

15 March, 2022

PORTFOLIO COMMITTEE NO. 1 – PREMIER AND FINANCE

Tuesday 15 March 2022

[Portfolio Committee No. 1 - Premier and Finance](#)

This inquiry was established on 23 June 2021 to report on the Budget Estimates and related papers for the financial year 2021-2022 presenting the amounts to be appropriated from the Consolidated Fund.

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Examination of proposed expenditure for the portfolio areas:

ABORIGINAL AFFAIRS, THE ARTS, AND REGIONAL YOUTH
CORRECTED

The Committee met at 9:30.

MEMBERS

The Hon. Tara Moriarty (Chair)

The Hon. Robert Borsak (Deputy Chair)

The Hon. Scott Farlow

The Hon. Don Harwin

The Hon. Walt Secord

The Hon. Penny Sharpe

Mr David Shoebridge

PRESENT

The Hon. Ben Franklin, Minister for Aboriginal Affairs, Minister for the Arts, and Minister for Regional Youth

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The Hon. WALT SECORD: Minister, on 22 February in Parliament in response to a question without notice from me, you were asked about—it is not going to surprise you—flooding at Parramatta Powerhouse. We

asked about the flooding and about claims that it is a one-in-1,000-year flood incident. You said, and I am quoting

directly from Hansard, "It is simply far-fetched and utterly unreasonable, the claims." Since we have now had

three consecutive years of one-in-1,000-year floods at the site—

The Hon. DON HARWIN: No, we have not.

The Hon. WALT SECORD: Yes, we have. To assist, they were in February 2020, March 2021 and February-March this year. In fact, the one-in-1,000 figure is actually from the mouth of the Premier.

Has the

New South Wales Government revised its plans involving the flooding plans at Parramatta Powerhouse?

The Hon. BEN FRANKLIN: I appreciate the question. It does not come as a galloping shock that this

would be a question that is asked. I want to push back immediately on the contention. We have not had three one-in-1,000-year floods in the last three years. In fact, here is a helpful pictorial reference, Mr Secord.

The Hon. SCOTT FARLOW: Something you prepared earlier.

The Hon. BEN FRANKLIN: This is the one-in-1,000-year flood level, which is, in fact, below the ground floor level. This is the level at February 2020 and this is the level at February 2022 and March 2021. The March 2021 flood and the February 2022 flood—the one that we have just been going through—was a full four metres below the ground floor of the Powerhouse. In fact, for the dates we are talking about, March 2021 and February 2022, the levels are 3½ metres below the one-in-1,000-year flood level. So your contention is just not correct.

The Hon. WALT SECORD: So the answer is that you have not revised any of the plans involving the site.

The Hon. SCOTT FARLOW: Yes, because you are wrong.

The Hon. BEN FRANKLIN: It is based on a premise that we have had three one-in-1,000-year floods in the last three years, and we just have not. The facts show that is not the case. The March 2021 flood was 3½ metres above the riverfront. The February 2020 flood was 4½ metres above. The February 2022 flood was 3½ metres above. This is four metres below the ground level of the Powerhouse. It is just wrong to say that it is the same. I guess the other point that I just make briefly—and I understand this is an issue that continues to come up, but it is important for me to be clear—is that the highest flood event ever recorded in Parramatta was in 1988, and it would still peak two metres below the ground floor. Even on 2GB last week, Steven Molino, who as we all know is a significant environmental consultant and someone who has provided—

Mr DAVID SHOEBRIDGE: He is a flood expert.

The Hon. BEN FRANKLIN: And flood expert, absolutely. He has provided significant evidence to the 5½-year-long committee, possibly six now, that the flooding level from last month was minor flooding that would not place the collections at risk.

The Hon. WALT SECORD: Minister, through you to Ms Havilah, with your agreement, Ms Havilah, you wrote to all the staff on 22 March in a group email at 11.34. You wished everyone well and you hoped that they stayed dry and safe. You go through and you talk about the Parramatta Powerhouse and you talk about the flood information provided by ARUP. Do you stand by that report?

LISA HAVILAH: Yes, I do.

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The Hon. WALT SECORD: Have you read the report?

LISA HAVILAH: Yes, I have. I am not sure exactly what report you are referring to. If you are referring to the graph, the details of the recent—are you referring to this graph?

The Hon. WALT SECORD: I am referring to the flood risk and stormwater management report.

The Hon. DON HARWIN: Can you cite the date for the benefit of Hansard so that Hansard knows exactly what you are talking about?

The Hon. WALT SECORD: Okay. It is entitled Appendix J Flood Risk and Stormwater Management Addendum, dated 16 September 2020.

Mr DAVID SHOEBRIDGE: It was an appendix to the DA.

The Hon. WALT SECORD: Yes.

LISA HAVILAH: Yes, I would have read it, but not recently.

The Hon. WALT SECORD: Are you familiar with the fact that it makes certain claims about the possibility of a one-in-1,000-year flood and how it would impact on the site?

LISA HAVILAH: I would have to take that on notice because I cannot remember all the details of that

flood report.

The Hon. WALT SECORD: You probably would remember this because the report actually says that there is a 12 per cent chance of flood reaching the museum.

The Hon. DON HARWIN: What part of the museum?

The Hon. BEN FRANKLIN: Yes, what part of the museum?

The Hon. WALT SECORD: The museum.

The Hon. BEN FRANKLIN: If you are talking about the undercroft, Mr Secord, the undercroft has been specifically designed so that water can flow through. That is the whole point; there is no part of the collection that will be in the undercroft. It is part of the flood management program. There will be barriers set up so that people cannot be there. Yes, it is part of the museum, but it is part of the flood design mitigation for the museum.

The Hon. WALT SECORD: I will quote directly from the chapter "Risk of Flood Inundation for Ground Floor". It states: ... a chance of 1 in 8 (i.e. 12%) of a flood occurring in that period that gets within 0.3m of the ground floor level. Since the three consecutive flooding incidents there, has the New South Wales Government revised its flood plan for the museum?

The Hon. BEN FRANKLIN: No, because, as I have said, the three—

The Hon. WALT SECORD: This is your own report.

The Hon. BEN FRANKLIN: —flooding events from the past three years did not come anywhere near the ground floor, and all the current projections stack up.

The Hon. WALT SECORD: Minister, through Ms Havilah—

The Hon. BEN FRANKLIN: Yes, of course.

The Hon. WALT SECORD: —have you revised, re-consulted, reassessed or re-examined anything involving the flood of the Powerhouse Museum site since the three consecutive 2020, 2021 and 2022 incidents?

LISA HAVILAH: No, we have not.

The Hon. BEN FRANKLIN: Can I also make a couple of points, if I may, Mr Secord, and they are that the Parramatta council requirements are that the Powerhouse needs to be above the one-in-100-year flood level, which it is, but it is also significantly higher obviously than the one-in-1,000-year flood level. Flood risk has been a key consideration through the design-development process, in line with Parramatta council's development control plan requirements for all CBD buildings in Parramatta. The design of the Powerhouse in Parramatta responds to the New South Wales Floodplain Development Manual and relevant City of Parramatta Council requirements as to other developments in the vicinity along the Parramatta River. The point that I would make is that the ground floor of the Powerhouse is, in fact, above Phillip Street at Civic link. If the ground floor is getting inundated, buildings across the Parramatta CBD are also getting inundated. So this is a major, substantial, extraordinary event.

The CHAIR: We will move to the crossbench.

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The Hon. ROBERT BORSAK: The Ultimo Powerhouse Museum is saved, we were told. Surely there is \$500 million to be spent on that project.

The Hon. BEN FRANKLIN: Yes.

The Hon. ROBERT BORSAK: Can you confirm that that is the amount and what is going to be done?

The Hon. BEN FRANKLIN: The budget commitment is \$480 million to \$500 million. The renewal of the Powerhouse represents a significant investment in New South Wales' cultural infrastructure. It secures the future of that museum, which will provide, along with Powerhouse Parramatta, a significant boost to the cultural and tourism sectors in this State. It will also provide a significant

infrastructure stimulus in New South Wales, alongside obviously the provision of cultural and creative industry employment. It creates the opportunity in Ultimo for a significant new build across the site, which will expand and extend the museum's exhibition capabilities. It will increase the museum's footprint and presence within the city, and it will extend the historic architecture and integrate the museum with the Creative Industries Precinct.

The Hon. ROBERT BORSAK: Is it actually going to be a museum along the lines of what it was before in terms of displaying technology?

The Hon. BEN FRANKLIN: Yes. I will throw to Ms Havilah shortly, but there will be exhibition spaces, theatres, learning spaces, libraries and archives, creative industry co-working and studio spaces. Obviously there will be staff administration amenity, but there will also be digital studios, meeting rooms, back-of-house security, workshops, retail, and food and beverage. This is a significant offering and a genuine, real and substantial museum. Ms Havilah, would you like to speak to that a little more?

LISA HAVILAH: Yes. Thank you, Minister. I think the really important thing to note is that the museum's infrastructure is over 30 years old and it is not currently world class. Unfortunately we have leaks in our roof and it does need a very significant upgrade to present—

The Hon. ROBERT BORSAK: With respect, Ms Havilah, leaks in the roof do not justify the spending of \$500 million, does it? I do not think that is an answer, is it?

Mr DAVID SHOEBRIDGE: You're getting the wrong roofer.

LISA HAVILAH: That is a component of what the renewal is.

The Hon. ROBERT BORSAK: That is just a lack of repairs and maintenance in the past 11 years under this Government, isn't it?

The Hon. WALT SECORD: The previous Minister.

LISA HAVILAH: The upgrade of the exhibition spaces is part of the renewal. As the Minister referred to, one of the really significant abilities that we will have in the renewed museum is to change the exhibitions and give increased access to our communities to our incredible collection of over 500,000 objects. In the past 30 years we have only been able to show 10 per cent of our collection, so the expansion of gallery spaces and the ability to produce and present exhibitions that engage communities and young people with learning around science and technology and the applied arts will make a significant contribution not only to industry development but to the profile of the creative industries in New South Wales.

The Hon. ROBERT BORSAK: Perhaps through you, Minister, is there a business case underpinning the expenditure of this \$500 million?

The Hon. BEN FRANKLIN: Ms Havilah?

LISA HAVILAH: Yes. There was a business case that was developed and considered by government last year which led to the investment decision.

The Hon. ROBERT BORSAK: Has that business case been made public?

LISA HAVILAH: No, it has not.

The Hon. ROBERT BORSAK: Minister, can I ask you to table it?

The Hon. BEN FRANKLIN: Perhaps we might have this discussion on Thursday as well at the—

The Hon. ROBERT BORSAK: We will have it on Thursday as well.

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The Hon. BEN FRANKLIN: I am happy to take that on notice, Mr Borsak.

Mr DAVID SHOEBRIDGE: We could table it before Thursday, Minister.

The Hon. BEN FRANKLIN: We could, but I will take that on notice.

The Hon. ROBERT BORSAK: What about a conservation plan for the site, Minister?

The Hon. BEN FRANKLIN: The Ultimo conservation management plan is being updated to inform

the renewal of the museum and to ensure that the museum's heritage fabric is appropriately celebrated, integrated and conserved. Staff consultation on the draft of that conservation management plan—

The Hon. ROBERT BORSAK: With due respect, it is not really a plan if you are doing it in motion while you are doing the job.

The Hon. BEN FRANKLIN: We are not actually doing the job yet; we are doing the plan first. We are consulting more widely to ensure that the process is inclusive and collaborative. Now that we have finished the staff consultation, there will be an open weekend for the public held this weekend on 19 and 20 March. There is also a dedicated First Nations consultation next week on the twenty-first. It is being updated to capture the history of the museum alongside the 1988 design principles for the Powerhouse Museum, informed by Lionel Glendenning.

The Hon. ROBERT BORSAK: When do you expect to finish the conservation plan and make it public?

The Hon. BEN FRANKLIN: Ms Havilah?

LISA HAVILAH: We plan to complete the plan at the end of April this year.

The Hon. ROBERT BORSAK: And it will go on public display then?

The Hon. BEN FRANKLIN: It will.

LISA HAVILAH: Yes, it will be integrated into the two-stage planning process.

The Hon. ROBERT BORSAK: How long are you going to be open for comment and consultation?

LISA HAVILAH: I can take that on notice and we can give you the full time frame shortly.

The Hon. BEN FRANKLIN: We will give you the full time line.

The Hon. ROBERT BORSAK: Turning your mind to the Castle Hill museum project, I think it will be great because I think so many other parts of the MAAS have been ruined so you need to put some of this stuff somewhere. The reality is that you are talking about spending \$100 million out there. Can you actually tell me or tell the Committee what this money is going to be spent on? What is the project?

The Hon. BEN FRANKLIN: This will be the only cultural infrastructure in The Hills shire local government area and it will be significant. It will obviously include storage, which is what it is about, but it is also going to increase access to the collection through the creation of new spaces for visible storage research and viewing the collection as well as flexible spaces for education and public programs, workshops, exhibitions and events. The purpose-built spaces at Castle Hill will have a storage capacity of approximately 4,000 square metres, which will be larger than the existing facilities in Ultimo, which are just over 3,000 square metres. There will obviously be significant benefit to the community through jobs through both the construction and operation phases as well. The project is now in the delivery phase and community consultation has—

The Hon. ROBERT BORSAK: Sorry, can I just interrupt you for a second there?

The Hon. BEN FRANKLIN: Yes. No problem.

The Hon. ROBERT BORSAK: I have never seen a business case for what is going on out there at Castle Hill. Is there one?

The Hon. DON HARWIN: Yes.

The Hon. BEN FRANKLIN: Ms Havilah?

LISA HAVILAH: Thank you, Minister. Yes, the business case for Castle Hill was integrated into the Powerhouse Parramatta business case.

The Hon. ROBERT BORSAK: It is part of the Parramatta Powerhouse business case?

LISA HAVILAH: Yes.

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The Hon. ROBERT BORSAK: In relation to Castle Hill, is that actually public also? Is that a public document, the business case?

The Hon. DON HARWIN: You got it through an order for papers.

The Hon. ROBERT BORSAK: It is actually in an SO52?

The Hon. DON HARWIN: It is in the building!

The Hon. SCOTT FARLOW: It is in the Mookhey wing.

The Hon. ROBERT BORSAK: It is in an SO52?

LISA HAVILAH: Yes.

The Hon. ROBERT BORSAK: Yes?

The Hon. BEN FRANKLIN: Yes, I believe you have received it.

The Hon. ROBERT BORSAK: That is what Mr Harwin has confirmed. There is a large level of irony having Mr Harwin sitting on the Committee here.

The Hon. BEN FRANKLIN: There is.

The Hon. DON HARWIN: I think there is a large level of irony about spending months on having debates on calls for papers and you not actually reading them. That is what I am throwing my hands up about.

The Hon. PENNY SHARPE: Minister—ex-Minister. Minister, stop interjecting.

The CHAIR: Order!

The Hon. ROBERT BORSAK: I think there is a large amount of irony when you get thrown into a Committee like this.

The Hon. BEN FRANKLIN: While you mention Mr Harwin, can I acknowledge the extraordinary contribution of my predecessor.

The CHAIR: There is limited time left. Let us continue with the crossbench's questions. I thank everybody for the commentary.

Mr DAVID SHOEBRIDGE: I appreciate the direction for research between now and Thursday. Thank you, Don.

The Hon. ROBERT BORSAK: We will make sure we have a good look at it before Thursday.

The Hon. BEN FRANKLIN: Excellent.

The Hon. ROBERT BORSAK: We appreciate that, and Mr Harwin's presence on this Committee is much appreciated as well.

The Hon. DON HARWIN: As it will be on Thursday no doubt.

The Hon. ROBERT BORSAK: No doubt. Does the exhibition space at Castle Hill duplicate what happens at Ultimo?

The Hon. BEN FRANKLIN: No, absolutely not. They are entirely different.

The Hon. ROBERT BORSAK: Can you explain the difference in nature?

The Hon. BEN FRANKLIN: As an operational matter, I will hand over to the director.

LISA HAVILAH: Thank you, Minister. The exhibition program at Castle Hill will be more focused along the lines of how it has been programmed in the past through open storage. There will be curated exhibitions that give local communities, communities of western Sydney and visitors access to our collection, but there will also be elements of experiencing the new store at Castle Hill where you will be able to see the VLOs and large parts of the collection as you move through the building. One of the really exciting things about the Castle Hill expansion is that for the first time all of the collection will be located in one place and our extraordinary conservators and collection team will be located with the collection. It will be really incredible not only from an audience perspective but very significant in terms of having our professional staff located with all of the collection.

Mr DAVID SHOEBRIDGE: Welcome, Minister. Congratulations. It is good to see you in this spot.

The Hon. BEN FRANKLIN: Thank you. I appreciate that.

Mr DAVID SHOEBRIDGE: Minister, you indicated in answers about the Powerhouse that if the flooding level gets up to the ground floor of the Powerhouse, you are going to have substantial flooding around Phillip Street and the whole of Parramatta. Correct?

The Hon. BEN FRANKLIN: Yes.

Mr DAVID SHOEBRIDGE: You would know that the Molino Stewart report—Mr Molino, whose qualifications and expertise you endorsed quite appropriately earlier—had very real concerns about what the likely impact of that isolation of the Powerhouse is in a flooding event. Are you aware of that?

The Hon. BEN FRANKLIN: I am aware of the Molino report, yes.

Mr DAVID SHOEBRIDGE: Are you aware that he was particularly concerned that if two of the large drainage pipes that I think run on the western side of the Powerhouse get blocked, as often happens in a flooding event from debris and the like, then in actual fact there is a genuine risk of flooding—being I think the one-in-eight risk of flooding—entering the ground floor in a very extreme flood? Are you aware of those concerns?

The Hon. BEN FRANKLIN: Yes, I understand those concerns.

Mr DAVID SHOEBRIDGE: Do you know those postdate the flooding report that you have relied upon for the Powerhouse, that report being September and the Molino Stewart report being I think November 2020? Are you aware of that?

The Hon. BEN FRANKLIN: I guess what I would say is this: We have engaged Arup, who are extremely experienced and renowned consultants in this field and they have focused on the strategy throughout. The strategy will be fully implemented before the Powerhouse Parramatta is open and operating. We will take all of these considerations into account.

Mr DAVID SHOEBRIDGE: But my colleague asked you and asked Ms Havilah if you have done a review of the flood studies. Because since those two reports have been delivered, we have now had three serious flooding events and—

The Hon. BEN FRANKLIN: I would not characterise them as serious.

Mr DAVID SHOEBRIDGE: Tell that to the people of Parramatta, Minister.

The Hon. BEN FRANKLIN: In terms of the impact on the Powerhouse because they are so significantly below the ground floor—

Mr DAVID SHOEBRIDGE: They completely inundated the construction site—

The Hon. DON HARWIN: No, they did not.

Mr DAVID SHOEBRIDGE: —and were evidence of the likelihood of the site getting marooned in a serious flooding event.

The Hon. BEN FRANKLIN: They did not completely inundate the site and, as I have shown you on this excellent graphic, Mr Shoebridge, they were significantly below the ground floor, which is where they were here.

The Hon. SCOTT FARLOW: Point of order: The Minister keeps referring to this graphic. Is that something the Minister would be willing to table for the Committee, potentially?

The Hon. BEN FRANKLIN: Of course. I am very happy to table.

LISA HAVILAH: We have copies, Minister.

Mr DAVID SHOEBRIDGE: I thought you were going to say it was a prop.

The Hon. SCOTT FARLOW: No. It is for the Committee's benefit.

Mr DAVID SHOEBRIDGE: Thank you—and indeed also the graph that was demonstrated by Ms Havilah.

The Hon. BEN FRANKLIN: Yes, there is also a graph too. I am very happy to do so.

Mr DAVID SHOEBRIDGE: Let us get the graph. Minister, once the Powerhouse is isolated, it is very

likely that the local grid will go down because, as you know from the Molino Stewart report, the substations surrounding it are at Phillip Street level and are likely to be inundated and there is a very real likelihood of the grid going down. Are you aware of that?

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The Hon. BEN FRANKLIN: Obviously a significant flooding event can lead to a loss of power as it has in Lismore, so that is not an unreasonable statement.

Mr DAVID SHOEBRIDGE: Are you aware as well that as the flood level happens, lower levels of the Powerhouse are inundated and there is a very real concern, even apart from flood increase, of moisture getting into the collection and damaging the collection throughout the building? Are you aware of that concern?

The Hon. BEN FRANKLIN: I do not agree with the contention about lower levels of the Powerhouse because, as I have said, it is above the one-in-1,000-year flooding line. In terms of the moisture concern, I am not, as I am sure you are aware, Mr Shoebridge, a flooding or climate expert in terms of museums.

Mr DAVID SHOEBRIDGE: But you do know that museum collections have to be held in carefully climate-controlled—

The Hon. BEN FRANKLIN: Of course, and the emergency power supplies will be above any possible flooding level.

Mr DAVID SHOEBRIDGE: According to the material provided for the development application and cited by Molino Stewart, they only have the capacity to run for 10 hours after which the air conditioning is down, the lifts are down, and once the collection is isolated and surrounded by floodwaters it will inevitably start being negatively impacted. How are you letting that happen?

The Hon. BEN FRANKLIN: I guess I would say this: If the sort of significant and overwhelming flooding event to which you are referring happens in Parramatta, it will be a massive impact on the geographic heart of Sydney.

Mr DAVID SHOEBRIDGE: So why add to it by putting one of the most precious collections of our industrial heritage smack in the middle of a flood plain next to a river you know will flood? Why add to it?

The Hon. DON HARWIN: It is on top of a hill.

The Hon. BEN FRANKLIN: There are two points to make on that. The first is we are putting the museum in the centre of Parramatta because we believe in access. We believe it is incredibly important that cultural institutions are able to be accessed by the public. That implies there needs to be very good transport links to those museums.

Mr DAVID SHOEBRIDGE: There are plenty more flood-proof sites around Parramatta that the community would have rallied around, but you stuck it next to the river, right in the flood zone.

The Hon. BEN FRANKLIN: The river is the heart of Parramatta and we believe the heart of the community is the appropriate place for an extraordinary, significant cultural institution for western Sydney to go. The second point is in terms of the collection itself. A significant amount of the collection will, in fact, not be stored in the museum but will be at Castle Hill, which is not going to be flood-prone.

Mr DAVID SHOEBRIDGE: Are you saying that what will be at Parramatta is expendable?

The Hon. BEN FRANKLIN: No, I am not saying that at all, but I admire you and your gumption.

Mr DAVID SHOEBRIDGE: I am only troubled for the collection, Minister.

The Hon. BEN FRANKLIN: I understand that.