

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

Tuesday 3 March 2020

**Examination of proposed expenditure for the portfolio areas
SPECIAL MINISTER OF STATE, PUBLIC SERVICE AND
EMPLOYEE RELATIONS, ABORIGINAL AFFAIRS, AND
THE ARTS**

<https://www.parliament.nsw.gov.au/lcdocs/transcripts/2319/Transcript%20-%203%20March%202020%20-%20UNCORRECTED%20-%20PC%201.pdf>

EXTRACT: pages 4-11

The Hon. WALT SECORD: Minister, I will switch to the Powerhouse. What is your response to the call for the unsuccessful designs to be released? My question would be when will we actually get to see the unsuccessful designs?

The Hon. DON HARWIN: The short-listed schemes will definitely be exhibited in 2020. We have reached out to the competitors and other key stakeholders to make arrangements for the exhibition. Since the announcement of the winning design, in respect of the winning design, we have been finalising the contract and design as part of due diligence as well. It is certainly our intention to put them on display.

The Hon. WALT SECORD: This year?

The Hon. DON HARWIN: Yes, absolutely.

The Hon. WALT SECORD: All of them or just a couple? What are your plans? How many were short-listed?

The Hon. DON HARWIN: Six were short-listed.

The Hon. WALT SECORD: Will all six be displayed?

The Hon. DON HARWIN: One will not and that is because one of the six teams withdrew after submitting the entry. We were disappointed with the team's decision. We set out at the start of the competition to identify at least five teams and designs capable of delivery. Ultimately the jury was able to consider five diverse schemes and select, I believe, an exciting and deserving winner. The reason for the withdrawal was given on a commercial-in-confidence basis and I am not really able to identify anything more about that at the request of the bidders.

The Hon. WALT SECORD: Was the jury selection of the winning competition design unanimous?

The Hon. DON HARWIN: Yes.

The Hon. WALT SECORD: Did you write a memo—

The Hon. DON HARWIN: That is the advice I received from the chair of the panel, Naomi Milgrom.

The Hon. WALT SECORD: Ms Havilah, was the decision unanimous?

Ms HAVILAH: Yes, it was.

The Hon. WALT SECORD: Minister, did you write a memo to fellow jury members outlining your concerns about the winning design—an email, memo or correspondence?

The Hon. DON HARWIN: Just a second, I will just check that with my staff. It is not my recollection that I did but I just want to confirm that. I have no recollection of doing that and I have checked with my chief of staff and he does not recall it either. Anyway, if you have got any further questions I am happy to answer them, but, honestly, I do not recall doing that.

The Hon. WALT SECORD: Did the Museum of Applied Arts and Sciences [MAAS] trust sign off on the design competition?

The Hon. DON HARWIN: I think I would have to ask them. A design brief? Could you ask your previous question before?

The Hon. WALT SECORD: Which one?

The Hon. DON HARWIN: The one you asked me about my email.

The Hon. WALT SECORD: I said did you write to jury members outlining your concerns about the

winning entry?

The Hon. DON HARWIN: No. That is right. I do not wish to change my answer. Your next question, if you could re-ask it?

The Hon. WALT SECORD: Did the MAAS trust sign off on the competition?

The Hon. DON HARWIN: On the design brief?

The Hon. WALT SECORD: The competition brief.

The Hon. DON HARWIN: I will have to ask the museum.

Ms FOY: We have normal program governance for the Powerhouse program. The design brief is submitted—any documents, major decisions and milestones are put through steering committees et cetera. That is the normal process. Ms Havilah can comment on what role the trust plays, but we have normal program governance as part of our processes.

The Hon. DON HARWIN: I am advised by Ms Havilah that they did.

The Hon. WALT SECORD: Ms Havilah, the Locomotive No.1 in the Powerhouse Museum, is that going to the new museum?

Ms HAVILAH: Yes, it will.

The Hon. WALT SECORD: Where will it go?

Ms HAVILAH: We are working through that as part of the next stage of the design process now that the winning architectural team has been selected and we are also beginning the process with the curatorial team to develop the opening exhibitions for the new museum.

The Hon. WALT SECORD: How large is the locomotive that is being moved to the Parramatta site?

Ms HAVILAH: I would have to take that on notice.

The Hon. WALT SECORD: Bigger than a bread box? Is it as big as this room? How large?

The Hon. NATALIE WARD: As big as a train. Train size. Locomotive size.

The Hon. WALT SECORD: Locomotive size, is that correct?

Ms HAVILAH: Do you mean metres or weight?

The Hon. WALT SECORD: Weight, metres. I am trying to get a sense of scale.

Ms HAVILAH: I would have to take that on notice. I could not give you an accurate answer on that.

The Hon. WALT SECORD: You would agree that it would be quite large? It is about the size of a contemporary bus?

The Hon. DON HARWIN: I think it would be difficult to improve upon the answer that Natalie Ward gave: it is locomotive size.

The Hon. WALT SECORD: No, no, because it is relevant.

The Hon. DON HARWIN: I accept that.

The Hon. WALT SECORD: So is it the size of a contemporary bus? Large or small?

Ms HAVILAH: It would be in similar scale.

The Hon. WALT SECORD: I guess the question I am getting to is—there has been a bit of discussion about the Vietnamese museum being on stilts—will it be on the flood plain level or will it be above, on top, on the stilts area?

Ms HAVILAH: Every single object that we present in the museum will be presented above the one in 100 year flood level. So it will not be presented at any risk.

The Hon. ROBERT BORSAK: Just to clarify that, how high is that?

Ms HAVILAH: That is RL 7.5.

The Hon. ROBERT BORSAK: It is 7.5 metres?

Ms HAVILAH: Yes.

Ms FOY: I am happy to take the Committee through that. We have done an assessment of the flooding and I am very happy to take the Committee through that. Certainly the design and engineering measures have been taken into account as part of the planning for the museum at Parramatta. To address the potential flooding for the site, engineering studies have been undertaken as part of the original business case planning process. We have sought extensive advice from experts who are all aligned in their view that the proposal would not put the museum's collection at risk. If I

can just call on some assessment that we undertook of the weather event on 8 and 9 February. It did not meet the one in 100 flood level.

The Hon. WALT SECORD: What was that? What was the scale of that?

Ms FOY: The scale was approximately, I am advised, one in 10. The usual river level is around about 2.5 metres. The recent flood rose to approximately 4.1 metres, or 1.6 metres above the usual height. This is well below the proposed ground level for the museum, which is proposed at 7.5. The majority of the presentation spaces will be higher again and well above the even one in 100 flood levels. The design has taken account of that, of course, through the planning process. Further assessments are made but we are very confident that the museum—

The Hon. ROBERT BORSAK: What parts of the collection are going to be on the ground floor that you are willing to allow to be flooded?

The Hon. DON HARWIN: With respect, I think the deputy secretary made it very clear that the ground level of the museum is going to be 7.5 metres above the river. The one in 100 level is below that. So the premise of your question just does not arise.

The Hon. ROBERT BORSAK: The ground floor of the museum is going to be 7.5 metres above ground level? That is what you are saying?

The Hon. DON HARWIN: No. Ms Foy, since you gave the 7.5 metre figure, why do you not outline exactly what that means, for the benefit of the Chair?

The Hon. WALT SECORD: I was very clear; I thought it was going to be 7.5 metres, as Mr Borsak understood that too.

Ms FOY: The ground level for the museum is proposed to be at RL 7.5; so that is above the one in 100 year flood level.

The Hon. ROBERT BORSAK: So the ground level of—

The CHAIR: Just to be clear, we are in the crossbench time now.

The Hon. ROBERT BORSAK: The ground level of the museum will be 7.5 metres above the surrounding ground level, or more?

Ms FOY: Again, the recent flood level rose to about 4.1 metres, or 1.6 metres above the usual height. This is well below the proposed ground level for the museum, which is proposed to be at RL 7.5. The majority of the presentation spaces will be higher again and well above the once in a century flood levels. If there are more detailed questions I am very happy to take them on notice and seek advice.

The Hon. WALT SECORD: Minister, do you stand by your written answer in Parliament that there has only been one flood event in 1988 to meet the one in 100 year flood level at Parramatta?

The Hon. DON HARWIN: That was the advice I was given.

The Hon. WALT SECORD: Since you gave that answer I have been inundated with people writing in showing examples over the last 200 years or the last 100 years—photographs showing, in fact—that is not the case, that it is repeatedly—

The Hon. DON HARWIN: Mr Secord, it is important to realise that I do not have a copy of the answer in front of me—

The Hon. WALT SECORD: I do. I have it here to assist you.

The Hon. DON HARWIN: —but I think I made it quite clear that official—

The Hon. WALT SECORD: I have it here.

The Hon. DON HARWIN: Can I have it, please?

The Hon. WALT SECORD: It says:

During this time, there was one flood event in 1988 that was above the one in 100 year flood level.

The Hon. DON HARWIN: I will read the whole sentence just so that we can be entirely clear and that there is no cause for confusion or potential misrepresentation. The answer was this:

There is not reliable Parramatta River flood data spanning 200 years. The City of Parramatta Council recently commissioned a flood study of the Parramatta River which contains the results of a water level gauge in Parramatta close to the site that has been in operation since 1979. During this time, there was one flood event in 1988 that was above the one in 100 year flood level. That is the actual answer that I gave.

The Hon. WALT SECORD: Do you not think it is irresponsible to go ahead and build a museum in an area on a flood plain, when you in your own answer say you have no doubt about the flooding of this site?

The Hon. DON HARWIN: The deputy secretary's extensive answer made this very clear. It is about the one in 100 year flood level and it is higher than some of the buildings in Phillip Street. It is not being built at the same level as the car park. It is higher than that. It is being built at the same or a higher level than all of the other buildings in Phillip Street, Parramatta.

The Hon. ROBERT BORSAK: It sounds like a pyramid. Ms Foy, how is the public going to access a level that is 7.5 metres above ground level?

Ms FOY: I go back to my answer which was about river level, not ground level. The usual river level on the site is 2.5 metres. Again, the recent flood rose to 4.1—

The Hon. ROBERT BORSAK: Let us say it is five metres.

Ms FOY: I beg your pardon?

The Hon. ROBERT BORSAK: Let us say it is five metres then. I do not understand your answer. The question was how does the public access a building from ground level that is either five or 7.5 metres above the ground?

Ms FOY: I have talked about the river level to the ground rather than the ground level. If I can say it again, if there is some confusion, I am very happy to take more detailed questions on notice. I am not sure I understand.

The Hon. ROBERT BORSAK: The question I am asking is how does the public access a building that is so far above the nascent ground level around it?

The Hon. DON HARWIN: Effectively, Mr Borsak, you are asking a question about the design. I will let Ms Havilah make a contribution.

Ms FOY: Yes, happy for Ms Havilah to answer the design question.

The Hon. DON HARWIN: It is actually a design question.

The Hon. WALT SECORD: May I assist? Will there be an escalator through the water—

The Hon. DON HARWIN: We will have a—excuse me.

The Hon. WALT SECORD: I have a serious question. How will the public enter from ground level to the building on stilts? Will there be an elevator? Will there be an escalator? Will there be stairs? How will they get through? Whether it is one in 100 year flood, flooding does occur on that site, so how will people enter the museum?

The Hon. BEN FRANKLIN: I think they understand the question.

The Hon. WALT SECORD: I am just making it clear.

The Hon. BEN FRANKLIN: I think it is very clear.

The Hon. DON HARWIN: When you intervened, all I was doing was saying that I think since it is a question about the design, I will invite the director to answer.

Ms HAVILAH: We have appointed an incredible design team, Moreau Kusunoki and Genton. We are working through the next stage of the design with a whole team of specialists and engineers from Arup. In that process we are looking at a whole range of ways that we will operate the museum. One of the things that was a real highlight in the finalist design was the inclusion of the Civic Link, which provides—

The Hon. ROBERT BORSAK: Sorry, I did not quite get that, inclusion of what?

Ms HAVILAH: A Civic Link, a connection point which will connect the museum through a public walkway to the river. One of the things about the site is it is actually quite a sloping site and so the design team are working on making that Civic Link really connected to the city, but also it will be a way through the museum to the river.

The Hon. DON HARWIN: Civic Link, just for the Committee's benefit—

The Hon. ROBERT BORSAK: You mean a sky bridge or something like that?

Ms HAVILAH: No, it is on the ground plain.

The Hon. ROBERT BORSAK: It is on the ground?

Ms HAVILAH: Yes.

The Hon. ROBERT BORSAK: How does that get you up five or seven metres? I am sorry, I do not quite understand.

Ms HAVILAH: That is a process that is being worked through as part of the stage three design.

The Hon. ROBERT BORSAK: You do not have an answer for how people are going to get into the museum yet, is that what you are saying?

Ms HAVILAH: From the ground plain, from Phillip Street, it will not be elevated, but there will be elevation from the river side of the museum up into the museum, which will be dealt with in the public domain design.

The Hon. ROBERT BORSAK: That has not been resolved, how the public are going to access the museum yet—that is your answer?

Ms HAVILAH: It is part of the design process, an important part of the design process because what we are looking at achieving with the museum is having a least two million visitors a year, so we are very much focused on making sure that it is accessible to the community. We are looking at engaging a whole range of communities from western Sydney. That is core to our thinking and core to the design process in respect of working through operationally how people access the museum and the programs that we will deliver.

The Hon. DON HARWIN: Just to be clear, the design process is a three-stage process. The first part of the process was to find firms who were interested in taking part in the design competition. The second stage was to get the six short-listed designers to put in a design that was sufficiently detailed for us to be able to make a judgement as to which designer we should work with in the third stage of the design process, where we actually firm up the design and get it to a point where a tender can be issued and construction able to commence. That is the stage we are now in, stage three.

The Hon. WALT SECORD: With the indulgence of my colleague Robert Borsak, the Civic Link that you referred to Ms Havilah, is that why Willow Grove will have to be removed? Is that where the link is going to occur?

The Hon. DON HARWIN: The Civic Link goes from Parramatta railway station to the river and is a matter that we discussed last week in question time in respect of the design principles that the City of Parramatta Council asked us to take into consideration.

The Hon. WALT SECORD: Was that a yes or no?

The Hon. DON HARWIN: Sorry?

The Hon. WALT SECORD: Is Willow Grove being removed to make way for the Civic Link?

The Hon. DON HARWIN: If you look at a plan of Parramatta you will find that Willow Grove is in effectively the footprint of council's proposed Civic Link, yes.

The Hon. ROBERT BORSAK: That is the reason Willow Grove has to be demolished, because of a—

The Hon. DON HARWIN: As I also outlined in question time last week, there are three considerations that Parramatta council asked us to take into consideration in the letter I read from in question time last week. They were the public domain along the river, Civic Link and heritage considerations. All three were taken into consideration.

The Hon. WALT SECORD: Ms Havilah, did you write a memo to fellow members outlining your concerns about the winning design entry?

Ms HAVILAH: A memo to who, sorry?

The Hon. WALT SECORD: Did you write a memo outlining your concerns about the winning competition design?

Ms HAVILAH: No, I did not.

The Hon. WALT SECORD: You did not?

Ms HAVILAH: No.

The Hon. WALT SECORD: Minister Harwin, will you take me through the management structure of Create NSW?

The Hon. DON HARWIN: Management structure?

The Hon. WALT SECORD: Who is the head of Create NSW?

The Hon. DON HARWIN: Chris Keely is the head of Create NSW.

The Hon. WALT SECORD: And under Chris?

The Hon. DON HARWIN: I think the appropriate thing to do, given that effectively decisions about the staffing of agencies are decisions that are taken by the secretary, is that I will let the secretary and the deputy secretary outline that and take questions about that. You would be aware of how the Government Sector Employment Act works and the nature of arrangements in terms of hiring of staff and deployment of staff. At least for organisations like Create, which are not executive agencies, they are under the exclusive jurisdiction of the secretary. I will refer that to the secretary.

The Hon. WALT SECORD: Chris Keely reports to Kate Foy?

The Hon. DON HARWIN: Correct. Is there any other—

The Hon. WALT SECORD: No. Can you give me the structure?

Mr REARDON: We can and where Create NSW sits is within a group within the Department of Premier and Cabinet called Community Engagement. Across the entire department we have several deputy secretaries who report to me, plus a chief people officer and a general counsel. Within the Deputy Secretary of Community Engagement's group, there are various groups—Heritage, Create NSW, Aboriginal Affairs, Employee Relations and the cultural institutions. Create NSW has been through some structural change, as we spoke about when we were here last year, as have a whole range of areas within the department and across the cluster. The cluster works under four budget outcomes in the budget papers; they are effective and coordinated government, accountable and responsible government, and empowering Aboriginal communities in excellence in arts, culture and heritage. The last one is where Create NSW sits, responding to the outcome in the budget of excellence in arts, culture and heritage. Its group has a mandate to get on with the things that Create NSW do, including the Create Infrastructure and delivering on the cultural infrastructure strategy, the Powerhouse being one of the institutions that is being developed right at the moment. A new leader has been brought into that group, as the Minister has pointed out, appointed in late 2019. The levels below that I will hand to the deputy secretary to take you through.

The Hon. WALT SECORD: Who is the new leader? Chris Keely?

Ms FOY: Chris Keely. Chris Keely was appointed after an external recruitment process late last year and he commenced just prior to Christmas as the executive director of Create NSW. He has four direct reports. Firstly, in the head of Create Infrastructure, which is headed up by Annette Pittman, we have Screen NSW; we have a policy and partnerships team, and their job is to drive a whole-of-government approach to arts and culture per the outcomes in our business plan that the secretary outlined; and we have an operations, finance and governance role with a director in place there. They are the four: so Screen, the fantastic investment that we see in Screen NSW—more than 50 per cent of the nation's Screen investment is here in New South Wales, contributing significant jobs and economic contribution; the policy and partnerships role driving whole-of-government; Create Infrastructure overseeing the many fantastic infrastructure projects that we have; and operations and governance.

The Hon. WALT SECORD: Ms Foy, you referred to a restructure. How many positions were removed, reduced or taken away in the restructure?

Ms FOY: We are still working that detail through. Now that we have Chris Keely on board it is appropriate to allow the leader to work through that detail, which is happening at the moment.

The Hon. WALT SECORD: How many positions have been removed?

Ms FOY: I would have to take that on notice.

The Hon. WALT SECORD: How does the departure of Elizabeth Scott fit into the restructure?

Ms FOY: That position no longer exists; it has been changed, as I outlined.

The Hon. WALT SECORD: Sorry, you will have to repeat that.

Ms FOY: I am sorry, I cannot remember off the top of my head the position that Elizabeth Scott occupied.

The Hon. WALT SECORD: It was investment and engagement, executive director of investment and engagement.

Ms FOY: That position has changed. Almost all of those positions in Create have changed to some

degree, the leadership positions, to give the right level of focus to the areas of importance to arts and culture in New South Wales. Create Infrastructure is one role that is overseeing, as I said, all of those major projects, sponsoring and partnering with the organisations—for example, partnering with Infrastructure NSW and the Art Gallery on the extension to the Art Gallery; partnering with the Powerhouse and Infrastructure NSW.

Mr DAVID SHOEBRIDGE: Minister, I will take us in another direction now if I may.

The Hon. TAYLOR MARTIN: I do not know that the answer was finished. I believe the witness was finishing her answer.

The Hon. WALT SECORD: From the press release on 31 July 2018 Ms Scott was brought over from the United States to come and work here, but she was terminated—

The Hon. DON HARWIN: That is not strictly speaking true. She was already here.

The Hon. WALT SECORD: But she was terminated after a year.

The Hon. DON HARWIN: I am sorry, I just wanted to correct you on that issue. I am happy to have Kate Foy continuing.

The Hon. WALT SECORD: Can you take me through? She was appointed to a senior position—

Ms FOY: Correct.

The Hon. WALT SECORD: —and removed after a year, in the restructure.

Ms FOY: Yes. The roles in Create changed in order to bring the right level of focus to the areas that we have. We have now a head of Screen to drive the investment in Screen, and some fantastic results there over the last 12 months; policy and partnerships, as I said, to drive the integration across government, a whole-of government approach to arts and culture; Create Infrastructure, which is largely the same but the model is really

very much driving a partnership model; operations, governance and finance. The position was—

The CHAIR: There are two minutes left of the crossbench time, which the Opposition was using up.

The buzzer will go in two minutes and then I will open it for the Opposition. If it is going to continue with you that is a matter for The Greens.

The Hon. WALT SECORD: I am sorry, I have had three conversations going at once.

The CHAIR: I wanted it to be clear for the record what is happening.

The Hon. DON HARWIN: The deputy secretary has not been able to finish the answer. Are we able to finish the answer? Is that all right?

The CHAIR: You can finish the answer. I am just mentioning that there is one minute left of the crossbench time.

The Hon. ROBERT BORSAK: I do not think you need to over-regulate this. The time is being wasted.

The CHAIR: I am not trying to. I am just being clear that when it gets to that point it is up to whoever's time it is to agree to that. I am going to be clear about that for the record because everyone has a say in that. Please finish the answer and then it is up to the Committee.

The Hon. WALT SECORD: I will cut to the chase and save time here. She was appointed to a senior position, she served a year and her position was restructured or no longer existed.

Ms FOY: Yes.

The Hon. WALT SECORD: Did she receive a termination payout?

Ms FOY: I would have to take any questions on notice regarding any matter of any individual.