY:** Yes.

**The Hon. WALT SECORD:** What was he referring to?

**Ms FOY:** You would have to direct that to the Minister.

**The Hon. TREVOR KHAN:** He was here this morning, wasn't he?

**The Hon. WALT SECORD:** We didn't get to it.

**Ms FOY:** You would have to direct that to the Minister. We do have the Cultural Infrastructure Plan, which we are obviously very proud of and we are in the process of implementing. When it comes to theatre spaces we know that, as the Minister said this morning, we are shy about two from what Melbourne is. We are working very hard to bring in additional theatre and performance spaces. But, again, I refer you to the Minister.

**The Hon. WALT SECORD:** But there must be some departmental work. For the Minister to announce a project like this, there has to be some departmental work behind it. Can you enlighten me on the Barangaroo project that he has surprised us with?

**Ms FOY:** There is a number of activities around Barangaroo. That is part of a broader part of the department's responsibility. We are always talking with our colleagues across government, whether they own transport assets and we can have for Make Music Day at transport stations; whether it is the people responsible for Barangaroo around what is possible there; whether it is Health and the great work that Health does and how Arts can bring health outcomes for their customers. But there is a range of discussions we have all of the time, including around Barangaroo, about what is possible.

**Mr REARDON:** Mr Secord, I am not aware of the specifics. If you had a bit more specific—because we have the responsibility for Barangaroo as the development as well within our cluster, which is with Infrastructure NSW associated with that. If it was more specific I might be able to help out.

**The Hon. WALT SECORD:** What I can tell you from the public arena—he said that there were talks and moves afoot to have a live entertainment facility in Barangaroo.

**Ms FOY:** Correct. We are in discussions with those responsible for Barangaroo about what is possible in the Barangaroo precinct.

**The Hon. WALT SECORD:** How does it fit into his plan for a live entertainment venue at Ultimo, the plans to reopen the Theatre Royal, and now Barangaroo?

**Ms FOY:** It fits perfectly. Sydney is a global city. We want to and will be and are a major player in the arts and culture space in the Asia-Pacific region. We can do a lot of things all at once—both negotiate the Theatre Royal, open and design a Powerhouse Museum at Parramatta, do a business case for cultural infrastructure in Ultimo, and negotiate and talk with our colleagues around Barangaroo. There is a lot on foot and we are doing all of those things at once.

**Mr REARDON:** The "a lot on foot" aligns with the Cultural Infrastructure Strategy that came out by Infrastructure NSW. As the Minister put it, the plan—

**The Hon. WALT SECORD:** Can I then ask you to provide on notice information on the scoping study and the deadlines and timetable involved in the Barangaroo theatre project?

**Ms FOY:** I am happy to come back with the information around Barangaroo.

**The Hon. ROBERT BORSAK:** Ms Foy, is the lyric theatre in the Powerhouse Museum—

**The Hon. WALT SECORD:** He just jumps in! Go ahead, Robert.

**Ms FOY:** I beg your pardon. I could not hear you, Mr Borsak.

**The Hon. ROBERT BORSAK:** Is the lyric theatre planned for the Powerhouse site still on foot?

**Ms FOY:** Yes.

**The Hon. ROBERT BORSAK:** Thank you. That is just one jump-in, compared to the hundreds you do to me.

**The Hon. WALT SECORD:** I don't mind, Robert. We complement each other.

**The Hon. ROBERT BORSAK:** Don't say that too publicly.

**The Hon. WALT SECORD:** I wonder if you could possibly help me, Mr Reardon, on this. The latest arts and cultural projects funding rounds—there has been some discussion this morning about the round of 164 applications and seven projects were funded. You will probably take this on notice, but could you provide on notice a list of the 164 projects that applied and the seven successful projects?

**Ms FOY:** Yes.

**The Hon. WALT SECORD:** That is all I am asking for.

**Mr REARDON:** I will take it on notice, so long as whatever we provide you accords with the guidelines. I do not know on what terms people actually put their grant funding in, but whatever we can provide you we will provide you.

**The Hon. WALT SECORD:** Those are fair parameters. I would like to take you to the merging of the clusters from eight to 10—

**Mr REARDON:** Other way around.

**The Hon. WALT SECORD:** —10 to eight, sorry—and the impact on Create NSW. Before the merger, what was the number of staff employed in Create NSW?

**Mr REARDON:** Just context first: As I said, bringing our cluster together—our cluster has gone from about 12 or 13 agencies and major areas up to about 19 now. It has got quite a significant change. Create NSW, in context, is a significant focus area because of the Minister's major portfolio area. But in context, it is a small part of the entire Premier and Cabinet cluster. We have several thousand people now in a central agency, which is unusual, because we actually have delivery: We have Infrastructure NSW, the Public Service Commission, the Greater Sydney Commission, amongst many others. Create NSW staff complement: The key changes initially were we did not bring the deputy secretary role across, and Ms Foy has folded that into her community engagement responsibilities.

Most recently Ms Foy has actually put out a new structure for that team at the headline level, which is a natural thing to do—as we have done for the entire department, as we have done for a few other agencies et cetera. She is just getting on with that now. I think you were out with your people right now talking about that, so you may want to just outline where you are up to.

**The Hon. WALT SECORD:** How many people are employed in Create NSW now? If you grab the telephone directory, started from the top and counted down, how many people would you get?

**Ms FOY:** I could not tell you off the top of my head, but I am happy to try and get that figure now. I am happy to overview the structure changes.

**The Hon. WALT SECORD:** Yes.

**Ms FOY:** Historically, there was a head over Create NSW, which was largely the arts and culture policy grant-making industry development bit. And then we had Create Infrastructure responsible for the infrastructure elements, so those major projects. Coming in, I am bringing the leadership team together under one executive director and have a cohort of strong directors focused on the key parts of the business that we have got to deliver. So there is—

**The Hon. WALT SECORD:** So the executive director is the top person?

**Ms FOY:** The top person, reporting to me. Then there is someone responsible for planning and partnerships and they are driving a whole-of-government agenda. Being in Premier and Cabinet, as many would know, is a great opportunity to drive across government and drive change and deliver in outcomes. So that is that director's responsibility. We have a director overseeing business operations, investment and governance, so the Minister has talked about the Artform boards. So it is supporting the Artform boards and the decision-making in governance in place there. It is driving investment and grant decisions and administration. Then we have the head of Create Infrastructure responsible for those projects.

In the last short while we have had quite a number of projects moving through and we are partnering even more strongly with Infrastructure NSW. And then we have a new head of Screen NSW responsible for screen and to leverage off some of the great work that that team has been doing and some of the investment that has been made in screen, both international companies coming to New South Wales as a place that is a great place to do business in the screen industry and also grow our domestic screen industry.

**The Hon. WALT SECORD:** So you have detailed five positions.

**Ms FOY:** Correct.

**The Hon. WALT SECORD:** An executive director, a head, a director, a director and head of Screen NSW.

**Ms FOY:** Correct.

**The Hon. WALT SECORD:** So would they be band 4s or band 5s? I am sorry—band 3s, band 2s? Where would they fit in the SES structure?

**Ms FOY:** They will fit into the SES structure as the secretary has outlined.

**Mr REARDON:** So band 4 for secretary, band 3 deputy secretary, then band 2 executive director, band 1 director.

**The Hon. WALT SECORD:** So these five here would be band 2s?

**Ms FOY:** Subject to doing the final review, but the executive director I expect would be a band 3. The two directors I expect to be a band 1. The two heads would fall somewhere between a 2 or a 3. We are just working that through as part of our appropriate processes that we have to do as part of our requirements.

**The Hon. WALT SECORD:** What has been the New South Wales Government's response to representations from Fox Studios expressing their concerns about the impact on filmmaking, particularly the American film—I think it is one of the Marvel comic films.

**Mr DAVID SHOEBRIDGE:** There are two at the moment, are they not?

**The Hon. WALT SECORD:** There are two? It was \$150 million. They wrote to the Government, I think in the last two weeks, expressing concern that the demolition of the football stadium would impact on their jobs and their ability to actually conduct the filmmaking there.

**The Hon. TREVOR KHAN:** This is their response to a development approval? That is what you are talking about?

**The Hon. WALT SECORD:** Yes. It has been in the public arena. It is not a surprise.

**The Hon. TREVOR KHAN:** No, no. We saw you waiving the document around in question time. It is just that in question time you might have given it an interesting spin.

**The Hon. WALT SECORD:** It was very accurate, though. Spin does not mean inaccurate?

**Mr DAVID SHOEBRIDGE:** Whenever you two are ready.

**The Hon. TAYLOR MARTIN:** Come on. Time's a-wasting.

**The Hon. WALT SECORD:** I was giving them time to get the document.

**Ms FOY:** I understand that—sorry, I am just checking my note. Where I am uncertain, I will take something on notice, if that is okay, Mr Secord. Infrastructure NSW, I understand, submitted a stage two State significant development application for detailed design, construction and operation of the football stadium. As part of that, INSW prepared an environmental impact statement, which was placed on public exhibition—as it rightly does with such projects. That was on exhibition from 19 June to 24 July. I understand a bunch of submissions were received and Fox Studios Australia made one of those submissions and it raised certain concerns. INSW is considering those submissions and they will prepare a response to the submissions to address each of the issues raised. I personally in my role have not been approached by INSW to provide comment. But certainly if we in DPC and Create can add some value or make sure that we are continuing conversations with important stakeholders, we will do that.

**The Hon. WALT SECORD:** Can I switch you to the Roxy Theatre in Parramatta? What is the current status of the Roxy? Can you update me on the current status?

**Ms FOY:** I am sorry, Mr Secord. I would have to take that one on notice. If you have a more detailed question, I am happy to then give you the—

**The Hon. WALT SECORD:** Maybe I will ask Ms McKenzie. Have you had representations or moves involving preservation or protection of the Roxy Theatre, if it is not in fact the subject of protections at the moment?

**Ms McKENZIE:** The Roxy Theatre Parramatta is listed on the State Heritage Register and there was a recent Land and Environment Court decision in relation to the development proposal for the site. The appeal was denied, so that development is not proceeding. So, as I understand it, the owners of that site would be looking at what they now wish to do with it.

**The Hon. WALT SECORD:** I understand there is a proposal for a 27-storey office on or above the site.

**Ms McKENZIE:** If that is the previous proposal then that was not approved by the Land and Environment Court.

**The Hon. WALT SECORD:** Mr Reardon, could you direct me to the appropriate person to answer questions on the Walsh Bay Arts Precinct project?

**Mr REARDON:** You can start with me and then I will hand to Ms Foy.

**Ms FOY:** And then you can go to me.

**The Hon. WALT SECORD:** What is the status of Pier 2/3?

**Mr REARDON:** First Pier 4/5 were well underway, with Infrastructure NSW delivering that on behalf of Create NSW, and I will continue to get along with that. Walsh Bay 2/3, we are doing some of the preliminary work now. But you might want to go into that in detail.

**Ms FOY:** Correct. Thank you. This is obviously a very complex project. It is a whole arts precinct at Walsh Bay. We are working pretty hard on it. So if I could just step out some of the things that have happened over the last couple of years. The 2014-2015 budget is when the first commitment was made. So we have got the two projects. Sorry, I am going a bit all over the place. We have got the two projects: Wharf 4/5, Wharf 2/3. So 4/5 is well underway, but that is not after suffering some significant setbacks that come with litigation when we had a legal process challenging the validity of a development consent.

**The Hon. WALT SECORD:** That was several years ago, right? Several years ago?

**Ms FOY:** Yes, it was several years ago. But I am just stepping this out, if that is okay. That led to certain changes and some challenges with budget, which I think have been discussed before. In terms of Wharf 2/3, we have a pier—a heritage pier—over the water there. It is very much a blank box. We are doing some preparatory works at the moment to investigate the condition—a condition survey—of those structures for 2/3.

**The Hon. WALT SECORD:** Is that where the problem is? Is that where the delay is occurring?

**Ms FOY:** The delay is occurring partly because, as I said, 4/5 and 2/3 are kind of inextricably linked as part of a whole precinct. It has always been said for many years this is a phased cultural infrastructure project. Wharf 4/5 went first. There were some challenges there with the litigation that extended time. We had INSW undertake some analysis around the total budget, the cost of those services, overheading and the construction market. A particularly complex project on 4/5, which was somewhat unforeseen, given the condition of the building when you rip up dance floors and pull down walls. It was really quite complex.

**The Hon. WALT SECORD:** And it is on water.

**Ms FOY:** And it is over water. So we have invested the budget available to make sure that we have got 4/5 on track. We are now at 2/3. We have got funding there—an envelope of funding. We are testing the condition of the building. We have been through a process to look at what is the design required for our tenants—our fantastic and very important tenants, including performing arts companies.

**The Hon. WALT SECORD:** The Australian Chamber Orchestra [ACO]?

**Ms FOY:** And ACO. So we are currently as of this week doing that condition survey so that we can get a most up-to-date and accurate price based on the current condition of Wharf 2/3.

**Mr DAVID SHOEBRIDGE:** Is the current budget for 4/5 \$245 million?

**Ms FOY:** Let me just double-check my figures. It is a total budget for Walsh Bay of around \$245 million.

**Mr DAVID SHOEBRIDGE:** That is the current budget—\$245 million?

**Ms FOY:** As I understand it. If I am incorrect, I will correct the record.

**Mr DAVID SHOEBRIDGE:** Quite.

**Mr REARDON:** Yes. Yes, that would be the current amount.

**Mr DAVID SHOEBRIDGE:** What was the original budget announced?

**Mr REARDON:** I would have to take that on notice. I believe it was \$245 million, but I will take it on notice.

**Mr DAVID SHOEBRIDGE:** No, no. What was the original budget?

**Ms FOY:** In 2015?

**Mr DAVID SHOEBRIDGE:** Yes.

**Ms FOY:** It was \$139.6 million.

**Mr DAVID SHOEBRIDGE:** I assume there was a contingency in that budget because the site was a heritage site, the site was on water. What was the contingency in that original \$139 million budget?

**Ms FOY:** I could not answer that question. I will take it on notice. But I would say that these are very, very complex sites in terms of heritage, in terms of building condition—additional complexities when you are

looking at a company or a business where there is a legal challenge testing the validity of consent for redevelopment, having to put in fresh development consent. Those things have all led to cost increases.

**Mr DAVID SHOEBRIDGE:** The Government got the planning wrong. What has been the cost of that mistake?

**Ms FOY:** No, no, sorry. May I also add scope changes. I am happy to take things on notice, but the original budget is not the current scope of the project. The original budget is a different scope, and then overlaying that with a level of complexity that was unforeseen at the time.

**Mr DAVID SHOEBRIDGE:** What has been the cost to New South Wales taxpayers, then, of that planning mistake, the legal error made by the Government?

**Mr REARDON:** I do not understand.

**Ms FOY:** I do not understand the premise of your question.

**Mr DAVID SHOEBRIDGE:** The purported approval that was set aside because you got the law wrong.

**Ms FOY:** I do not think we cut budgets that way, to look at it on the basis of your question. I can take it on notice. We can come back with the costs where they are changed. My supposition is the changes are scope, complexity, delay—as a result of the legal matters—and the planning consent issues we have been through.

**Mr DAVID SHOEBRIDGE:** If you could come back on notice about what part of the original \$139 million was contingency. Then, if you wish to, explain how we are now \$106 million more than whatever the original contingency was, on notice.

**Ms FOY:** I am happy to take that on notice.

**Mr DAVID SHOEBRIDGE:** Is it true that just that cost blowout on the Walsh Bay project is more than the entire Regional Arts Fund? Just that one cost blowout. Is it true that that is \$6 million more than the entire regional—

**Ms FOY:** Sorry, I do reject that—may I say I do not want to take a question on notice where the preposition of the question is that there is a cost blowout. There are changes as a result of the things that I set out. There are still funds to do part of 2/3.

**Mr DAVID SHOEBRIDGE:** I will rephrase it. The \$106 million increase in the budget, because of those variety of reasons on Walsh Bay, for that one project in Sydney, is that more than the entire Regional Arts Fund.

**Ms FOY:** I am happy to take that on notice.

**Mr DAVID SHOEBRIDGE:** Thank you.

**The Hon. ROBERT BORSAK:** Anything is bigger than that.

**Mr DAVID SHOEBRIDGE:** But particularly that.

**Mr REARDON:** Just as we take it on notice, just to clarify, you made the comment that there is a \$106 million difference between those two. In terms of scope and in terms of design, we would have to go back to what the allocation was in 2015, and we will do that in terms of what it was applied towards, whether it was the full amount or otherwise. To characterise just down to a few items as I think you did between those two numbers will probably give you a bit more of a fulsome response about what allocation was there and what scope was there.

**Mr DAVID SHOEBRIDGE:** Mr Reardon, I would appreciate a full explanation. If that is what you are going to give then I would appreciate that.

**Mr REARDON:** I just cannot respond with the narrowness of how you described it.

**Mr DAVID SHOEBRIDGE:** I cannot be clearer than inviting you to give a full explanation for why the project is now \$106 million more than the original \$139 million budget. Feel free to tell me all of the reasons.

**Mr REARDON:** No, I think I made my comment.

**Mr DAVID SHOEBRIDGE:** Feel free to tell me all of the reasons why. Mr Ardler, in the last 12 months, or, if you cannot do that, in the last financial year, how many Aboriginal Heritage Impact Permit [AHIP] applications have been received? Do you know?

**Mr ARDLER:** I have no idea, I am sorry.

**Mr DAVID SHOEBRIDGE:** No idea at all? You do not know the—

**Mr ARDLER:** No, the responsibility for Aboriginal heritage protection and the issue of permits was with the former Office of Environment and Heritage. It is still with the Department of—

**Ms McKENZIE:** DPI.

**Mr ARDLER:** DPI, yes. Industry, Planning and—

**Mr DAVID SHOEBRIDGE:** I had understood that the Aboriginal heritage provisions from the National Parks and Wildlife Act had transferred across?

**Mr ARDLER:** Not those provisions, no.

**Mr DAVID SHOEBRIDGE:** Which parts have transferred across?

**Ms McKENZIE:** Those parts of the Act are at the moment jointly administered by the two Ministers, the environment Minister and the Special Minister of State, with responsibility for the Heritage Act and the component parts of the National Parks and Wildlife Act. At the moment the regulatory function attached to Aboriginal cultural heritage, where the AHIPs are dealt with, is still at this point in time within the Department of Planning, Industry and Environment. There are discussions around the transfer of that function.

**Mr DAVID SHOEBRIDGE:** But under the allocation of Acts the Special Minister of State has co-responsibility for those provisions at the moment. That is the legal position, is it?

**Ms McKENZIE:** Yes, but because the regulatory function and the conservation functions are dealt with in the same parts of the Act, those component parts, the actual administrative responsibilities, the departmental responsibilities that have transferred at this point in time, relate to the proactive conservation side. That is repatriations, conservation and Aboriginal Places. We also support the Aboriginal Cultural Heritage Advisory Committee. The components of the Act related to the regulatory function were deeply embedded within a different part of the Department of Planning, Industry and Environment. There are discussions and negotiations at the moment in regard to the possible transfer of that function.

**Mr DAVID SHOEBRIDGE:** All right. But as a question of law the Special Minister of State has joint legal responsibility for those provisions of the Act but you say there is some administrative arrangement underneath that divides it in two, is that right?

**Ms McKENZIE:** I would not like to give you legal advice, so I would refrain from giving you legal advice, but the practical on the ground is that is the way it is operating at the moment.

**Mr DAVID SHOEBRIDGE:** Then I will ask this question, and you may or may not be able to answer it: How many AHIPs—do you know what I mean by AHIPs?

**Ms McKENZIE:** I know what AHIPs are, yes.

**Mr DAVID SHOEBRIDGE:** How many AHIPs were received in the last financial year, how many were refused and how many were approved?

**Ms McKENZIE:** I do not have those figures available to me.

**Mr DAVID SHOEBRIDGE:** Could you take it on notice?

**Ms McKENZIE:** I would have to get that information. It would be best to raise that in the discussions at the appropriate committee, but I can seek that information.

**Mr DAVID SHOEBRIDGE:** All right, thank you.

**Mr REARDON:** But they are at this moment with the division of—as described by Ms McKenzie, they remain with Planning, Industry and Environment.

**Mr DAVID SHOEBRIDGE:** Yes. I am asking in this Committee because of this Committee's remit. I believe the Minister has an obligation under the administration of Acts but I am more than happy for you to take that on board and review it.

**Mr REARDON:** We have indicated how administratively it is being delivered now. We did that deliberately so we could continue without disturbance people getting on with things. That has remained with Planning, Industry and Environment. We will have a cluster budget estimates committee.

**Mr DAVID SHOEBRIDGE:** I am simply looking at the remit of this Committee and at the obligations of the Minister. I am more than happy for you to take that on notice and respond appropriately.

**Mr REARDON:** I thought we had answered that it would be within Planning, Industry and Environment about the delivery of those services, and the AHIPs, as you pointed out. That is where they are at this point in time.

**Mr DAVID SHOEBRIDGE:** Ms McKenzie, is your department aware of the proposal for Wahluu, which is also known as Mount Panorama, to be the site of a racetrack under a proposal from Bathurst council?

**Ms FOY:** Yes.

**Ms McKENZIE:** Yes, I am aware of that.

**Mr DAVID SHOEBRIDGE:** Are you aware of the proposal for the construction of a further racetrack at the top of Mount Panorama on the sacred site known as Wahluu?

**Ms McKENZIE:** I am aware that that proposal has been made, yes.

**Mr DAVID SHOEBRIDGE:** Has your office taken any actions to consult with First Nations peoples and understand their concerns regarding the Aboriginal heritage that they say is threatened on Wahluu?

**Ms McKENZIE:** We have received an Aboriginal Place nomination for Wahluu. That Aboriginal Place nomination has been assessed, is being assessed or has been undertaken. There have been consultations with the local Aboriginal community and conversations with that regional council in relation to that. We have also sought advice from the Aboriginal Cultural Heritage Advisory Committee in terms of progressing that.

**Mr DAVID SHOEBRIDGE:** When did you receive the application to declare Wahluu as an Aboriginal place?

**Ms McKENZIE:** I will have to check the notes to see if they have the time on them.

**Mr DAVID SHOEBRIDGE:** Do you want some time?

**The Hon. TREVOR KHAN:** No, we are still keeping our powder dry.

**The Hon. WALT SECORD:** You are going to pounce?

**The Hon. TREVOR KHAN:** Yes. I am cat like.

**The CHAIR:** Given that we are now in the little bit of extra time before we finish at five, the previous resolution that we made means that the last 15 minutes is split evenly—7½ minutes each.

**Mr DAVID SHOEBRIDGE:** I am still waiting for an answer, and then I have one more question. Then I am happy to hand it to Mr Borsak and Mr Searle if you wish.

**The CHAIR:** The answer that we were waiting on, for the previous question, we will get now. Then it is the Opposition's time.

**Ms McKENZIE:** I am sorry. I cannot quickly locate that timing right at the moment. I am trying to find it. I will have to take that on notice.

**Mr DAVID SHOEBRIDGE:** Perhaps you could take that on notice and also what the expected time frame is for a decision in relation to that, given that Bathurst Regional Council is moving ahead with its DA plans, and it is clearly relevant to that.

**Ms McKENZIE:** I can do that—take that on notice.

**The Hon. ADAM SEARLE:** Mr Reardon, in relation to the most recent *State of the NSW Public Sector Report*, page 64, which talks about flexible work, of the 396,000 public servants or thereabouts—I am happy for you to take this on notice—how many are currently working from home, and with what frequency, and how many are in positions or roles that would enable them to work flexibly? Allied to that, what plans, if any, does the State Government have to lead a conversation with the private sector about the greater use of working from home or flexible work?

**Mr REARDON:** Just to help recoin that a little bit, flexible work does not just mean working from home.

**The Hon. ADAM SEARLE:** I understand that.

**Mr REARDON:** Flexible work means a lot of rich ways of working in our activity based workplaces. People can work across Transport and Education. They are actually doing it more and more. We are trying to make it a very permeable public service so that people can do that. In the main, a lot of people still do the same thing. Our key requirement is that people get afforded the opportunity—"Do you want to work flexibly?" If someone wants to respond, "I want to work eight to five, and do that five days a week," that is their business. The tracking of who does what would be down to quite a small branch level, and people being held to account to make sure that they are productive and all those types of things.

Do we roll that up across the board? Not so much, except for in the state of the sector report, where people tell us what they are doing. It is not something that we would spend a lot of red tape on—administrative burden—bringing that right to the centre and reporting to me or Emma Hogan about what every single person does. A lot more people are taking up an opportunity to work flexibly than traditionally would have. Some frontline people were trying to work out areas where they can. It is traditionally the discussion—"Back office can work flexibly; I can't at the front office." We are trying to find ways of doing it. There is certainly a strong will to do it, so we will keep working on that.

Some of the enterprise agreements butt up against that. That is a fact, and we are trying to work through that so that we can have a proper conversation. Flexi-time vis-a-vis flexible work are two propositions now that are a little out of whack historically. It means, for example, seeing someone for core hours and writing that down on a flex sheet, and making sure you are in the office at that time. That does not really align with contemporary society and people working flexibly.

Your question was specifically about how many people work from home. We would not know. It is tracked locally. The accountability is held locally, and people are held to account. The key is that we are trying to reverse it from an employee having to go with a begging bowl to say, "I've got commitments with children, study commitments and others. I will promise you that I will be productive and deliver my outputs for my job and my performance. I just can't do it in normal hours" We are turning that around a bit to say to management, "It is your accountability to go and make sure that you ask that question." That one change by Premier and Cabinet has meant that our results have gone up quite a bit in that area. There are other areas that we need to work on without a doubt, but we are known for having a reasonable level of flexible work and permissioning of that. We just need to get that culture more wide spread.

To your last point about partnering with the private sector, the private sector do want to hear from us more and more because we are 400,000 people and no-one else has 400,000 people. So they want to know what we are doing at that macro level, particularly when it goes to that. As we talked about this morning: What is truly back office? What is more grey, and what is truly front line? Giving people permission to do things differently. A lot of the private sector organisations do ask us those questions, particularly people in the chief people-officer roles. We will continue with those conversations. We think we are one very large enterprise in the Australian community, and certainly in the New South Wales community that should have a voice in that more and more.

As I said before, it is only in the last few years that we have started talking about ourselves as 400,000 people. That is more about giving pride in working for New South Wales. I think that is coming to the fore more and more because people should be proud to do so. The Premier has given us a priority to have a world-class public service. Making sure we deliver on that promise means that we have to keep improving. We have done some good things but we have a long way to go.

**The Hon. ADAM SEARLE:** Ms Hogan, do you have anything to add?

**Ms HOGAN:** Just to say that the Public Service Commission has been coordinating a piece of work across the sector to implement the flexible work—if not, why not—policies. A number of activities have been underway to the point Mr Reardon made about flexibility being more than just working from home. We have done things like introduce job share platforms, sector wide flexible working pilots, best practice policy guidance et cetera. The sector has this piece of work well underway. We took a progress report in February, and a further one will be done in September to see how we are progressing.

**The Hon. ADAM SEARLE:** I take your point about the red tape or bureaucracy of trying to track it all. Is there any mechanism that could be implemented, maybe through a future state of the sector report, or People Matter Employee Survey to get some greater data about how many of the 396,000 people in the service avail themselves of flexibly working or specifically working from home?

**Mr REARDON:** I think it would be more about doing that through clusters, secretaries and things like that. We have a controlling eye on that, but also you need to give permission to management and the next levels of management to have those conversations to ensure that they are offering that opportunity.

**The Hon. ADAM SEARLE:** It would be worth knowing.

**Mr REARDON:** Yes, without a doubt. I think we will get better and better. Whether we do it through state of the sector or the PMES results, or through the cluster secretaries, we will get better and better at that over the next few years. It has been quite a commitment to get to 2019 and at least ask the question: Flexible work—if not, why not? We have taken that very seriously. We have come a long way, but it is a reasonable point you have raised about trying to roll it up. As I said, I do not want to create an administrative burden or a reporting burden with that. It is more about volunteering that information.

**Ms HOGAN:** If I might add, that in some of the questions we ask in PMES we do not ask, "Did you work from home?" But our early data for 2019, which will be released publicly on 9 September, indicates that employees use one or more types of flexible working, and that has increased since last year—up to 63 per cent from 60. Satisfaction with access to flexible work policies is steady at 59 per cent, as are perceptions of manager support with flexible working at 63 per cent. So there is still some work to do on improving satisfaction, but I think those results are pretty good compared to where we were a few years ago.

**Mr REARDON:** Smaller agencies would have much higher numbers as well, because it is just the natural course of being a smaller agency—for example, Premier and Cabinet. Premier and Cabinet figures will be quite a deal higher, but they will come out when the state of the sector report comes out.

**The Hon. ADAM SEARLE:** Ms Hogan, back to the discussion we were having about workplace bullying. A few years ago the Legislative Council did a report on instances of bullying in WorkCover, and one of the things it found was that the health and safety regulator did not really have the skills to properly investigate that kind of workplace incident. It might be very good at slips and falls or frank accidents but for the social context that comes with workplace bullying, it was not equipped to do it. Is your organisation doing any work across the sector to support agencies in terms of how they deal with bullying incidents in the workplace?

**Ms HOGAN:** There are two responses to that. The Public Service Commission in the past has done a big piece of work around Respect, Reflect, Reset, which provided guidance, tools and frameworks to the sector on how to address workplace bullying, what workplace bullying is and how to work through that. In parallel—I could not tell you the date but it was just after I started, so possibly in June or maybe July of 2017—New South Wales introduced a SafeWork monitored plan that very specifically looks to mental health and workplace bullying as two of its key areas that it works through. That has only been in place a year or just over a year. We work closely, or my team works closely, with them to understand how that is progressing. Their monitoring of it, as the new plan, is still quite new.

**The Hon. ADAM SEARLE:** How much has been budgeted in the current budget 2019-20 towards the development of the Aboriginal languages strategic plan and the implementation of actions within that plan?

**Mr ARDLER:** There is \$3.2 million in the Aboriginal Affairs budget for Aboriginal languages. That is not just for the strategic plan; that is for the establishment of the Aboriginal Languages Act, including the establishment of the trust board. It will certainly include the work we are doing to develop the strategic plan. We would anticipate there will also be a grants component of that so it could fund community-based language programs.

**The Hon. ADAM SEARLE:** How will that grants programs operate? Are the guidelines in place yet?

**Mr ARDLER:** We are still working through those but we would expect that there will be a competitive grant round, where we will invite expressions of interest from Aboriginal organisations which have a language activity that they are seeking for us to fund.

**The Hon. ADAM SEARLE:** How is the Government supporting existing community-driven Aboriginal languages programs? How much funding is being allocated to them in the budget?

**Mr ARDLER:** I cannot give you a precise budget figure because there would be work happening across a number of agencies. For instance, the Department of Education manages the Aboriginal language nest. On top of whatever they allocate to that, there is also language work going on in a number of other schools. Organisations like the State Library do work on Aboriginal language preservation. The Geographical Names Board of NSW do work on dual naming of places and objects, so there is a range of activities that happened across the Government. The intent of certainly the Aboriginal Languages Act, but primarily the board that will govern that legislation, is to bring that activity together—not to control it but to better coordinate it and make sure we are getting more consistent, more comprehensive outcomes for the investment.

**The Hon. ADAM SEARLE:** How much has been budgeted towards the development of the centre for Aboriginal languages and who will be funded to deliver that project?

**Mr ARDLER:** There is no establishment of a centre for Aboriginal languages. What we are establishing is the statutory trust.

**The Hon. ADAM SEARLE:** What is the time frame for the establishment of the trust?

**Mr ARDLER:** We are about to go to the recruitment process for board members for the trust. We would expect that we will have that process concluded during the first quarter of next year.

**The Hon. ADAM SEARLE:** What activities or efforts is the State Government making to engage with Aboriginal women involved in addressing violence in their communities?

**Mr ARDLER:** I will have to take that on notice as there will be work happening across a number of clusters most probably.

**Mr REARDON:** I would say though that in the Premier's Priorities domestic violence, reoffending, remains there—recidivism—so there are a number of Premier's Priorities that would go to that, which are cross-cluster in their nature.

**The CHAIR:** You can finish the answer but it is 5.00 p.m. so we are at the end of this session.

**Mr REARDON:** Can we clarify two points on two project questions that we were asked?

**The CHAIR:** Sure.

**Mr REARDON:** The first is I was asked about Sydney Modern and the tendering and the re-tendering process. I was asked about the original tendering process in late 2018. There was an expression-of-interest process, where multiple infrastructure companies were asked to bid. Some of those were asked to bid and then there was a bidding process. I was asked specifically by Mr Shoebridge about how many came back and tendered in that process. I indicated I would take it on notice. The answer is it is still in a live tendering competitive process so my taking on notice would not provide a response except for that matter remains commercial in confidence until the tendering process is complete. I just thought I would clarify that.

**The Hon. WALT SECORD:** I would like to add that the Minister this morning said there were four, and he stopped at that.

**Mr REARDON:** Just so we are clear. We are speaking about two different things. There are currently four in the tendering process—a re-tendering process right now. I was asked how many tendered late last year and Mr Shoebridge said there are not many numbers between four and zero. I indicated I would take that on notice. Even taking that on notice, I would not come back with anything until this current re-tendering is done because we have not been public with any of those tendering rounds previously, in late 2018, until we actually settle a decision on a preferred tenderer, and the Government sees fit to make an announcement about that. I thought I would clarify that because it will have to be a nil response until that process is complete.

**Ms FOY:** I just want to set out the scope additions for the Walsh Bay programs. The question from Mr Shoebridge was with respect to the original budget allocation of \$139.6 million. That was part of the cultural infrastructure program and it included \$127.3 million for construction, \$10.6 million for planning and design, and \$1.7 million in recurrent. In late 2016 the Government approved the integration of Sydney Theatre Company's proposed capital upgrade into the Walsh Bay Arts Precinct redevelopment—so an addition to the original scope. To fully realise the vision for the precinct, the Government agreed to contribute a further \$67.88 million to the redevelopment, which included \$30 million towards Sydney Theatre Company's upgrades.

In April 2018 the Government approved an additional uplift of \$38 million to offset construction escalation and to support the nine performing arts companies during construction with their decant costs, with performance venues and office accommodation. Obviously the complex environment of the project means that costs have included a significant maintenance programme to ensure the structural integrity of the heritage wharves into the future and the costs associated with the planning process following the litigation and market increases since the time of the announcement. We continue to support the companies impacted and we certainly remain committed to the Walsh Bay precinct.

**The CHAIR:** Thank you. That is the conclusion of this session.

**(The witnesses withdrew.)**

**The Committee proceeded to deliberate.**