## PORTFOLIO COMMITTEE NO. 8 - CUSTOMER SERVICE

Tuesday 10 September 2024

Examination of proposed expenditure for the portfolio areas

# CORRECTIONS, BETTER REGULATION AND FAIR TRADING, INDUSTRY AND TRADE, INNOVATION, SCIENCE AND TECHNOLOGY, BUILDING

## **UNCORRECTED**

The Committee met at 9:15

#### **MEMBERS**

The Hon. Emma Hurst (Chair)

Ms Abigail Boyd
Ms Cate Faehrmann
Ms Sue Higginson
The Hon. Dr Sarah Kaine
The Hon. Aileen MacDonald Deputy Chair)
The Hon. Tania Mihailuk
The Hon. Sarah Mitchell
The Hon. Jacqui Munro
The Hon. Bob Nanva
The Hon. Peter Primrose

#### **PRESENT**

**The Hon. Anoulack Chanthivong**, Minister for Better Regulation and Fair Trading, Minister for Industry and Trade, Minister for Innovation, Science and Technology, Minister for Building, and Minister for Corrections

### 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 third hearing of the Portfolio Committee No. 8 – Customer Service inquiry into budget estimates 2024-2025. I acknowledge the Gadigal people of the Eora nation, the traditional custodians of the land on which we are meeting today. I pay my respects to Elders past and present, and celebrate the diversity of Aboriginal peoples and their ongoing cultures and connections to the land and waters of New South Wales. I also acknowledge and pay my respect to any Aboriginal and Torres Strait Islander people joining us today.

My name is Emma Hurst and I am Chair of the Committee. I welcome Minister Chanthivong and accompanying officials to this hearing. Today the Committee will examine the proposed expenditure for the portfolio areas of Better Regulation and Fair Trading; Industry and Trade; Innovation, Science and Technology; Building; and Corrections. I ask everyone in the room to please put their mobile phones to silent. Parliamentary privilege applies to witnesses in relation to the evidence they give today. However, it does not apply to what witnesses say outside of the hearing. I urge witnesses to be careful about making comments to the media or to others after completing their evidence. In addition, the Legislative Council has adopted rules to provide procedural fairness for inquiry participants. I encourage Committee members and witnesses to be mindful of those procedures.

Mr GRAEME HEAD, Secretary, Department of Customer Service, on former affirmation

Ms NATASHA MANN, Deputy Secretary Better Regulation Division, Commissioner for Fair Trading, Department of Customer Service, affirmed and examined

Mr MATT PRESS, Acting NSW Building Commissioner, Department of Customer Service, affirmed and examined

Mr MICHAEL TIDBALL, Secretary, Department of Communities and Justice, sworn and examined

Mr LEON TAYLOR, Acting Commissioner, Corrective Services NSW, sworn and examined

**Dr ANNE-MARIE MARTIN**, Deputy Commissioner, Security and Custody, Corrective Services NSW, sworn and examined

Ms JENNIFER GALOUZIS, Acting Deputy Commissioner, Strategy and Governance, Corrective Services NSW, affirmed and examined

Ms REBECCA McPHEE, Deputy Secretary, Investment NSW, Premier's Department, affirmed and examined

Professor HUGH DURRANT-WHYTE, Chief Scientist and Engineer, Premier's Department, affirmed and examined

Ms LIZA NOONAN, Head of Innovation and Entrepreneurship and Investment NSW, Premier's Department, sworn and examined

Ms TRINA JONES, Rental Commissioner, NSW Fair Trading, affirmed and examined

**Dr BERNHARD RIPPERGER**, Acting Deputy Commissioner, Community, Industry, and Capacity, Corrective Services NSW, affirmed and examined

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

Good morning, Minister. As you know, there are a lot of people within the community who are eager to know about what the New South Wales Government is doing to fulfil its election commitment to allow animals in rentals. Is there any update that you can give us on this today?

Mr ANOULACK CHANTHIVONG: As members are well aware, the Government has committed to modernise and to make sure that our rental laws actually meet the needs of a growing community. We know one in three people rent in New South Wales; indeed in some close areas it's actually one in two. I can advise the committee that the Government draft bill is currently out for targeted consultation. It will cover those that have been announced and other aspects of the Government's rental reforms.

**The CHAIR:** Is there anything you're able to share with us today about the next steps and the plans going forward in regards to the passage of the bill?

Mr ANOULACK CHANTHIVONG: Yes. It's out for targeted consultation at the moment. We're looking forward to hearing the feedback from our stakeholders because what the Government wants to do is to modernise and make sure that our rental laws are contemporary. Renting now is a form of living arrangements for so many people in our community, given housing affordability issues, so we need to make sure that our rental laws meet the needs of so many different sectors of the community. It's not just young university students who rent now; it's young families and it's across different income bands and different life stages. What we want to do with our rental laws is to give certainty and clarity for both tenants and also the property industry as well. I think the clarity in the rules and the certainty in the rules actually helps the sector in general. Once that feedback is received from the stakeholders over the ensuing weeks, the department will then review those comments and whether we need to make further changes before we table it in the Parliament. But the principle is that we want to get it through as quickly as possible.

**The CHAIR:** Minister, are you aware of the issues with the Design and Building Practitioners Act 2020 and the exclusion of interior designers?

**Mr ANOULACK CHANTHIVONG:** Yes. I've had a meeting with the interior designers regarding this particular issue. Members and Chair, you'd also be well aware that at the moment the building bill is out for consultation with industry and this will be a part of all the broader discussions as well.

**The CHAIR:** Was that the meeting that you had with the Design Institute of Australia on 16 May?

**Mr ANOULACK CHANTHIVONG:** I can't recall exactly now, but I do know there were a number of attendees at that particular meeting. I obviously disclosed appropriately. Certainly some of the issues raised were regarding some of their concerns about the DBP Act and the associated regulations as well.

**The CHAIR:** Have you asked your department for a briefing on this and how the oversight and the legislation occurred in the first place?

**Mr ANOULACK CHANTHIVONG:** We are going through the process of reform of the whole building regulations at the moment so the feedback that we hope to get from industry I think will inform how we actually take the building regulatory standards going forward. I suspect this aspect of it will be part of the discussions as well.

The CHAIR: What's the timeline of that process?

**Mr ANOULACK CHANTHIVONG:** It's actually quite a significant piece of building reform. I think there are over 600 pages of legislation and that's why we want to sincerely and genuinely engage, given the size and the complexity of some of our regulatory standards.

The principle, really, is we want to get moving on our reforms as quickly as possible, bearing in mind we understand and we are sensitive to the significant challenge within the sector at the moment, by listening and engaging with industry. We've also extended the time frame for consultation, which is a way to make sure that the Government continues to listen to the sector, to all stakeholders, so that we can get a draft bill that can provide long-term stability and clarity for the sector.

The CHAIR: It sounds like there is a fair bit of work to do in that and that it might take some time, given the complexity of that entire review. My concern is that we've got interior designers who have essentially been knocked out, almost entirely, and a lot of these interior designers are no longer able to work in the field at all because of the mistake of leaving them out of the legislation. An upper House inquiry in 2022 made a recommendation that a registration category be created in the Design and Building Practitioners Act for interior designers. That recommendation was supported by Labor. Why has it then been put into this larger review, which is obviously going to create a long delay before this is fixed? It could mean that this whole industry collapses, essentially.

Mr ANOULACK CHANTHIVONG: I suppose part of the Government's building reform was to try to centralise all the different pieces of legislation into the building bill. Good policy and good legislation take time, and sincerely hearing and genuinely engaging with stakeholders makes sure that we have a bill that is generally accepted by all sectors. We want to prevent situations where you table a piece of legislation and it may get passed but it—

The CHAIR: Minister, sorry to interrupt. I totally agree with you on that. I totally agree that you need to take your time on the bill overall, because there is a lot to look into. My understanding is that it was an oversight that they were excluded from the bill in the first place. That, to me, involves an easy fix. What I'm concerned about is if we wrap it up into this larger project, which could take months to complete, that could potentially destroy the industry in the meantime. I don't think that it needs to go into that much bigger piece when it could be done as its own separate thing because, as I said, Labor had already agreed to that as a recommendation in an inquiry. There has been some recognition, I believe, that it was an oversight that they were left out. I don't think it needs to compromise good policy and legislation. I think that could be done as a separate piece so that this doesn't continue for many months.

Mr ANOULACK CHANTHIVONG: I suppose the first thing that I would say, Chair, is I would encourage the association to make the submission as part of our consultation process. I am mindful that, because it's a sector within the broader industry, it's better, I think, to really consolidate it into one rather than do small piecemeal changes without understanding or maybe appreciating the broader impacts that it might have. We want to hear from the interior designers' association. We encourage them to make a submission. We genuinely want to hear from them. I think it's always better not to do single-issue legislation but actually look at the sector as a whole, because sometimes there are interdependencies between the different sectors and parts of the legislation. But certainly we're happy to take their thoughts on board.

**The CHAIR:** One other thing that really frustrated me was, given the majority of interior designers are female and the majority of architects are male, this piece of legislation—and I understand it wasn't your legislation,

Minister; I know that you didn't write that legislation or push it through—essentially pushed out the female-dominated industry, and this industry no longer has a pathway to be able to do their work properly. This is a big problem. It's not a piecemeal piece of legislation to go back and correct a mistake that was made previously. It's just correcting that mistake. I don't see how it would have broader impacts to correct a mistake and allow this industry to have a pathway to do the work that they're qualified to do.

Mr ANOULACK CHANTHIVONG: Certainly, Chair, I'm very happy to consider the issues further. I am mindful of, as you mentioned, the gender differences between these sectors. Nevertheless, I genuinely want to hear, or the department really wants to hear, from the interior designers' association and other sectors as well, because long-term legislative and policy stability gives the sector clarity and allows them to forward plan so much better, I think. I do take your point about some of the issues currently with the interior designers, but what we're doing doesn't necessarily prevent the current activities that the members are able to do. But we certainly want to find ways to—

**The CHAIR:** My understanding is they've almost been entirely pushed out of being able to do the work that they were doing previously before the legislation passed.

**Mr ANOULACK CHANTHIVONG:** Certainly, I think this is about hearing from the association, and we genuinely do want to hear from them, so that we can develop a set of policy and regulatory frameworks, which is actually, I think, quite useful.

**Ms CATE FAEHRMANN:** Good morning, Minister. Why did it take an extensive ABC investigation to reveal the fact that the strata commissioner held extensive financial assets in a major real estate and strata services company?

Mr ANOULACK CHANTHIVONG: All public servants need to abide by the code of conduct, and there is an expectation from myself and from the secretary that all those disclosures are actually made. As you'd be well aware, a formal process is currently underway—

Ms CATE FAEHRMANN: Were you aware of the shares that the strata commissioner held?

Mr ANOULACK CHANTHIVONG: As I said, all public servants need to abide by the code of conduct to disclose any pecuniary interests. The Strata and Property Services Commissioner is a GSE employee and, therefore, the relationship is between the secretary and the property—I'm happy to ask the secretary to provide further information on that.

**Ms CATE FAEHRMANN:** He disclosed it. It has been reported that Mr Minns did disclose that to the current secretary at the time. Is that correct?

Mr ANOULACK CHANTHIVONG: The former, yes.

**Ms** CATE FAEHRMANN: The former secretary, Ms Hogan—sorry, Mr Head. He says it was made very clear, at all stages, within the New South Wales Government. Why has he stood aside now then, if he disclosed it at the time and it seemed to be okay, apparently, with the Government?

**Mr ANOULACK CHANTHIVONG:** When I was made aware of this issue that was raised, I sought urgent advice from the secretary on the appropriate action for him to take. As the secretary is the Strata and Property Services Commissioner's employer, all actions are best managed, and are managed, by the secretary.

**Ms** CATE FAEHRMANN: I am conscious of time. I can come back to you, Mr Head. In terms of when you found out, was it when the ABC interview was aired last night on *Four Corners*? I assume the strata commissioner let you know about that interview before it was aired. Did you then request him to stand down or did he stand down voluntarily?

**Mr ANOULACK CHANTHIVONG:** The employer functions are with the secretary. Any process regarding the Strata and Property Services Commissioner is a matter for the secretary to manage appropriately.

**Ms CATE FAEHRMANN:** Mr Head, did you request him to stand down or did he stand down voluntarily?

**GRAEME HEAD:** I stood Mr Minns down, in line with the relevant provisions of the GSE Act, to allow me to undertake a proper examination of the range of issues that were raised, some of which related to disclosures, but others related to the veracity of statements that were made on the website. There are a number of issues to be tested. A standard investigation of potential breaches of the code is what is underway at the moment.

Ms CATE FAEHRMANN: So that's going on at the moment. Is he still being paid?

**GRAEME HEAD:** Yes, as is generally the case when people are stood aside. The default position is that they're stood aside on pay unless there are typically serious criminal allegations which would cause you to not make that decision. That is standard with GSE misconduct investigations.

Ms CATE FAEHRMANN: What salary is Mr Minns on?

**GRAEME HEAD:** I'd need to take the specifics on notice. He's a band 2.

Ms CATE FAEHRMANN: If you could do that—salary and allowances, thank you. Moving on to the Netstrata investigation, I understand that NSW Fair Trading launched that investigation. I think it's one of the reasons the legislation is before the upper House, Minister. Firstly, in terms of that investigation into Netstrata, why does it take media investigations like what we're seeing by Linton Besser at the ABC and Four Corners last night before your department takes significant action to do anything in terms of the strata issues going on in this State?

**Mr ANOULACK CHANTHIVONG:** Certainly the strata issues that have been raised by the ABC over the last few months is concerning for us. But I'd also make the point I did watch the *Four Corners* investigation last night, but Mr Besser also clearly says that New South Wales is actually leading the nation when it comes to strata reform.

**Ms CATE FAEHRMANN:** That means in terms of the laws, but I think he also made the point that they're just not enforced. Isn't that correct as well?

Mr ANOULACK CHANTHIVONG: As I said, the Government understands the need for strata reform. That's why, in all fairness, since coming to government, we've actually acted on quite significant pieces of reform. Last year, as members would be well aware, we passed the first phase of the statutory review regarding strata reform. We have currently the strata legislation before, which deals with some of the issues that were raised, and we are currently out in phase two of the next tranche of strata.

**Ms CATE FAEHRMANN:** Yes, which I do have questions on. Getting back to the Netstrata investigation, you commissioned McGrathNichol. I understand the department commissioned McGrathNichol to undertake that investigation. Is that because there are no resources within NSW Fair Trading to undertake an investigation of that nature by itself?

**Mr ANOULACK CHANTHIVONG:** No. Fair Trading used its powers under the undertaking powers to, I guess, begin this investigation.

Ms CATE FAEHRMANN: Was it jointly with McGrathNichol?

**Mr ANOULACK CHANTHIVONG:** It's not uncommon under the undertaking powers that Fair Trading has actually used to go down this path. McGrathNichol is an independent examiner of this particular issue.

**Ms** CATE FAEHRMANN: Could you please provide the cost of that investigation by McGrathNichol? Has that investigation been completed?

**Mr ANOULACK CHANTHIVONG:** I understand that the investigation is still ongoing, but I'm happy to ask the Fair Trading commissioner to provide more information on that current investigation.

**NATASHA MANN:** Ms Faehrmann, to your first question around the costs of that investigation, the total cost is \$450,000. Those costs are being borne by the regulated entity rather than the taxpayer.

Ms CATE FAEHRMANN: By Netstrata, just to be clear, is that what you mean when you say "the regulated entity"?

**NATASHA MANN:** That's correct. This is a common regulatory tool, so that is the instance in this case.

Ms CATE FAEHRMANN: Is it complete? Sorry, I just need very short responses.

NATASHA MANN: Yes, of course. The draft report was delivered to our legal team late last week.

Ms CATE FAEHRMANN: Late last week. Is that draft report going to be released publicly?

**NATASHA MANN:** One of the things that we wanted to make sure of was that there was transparency around the findings of that report, so we have undertaken to release the findings and recommendations publicly.

**Ms** CATE FAEHRMANN: In terms of the McGrathNichol report in terms of what was provided, have there been various drafts of that report between Fair Trading and McGrathNichol, firstly?

NATASHA MANN: The first draft report was delivered late last week to Fair Trading.

Ms CATE FAEHRMANN: Has Netstrata been involved in that report as well?

NATASHA MANN: They have not.

**Ms** CATE FAEHRMANN: Between McGrathNichol and the agency, have there been various iterations of that report?

**NATASHA MANN:** No, there have not. I had a meeting with my team and my legal team with McGrathNichol some weeks ago where we discussed the scope of the report, but the first draft report, as I said, was delivered to the legal team and Fair Trading late last week.

**Ms** CATE FAEHRMANN: Minister, is there a reason why the full report won't be released?

Mr ANOULACK CHANTHIVONG: You mean the Netstrata report?

Ms CATE FAEHRMANN: That's right.

**Mr ANOULACK CHANTHIVONG:** I suppose we've got the draft report at the moment. Let's examine the findings from that and the next appropriate action to actually take.

Ms CATE FAEHRMANN: The findings are going to be released publicly, we've just heard, but the entire report is not. For members of the community who are very concerned about strata—and clearly there are tens of thousands of them—being able to look at the reasons why those findings were got to is important. Why won't you commit to releasing that report so the stakeholders can see it?

**Mr ANOULACK CHANTHIVONG:** The summary of the report is being considered for publication by Fair Trading.

Ms CATE FAEHRMANN: Yes, I know. I'm asking why you won't consider releasing the full report.

Mr ANOULACK CHANTHIVONG: I'm happy to take that into consideration.

**Ms CATE FAEHRMANN:** Are you trying to keep certain things about the investigation secret from the public?

**Mr ANOULACK CHANTHIVONG:** Ms Faehrmann, I haven't seen the contents of the report as yet, given it was only provided to the Fair Trading commissioner late last week, so I don't want to pre-empt anything I haven't seen until I get the proper advice—

Ms CATE FAEHRMANN: So you haven't seen any of it yet?

Mr ANOULACK CHANTHIVONG: No, I haven't.

**Ms CATE FAEHRMANN:** Minister, the issue with the Strata Hub, and the fact that again the ABC investigation has uncovered that, via this scheme, one of the people who are running that business, Tony Irvine, has been charging additional fees to administer that scheme, so much so that he said on a webinar that he'd like to thank the New South Wales Government for the Strata Hub because that "bought me a brand new ute, so that was good of them". Minister, do you think something is going terribly wrong with Strata Hub and the way the Government is managing that?

Mr ANOULACK CHANTHIVONG: The Government is committed to the strata reform and this will examine all aspects of the strata industry. We are mindful and we know, as more and more people in our community are living in strata living arrangements, we need to modernise and contemporise our legal and regulatory framework. In all fairness, we did inherit a system that didn't do much reform over 12 years. In the first 12 months of government we've gone through phase one, we've got a bill before the Parliament at the moment and we're now moving towards stage two or phase two of the strata reforms. These are important reforms—we understand that—and that's why we're going on this journey with the stakeholders.

**The Hon. SARAH MITCHELL:** Minister, can you tell me what free trade agreements Australia currently has under negotiation?

Mr ANOULACK CHANTHIVONG: All national free trade agreements are a matter for the Commonwealth.

**The Hon. SARAH MITCHELL:** But, as the State trade Minister, do you know what current negotiations are taking place?

**Mr ANOULACK CHANTHIVONG:** All negotiations on national free trade agreements are a matter for the Commonwealth. In our Trade space, we want to make sure that we continue to push opportunities for our industries.

The Hon. SARAH MITCHELL: According to the Investment NSW website, Japan ranked as the second-largest source of foreign investment for New South Wales in 2021-22 at \$33.2 billion and Korea ranked fourth valued at \$15.1 billion. Have you met with JETRO this year?

**Mr ANOULACK CHANTHIVONG:** I've met with a number of our Japanese and Korean industry representatives and the associations. I make all my disclosures with relevant parties as required.

**The Hon. SARAH MITCHELL:** But have you met with JETRO?

**Mr ANOULACK CHANTHIVONG:** Specifically, I can't recall, but I do know I've had a number of actual meetings with our trade counterparts, I suppose, from across the globe.

**The Hon. SARAH MITCHELL:** Sure. You just mentioned Korea as well. Have you met with KOTRA, the Korea Trade-Investment Promotion Agency?

Mr ANOULACK CHANTHIVONG: As I said, I disclose all my meetings as required under the disclosure rules.

**The Hon. SARAH MITCHELL:** Could you take on notice whether you've met with JETRO and KOTRA since you've been Minister?

Mr ANOULACK CHANTHIVONG: As I said, I disclose all my meetings with all my counterparts and certainly I'm happy to take that on notice.

**The Hon. SARAH MITCHELL:** Can you tell me the largest single private customer for Australian exports?

Mr ANOULACK CHANTHIVONG: Coal to Japan.

**The Hon. SARAH MITCHELL:** You also have, I think, five portfolios. You have quite an extensive ministerial brief that you have to cover. How many staff do you have in your office, Minister?

Mr ANOULACK CHANTHIVONG: Seven FTEs.

The Hon. SARAH MITCHELL: Do you have staff who have experience in Industry and Trade?

**Mr ANOULACK CHANTHIVONG:** I suppose it depends on how you define what Industry and Trade is, but certainly I think the skills that are required in any political office is good fundamental research analysis skills, critical thinking skills and good engagement with stakeholders, and the ability to communicate those things. Frankly, I have all of those skills in the office.

**The Hon. SARAH MITCHELL:** In terms of specifics in the policy space, your director of policy, for instance, or policy advisers, do they have any Industry and Trade experience prior to coming to work in your office?

**Mr ANOULACK CHANTHIVONG:** I said that the skills that are required to work in any political office are ones of critical thinking, good research and analysis and good communication skills, and I am very fortunate to have very good, committed staff.

**The Hon. SARAH MITCHELL:** I'm sure you do. I'm just wondering whether any of them had trade experience prior to working for you. If not, that's fine. It's just a question.

**Mr ANOULACK CHANTHIVONG:** I think the important skills that people need are actually fundamental skills that are transferrable across any sector—that is, good critical thinking, good communication skills and professional experience in a range of industries. I don't think you can just silo one particular skill and somehow assume that it's not transferrable to other aspects of the skill set that you've got.

**The Hon. SARAH MITCHELL:** With the recruitment process for your staff, did you look to anyone who might have had previous experience in any of the portfolios that you're responsible for, including trade?

Mr ANOULACK CHANTHIVONG: I look for intelligence. I look for good communication skills. I look for critical thinking. I look for ability to communicate and to engage with people. I think the core fundamental skills of any public servant or of any individual are actually about the foundations of their intellect, of their ability to engage and their ability to communicate. No one person in this world will have the skills across every sector, but if you have the fundamental skills, the intellectual thinking and intellectual curiosity, that's the most important aspect of any office, whether it is my office, the public service office or any other office—or indeed your office, no doubt.

The Hon. SARAH MITCHELL: I thought maybe some policy experience might have been part of it, but that's fine. I want to take you now to New South Wales coal exports. You'd no doubt be aware that in

2022-23 coal exports topped \$55 billion, but I'm curious to know what other products are you, as a government, looking at in terms of international exports in the coming years?

Mr ANOULACK CHANTHIVONG: Certainly, the New South Wales economy, in all fairness, over the past years, is highly concentrated in coal. As you would be well aware, Ms Mitchell, it is one-third of our exports, which exposes the New South Wales economy to significant concentration risks. But that's why I think our trade focus, in particular our opportunities to work on Mr Moore's report—the fastest growing economic region on our border in South-East Asia. This is a \$4 trillion economic prize that the New South Wales Government cannot miss. We need to push industries that will, I believe, match the rising affluence of the consumerism in that part of the world. Australia as a nation, since World War II, has always benefited from rising Asian economies, whether it is Japan or the Republic of Korea. Now this particular bloc is such a big economic prize that we can't miss.

The Hon. SARAH MITCHELL: I agree, but I'm curious then, Minister—and I agree with your sentiments—what are some of the export industries that you're looking to invest in? What are the priorities beyond coal?

Mr ANOULACK CHANTHIVONG: The fundamental principle here is about economic diversification. We have some great industries here in New South Wales, and some of those are actually in regional communities. Consumerism, that is, food and beverages, is a really strong point for us, because I do know, in having engagement with our representatives here and our industries, that as consumers rise in affluence and their ability in income and their prosperity, they will want the same living standards or same level of consumption—high-quality food and beverages, health care, international education. We're rolling out an offshore model as an innovative way to ensure that we continue to connect with the rising economies of South-East Asia.

**The Hon. SARAH MITCHELL:** In terms of the energy space, is hydrogen an option that you're looking at?

Mr ANOULACK CHANTHIVONG: We have really done a lot of work in this space. We have been encouraging, in particular with our north Asian trading partners, who are very keen on energy supply—we have had a number of delegations who have come to visit New South Wales, and Investment NSW has worked very hard to continue to engage with potential investors and, of course, suppliers. On top of that, I've initiated with Investment NSW—we held the first of many engagements. We did a round table with our Japanese representatives and companies here, in this very building, about trying to understand how we encourage them to actually invest in this particular industry for our own development but for their own energy security as well.

**The Hon. SARAH MITCHELL:** Speaking of different companies and delegations, I understand that the Australian managing director of SMBC visited the Port of Newcastle yesterday as part of the JETRO hydrogen mission to Australia. Were you there, Minister?

**Mr ANOULACK CHANTHIVONG:** Yesterday? No, I wasn't, but I do know that we've supported and actually guided a number of delegations not only to the Hunter, I might say, but also down to the Illawarra as well.

**The Hon. SARAH MITCHELL:** I'm more focused on this visit yesterday. I understand if you weren't there, but did any senior Government representatives attend, that you're aware of?

Mr ANOULACK CHANTHIVONG: I might refer that to the deputy secretary.

**REBECCA McPHEE:** I will have to take that question and try to bring you an answer this afternoon.

**The Hon. SARAH MITCHELL:** My understanding is that that particular company has already invested, I think, about \$40 billion in Australia and wants to double that. I'm just concerned, if you're not there and if no-one from the agencies is there, is that another missed opportunity for your Government?

Mr ANOULACK CHANTHIVONG: Not at all. I think we have been very proactive in our engagements with our trading partners on the energy front. In actual fact, in the round table that we conducted here, in this very building—

The Hon. SARAH MITCHELL: When was that round table?

Mr ANOULACK CHANTHIVONG: That was only in the last few months or so. What that shows—not only was I there, Minister Scully and Minister Sharpe were also there, just to really signify that this a whole-of-government approach to encourage and engage investment in this particular sector, for our benefit but also for the benefit of our trading partners as well.

**The Hon. SARAH MITCHELL:** Can you tell me which is the only car company that's currently headquartered here in New South Wales? Do you know?

Mr ANOULACK CHANTHIVONG: I will have to take that on notice.

**The Hon. SARAH MITCHELL:** I think it is Hyundai. Their global chair, CEO and COO, I'm told, requested to meet with both you and the Premier in January this year to discuss a billion-dollar battery manufacturing opportunity. Do you recall that meeting or meeting request?

**Mr ANOULACK CHANTHIVONG:** I can't recall every meeting request that comes through, but I do know that all meetings that I have are disclosed appropriately.

**The Hon. SARAH MITCHELL:** I appreciate that, Minister, but it is a billion-dollar manufacturing opportunity with Hyundai. Have you met with them? Do you recall meeting with them or them requesting that meeting?

Mr ANOULACK CHANTHIVONG: I disclose all my meetings as required, but the proactive engagements we've had with our industries or company representatives here, whether it is through the AJBCC or our Korean representatives, are ongoing and are actually quite proactive. I will always consider any meeting request that comes through which aims to deliver great economic outcomes for the people of New South Wales.

**The Hon. SARAH MITCHELL:** A billion dollars is a fairly big economic opportunity. My understanding is that that meeting didn't go ahead, despite requests, and that they actually met with the Victorian Premier and Government instead. Again, is that another missed opportunity for the State because you didn't organise a meeting?

Mr ANOULACK CHANTHIVONG: The New South Wales Government and trade Minister—we are continuing to push to diversify our economy. All meeting requests that are sent to me—if you're saying it was in January, early this year, I might have been on personal leave.

**The Hon. SARAH MITCHELL:** I'm not begrudging you personal leave, but my issue is that you had a billion-dollar opportunity with a major global company for this State, who then went and met with Victoria because they couldn't get a meeting with you. That is not, I think, what the taxpayers of New South Wales would be expecting from you as trade Minister, with respect.

Mr ANOULACK CHANTHIVONG: All meeting requests that are sent to me—of course, I would consider it and meet with them. I can't recall every single request that comes through, but I do know that the New South Wales Government and I are committed to diversifying our economy and to engaging with our international guests and also their foreign representatives here too. I think we need to use all the networks that we can, but I do note, in one sense, that I'm advised that perhaps the former Government could have also done a bit more in actually connecting with some of our foreign representatives here.

The Hon. SARAH MITCHELL: With respect, Minister, I'm asking you about a request in January from a major global organisation that had a billion-dollar manufacturing opportunity for this State. That meeting didn't happen and they went to Victoria instead. While you might be saying the right things in term of engagement, if that's not actually what is happening with some of these major corporations, I do think that's a problem for New South Wales. I wanted to ask you, just finally before I hand to my colleague, in the last estimates hearing in March, you said that you were walking away from the previous Government's Trade Statement. Is that still your position?

Mr ANOULACK CHANTHIVONG: We are going to do a Trade Statement which fits the new economy. We're not going to have old policies for a new economy. The New South Wales Government is looking to diversify our economy. We are looking to access growing markets, and that Trade Statement has to reflect that. It will be part of an integrated policy development. I acknowledge the Trade Statement that was done by the former Government, but that's in a different time. That was during COVID. We have a new economy. We have different economic situations which are much more different than when that policy statement was developed. You can't have an old policy for a new economy.

**The Hon. SARAH MITCHELL:** I just want to take you to that. You are talking about old policies in the old statement during COVID. I googled NSW Trade Statement this morning and it's still the former Government's statement, which was released in October 2021. It's on the Investment NSW website. Can you understand how that could be misleading for potential investors or overseas organisations to hear you say, "No, we're walking away from that", but the old statement continues to be what's promoted on the Government website?

**Mr ANOULACK CHANTHIVONG:** We are developing a new trade and investment strategy and policy that meets the needs of a new economy accessing newer markets and diversifying our front. It can be on the website and I acknowledge that.

The Hon. SARAH MITCHELL: That's what people will look at.

**Mr ANOULACK CHANTHIVONG:** What people will look at is the work that the New South Wales Government is doing to ensure that we really have our foothold in this \$4 trillion economic bloc right at the north of our borders, and this is too big of an opportunity for us to miss. The trade policy statement of the former Government is for an old economy and for old times. We need to make sure that we make ours contemporary, and we're going through that process.

**The Hon. SARAH MITCHELL:** With respect, Minister, it's on a current website. That rhetoric doesn't really play into the action.

**Mr ANOULACK CHANTHIVONG:** Well, it does because what we're doing is really diversifying our economy. We understand that the concentration of coal in our trade make-up is a real concern for me and for the Government. We know where the energy transitioning is moving to. What we want to do is make sure that we develop a policy that really takes advantage of a growing market within our region.

**The Hon. JACQUI MUNRO:** We are 18 months through your term. Where is the Trade Statement? It was due in June and it was supposed to be implemented by now.

**Mr ANOULACK CHANTHIVONG:** The Government is working through an integrated industry policy for which the trade and investment policy will play a part. I said we are going through a good policy development process which will require a collection of quality and quantitative data and careful analysis to that front.

**The Hon. JACQUI MUNRO:** Is it true that you took a trade and investment strategy to Cabinet earlier this year but it was rejected?

Mr ANOULACK CHANTHIVONG: I don't discuss Cabinet meetings in public.

**The Hon. JACQUI MUNRO:** Why hasn't the timeline that was set out for a trade and investment strategy been met? It was supposed to go to a Cabinet meeting in May. It was supposed to have a release in June and then be implemented by July. We're now into September. What is the reason for the delay?

**Mr ANOULACK CHANTHIVONG:** The Government is working through a careful long-term trade and investment policy to have it integrated with our industry policy.

The Hon. JACQUI MUNRO: Why haven't you met the milestones that you set for yourself?

Mr ANOULACK CHANTHIVONG: They aren't my deadlines.

The Hon. JACQUI MUNRO: Whose deadlines are they?

Mr ANOULACK CHANTHIVONG: They're not mine.

The Hon. JACQUI MUNRO: What's your deadline, Minister?

**Mr ANOULACK CHANTHIVONG:** What we're going to do is develop a trade and investment policy that delivers clarity and long-term clarity for the sector, diversifying our economy and making sure—

**The Hon. JACQUI MUNRO:** Minister, you talk about diversification and you talk about ASEAN a lot, which is very interesting. What proportion of New South Wales exports do you expect to go to ASEAN?

Mr ANOULACK CHANTHIVONG: It's a \$4 trillion economic prize.

**The Hon. JACQUI MUNRO:** I know, but what proportion of exports from New South Wales are you expecting to have there?

**Mr ANOULACK CHANTHIVONG:** It's a \$4 trillion economic prize and the New South Wales Government is not going to miss this opportunity.

The Hon. JACQUI MUNRO: But what's the target?

**The Hon. Dr SARAH KAINE:** Point of order: If Ms Munro wants to ask a question, it's only courteous that she allows the Minister the appropriate time to answer before going on to the next question.

**The CHAIR:** I uphold the point of order. I was paying close attention and I think you weren't giving the Minister enough time to provide an appropriate answer.

**The Hon. JACQUI MUNRO:** If I might say, Minister, you don't need to repeat the points that you've already made to this Committee.

**The Hon. Dr SARAH KAINE:** Point of order: It's not for Ms Munro to lecture the Minister on how he can or cannot answer the question. It's not appropriate and it's not in line with our resolution of fairness.

**The CHAIR:** I uphold the point of order. I think we can keep the commentary as well.

**The Hon. JACQUI MUNRO:** What proportion of exports from New South Wales do you expect to be part of the ASEAN trade strategy?

Mr ANOULACK CHANTHIVONG: As I said, we are going through the strategy at the moment. We're trying to diversify our economy. As you would be well aware, three of our top 10 export destinations are in South-East Asia—that is in Thailand, Vietnam and Singapore—and we're looking forward to growing those markets and other growing markets as well.

**The Hon. JACQUI MUNRO:** Minister, you went on a trade mission to Thailand, Vietnam and Singapore earlier in the year. Did the department suggest that you go to those countries? Did they advise you to go to those countries?

**Mr ANOULACK CHANTHIVONG:** This is part of the fastest growing economic bloc in the world. Certainly, if we are to attain the economic and the employment opportunities and benefits for the people of New South Wales and to diversify, at a point certainly.

The Hon. JACQUI MUNRO: Did you get departmental advice to go to those countries?

**Mr ANOULACK CHANTHIVONG:** We will look at the markets that are the fastest growing area in the region and of course we'll consult with the department, but this is an economic prize that the New South Wales Government and the New South Wales economy cannot miss.

The Hon. JACQUI MUNRO: Minister, if you have policy people in your own ministerial office who don't have trade experience and you're not confirming that the department advised you to go to these countries, how are you making these decisions?

**Mr ANOULACK CHANTHIVONG:** I'm sorry, no. We receive advice from the department. We engage with the department but this is—

**The Hon. JACQUI MUNRO:** But did you receive advice to go to these particular countries, or did they advise you not to go?

Mr ANOULACK CHANTHIVONG: This is the fastest economic growing region in the world, and we are going to ensure that we push our industries, engage with government to government and government to business. I would also say this: I am sure you will be aware in the valedictory speech of the former Premier, the member for Epping, he made the point that we need to make sure we are connecting and pushing our trade opportunities in Asia.

The Hon. JACQUI MUNRO: Did you have KPIs for that trip?

Mr ANOULACK CHANTHIVONG: This is about engagement. This is about pushing our industries.

The Hon. JACQUI MUNRO: Were there KPIs that we can refer to, Minister?

**Mr ANOULACK CHANTHIVONG:** This is about engagement. This is about pushing our industries and understanding where—

The Hon. JACQUI MUNRO: Did you do any business deals from that trip?

**The Hon. Dr SARAH KAINE:** Point of order: I know we're at the end of the session, but perhaps for next time we might consider Ms Munro not speaking over and peppering the Minister with questions before he gets a chance to answer.

**The CHAIR:** I remind both the Minister and the member to be mindful of Hansard as well. When everyone is talking over the top of each other, it becomes very difficult. We now go to crossbench questions. Minister, where is the Government up to in terms of its response to the 31 recommendations of the special commission of inquiry into offending by the former corrections officer Mr Astill?

Mr ANOULACK CHANTHIVONG: As members would be well aware, the offences of the former corrections officer were really deplorable and inexcusable. The Government commissioned Judge McClellan, one of the most eminent jurists in the country, to conduct the special commission of inquiry. As you know, the commissioner handed down his report earlier this year and the Government has formally responded to that, and we're also attaching \$30 million as an initial investment to address some of the issues that were identified in Mr McClellan's report.

**The CHAIR:** Where are you up to in implementing the 31 recommendations themselves?

**Mr ANOULACK CHANTHIVONG:** The Government has made a number of responses to that. Things we can do quickly, we have done. We've improved the number of CCTV cameras at Dillwynia. We now have a

standalone governor at Dillwynia, and custodial officers at Dillwynia are all required now to wear body-worn cameras. These are the things that we've already implemented, but we understand and we acknowledge there are others actions pointed to that will require a much more medium to long term engagement. If you're keen, Chair, I'd be happy to share some of the Government's thinking around that with you.

The CHAIR: In respect to the CCTV cameras, the inquiry specifically recommended:

... CCTV cameras ... be installed ... in all offices where officers potentially meet alone with inmates and in corridors leading to such offices. Consideration ... given to CCTV footage in all correctional centres being retained for a minimum of 90 days before being overwritten.

Have those specific CCTV camera changes been implemented as well?

**Mr ANOULACK CHANTHIVONG:** We've actually allocated \$5.8 million so far for the retention of CCTV footage for 90 days at all of our correctional centres statewide.

**The CHAIR:** Great. What about the other part, the CCTV for offices where they may potentially meet alone and the corridors leading to those offices as well? Is that a recommendation you're currently implementing?

Mr ANOULACK CHANTHIVONG: The Government is going through all the recommendations from Judge McClellan's report. This is a long journey. The Government is committed to reform. As members are well aware, the offences of the former correctional officer happened between 2016-19. He was charged in 2019. He was convicted in 2022. It has taken this Government to instigate the Astill Inquiry with Judge McClellan and to find out the way forward. The Government is committed to reform. We've allocated a number of resources to that, including, as I said, CCTV funding details. We are investing in CCTV. We understand the role that it plays to improve, and to bring trust and confidence back to, the system.

**The CHAIR:** Will some of that investment into the CCTV cameras be specifically earmarked for those offices where they might potentially meet inmates alone or to the corridors leading to those offices?

**Mr ANOULACK CHANTHIVONG:** As I said, we've allocated \$5.8 million for the CCTV footage and also additional cameras at Dillwynia—which is at the female correctional facility. We'll continue. As I said, we've also done some additional investment in the AVL suites which gives inmates greater privacy as they're actually corresponding with others.

**The CHAIR:** By that, can I take it that you either haven't made a decision yet on the recommendation in regard to having CCTV in offices, where they're potentially meeting alone, or in the corridors leading to those offices—that specific recommendation? I understand and appreciate that you're doing a lot of stuff into CCTV, and you've got the 90 days. That's great. I'm just wondering about that very specific section and whether that's something that you're looking to implement or that's not something on the table.

Mr ANOULACK CHANTHIVONG: Absolutely we have, and we will. In terms of the specific programs we've done, I'm going to ask the acting commissioner to provide more details, because I know this is important work. I know the department and the Government is committed to actually improving from what has been an embattled system that we've inherited.

**LEON TAYLOR:** The 33 cameras you referred to, those cameras actually started going in during the inquiry—before the hearings had finished, and before the recommendations came in. Those cameras went into the areas where Mr Astill committed his crimes. There are other areas, that are meeting areas, where inmates may meet with staff that will be captured with the new funding. We have covered a lot of areas, and all of the areas where the criminal activity occurred. There are further areas that meet that definition that will be prioritised under the funding that the Government has now approved.

**The CHAIR:** So there was a focus on those places where the offending occurred as a matter of urgency?

LEON TAYLOR: Yes.

The CHAIR: And now we're moving into the recommendations.

**LEON TAYLOR:** With this investment we can finish the job, and also the additional storage of up to 90 days for the footage out of those cameras.

**The CHAIR:** Thank you for that. Minister, will the Government be issuing a formal response to each of the 31 recommendations?

Mr ANOULACK CHANTHIVONG: Yes, Chair. I can inform the Committee that the Government is addressing each one of those recommendations. It is a 20-11 split. There are 31 recommendations. Twenty of those we accept, and 11 of those we accept in principle. Not that we disagree with the intention of the

recommendation, but how it actually works in practice. Finding a way that it can actually be implemented from a practical basis, but not disagreeing with the recommendations that are actually being made.

**The CHAIR:** When can we expect to see that formal response published?

**Mr ANOULACK CHANTHIVONG:** The Government is looking to table the response shortly.

**The CHAIR:** You've previously announced that there would be a taskforce set up to fix the culture and procedures in Corrective Services. Can you give us an update on that taskforce?

Mr ANOULACK CHANTHIVONG: Absolutely, Chair. We've actually created a three-tier level taskforce within DCJ, which has representatives from across the network to ensure that we follow the recommendations, and we ensure that it actually works. I'm happy to ask the secretary, who chairs one of the more senior advisory taskforces, to ensure that the recommendations from this very important inquiry make progress to bring trust and confidence back to the system.

MICHAEL TIDBALL: I chair the taskforce. The taskforce is part of a three-tiered body. It is utterly and absolutely focused on the implementation of the 31 recommendations, but also with reference to looking at those 804 pages and the narrative through there—things which are not strictly covered in the recommendations, such as reporting of complaints to the secretary to make sure that there is an arms-length arrangement and a degree of independence. That is being implemented, as well as the recent machinery-of-government change whereby there is now a common reporting line. The Minister, holding the employer function of the commissioner, but also having the power to direct rather than that being split between the Minister and the secretary, can, when needed, allow the secretary to focus on independently briefing to the Minister on professional misconduct and other matters, ensuring that there is a line of distance—internal within Government, but internal independence of oversight.

**Mr ANOULACK CHANTHIVONG:** Chair, can I also just clarify that the Government did issue a formal response last Friday outlining our response to the recommendations—as I said, it's a 20-11 split; 20 accepted and 11 in principle—working through the practical details and how best to implement those recommendations.

The CHAIR: Apologies, I missed that on Friday.

MICHAEL TIDBALL: If I may just add, Minister, in relation to 10 recommendations that were accepted in principle, the sort of thing that we are seeking to do is, in important areas, consult with staff. For example, rotation of staff, which is dealt with in the McClellan report, clearly has implications on correctional officers who are hardworking people. They have families, and they work in local communities. Working through those issues consultatively will actually be important.

**The CHAIR:** Mr Tidball, can I ask as well if there are any specific representatives on the taskforce to represent certain demographics or groups?

**MICHAEL TIDBALL:** The taskforce, at high level, is essentially myself, the commissioner, the PSA is present, and it can coopt other people beneath that. The two next levels down effectively go to working groups where experts are coopted in, and there is absolutely scope for relevant stakeholders to be engaged.

Ms SUE HIGGINSON: Good morning, all. Following on from the Chair and the recommendations, very interestingly—I think it's something really just to let you know, and I'm curious as to whether you are already aware—I've actually received reports from inmates that there's problems with the recommendation 15 and 16 reporting lines. As we understand it, issues are meant to be escalated outside of the prison. However, some inmates that have used the service have had operators who have refused to do this and have actually said the inmate issue will go to the governor. The line is already, possibly, not working accordingly. It might be something for you to look at. I can talk to the departmental officers a bit later about what those concerns are. I suppose anything that we start up has periods of trial and tribulation and error and failure, but I think it's important that these systems are done well. Minister, I wanted to talk to you about something we spoke about at the last estimates in relation to phone calls.

#### Mr ANOULACK CHANTHIVONG: Yes.

**Ms SUE HIGGINSON:** I can't underestimate what the research says about phone calls, the access that inmates can have and the benefits. The last time we spoke, you said that you would look into the issue of free phone calls in New South Wales correction centres. Is there anything that you have availed yourself of that would make you, like me, an advocate for free phone calls within prisons?

**Mr ANOULACK CHANTHIVONG:** Yes, I recall we did have a conversation about phone calls. I acknowledge, and I think the Government acknowledges, that interaction of inmates with their social network is an important part of their rehabilitation. I have already requested the acting commissioner to investigate the phone

calls and, if there are pricing changes, what impact that would actually be. I can also say that Corrections New South Wales absorbs all the costs regarding phone calls. If there were to be changes on that, they would obviously have an impact on our budget and how best we can manage the financial impact of that to ensure that we can continue to provide not only phone calls but other rehabilitation programs that Corrections deploys.

**Ms SUE HIGGINSON:** Just on phone calls, in June 2023, the cost of a 10-minute phone call rose from 30 cents to \$2.60. I've also heard various other iterations of that. Our understanding is the price has risen for phone calls. I also understand that under the operating procedures, inmates are supposed to have one free phone call a week. But the information that we get—and I've got some centres, for example, Lithgow—is there are prisoners who haven't had access to a free phone call for over two years. Are you aware of this?

Mr ANOULACK CHANTHIVONG: I wouldn't be able to recall every single instance, but certainly that would be of concern to me. If inmates who are entitled to a phone call—that is, those on remand are entitled to three free phone calls a week, and those who are sentenced, one a week. So, certainly, instances where—

**Ms SUE HIGGINSON:** We've got something like 12,000 people in prison and they just want to stay connected. I'm not going to table it but I'm just going to let you know that I have a petition here that was literally a 10-day only petition across 10 correctional centres in the State. There are over 1,100 signatures, and those inmates are begging to be able to make free phone calls and to be able to have access and connection to the people that they love and that they need in order to, one day, come out and be connected.

Mr ANOULACK CHANTHIVONG: I'd also say—

Ms SUE HIGGINSON: Why can't we just do free phone calls in prisons?

**Mr ANOULACK CHANTHIVONG:** I suppose the broader conversation, Ms Higginson, on this, whether it's phone calls—it's about connections from inmates to their broader social network.

Ms SUE HIGGINSON: Let's talk about that. Can you look at how we can just provide free phone calls?

Mr ANOULACK CHANTHIVONG: I've instructed the acting commissioner to take a review on the financial impacts if we were to change the pricing mechanisms for phone calls. But I'd also add, Ms Higginson, that phone calls are not the only way inmates connect with their—

**Ms SUE HIGGINSON:** Let's talk about that. Can we talk about the video calls? Do you know what the status is of the *Research and Evaluation Strategy for the Transformation of Prisoner Rehabilitation through Digital Technology*? Are you aware of that strategic document?

Mr ANOULACK CHANTHIVONG: I don't recall that specific document as such, at this stage.

Ms SUE HIGGINSON: There's a note coming.

Mr ANOULACK CHANTHIVONG: But certainly the digital service that Corrections provides to inmates—

Ms SUE HIGGINSON: I read this a little while ago, and it's an incredibly impressive document. Clearly, a lot of work has gone into it. As I understand, there was an expression of interest for some of the programs within this document, which closed in June last year. One of the things, as I understand it, is there is such a clear connection that if inmates can have access to free video phone calls from tablets from in their cells, from outside the operating hours that AVLs work, the benefits to those inmates in terms of their wellbeing and connection—going to your principal point of connection—is untold. The evidence is overwhelming. Can we do that, Minister?

Mr ANOULACK CHANTHIVONG: As I said, I acknowledge, and I think the department acknowledges, that connection for inmates is an important part of their journey towards rehabilitation. I'd also add that we've got 13,300 tablets which are accessible under—

Ms SUE HIGGINSON: Can I just read you this, Minister?

Mr ANOULACK CHANTHIVONG: Sure.

Ms SUE HIGGINSON: This is from an inmate at Cooma, and it was only on 11 August. "Our main one is lack of video visits. We have two tablets—iPads—for 170 inmates and can only have visits on the weekends, meaning a lot of inmates miss out." This is somebody who would love to have contact with their children in Cooma. I understand that, on paper, apparently, we have tablets and we have iPads, but the reality is that inmates are just not accessing these devices in order to have the connection. There's a condition where prisoners refer to themselves as having disconnection disorder. They can't connect to the people they love and need to, in order to improve their wellbeing.

Mr ANOULACK CHANTHIVONG: As I said, no-one would deny that the connection is important, and Corrections will always investigate new ways to allow those connections to be had from inmates to their broader social network. As I said, on top of the 13,300 tablets, there are also 800 internet protocol TVs, and there have been 14.7 million phone calls that have been made to approved friends, family and legal contacts. We acknowledge their value. Yes, is there potential room to review these things? Of course there is.

Ms SUE HIGGINSON: Will you undertake to have a deeper look and try to commit to having some more trust, faith and confidence in the fact that what the material shows is—there was a study in Minnesota that showed that one video phone call a week resulted in a 22 per cent decrease in recidivism. The importance of this connection—and I know you understand it. But the reality is that we're just not doing it. We're not helping people inside and we're not doing it. Will you commit to looking into why and how we can change it?

Mr ANOULACK CHANTHIVONG: Sure. We always want our policy regimes to actually work. I acknowledge, and no-one would deny, that connection from inmates to their broader social and professional—in terms of their legal—contact is an important part. Where, perhaps, the program could be improved is something Corrections will certainly continue to review. I even might ask the acting commissioner to provide—

**Ms SUE HIGGINSON:** I'm going to come back to the acting commissioner because you know how my time runs out, unfortunately. In terms of the work that you've asked to be undertaken around free phone calls, when do you expect that work to be returned to you?

**Mr ANOULACK CHANTHIVONG:** As I said, I've instructed that work to already take place. As I said earlier, Corrections does absorb all the costs under contract with the provider.

Ms SUE HIGGINSON: Yes, but inmates are paying for phone calls as well.

**Mr ANOULACK CHANTHIVONG:** There has also been no increase in the cost of phone call charges since 2018. But I acknowledge the importance of connection. I've instructed—

**Ms SUE HIGGINSON:** I'm just not sure that's correct, Minister. I'll take it up with the officers later, but I just don't think that's quite correct. That's certainly not what the inmates and the governors of centres are telling us. Can I ask you one thing before my time finishes. As far as I am concerned, from everything I have seen, everything I've read and everything I've heard, I would strongly suggest that, right now, Keli Lane, who is an inmate, is literally being tortured by Corrective Services NSW, including through the Serious Offenders Review Council. What can you say to me to tell me that she is not literally being tortured by the system right now?

Mr ANOULACK CHANTHIVONG: I'm reluctant to talk about specific cases. However—

Ms SUE HIGGINSON: I think we need to talk about Keli Lane.

**Mr ANOULACK CHANTHIVONG:** But certainly all inmates are treated with the level of care, mindful of their welfare and wellbeing—

**Ms SUE HIGGINSON:** She was due for probation. There are now retrospective laws applying to her—some "no body, no parole". She has just been held in a maximum security prison after having done and served her time. For a very small error of no consequence and of no ill intention of her own, she has only just been re-released back out of maximum security, and she has been told that she will not be able to undertake any work release program for at least six months. How can that possibly be sensible, reasonable or fair?

Mr ANOULACK CHANTHIVONG: I think the "no body, no parole" legislation, which was passed by the Parliament last term—

Ms SUE HIGGINSON: So will we just torture her?

Mr ANOULACK CHANTHIVONG: The State Parole Authority, which is an independent statutory authority will make these decisions on parolees, but also taking advice from the New South Wales police commissioner in making its deliberations.

Ms SUE HIGGINSON: Thank you. I'll come back to that.

**The Hon. JACQUI MUNRO:** Minister, by how many homes will your Government miss its five-year housing target according to yesterday's news?

**Mr ANOULACK CHANTHIVONG:** The Government has a housing target of 377,000 dwellings over a five-year period. Certainly it is a challenging time for the construction industry at present, and we'll continue to pull all levers that we can to make sure that we build as many homes as we can.

**The Hon. JACQUI MUNRO:** But it's 74,000, according to the Master Builders Association. They believe that the target is going to be missed by a very large proportion. Do you agree with that assessment?

Mr ANOULACK CHANTHIVONG: On the current economic settings, yes, it has been debated in the public domain. But we have an actually ambitious target, and we want to encourage all levers of government and all sectors of the economy. What we have done is multi-pronged, both in liberalising the planning reforms to ensure that more homes or dwellings can be built as—

The Hon. JACQUI MUNRO: Minister, with all due respect, I didn't ask that question. If I can move on to ask a question—you spoke earlier about the draft building bill. You said it's a significant piece of building reform. You said you wanted to genuinely engage. Yet the former New South Wales Government Architect, Chris Johnson, said it was a shock proposal. Were you aware that your Government only allowed stakeholders 17 days to give feedback on a 591-page document?

**Mr ANOULACK CHANTHIVONG:** We've extended that consultation by two months to ensure that stakeholders actually have the opportunity to engage with the Government.

The Hon. JACQUI MUNRO: But were you aware that it was originally a 17-day feedback timeline?

**Mr ANOULACK CHANTHIVONG:** The Government has been engaging on its reforms for more than that period. We've been engaging with this process for quite some time. Upon engaging with and listening to stakeholders, we decided to extend that extension by two months, which is what has been requested.

**The Hon. JACQUI MUNRO:** If you say you were engaging with stakeholders previously, and you approved a 17-day feedback timeline, and then you're saying that actually we need now not just over two weeks but over two months for people to give feedback—did you agree to the original 17-day timeline?

**Mr ANOULACK CHANTHIVONG:** We are engaging and listening to stakeholders. You're criticising me for engaging with stakeholders, and I want to hear their views. I want to gain their input. This is about good policy reform, which requires engagement and interaction with stakeholders.

The Hon. JACQUI MUNRO: Isn't this an admission that actually you couldn't undertake the genuine engagement that you spoke about in 17 business days and that you needed to extend that significantly because you hadn't actually grasped the feeling of many, many stakeholder sectors in the first place?

**Mr ANOULACK CHANTHIVONG:** We've listened and engaged with stakeholder feedback. It's what good governments actually do. This is how—

The Hon. JACQUI MUNRO: But your Government gave 17 business days. Did you approve that?

Mr ANOULACK CHANTHIVONG: We will always engage with industry stakeholders to ensure that we deliver policy reform that provides long-term stability and clarity. Listening and engaging with stakeholders is an important step in that journey.

**The Hon. JACQUI MUNRO:** How about I put it this way: At what point did you realise that 17 business days was not enough and, in fact, over two months was required for stakeholders to respond to 591 pages?

**Mr ANOULACK CHANTHIVONG:** Engagement with stakeholders is part of what good governments do. I'm delighted that we are engaged—

**The Hon. JACQUI MUNRO:** So why did you only have 17 business days originally?

**Mr ANOULACK CHANTHIVONG:** I'm delighted with the feedback that we've had from the industry, and we've actually agreed to extend the timeline so that industry can have a proper analysis on the reforms. We encourage their feedback—

**The Hon. JACQUI MUNRO:** But why did you choose 17 business days originally? That's really what I'm trying to get to. How did that misunderstanding occur?

**Mr ANOULACK CHANTHIVONG:** The Government is always engaging with industry stakeholders to ensure that we continue to hear their thoughts and their feedback. The construction industry, as all would know, is going through significant challenges. The reforms that we want to do are aimed at building quality dwellings and housing for the people of New South Wales. That requires input from the sector.

**The Hon. JACQUI MUNRO:** How about we talk about some of those challenges? What steps is the Government taking to address the significant delays—and we've got reports of \$23 billion lost in major infrastructure projects—caused by ongoing industrial action by the ETU?

**Mr ANOULACK CHANTHIVONG:** The industrial actions of the ETU are actually between a company and its workforce. Of course the Government would actually be able to do more if the former Government hadn't actually privatised these particular companies. This is now a private industrial dispute between a company the former Government privatised and its workforce.

The Hon. JACQUI MUNRO: This is about a whole workforce that has significant influence on your party. I'm wondering if you've actually assessed the economic impact of what these delays will cost, given the ETU's industrial action.

**Mr ANOULACK CHANTHIVONG:** As I said, the ETU's industrial actions are with a company that the former Government privatised. That's a specific dispute between the workforce and the company.

**The Hon. JACQUI MUNRO:** Are you saying that government-related sectors and unions are not causing significant disruptions at the moment? Is that what you're saying?

**Mr ANOULACK CHANTHIVONG:** What I'm saying is that the dispute with the ETU is between a privatised company, that the former Government privatised from public ownership, and that all matters of industrial relations are best directed to the Minister for Industrial Relations.

**The Hon. JACQUI MUNRO:** So you haven't tried to calculate the impact of these disputes on the building and construction industry?

**Mr ANOULACK CHANTHIVONG:** All matters of industrial relations disputes are a matter for the Minister for Industrial Relations.

The Hon. JACQUI MUNRO: So you're just relying on public reports to understand how these ETU actions are actually significantly delaying construction, not just on infrastructure projects, but on housing, which is obviously part of what you've just said your Government's goal is? You're telling me that you haven't looked at any impact that the ETU is having on the building and construction sector?

**Mr ANOULACK CHANTHIVONG:** I'm telling you that the Government is committed to ensure that we build quality housing for the people of New South Wales. What actually really helps us is to ensure that the Opposition doesn't table legislation that blocks a TOD development in and around significant public infrastructure. I mean, did you vote for that bill, Ms Munro?

The Hon. JACQUI MUNRO: We're actually talking about—

Mr ANOULACK CHANTHIVONG: The one that blocked—

**The Hon. JACQUI MUNRO:** —your actions as a government, because you're responsible for the delivery of a goal that your Government has set, and you're not meeting it. That's actually up to you, Minister, given you're in power.

**Mr ANOULACK CHANTHIVONG:** I'd say we are responsible to ensure that we deliver quality housing for the people of New South Wales. What doesn't help is when we have a blocking Opposition more interested in nimbyism, more interested in politics, supporting a bill in the Parliament—

**The Hon. JACQUI MUNRO:** Minister, we're talking about your Government's actions. Let's go back to the building bill, if you actually want to talk about stakeholder engagement and the outrage that so many industries have expressed because they haven't been consulted. Obviously the Chair earlier spoke about interior designers. Can you tell me what a designer is, or what a building design is?

**Mr ANOULACK CHANTHIVONG:** Like I said, we are engaging with stakeholders from across the sector for their input.

The Hon. JACQUI MUNRO: But don't you think—do you know how you would define those things?

Mr ANOULACK CHANTHIVONG: This is an important part of ensuring that we engage with all sectors of the economy. What helps us is to ensure that we don't have an Opposition that's playing political games, putting legislation in the Parliament that blocks building and construction from happening.

**The Hon. JACQUI MUNRO:** Minister, we're talking about your bill. Could you tell me who is qualified to undertake unrestricted building design work?

**Mr ANOULACK CHANTHIVONG:** As I said, the work of the Government is to ensure we continue to engage with all stakeholders to help pull every single lever that we can. What we don't need and what we don't want is oppositionist political game playing which prevents—

The Hon. JACQUI MUNRO: I'm not game playing; I'm asking about your responsibilities as Minister.

**Mr ANOULACK CHANTHIVONG:** —the construction of dwellings that the New South Wales economy needs.

**The Hon. JACQUI MUNRO:** But what you've told me so far is that you have actually had to delay this building bill because your consultation process in the beginning wasn't sufficient and had to be addressed because

stakeholders weren't happy about it. In your bill, what would you say is a qualification to undertake unrestricted building design work?

Mr ANOULACK CHANTHIVONG: But this is the point of the consultation where we get feedback to specific—

The Hon. JACQUI MUNRO: But what's your intention?

**The Hon. BOB NANVA:** Point of order: I have refrained from seeking a point of order, but I would just ask that the courtesy requirements of the procedural fairness resolution are upheld and the Minister be given an adequate time to answer his question without interruption.

**The CHAIR:** I would say that we're skating close again. I remind the Hon. Jacqui Munro I know it's frustrating when there are points of order constantly being taken, but there is a really good way to avoid that, and that's just to listen to the points of order that are being taken and to keep them in mind while asking questions.

**The Hon. JACQUI MUNRO:** Thank you, Chair. How about I ask this question. Could you please elaborate on how your bill distinguishes between the roles and responsibilities of architects and building designers under the new unrestricted classification?

Mr ANOULACK CHANTHIVONG: This is the exact point of the consultation—where the details will be fine-tuned from the stakeholders to determine what is the best regulation. That's why we do consultation. We're not afraid of it. We want to hear from industry, we want to engage and we want to continue to refine the proposed legislation, which delivers more quality housing for the people of New South Wales.

**The Hon. JACQUI MUNRO:** If you wanted that extensive consultation, why did you agree to give 17 business days for stakeholders to respond to a 591-page document?

Mr ANOULACK CHANTHIVONG: I'm proud to extend the consultation period to ensure that we get the finer details right, hearing from stakeholders from the sector, to refine a significant piece of reform that the Government is committed to delivering to ensure we have quality houses for the people of New South Wales.

The Hon. JACQUI MUNRO: Have you read the 591 pages, Minister?

**Mr ANOULACK CHANTHIVONG:** The current bill is actually going out to consultation at the moment so when we—

The Hon. JACQUI MUNRO: But have you read that?

**Mr ANOULACK CHANTHIVONG:** The bill is currently out for consultation and we will continue to engage with the sector to determine what the final bill will be.

**The Hon. JACQUI MUNRO:** Can I take it from your answer, Minister, that you have not read the bill or the 591 pages?

**Mr ANOULACK CHANTHIVONG:** As I said, the bill is currently out for consultation. It is important for us to hear from stakeholders to ensure that we get the feedback to provide clarity, certainty and policy stability for the sector.

**The Hon. JACQUI MUNRO:** Minister, how do you know what questions to ask when you're consulting with stakeholders if you haven't read the document yourself?

**Mr ANOULACK CHANTHIVONG:** The Government is consulting on a significant piece of reform and will continue to engage with stakeholders to get their feedback and to get their input and to ensure that any finer details of the proposed bill will be refined to deliver policy stability.

The Hon. JACQUI MUNRO: So what questions would you ask, Minister?

**Mr ANOULACK CHANTHIVONG:** The Building Commission is leading the consultation on this front to ensure that we get policy stability, clarity and input from the sector and also to maybe rectify any aspects in the sector that actually will prevent—I have to say it is appropriate for the department to engage with the sector on this matter.

**The Hon. JACQUI MUNRO:** How can stakeholders have confidence in this process when the Minister responsible for the legislation hasn't actually read this 591-page document that you expected stakeholders to respond to in 17 business days?

Mr ANOULACK CHANTHIVONG: Building trust and confidence—no pun intended—in the building sector is what this Government has been doing since coming to office. We've done significant legislation on the building reforms. We're moving towards strata and we're doing rental reform. We've inherited a legacy issue—

**The Hon. JACQUI MUNRO:** Minister, you've just told the Committee that this is a signature reform of yours as a Minister, and you're now saying to me that—I presume; I have to assume because you haven't said that you have read it—you haven't read this document. What leadership are you showing as the Minister to ensure that this bill is passed by your Government?

Mr ANOULACK CHANTHIVONG: When the bill is finalised, further details will be provided.

The Hon. JACQUI MUNRO: So you'll read it then?

Mr ANOULACK CHANTHIVONG: The Building Commission is appropriately leading the consultation with the sector to ensure we get the feedback, we get the input and we get the level of engagement that will determine what the final bill will be. On any specific issues that are raised I will continue to get advice, as is appropriate.

**The Hon. JACQUI MUNRO:** Given the extensive education and professional standards required for architects, how does the Government plan to ensure that these standards remain high when building designers, who may have varying qualifications, are classified similarly under the unrestricted licence?

Mr ANOULACK CHANTHIVONG: This is part of the consultation process.

The Hon. JACQUI MUNRO: Do you expect that this will be changed?

**Mr ANOULACK CHANTHIVONG:** This will be part of the consultation process and we're looking forward to the feedback from industry.

**The Hon. JACQUI MUNRO:** Were you not aware of this in the previous consultation that you said you did prior to the release of this 591-page document?

Mr ANOULACK CHANTHIVONG: The consultation process is about engaging and receiving feedback from particular associations and from the sector to ensure that we deliver on the Government's commitment.

**The Hon. JACQUI MUNRO:** Do you think it will be important to have measures implemented that prevent the dilution of professional standards?

Mr ANOULACK CHANTHIVONG: This will be part of the consultation process.

The Hon. JACQUI MUNRO: Just as an opinion, Minister, do you think that that's important?

**Mr ANOULACK CHANTHIVONG:** It's important that we continue to engage with stakeholders and to gather their input.

The Hon. JACQUI MUNRO: But do you have an idea of what you want out of this?

**Mr ANOULACK CHANTHIVONG:** The engagement process is being led by the Building Commission, and I really encourage all stakeholders to provide their input representing their associations to determine what would be one of the biggest building reforms that we've done in the last decade.

**The Hon. JACQUI MUNRO:** Minister, what do you think your role is in this? You are the Minister, and yet you're telling me that you weren't responsible for the 17 days, you haven't read the document and you're not telling me your opinion on what you see as a vision for this bill. So what do you think your role actually is?

**Mr ANOULACK CHANTHIVONG:** My role is to fix up the loss of trust and confidence that we inherited from your Government. I'm aware—

**The Hon. JACQUI MUNRO:** And that's what you think you're doing now?

Mr ANOULACK CHANTHIVONG: That's why our building reforms—

The Hon. JACQUI MUNRO: That you haven't read.

Mr ANOULACK CHANTHIVONG: Our legislative program is to build high-quality homes—

**The Hon. BOB NANVA:** Point of order: The Minister was asked what his vision was and he was given about five seconds in which to answer it. I ask that the courtesy requirements be extended to him.

The CHAIR: I'll allow the Minister some time to answer the question.

**Mr ANOULACK CHANTHIVONG:** As I said, what the Government wants is quality and quantity in parallel. We are not going to sacrifice quality for quantity, which is what we inherited as a legacy issue with a lack of oversight, poor regulatory standards and no reform agenda. Quality homes are what we want to deliver for the people of New South Wales. It also helps us when we don't have Opposition bills which deliberately block

development of dwellings from happening. I'm surprised that you talk about wanting more homes and then you support a bill that prevents homes from being built.

**The Hon. AILEEN MacDONALD:** I might jump in there. I turn to Fair Trading, Minister. Can you provide the details on the number of qualified supervisors disciplined under the Home Building Act during the financial years 2022-23 and 2023-24 for improper conduct? Specifically, how many cases involved specialists in the field of electrical wiring, refrigeration, air conditioning, plumbing, gasfitting and LP gasfitting?

Mr ANOULACK CHANTHIVONG: There are a number of questions in that, Mrs MacDonald, but I do appreciate your interest in that. I do know that so far in this particular 2023-24 year we've had about 44,000 complaints. We've done over 11,437 inspections. Part of the compliance enforcement—I might even ask the Fair Trading commissioner or the Building Commissioner to further supply specifics. They were quite specific questions, and I might ask the acting Building Commissioner to provide further details.

**MATT PRESS:** Yes, I can help with some of that. I think your question was around qualified supervisors in particular. I'd have to get that for you on notice, but of the decisions that we've done under the Home Building Act, I could say proportionally about 80 per cent are related to builders. So it'd be a subset of those, I think would be in your answer.

The Hon. AILEEN MacDONALD: I might do that on notice then so that you've got the specifics of that question. There is a follow-up on notice: What steps is the department taking to enhance that detection and handling of improper conduct among specialists to prevent further consumer harm? I'll do that one on notice as well, if you like. As a follow-up to you, Minister, how many electrical contractors were disciplined during 2022-23 and 2023-24 for improper conduct related to—and this is different—noncompliance with their duties under the WHS Act regulations particularly concerning—

Mr ANOULACK CHANTHIVONG: That's a very specific question. I'm happy to take that one on notice, but maybe I'll ask the acting commissioner if he has that specific statistical detail.

The Hon. AILEEN MacDONALD: Because I've only got 19 seconds I might say to take that one on notice.

Mr ANOULACK CHANTHIVONG: I'm happy to do that. That's fine.

**MATT PRESS:** In that electrical space—if this helps—we've issued 607 written direction notices. I don't have on hand how many of those activities have resulted in disciplinary action.

**The CHAIR:** Are there any Government questions?

The Hon. PETER PRIMROSE: No, we're very happy with the Minister's answers.

(Short adjournment)

**The CHAIR:** Welcome back. We will begin with questions from the crossbench.

**Ms ABIGAIL BOYD:** Good morning, Minister, and to all of the officials. I was listening when you were talking about New South Wales' reliance on coal as an export and what you are doing to try to change that mix. Given the announcement of a new missiles manufacturer opening up in Newcastle, is the intention to turn Newcastle into an exporter of weapons to replace the coal export industry?

**Mr ANOULACK CHANTHIVONG:** The Newcastle economy, as it transitions away from coal, has gone through, I would say, quite a successful journey. The biggest employers in Newcastle, as I recall, are in education and health. We can see that in its workforce. Certainly, those regions, in particular those coal-dependent regions, have a very strong manufacturing skill set base which can be applied across all different sectors.

**Ms ABIGAIL BOYD:** There seems to be growing awareness of a competition for skills and labour across the renewable green energy sector and the growing weapons manufacture sector in New South Wales. Does that concern you? Does the Government have plans to redirect people into green energy as a preference over weapons manufacture?

Mr ANOULACK CHANTHIVONG: As you rightly say and as I've said earlier this morning, diversification of our economy keeps our economy resilient. It's agile and provides employment and income opportunities, in particular for our regional communities. The journey of urbanisation, those who have studied it, has seen a lot of our regional communities not perhaps benefit as much from the economic transition. That's why, I suppose, differences in what were old coalmining communities, like the Illawarra and like Newcastle, have really transferred into the services sector, like health and education. But also, they have such a strong physical manufacturing skill set base which can be used in areas like clean energy, which the Government is totally

committed to as one of our strategic priorities and in which we'll be certainly encouraging greater investment and greater opportunities for people.

**Ms ABIGAIL BOYD:** We're looking to the Government to go, "What is the ideal industry mix here?" What percentage are you anticipating we're going to have in 10 years time in weapons manufacture versus green energy?

**Mr ANOULACK CHANTHIVONG:** Concentration risk in any economy is very risky because it means your economy is unable to absorb or adjust to shocks that are beyond your control. So what you need to do is grow as many sectors as you can. Things like medtech are very significant in New South Wales.

**Ms ABIGAIL BOYD:** What about when they're in competition with each other? We have the urgent need to get renewables online as quickly as possible. We have a certain set of skills coming out of the fossil fuel industry, particularly the coal industry, that could be deployed readily into green technology, or they could get siphoned off by the big weapons manufacturers. What are you doing to ensure that we're prioritising renewable energy over weapons manufacture?

Mr ANOULACK CHANTHIVONG: The Government has made no secret that renewable energy and the transition to net zero is an important strategic objective, not only environmentally but also economically. I think it's important to acknowledge and recognise that skill sets are not specific to any particular industry. When we talk about manufacturing, it's actually not a sector; it's actually a skill set which can be easily transferrable between different—

Ms ABIGAIL BOYD: And deployed into different industries.

**Mr ANOULACK CHANTHIVONG:** That's why investing in our skill set—I know my colleague Minister Whan is making significant policy reform and investment in TAFE free education. Our TAFEs—

**Ms ABIGAIL BOYD:** With respect, Minister, the question was what percentage of industry mix do you think should be renewables and how much do you think should be weapons manufacture in South New Wales?

**Mr ANOULACK CHANTHIVONG:** I would say the ultimate goal in any economic restructuring is to ensure that we don't have concentration risk. Industries will emerge and also be disrupted, but it is important that we have the greatest spread we can to keep our economic base resilient.

**Ms ABIGAIL BOYD:** I will put it another way, then. How much weapons manufacture is too much weapons manufacture in New South Wales?

**Mr ANOULACK CHANTHIVONG:** I understand that you, personally, obviously have some thoughts about the defence industry, but I can also say 40 per cent of Australia's defence and space industry does happen in New South Wales.

**Ms ABIGAIL BOYD:** I think when people talk about defence, people think of our Defence Force and protecting Australia—and then we have weapons manufacture. At the moment, most of that gets exported to other countries and used potentially against civilians, as we've seen recently. Given the agreements that have been made with these really large weapons manufacturers around Western Sydney airport, given the news about a missile factory now around Newcastle Airport, is there a plan by this Government to replace coal export with weapons export?

**Mr ANOULACK CHANTHIVONG:** We want to replace coal. Everybody knows the trajectory of fossil fuels and we want to replace it with as many different sectors as possible.

Ms ABIGAIL BOYD: Okay. But, weapons?

**Mr ANOULACK CHANTHIVONG:** As I said, defence manufacturing has already existed in New South Wales for quite a long time. It is part of the broader mix of our economy. Things like medtech are significant. Agritech is also significant.

**Ms ABIGAIL BOYD:** Given the ethical concerns with a lot of that weapons manufacture, what limits has New South Wales put on the type of weapons that could be manufactured in New South Wales? Are we going to be seeing more drone technology coming out of here? Are we going to see AI being used to selectively target more civilians in order to shoot them down? At what point does the Government say, "This type of weapons manufacture is perhaps not ethical"? Are there rules in place? Are you setting up restrictions?

Mr ANOULACK CHANTHIVONG: My job as the Minister for Industry and Trade is to try to encourage new and emerging industries to replace—

Ms ABIGAIL BOYD: Regardless of the ethics?

- **Mr ANOULACK CHANTHIVONG:** —the coal industry to ensure that we have a diversified economy and a very strong skill set base that is easily transferrable from one sector to the other.
- **Ms ABIGAIL BOYD:** Minister, you've met with a concerning number of weapons manufacturing companies since you were appointed, from the very large ones to the companies that are involved in producing the technical aspects of other people's weapons. There is a whole bunch of different manufacturers. You have met with a really huge number of those and not very many energy sector companies. Is it your focus as Minister for Industry and Trade to effectively make New South Wales' economy reliant on the manufacture of weapons?
- Mr ANOULACK CHANTHIVONG: No. As I said, I will meet with anyone who seeks to create employment and economic opportunities for the people of New South Wales as we diversify our economy. The numbers you have—I suspect a lot of energy companies might first go to Minister Sharpe, as a first port of call. But, of course, I'd be open to—
- **Ms ABIGAIL BOYD:** We're talking about BAE Systems, Lockheed Martin—a whole bunch of really big global weapons manufacturers. We know their weapons are being used to target civilians in different wars around the world. At what point does New South Wales say, "We don't want to be an exporter of that type of weapon. We are going to put some limits on it"? Will there ever be any limits or are we just getting as much money as we can out of this industry?
- **Mr ANOULACK CHANTHIVONG:** I'd make a couple of points, because there are a few questions in that. The first point is around export of defence equipment. That is a matter for the Commonwealth to determine what, if anything, comes out of the country.
- **Ms ABIGAIL BOYD:** Are you getting pressure from the Federal Government to try to meet the AUKUS agreement by producing more complicated and nasty weapons out of New South Wales?
- Mr ANOULACK CHANTHIVONG: No, I'm not getting any pressure from my Commonwealth colleagues. My job is to ensure that we put engagement and policies in place to diversify our economy. I can say to you, earlier this morning, as a demonstration of the Government's commitment to cleaner energy, myself, Minister Scully and Minister Sharpe held a hydrogen round table with—
- **Ms ABIGAIL BOYD:** Okay, but I'm talking about weapons. Where are the limits? You have consulted with all of these weapons manufacturers. At what point do you consult with the people of New South Wales and say, "Do you want these weapons that are used against civilians being made in New South Wales?" Where has that consultation been, Minister?
- **Mr ANOULACK CHANTHIVONG:** I suppose you also have to recognise, Ms Boyd, that the sector does employ over 22,000 people in New South Wales.
- **Ms ABIGAIL BOYD:** Yes. What I'm hearing from you is that there is no ethical limit. There is no point at which you go, "Actually, New South Wales doesn't want to be involved in that kind of weapons manufacturing."
- Mr ANOULACK CHANTHIVONG: I accept you have a position which is different to mine on the defence and aerospace industry.
  - Ms ABIGAIL BOYD: It's called ethics.
- **Mr ANOULACK CHANTHIVONG:** I want to ensure that, as the Minister for Industry and Trade—to push the Government's agenda when it comes to skilling our people, when it comes to creating the capability and the capacity to move from one sector to another, and that requires—
- **Ms ABIGAIL BOYD:** So it's the Government's agenda not to have any ethics when it comes to weapons manufacture?
- **Mr ANOULACK CHANTHIVONG:** It's the Government's agenda to always continue to find ways to provide economic and employment opportunity for the people of New South Wales.
  - Ms ABIGAIL BOYD: Regardless of the industry and the ethics.
- **Ms SUE HIGGINSON:** Minister, I want to revisit the situation of Keli Lane. I'm not sure if you've been briefed, but I want to go back to my original proposition: Why is it that the system is currently torturing Keli Lane? That's my view. I'm the one who has formed that view based on everything I've seen and I've read, and what I understand, acknowledging that right now her mental condition is in serious risk of harm and she is really suffering.

**Mr ANOULACK CHANTHIVONG:** Firstly, can I say I really acknowledge your interest in Ms Lane. I am reluctant to make specific comments about any particular inmate, but all allocation of inmates is done operationally by the acting commissioner in terms of their risk classification.

**Ms SUE HIGGINSON:** I will speak with Acting Commissioner Taylor later, but I'm just concerned, Minister. Are you concerned that there are people in the system and the objective view is that they are actually being tortured? This is not punishment; this is like we are torturing somebody. Does it concern you?

**Mr ANOULACK CHANTHIVONG:** As I said, Corrective Services ensures that inmates are risk-allocated appropriately and obviously get the level of—

Ms SUE HIGGINSON: She's been a model inmate. She has provided support for all of her fellow inmates.

She has done her time. She has literally made one small error, which she had no idea was an error, while she was on work leave. She's been held in maximum security since that event. She has just been released out of maximum security and told she can't have any day leave visits for at least six months. This is not on parity with any other prisoner. Why are we doing this to her?

Mr ANOULACK CHANTHIVONG: As I said, all risk classification matters are undertaken operationally by the acting commissioner. For your information, Ms Higginson, I've actually spoken to the acting commissioner during the break and I've asked for specific advice regarding Ms Lane. We can certainly have future conversations about that once I get that advice.

Ms SUE HIGGINSON: I am very grateful. There are people seriously concerned about her wellbeing right now. Can I talk to you briefly, Minister, about education access for inmates in prisons. Again, I know you and I have spoken about this and I know that you are absolutely cognisant of the impacts in terms of health and wellbeing and the reduction of recidivism when inmates have access to education. Are you aware of Cody Ward? Again, this is an individual circumstance, and the reason I say this is because I know that he has written to you multiple times and has been advocating fiercely to go to university. He's been approved to attend study on campus, but is currently being blocked from this opportunity because he cannot gain access to a secure computer while he's in prison. His future is currently being put on a very cruel hold because of this. Will you help him?

Mr ANOULACK CHANTHIVONG: I am aware of the complaints from the particular inmate. As I said, I'm really reluctant, as a general rule, to talk about specific inmates—for their privacy as well. But certainly I don't think you and I—or, I hope, many—would disagree that access to education and training is an important part of the rehabilitation journey.

Ms SUE HIGGINSON: I do know that you believe this, and I do know you understand this, and both you and the acting commissioner have responded assuring them that he's free to pursue this study, but you know, because of the technology limitations, he just can't. The reason I speak his name is because he is one of so many that contact my office. They are ready, they're willing, they're able—many inmates actually commence their education, they commence their study, and then they're cut off because of the technology limitations of being able to continue. I'm not sure there's much worse. Somebody has a start, they get a startup, and then they're stopped. It's more than cruel and it is the State that is doing this. What can we do, Minister?

Mr ANOULACK CHANTHIVONG: Certainly, as I said, no-one would disagree that education and training is a very critical part of the rehabilitation journey. In terms of unlimited access to technology, there are security issues involved and we just need to be mindful of those issues. We need to balance the needs of inmates who are seeking to be rehabilitated through education and training but also be mindful of security for the whole system. If I can just share with you, and share with the Committee also, the importance of this, I visited one of our facilities and I met a young inmate. He was only in his early 20s and he was almost about to be released. He'd worked on construction of 20 new beds at one of our facilities and he actually obtained his plumbing experience and qualification whilst he's been an inmate. That journey for him has been quite transformative and they're the sort of stories that Corrections wants to do more of, bearing in mind the different, I suppose, risk classifications because no two inmates would have almost identical circumstances. What we need to do is to ensure that those who are seeking to change their lives have access to those resources. I can also let the Committee know that we employ over 100 full-time employees who are dedicated to education and training for our inmates as part of the rehabilitation journey.

**Ms SUE HIGGINSON:** That's right. We are also talking about university education and, absolutely, the trades are incredibly important and it is good that there are a few good stories—there really are only a few, unfortunately. But why are we not enabling and assisting inmates who want to access university or tertiary education? Why are we not helping them? Why is it like they don't deserve to attend those courses?

Mr ANOULACK CHANTHIVONG: I don't think I share that conclusion, that they don't deserve it.

**Ms SUE HIGGINSON:** But there are all these arbitrary policies that just stop inmates from being able to do this.

Mr ANOULACK CHANTHIVONG: I suppose specifically operation of the programs, of accessing particular technology, the balance between security risks for the inmates themselves and also for the officers at our facilities needs to be balanced as well. I'm happy to defer to the acting commissioner on specific technological access for higher education because, as I said, I don't think we disagree on the important role—

**Ms SUE HIGGINSON:** You're aware that the secure technology exists. It's all there. Something is happening within the system that is denying the individuals who are ready, willing and able—some of them already participating. There are systems to let and make this happen, but we're not getting the support for these people in the system. Something is going very wrong.

**Mr ANOULACK CHANTHIVONG:** No-one would disagree we try to provide as many training opportunities as we can in skills. It's only in vocation and—

**Ms SUE HIGGINSON:** No, what I mean is that they exist and we're not deploying them in New South Wales the same as places are elsewhere. Victoria, for example, is way ahead of where New South Wales is. Why are we so behind in our system?

Mr ANOULACK CHANTHIVONG: We do run a number of educational programs, including—

Ms SUE HIGGINSON: I'm not saying we don't.

Mr ANOULACK CHANTHIVONG: —at our intensive learning centres across Lismore, the North Coast, South Coast and Wellington, also using TAFE, in partnership with that as well. I do think we, or the department does actually provide opportunities to learn both vocational and higher education, but balancing with the constraints of the system—

**Ms SUE HIGGINSON:** What are those constraints? What are you suggesting? It's just so wrong when you have people who are accessing education and then, all of a sudden, they can't because the secured laptops aren't able to be used for education purposes. They can be used for legal purposes.

**Mr ANOULACK CHANTHIVONG:** Can I just say, on the operational constraints, I'm happy to ask the acting commissioner to—

**Ms SUE HIGGINSON:** I will definitely take it up. What are you doing to assist the staff uptake within Corrections in New South Wales, given there are so many people out of work on mental health leave and stress leave, and there are positions that are just not filled? What are you doing to change that position?

**Mr ANOULACK CHANTHIVONG:** Certainly creating a safe workplace is a high priority for Corrections. Staff-related matters are best answered by the acting commissioner. I am happy to ask him to answer those questions now, if you wish, or you could take that up with him.

Ms SUE HIGGINSON: I will definitely take it up with the acting commissioner later.

**The Hon. AILEEN MacDONALD:** I will continue with Corrections, since we've started. I want to turn to the machinery of government changes. Minister, who initiated the proposal to separate Corrective Services from the Department of Communities and Justice?

**Mr ANOULACK CHANTHIVONG:** On 16 August the New South Wales Government, the Premier and I announced that Corrections would be a standalone public agency from 1 October. One of the main reasons behind this was to make Corrections consistent and similar to other frontline agencies like Fire and Rescue, Rural Fire Service and the SES. It is about consistency in the structure and, of course, that is part of the Government's reform of Corrections to ensure that it remains contemporary and delivers the outcomes that the Government is seeking as part of the reform agenda.

The Hon. AILEEN MacDONALD: When this decision was made—has it been costed?

**Mr ANOULACK CHANTHIVONG:** It's just a change in machinery of government, which is just a legal and corporate structure. That's all it is. It's about keeping it consistent with other frontline agencies in terms of the way government frontline agencies are actually structured.

The Hon. AILEEN MacDONALD: But what will it cost the taxpayer?

**Mr ANOULACK CHANTHIVONG:** I'm advised it is cost neutral because it is just a restructure of the reporting lines to make it consistent, like other frontline agencies.

**The Hon. AILEEN MacDONALD:** Will there be any additional roles that will be created to facilitate the functioning of this as an independent agency?

**Mr ANOULACK CHANTHIVONG:** Corrections, as I said, we have just gone through the MOG changes, and the Government just wanted to make it consistent. At this stage there are no cost implications around the MOG changes that have been enacted.

**The Hon. AILEEN MacDONALD:** So no additional staff will be required to manage the administrative roles?

**Mr ANOULACK CHANTHIVONG:** There's no cost impact. It is a separation of the administrative processes or the administrative structure of Corrections.

The Hon. AILEEN MacDONALD: Has the position for a commissioner been advertised as yet?

**Mr ANOULACK CHANTHIVONG:** As part of the MOG changes, we are currently going through the process of recruitment.

The Hon. AILEEN MacDONALD: Recommendation 31 of the Astill Inquiry was:

Every executive of CSNSW should complete the entry-level Correctional Officer training as part of any onboarding for their respective role, and prior to any substantive uptake of the executive position.

How many executives are there within CSNSW?

Mr ANOULACK CHANTHIVONG: In terms of the SES numbers?

The Hon. AILEEN MacDONALD: Yes.

Mr ANOULACK CHANTHIVONG: I'm happy to take that on notice, or I can ask the acting commissioner. He might have an answer for you now.

**The Hon. AILEEN MacDONALD:** I can ask later. Do you know how many have completed the entry level correctional officer training?

Mr ANOULACK CHANTHIVONG: My expectation is that all senior executives within Corrections undertake all the appropriate training to ensure that we deliver the reforms that have emanated from Judge McClellan's special commission of inquiry into the crimes of the former officer.

**The Hon. AILEEN MacDONALD:** Do you have a date in mind that the cohort will complete the training? I know you said it is your expectation that they would. Do you have a date?

Mr ANOULACK CHANTHIVONG: I said the reform journey is short-, medium- and long-term but, certainly, my expectation is that those in senior positions should undertake all the appropriate training that's required to deliver on the Government's reform agenda and to bring greater trust and confidence back to the Corrective Services system. I'm happy to ask the acting commissioner, who may have more information on this.

**The Hon. AILEEN MacDONALD:** No, it's okay. I can come back to that in the afternoon. We did spend a bit of time in the last estimates talking about the Junee Correctional Centre. I understand that you have now visited the centre, in January of this year, according to your diary disclosure. What is the current cost to the State for running the Junee Correctional Centre?

Mr ANOULACK CHANTHIVONG: As members will be well aware, the Government put Junee back into public operations, as it has become part of the wider network of Corrective Services. We have a dedicated team at the centre working with staff at the facility but also engaging with the wider community about the change in its operation. I am happy to ask the acting commissioner to provide more details on the work around Junee.

**LEON TAYLOR:** I think we might have covered the cost in last estimates, but we can get that on notice. I don't have those numbers in the notes today.

The Hon. AILEEN MacDONALD: Do you know how many inmates are currently held at Junee?

Mr ANOULACK CHANTHIVONG: I am happy to take that one on notice.

LEON TAYLOR: It's around 740.

Mr ANOULACK CHANTHIVONG: Thank you, Acting Commissioner.

**The Hon. AILEEN MacDONALD:** The Bail and Other Legislation Amendment (Domestic Violence) Bill was finally passed, and it will do three things. It will amend the test for the grant of bail, introduce electronic monitoring for some DV offenders given bail, and ensure that magistrates, not registrars, make bail decisions. I'm interested: Have the numbers on remand increased since 20 June, which is the date of assent of that bill?

Mr ANOULACK CHANTHIVONG: Do you want to—

The Hon. AILEEN MacDONALD: I want to know, people on remand—has that number increased?

**Mr ANOULACK CHANTHIVONG:** Yes, in short, but I understand your question to be connecting those on remand, specifically those who have come under the changes in the bail legislation.

The Hon. AILEEN MacDONALD: Yes.

Mr ANOULACK CHANTHIVONG: I think there are two questions there.

The Hon. AILEEN MacDONALD: Yes.

**Mr ANOULACK CHANTHIVONG:** In terms of the remand numbers, I understand there has been an increase in the number of those on remand. The secretary might be able to provide more details.

MICHAEL TIDBALL: Just by way of clarification, if I may, I think there are three relevant provisions in that legislation that are effectively being turned on at different times. Electronic monitoring, which is the Corrective Services component, is yet to go live. We anticipate that going live in early October. Clearly the show cause provision, which I think is material to your question, has commenced. Thirdly, the move to have registrars out of the process of bail determination is a provision which we anticipate will go live when effectively all the changes have been completed by the end of the year. There has been—which we can perhaps take on notice unless the acting commissioner has the numbers—of course, a movement in the numbers.

**LEON TAYLOR:** The Molly Ticehurst tragedy was on 21 April. There have been an additional 34 offenders remanded on domestic and family violence charges, on average, since that date.

**MICHAEL TIDBALL:** But if I may just chime in and say, though, there are probably two drivers for that. As we saw after the Lindt siege, there was an uptick in remand determinations of the courts. Notwithstanding the fact that there was no amendment to the law, there has both been the show-cause provision going live there also and, ahead of that was, I believe, a small uptick in remand numbers.

**The Hon. AILEEN MacDONALD:** It's only a small one. Minister, do you think if the remand population is not increasing, are the new bail laws working in protecting women?

**Mr ANOULACK CHANTHIVONG:** I suppose the role of Corrections in this reform is to accommodate those that are sent through by the court. We'll do that in a way that assesses the risk of each particular inmate that comes through to create the safest work environment, not only for the inmates but also for our officers as well.

**The Hon. AILEEN MacDONALD:** I might return to those questions in the afternoon session. Minister, how many correctional officers are currently suspended on full pay within the corrections system?

**Mr ANOULACK CHANTHIVONG:** I'm happy to defer to the acting commissioner, but what I would say is that, as Minister, my expectation is that a safe workplace is a high priority. Any allegations of misconduct and misbehaviour need to be thoroughly investigated and the appropriate action to take place. I might hand over to the acting commissioner for those specifics.

**LEON TAYLOR:** There are currently 82 corrections staff suspended. I don't have the split between on pay and without pay. The without pay number is a small number. I'll try to have that answer this afternoon.

**The Hon. AILEEN MacDONALD:** Minister, just on the previous answer that you provided, can you explain the reasons why a correctional officer would be suspended on full pay within the Corrections system?

**Mr ANOULACK CHANTHIVONG:** I suppose each allegation of misconduct and misbehaviour will be very different. Those that are much more egregious, of course, will be handled differently to those allegations which are assessed as being of lower risk. I think it's difficult to apply a universal rule, given there are different variations of what those allegations are when it comes to the type of misconduct and misbehaviour.

**The Hon. AILEEN MacDONALD:** Minister, I've heard from an officer who is currently suspended. Her name is Leanne Cameron from the Francis Greenway Correctional Complex. She has been suspended on full pay since 20 October 2023. She was recently advised her case had been reviewed and that she remains suspended on full pay with ongoing reviews to take place every 30 days. Minister, do you know how long she will remain suspended and why she has been suspended?

**Mr ANOULACK CHANTHIVONG:** As I said earlier, I'm really reluctant to talk about specific cases, mainly as a courtesy to the privacy of people, their own privacy. As I said, there's got to be a process of procedural fairness in any investigation, and investigations that are undertaken must be taken in the full light of information and to ensure that any findings gives the particular individual an opportunity to respond accordingly. I think it's a

case, really, of operational matters. Staffing matters are a matter for the acting commissioner. He can either answer it now for you or he can do that this afternoon.

**The Hon. AILEEN MacDONALD:** I can ask later. You said that there are 82 staff suspended. I assume that they're all on full pay, accruing annual leave, long service leave, sick leave, 11 per cent super. How is Corrective Services accounting for this in its budget?

Mr ANOULACK CHANTHIVONG: Can I just take you back one step around staff allegations of misconduct and misbehaviour. As part of the MOG changes, Mrs MacDonald, we are reforming the professional standards investigation unit to make sure that we're able to more efficiently investigate and produce an outcome as quickly as we can. This is part of the reform agenda and also one of the issues highlighted by Judge McClellan in his report on Astill. Certainly we've got a big agenda when it comes to Corrections to try to address some of the issues that were identified through Judge McClellan's report. As I said, for operational matters, specifically on any staffing matter, it's not appropriate for any Minister to intervene individually. Operational matters are best managed by the acting commissioner.

**The Hon. AILEEN MacDONALD:** On the number, if I can go back to my question: Is Corrective Services accounting for this in its budget?

**Mr ANOULACK CHANTHIVONG:** As I said, it's difficult to say financially because each case will be different and the longevity—

**The Hon. AILEEN MacDONALD:** I'm not saying Leanne is of the—I'll come back to that question. I also am concerned the officer has had no contact from senior management and no welfare checks or updates regarding her case. Is this the usual process for suspensions in Corrective Services?

**Mr ANOULACK CHANTHIVONG:** That's a staffing matter, so the employer function rests with the acting commissioner. I'm happy to ask the acting commissioner, if he's able, to provide some information.

**LEON TAYLOR:** I'm happy to take Ms Cameron's case on and have a look at it. There are supports in place, including people's line managers; but also professional standards has its own support team. We engage with suspended staff in different ways through either managers, that support team, or our wellbeing team.

**The Hon. AILEEN MacDONALD:** I understand that this officer hasn't had any contact from her line manager and hasn't been offered any support throughout her suspension.

**LEON TAYLOR:** All right. It would concern me if there's been no support, so I'll take advice on that.

MICHAEL TIDBALL: If I may augment the acting commissioner's comments, the PSI model is being restructured. It's being redesigned. It would be absolutely conceded the process needs to, subject to principles of natural justice and procedural fairness, move more quickly. That is absolutely our focus. I can also add that in commentary of Mr McClellan's report, the special commission of inquiry report, he spoke about an independent line of oversight with responsibility to the secretary. The commissioner and I work closely and in lockstep. However, under the MOG, there is a degree of independence and distance to ensure that where there are cases which are not meeting the threshold in terms of speed of movement, determination of outcome or the like, there is an extra filter, an extra means of accountability, to improve the quality of our decision-making. I should also add that there are some officers that are currently suspended without pay.

**The Hon. AILEEN MacDONALD:** You just mentioned then the restructure and trying to make it more efficient. When will this come into effect? It appears that the review's taking so long.

**MICHAEL TIDBALL:** The Government last week responded to the 31 recommendations. There is a taskforce which is working through all those recommendations. There'll be a timetable which will, now that that process is complete and now that we have an allocation of \$30 million, allow us to have certainty and to schedule all of those changes. In terms of the PSI change, that has been designed and we're working closely with Corrective Services to implement that now. We're actively into the implementation over the coming months.

**The Hon. AILEEN MacDONALD:** Minister, when an officer is suspended, obviously temporaries or other people have to be brought in to backfill their roles?

Mr ANOULACK CHANTHIVONG: That's an operational matter. Certainly, where there are vacancies, vacancies happen for a range of reasons. People will take personal leave or they will take maternity leave or parental leave, and also if they're unwell. Where possible, I know the acting commissioner and the governors of the specific facilities will seek to make arrangements for staffing to fill those vacancies where they occur.

**The Hon. AILEEN MacDONALD:** We have staff shortages. How can this situation be sustainable? If you've got officers that are suspended and then—

**Mr ANOULACK CHANTHIVONG:** I'd also say, Mrs MacDonald, that Corrections has over 10,000 employees. Where possible, it is a flexible working arrangement in terms of moving our officers to fill in vacancies when they occur. As I said, they occur for a range of reasons—personal leave, parental leave, being unwell and long service leave. When these situations occur, the respective Corrections executive will make the appropriate arrangements.

**The Hon. AILEEN MacDONALD:** Are you aware of a shortage of female sanitary products at the Silverwater Women's Correctional Centre?

Mr ANOULACK CHANTHIVONG: When it comes to our female inmates, the care, the welfare and wellbeing of female inmates is important. If there are issues around that, we certainly want to make sure that our female inmates have all the products they require as part of their wellbeing and their welfare.

**The CHAIR:** In regard to the recommendations from the special commission of inquiry report, there was a recommendation that a women's strategy be implemented to oversee the strategic and operational issues for female inmates. Have you begun work on this strategy?

Mr ANOULACK CHANTHIVONG: Yes. I can advise, Chair, that when it comes to addressing the recommendations for our female inmates, we've actually allocated \$3.2 million for an external women's advocacy, which has been designed by Legal Aid NSW, and also a further \$1.2 million for staff training as well as change management, which comes with the recommendations around the women's strategy.

**The CHAIR:** When will work begin on that? I understand that there is funding, but when will we start to see things implemented?

Mr ANOULACK CHANTHIVONG: I'm happy to defer to the acting commissioner in terms of implementation.

**LEON TAYLOR:** That strategy covers the things that the Minister mentioned, but it's also much broader than just the operations of Dillwynia. It's the management of women across the State. We're seeing a substantial increase more recently in the population of women in custody. That strategy will be more than just Dillwynia. Either now, or perhaps this afternoon, Assistant Commissioner Galouzis—who will be working on that strategy through her team, and there's already substantial work happening in that space—will lead that work. I don't think we have an end date for that work, but it has certainly started. We need to get it right. There's lots of people we need to consult through that to get it right. There's lots of good models in other places that we want to look at. We certainly don't want to put an artificial date that means we don't end up with the right model. Having said that, we don't want it to take forever and end up not improving the conditions for women in custody, which is a priority for us.

**The CHAIR:** On 21 August, Minister, the NSW Ombudsman released its report on inmate discipline in correctional centres. It makes some quite damning findings, including the systemic failure to follow legislation and policies in relation to inmate discipline, unjust and potentially unlawful outcomes and maladministration through the disciplinary process. Given this report—on top of the report into Mr Astill—do you accept that there are major problems within our corrective systems that need to be addressed urgently?

Mr ANOULACK CHANTHIVONG: Certainly. The Government has inherited a number of legacy issues when it comes to Corrections. Part of the foundation for reform is through Judge McClellan's special commission of inquiry. I do welcome the Ombudsman's report. I actually had a meeting with the Ombudsman and with the acting commissioner to discuss the findings. I am aware of the management process in terms of disciplinary actions between officers and inmates. We do have a remediation plan already in development to address some of the findings from the Ombudsman's report.

The CHAIR: Can I ask specifically what actions you've taken since that meeting that you had with the Ombudsman?

Mr ANOULACK CHANTHIVONG: The meeting with the Ombudsman was only very recently, but the engagement at that meeting was very useful to ensure that we actually take the steps. Some of the things that we have already instigated are about including communication training through to our staff as they interact with inmates, and to also understand the limits of their statutory authority. Really, I suppose, making it clearer what process they need to go through as part of the procedures for disciplining inmates. There's also the work done to provide the executives with options for a set of much broader and much more robust disciplinary systems. We're also examining the use of behaviour management as a potential alternative, to apply instead of actually going through the charging process of inmates. In other words, as an alternative to discipline, perhaps we can try other alternatives like behavioural change. This journey of addressing the Ombudsman's report is important to the

Government. I've made those expectations clear to the acting commissioner, and that all staff involved will be provided with the appropriate information to continue the journey of reform when it comes to Corrections.

**The CHAIR:** As a former psychologist, I was particularly concerned to read that inmates whose behaviour would more appropriately warrant referral to mental health support, for example self-harming behaviours, are being dealt with through a disciplinary process. Obviously there's some aspects of this that are urgent, such as that. What interim steps are you taking now to ensure that when an inmate is in desperate need of help that they actually get that help?

Mr ANOULACK CHANTHIVONG: We already started the process to review how inmate discipline is actually applied. Chair, you may be well aware that Corrections has part of the operations, but when it comes to mental health issues we work very closely with Justice Health, which is under the ministerial responsibilities of Minister Park. That collaboration between Corrections and Justice Health is an important function where we continue to collaborate and work together to provide specific care, particularly for those inmates who have challenges around their mental wellbeing.

**The CHAIR:** I understand you're saying that you're reviewing it. While this review is going on, I'm concerned that this is quite an extreme issue. Are there any really specific steps that you're taking in this interim moment while that review is occurring to make sure that inmates who potentially have mental health concerns are treated for that instead of being disciplined?

Mr ANOULACK CHANTHIVONG: As I said, we do work closely with Justice Health. I think they are really much more qualified, clinically and professionally, to assist Corrections. If you're after specific programs that we've done, I can either take that on notice or ask the acting commissioner to elaborate. Certainly we are aware. We've actually taken on board the Ombudsman's report. We've begun the journey of changing the way inmate discipline is managed, and also equipping our staff to better understand their statutory obligations regarding inmate discipline. In all fairness, it's also a very complex environment. Inmates will have a variety of needs and challenges. Corrections, working with Justice Health, will ensure we try to do that as best as we can.

**The CHAIR:** I might come back to the acting commissioner this afternoon. I'm keen to hear from you, but I've only got a couple of minutes left. Minister, it has been reported in the media that you are looking at legislative reform around the Corrections system. Can you tell us a little bit about the reforms you are looking into?

Mr ANOULACK CHANTHIVONG: The reforms will be based on the recommendations of the special commission of inquiry from Judge McClellan. We are looking at some legislative changes to the CAS Act, but that will go through the process of a consultation, both internally and externally. We're also looking at issues, for example, around the firearms and the use of firearms by corrections officers, given the recent judgement on the Officer A issue.

**The CHAIR:** One of the recommendations in the Ombudsman report is that the Government introduce legislated internal and external review and appeal rights on both findings and penalties. Is that something that you're looking at including within legislative reform?

**Mr ANOULACK CHANTHIVONG:** As I said, we have a broad set of legislative reforms. There are changes to the CAS Act which we want to make, as I just mentioned, in terms of the firearms. We are also looking at making some legislative changes on that front. In terms of the specific issue around inmate discipline, we're also trying to investigate, and the department has given us thought, as to how that can best be changed through legislative reform.

**The CHAIR:** Can we expect to see reforms in Parliament sometime this year, or do you have any idea of a timeline on this?

**Mr ANOULACK CHANTHIVONG:** Certainly, the principle is we try to do these as quickly as we can, bearing in mind we want to make sure that we go through a proper engagement process with our officers, other DCJ departments and also the external stakeholders and that the legislative reform that is proposed will actually work and work well to reform the system.

**The CHAIR:** Are you expecting it to come before the end of this year, or is the timeline more likely to be sometime next year?

**Mr ANOULACK CHANTHIVONG:** I think, certainly, we will try to work as quickly as we can to bring legislation reform regarding Corrections.

**Ms CATE FAEHRMANN:** Minister, what additional measures are you taking as a result of last night's *Four Corners* investigation which found that those high-profile global firms are, indeed, charging millions of

dollars to consumers—to owners—and taking kickbacks, undisclosed? What additional measures are you putting in place?

Mr ANOULACK CHANTHIVONG: Certainly, Ms Faehrmann, the investigation does raise a number of concerns for me.

Ms CATE FAEHRMANN: It sure does. What additional measures—

Mr ANOULACK CHANTHIVONG: The journey for the Government since it was elected has been to really make significant reform inroads into strata. As I mentioned, in phase one we dealt with improving the governance of the strata schemes. We've actually ensured that there are multiple quotes on works that are done to common property over \$30,000. As members are also aware, there is a bill before the Parliament which specifically bans commissions on insurance products where those strata managing agents have not had any role. We're also requiring the break-up of invoices around commissions and brokerage fees.

**Ms** CATE FAEHRMANN: Sorry, just to go back to the banning commissions bit where you said banning commissions where the strata hasn't had any role, did you say? The broker hasn't had any role?

**Mr ANOULACK CHANTHIVONG:** Currently before the Parliament is the strata bill that will ban commissions where the actual strata agent has not played any role. That is a way—

**Ms CATE FAEHRMANN:** Are you aware that in last night's *Four Corners* the ACCC chair has called for insurance commissions to be banned entirely?

Mr ANOULACK CHANTHIVONG: Yes, I did watch that report. But I'd also say, firstly, the banning of commissions is a policy option that the Government is considering, but that's also part of a broader policy development. We need to be mindful that the commissions structure within strata has been around for decades and there are in-built business models that are—

**Ms CATE FAEHRMANN:** But they're the problem. Those in-built business models are literally the problem. It's the financial incentive that is creating this multibillion-dollar industry that is now offshore. When ABC investigations asked about strata issues, 2,000 people responded. That's the nub of the problem, and it sounds like your Government doesn't want to break up that business model.

**Mr ANOULACK CHANTHIVONG:** No. As I said, the banning of commissions within the strata industry is a policy position that is on the table, and I've instructed the Fair Trading commissioner—

**Ms CATE FAEHRMANN:** The legislation is before the Parliament. As you said, we've now got that draft legislation. Wouldn't it make sense, Minister, to deal with this to improve people's strata fees? New South Wales has the highest portion of bankruptcy as a result of strata fees. I'm sure you're aware of that. This investigation last night—the ball is now in your court to fix it. Wouldn't it make sense to put it into that bill?

Mr ANOULACK CHANTHIVONG: As I said, the banning of commissions as a general business model is a policy option that's on the table for the Government. I've asked the Fair Trading commissioner to closely examine the policy options that will work. The bill before the Parliament is specific to an insurance product, because this is a much broader conversation. I'd also make the point, watching the investigation report last night, that I am concerned. That's why the Government is on the strata reform agenda. But it also highlights the fact that the ACCC Commissioner does admit that perhaps the ACCC could have had a much closer eye in the competition of this particular group. Within that bill also, Ms Faehrmann, is the need to provide disclosure to owners' corporations and residents. I would say that empowering consumers—if we could just use that general term—with information allows them to ask the tough questions of their agents and ask why this is happening. It is a journey in strata reform—

Ms CATE FAEHRMANN: But, Minister, the consumers are already saying how complex these strata laws are. They're actually asking for more simplified strata laws. They've also been saying that strata managing agents can't even comply with the existing provisions for disclosure of commissions and related-party transactions. So they're not even doing that now. Why wouldn't you make it much simpler and fairer for the people of New South Wales, increasingly in apartments, who are really challenged in terms of cost of living? I don't understand, if a policy option is before your Government, why you can't just do that. Don't you side with the apartment owners, not these fat cats that are getting kickbacks off ordinary people in New South Wales?

Mr ANOULACK CHANTHIVONG: Good policy that works with industry does take time. It's not a simple process of adding one sentence in a bill. It does take time. As I said, the Government has made significant inroads into strata. Part of the bill that's currently before the Parliament increases the penalties by 400 per cent for those strata agents that are noncompliant with their disclosure obligations. We are now requiring in this bill that's before the Parliament that real-time disclosures and any conflicts that a strata agent may have, or has, need to be

disclosed to the owners and residents. Empowering residents with information is an important tool, as we continue the reform journey. In all fairness, I wish some of these things had been done in the last 12 years but, nevertheless, we are moving forward with strata reform.

Ms CATE FAEHRMANN: It is concerning, though, that the Owners Corporation Network—the independent voice of strata owners, who you're very aware of—essentially doesn't support most of the bill. It does support the bill insofar as it provides enforceable undertakings as a regulatory enforcement alternative to prosecution for breaches of the law. But it doesn't support the bill other than that, because it fails to prohibit strata managing agents, as fiduciaries of the scheme they manage, putting themselves in unmanageable conflict with the interests of their clients by taking insurance commissions and engaging in related-party transactions. That's the nub of the issue. Why would you bring the reform to this Parliament, after last night's investigation, after what the ABC has uncovered, again, it seems, in the face of inaction by your department? Why wouldn't you just lance the boil and put this into the bill before the Parliament?

**Mr ANOULACK CHANTHIVONG:** As I said, the current bill deals with a number of issues that have been investigated by the ABC. It includes disclosures, extra enforcement for compliance, increased penalties—

Ms CATE FAEHRMANN: It doesn't go far enough.

**Mr ANOULACK CHANTHIVONG:** But this is a journey that we're going through, and that is why I've tasked the Fair Trading commissioner to examine—

**Ms CATE FAEHRMANN:** Minister, people who own apartments don't want to hear about your Government's journey; they want action. You've been here for 18 months now. There is something on the table that clearly could be done. I don't know what else needs to come from the department. Is it good for consumers and people who own apartments and people who are in strata apartments or not? Clearly, it is bad for the big fat cat insurance brokers but great for everybody else. Why wouldn't you do it?

**Mr ANOULACK CHANTHIVONG:** That's why the bill we have before Parliament, which I do hope members of the upper House will support, to increase disclosures, increase penalties, increase real-time disclosure of any conflicts of interest, more powers for enforcement and compliance—and certainly, as I've said, the banning of commissions is a significant policy change. I always believe that policy of this nature should be done carefully and in a considered way to ensure that it doesn't have unintended impacts.

**Ms CATE FAEHRMANN:** I will talk to you offline, considering The Greens will play a key role in supporting that bill and getting it through Parliament.

Mr ANOULACK CHANTHIVONG: I welcome your support.

Ms CATE FAEHRMANN: I will talk to you about whether we can get those further reforms through. Very quickly, there's an organisation called the Link Foundation—an alcohol and other drug organisation. They have been providing free counselling and support. This is related to you because they are dealing with 50 new referrals each week directly from community corrections officers across New South Wales. They provide alcohol and other drug counselling. I've met with them. They are fantastic. They've received no funding, though, for those referrals. They're dealing with them themselves, usually with the range of qualified, trained counsellors that they have. Does it seem fair to you that they don't receive funding for that? They do say that most of the funds go to organisations like Mission Australia and Lifeline. But they're doing this, and they're really running off the smell of an oily rag. I hear that they may not be able to continue. Would you meet with them, at the very least, to hear about the work they do and the fact that they're dealing with these referrals each week?

**Mr ANOULACK CHANTHIVONG:** Certainly I'm aware of the organisation you refer to, Ms Faehrmann, and Corrections does fund a number of not-for-profits.

Ms CATE FAEHRMANN: But not these ones.

**Mr ANOULACK CHANTHIVONG:** We'll consider all funding requests through the normal budgetary process. As I said, I do value every organisation that is involved in the social justice system, and every application for funding will be assessed according to other funding requests that the Government receives.

**The Hon. JACQUI MUNRO:** Minister, could you please tell me what departments or agencies or offices you're responsible for within your Innovation, Science and Technology portfolio?

Mr ANOULACK CHANTHIVONG: That's Investment NSW and the office of the chief scientist.

The Hon. JACQUI MUNRO: What about your Industry and Trade portfolio?

Mr ANOULACK CHANTHIVONG: They come under the same arrangement.

**The Hon. JACQUI MUNRO:** Previously, these were all housed within the Department of Enterprise, Investment and Trade?

Mr ANOULACK CHANTHIVONG: That's correct, yes.

**The Hon. JACQUI MUNRO:** My understanding from a media release which was issued on Friday 12 April—it was issued by Premier Minns. It was 2.00 p.m. on a Friday. It announced a significant departmental restructure, which is that Investment NSW and the Office of the Chief Scientist and Engineer were to join the Premier's Department. Did Cabinet approve that change, following the announcement?

**Mr ANOULACK CHANTHIVONG:** I don't talk about Cabinet decisions, but the MOG change in moving Industry and Trade into the Premier's Department is a good one. It centralises the—

**The Hon. JACOUI MUNRO:** That wasn't my question. Did the Governor approve that change?

**Mr ANOULACK CHANTHIVONG:** The MOG change done by the Government, regarding moving Industry and Trade to the Premier's Department, is a good one.

The Hon. JACQUI MUNRO: So it was approved?

Mr ANOULACK CHANTHIVONG: It's a good one.

**The Hon. JACQUI MUNRO:** I'm not asking if it was good or not. I'm just making sure that I understand correctly. Were any amendments made to that announcement?

Mr ANOULACK CHANTHIVONG: What do you mean by amendments made?

The Hon. JACQUI MUNRO: Were there any amendments to the announcement that was made in April?

Mr ANOULACK CHANTHIVONG: The amendments that were made to the administration orders, which came into effect on 1 July, actually moved Investment NSW and the Office of the Chief Scientist and Engineer to the Premier's Department to play a greater centralised role when it comes to its functions.

**The Hon. JACQUI MUNRO:** I presume you've read the budget papers, Minister.

Mr ANOULACK CHANTHIVONG: What's your question?

The Hon. JACQUI MUNRO: Have you read the budget papers?

Mr ANOULACK CHANTHIVONG: Well, what's your question?

The Hon. JACQUI MUNRO: My question is have you read the budget papers?

**Mr ANOULACK CHANTHIVONG:** As I said, the budget papers are handed down by the Treasurer. What's your question?

The Hon. JACQUI MUNRO: My question is have you read the budget papers, Minister?

**Mr ANOULACK CHANTHIVONG:** I read a whole range of papers. What's your question regarding them?

**The Hon. JACQUI MUNRO:** The first question is just yes or no: Have you read the budget papers? This wasn't supposed to be a trick question, Minister.

Mr ANOULACK CHANTHIVONG: As I said, I read the budget papers that are relevant to my portfolio.

The Hon. JACQUI MUNRO: Excellent. Could I please take you to Budget Paper No. 02, page iv.

Mr ANOULACK CHANTHIVONG: I don't have it.

**The Hon. JACQUI MUNRO:** You don't have the budget papers? It's budget estimates! Could the secretariat please provide the Minister with budget papers, since he didn't bring them himself? Is that possible? Did you not think that you would be asked questions about the budget? Of all the things that would take my time today, I didn't expect—

**The Hon. Dr SARAH KAINE:** Point of order: Could we please ask Ms Munro to cease the confected incredulity which seems to precede every question.

The Hon. JACQUI MUNRO: It's not confected.

The Hon. Dr SARAH KAINE: They are legitimate questions, but if we could just refrain from the continual commentary.

**The CHAIR:** I will remind Ms Munro about the commentary. I suspect we will continue to have points of order if it continues. Let's keep that in mind.

Mr ANOULACK CHANTHIVONG: What page was it, Ms Munro?

**The Hon. JACQUI MUNRO:** It was iv, *Budget Paper No. 02*. There it says on the very top line that the budget papers "have been prepared based on the new administrative arrangements announced since the 2023-24 budget". You would agree that that includes the announcement from your media release?

Mr ANOULACK CHANTHIVONG: The MOG changes came into effect on 1 July this year.

**The Hon. JACQUI MUNRO:** Could you please turn to page 8-2. I'm sure you will see the statement for the Department of Enterprise, Investment and Trade. Is there any money on that page allocated to areas within your responsibility?

**Mr ANOULACK CHANTHIVONG:** The Government has allocated for the offices of both the chief scientist and Investment NSW. We have recurrent expenditure of \$150.5 million for Investment NSW and for—

The Hon. JACQUI MUNRO: Can I just clarify that? You said \$150 million of recurrent expenditure.

Mr ANOULACK CHANTHIVONG: I said \$150.5 million, that's correct.

The Hon. JACQUI MUNRO: So that's over the forward estimates?

Mr ANOULACK CHANTHIVONG: That's correct. **REBECCA McPHEE:** That's in this financial year.

Mr ANOULACK CHANTHIVONG: That's in this year, sorry,

**The Hon. JACQUI MUNRO:** Could you just confirm, is that within the Department of Enterprise, Investment and Trade in this statement here?

**REBECCA McPHEE:** No, that's within the Premier's Department budget.

The Hon. JACQUI MUNRO: Minister, can I just take you back to page v. It says there that the transfers are anticipated to include Investment NSW and the Office of the Chief Scientist and Engineer transfers to the Premier's Department. In the budget—I'm just trying to understand. Where do you think your money for Investment NSW and the Office of the Chief Scientist and Engineer is?

Mr ANOULACK CHANTHIVONG: The budget that was prepared was done prior to the MOG changes, and this current year we've got \$150 million for Investment NSW and for the office of the chief scientist budget.

The Hon. JACQUI MUNRO: Whereabouts is that in the budget?

Mr ANOULACK CHANTHIVONG: It's just under \$43 million. So the budget—

The Hon. JACQUI MUNRO: Sorry, where is that in this budget?

**Mr ANOULACK CHANTHIVONG:** I said the budget that Investment NSW has is \$150.5 million this year—

**The Hon. JACQUI MUNRO:** I know. I understand that. That's not my question. I'm asking where we can interrogate that in the budget.

**Mr ANOULACK CHANTHIVONG:** As I said, the MOG changes for Investment NSW and for OCSE were done after the budget was handed down. Therefore, the budget that's allocated to the current portfolio response would have been in its former departmental arrangements, which would have been in DEIT.

**The Hon. JACQUI MUNRO:** So you're saying that the money is in the Department of Enterprise, Investment and Trade, according to this year's budget?

**Mr ANOULACK CHANTHIVONG:** Because the MOG changes don't come into effect until July this year, so the budget that was prepared—and the current notes on there were prepared—where the agencies were actually allocated, which is under DEIT.

**The Hon. JACQUI MUNRO:** What's the point? You're saying between April and June that the Treasury couldn't update the budget according to the announcement that the Premier made.

**Mr ANOULACK CHANTHIVONG:** Investment NSW has a budget of \$150 million. The office of the chief scientist has an allocated budget, I said, of over \$40 million—

**The Hon. JACQUI MUNRO:** My question, Minister, goes to clarity and to accountability and to transparency, which is why I'm trying to understand where the money that you're responsible for is housed within the budget that your Government delivered.

Mr ANOULACK CHANTHIVONG: The budget, when it was prepared—when both OCSE and Investment NSW came under DEIT, its budget was reflected in the DEIT department and that next year, when the budget is prepared, Investment NSW, and the Industry and Trade portfolio will be reflected in the Premier's Department budget.

**The Hon. JACQUI MUNRO:** Are you concerned that this is unclear and that it prevents people from scrutinising the budget? Are you doing this to hide cuts?

**Mr ANOULACK CHANTHIVONG:** Not at all. We moved Investment NSW, Industry and Trade to the Premier's Department, in a centralised agency, to make sure it that works across government to ensure that we continue to restructure our economy towards diversifying to make sure that we try to access different investments into New South Wales.

**The Hon. JACQUI MUNRO:** Did you know that the budget didn't reflect the media statement that was released by the Premier?

Mr ANOULACK CHANTHIVONG: The MOG changes happened after the budget was prepared.

**The Hon. JACQUI MUNRO:** You're telling me that it doesn't concern you that this budget doesn't reflect the reality of your ministerial portfolios at the moment.

Mr ANOULACK CHANTHIVONG: The next budget will reflect the MOG changes that have actually occurred. What you're suggesting is that a budget should be prepared early this year for an event that actually hasn't been enacted yet.

The Hon. JACQUI MUNRO: Actually, what I'm suggesting is that a government should be transparent and clear about their budget responsibilities and where money is housed within the budget. That's actually what I'm saying.

**The Hon. Dr SARAH KAINE:** Is there a question with that or just comments?

**The Hon. JACQUI MUNRO:** Thank you for your commentary but I was actually clarifying because the Minister was making assertions about what I said. I'll move on. In March you said to this Committee, Minister:

The Innovation Blueprint that I've designed is about the four I's quadrant ...

. . .

The four I's quadrant is the strategy that I will be pursuing with our stakeholders ...

Are you still pursuing the four I's strategy in the innovation blueprint?

Mr ANOULACK CHANTHIVONG: Absolutely.

The Hon. JACQUI MUNRO: So that's going to be a structure in the innovation blueprint?

**Mr ANOULACK CHANTHIVONG:** It's somewhat prescient, I have to say, with the four I's. If you actually read the IPC report—have you read it, by the way?

**The Hon. JACQUI MUNRO:** Of course I have read it. Have you, Minister?

Mr ANOULACK CHANTHIVONG: I actually have. What did you think?

The Hon. JACQUI MUNRO: I am so pleased.

Mr ANOULACK CHANTHIVONG: What did you think of it?

The Hon. JACQUI MUNRO: The Minister is being very inciteful.

**The Hon. Dr SARAH KAINE:** Point of order: Once again, we see the theatrics of Ms Munro overtaking the questions. The questions, I'm sure there's some legitimacy somewhere in them, if she could stick to them.

**Ms SUE HIGGINSON:** To the point of order: This was just absolutely ordinary conduct. There was nothing disrespectful. There was a light contest and cavil happening. This is budget estimates.

**The CHAIR:** In this particular instance Ms Munro's response was somewhat positive compared to some of the other commentary. I don't uphold the point of order in this instance. Ms Munro has the call.

**The Hon. JACQUI MUNRO:** Minister, my understanding is that the innovation blueprint has been written and it's sitting on a shelf. Could you please explain why, after it was due to be implemented this year in July, to be announced in June—you've had 18 months to deliver it—the innovation blueprint is not public?

**Mr ANOULACK CHANTHIVONG:** The innovation blueprint is part of the Government's integrated policy approach to support the industry policy which the Government is pursuing—the State's first industry policy focusing on specific missions.

**The Hon. JACQUI MUNRO:** When can people expect this integrated policy? Why hasn't it been delivered yet? What part of it has not been integrated?

**Mr ANOULACK CHANTHIVONG:** The first point that I'd make, Ms Munro, is that I don't know where you're getting your dates from.

**The Hon. JACQUI MUNRO:** I'm getting them from Cabinet Office submissions, so I think they're fairly accurate. But you can tell me dates, please.

Mr ANOULACK CHANTHIVONG: Good policy always takes time. I don't know whether in your—

The Hon. JACQUI MUNRO: But we don't have any policy, Minister.

Mr ANOULACK CHANTHIVONG: I don't accept—good policy requires good collection of data, both qualitative and quantitative. You'd be well aware that the Government held a number of round tables with stakeholders—

The Hon. JACQUI MUNRO: Minister, is the innovation blueprint finished or not?

**Mr ANOULACK CHANTHIVONG:** The Government conducted a number of round tables with stakeholders, both in Sydney—

The Hon. JACQUI MUNRO: Congratulations.

Mr ANOULACK CHANTHIVONG: —and also in regional New South Wales—

The Hon. JACQUI MUNRO: Well done. Yes, two, I think.

Mr ANOULACK CHANTHIVONG: —to make sure that we only—

**The Hon. BOB NANVA:** Point of order: I'd suggest Ms Munro is not being courteous to the witness with these snide interjections.

**The CHAIR:** I uphold the point of order. I know that was only a small comment, but because there have been a lot of comments throughout the day, I again remind Ms Munro—to avoid points of order—to keep the commentary to a minimum.

The Hon. JACQUI MUNRO: Minister, is the innovation blueprint complete?

Mr ANOULACK CHANTHIVONG: The innovation blueprint is being developed based on the collation of the qualitative data, which we collected with 370 stakeholders. In addition to that, we've also started commissioning work on the quantitative analysis of the innovation sector. The cleansing and the analysis and the understanding of that data will certainly form part of the Government's integrated policy approach when it comes to the innovation blueprint, connected with our trade investment strategy and, of course, supporting the State's first industry policy focused on our strategic priorities.

**The Hon. JACQUI MUNRO:** Minister, could you tell me when that's due then, because you've already missed dates that you said yourself. Could you please tell me when the innovation blueprint will be made public?

Mr ANOULACK CHANTHIVONG: I'm not embarrassed to say that good policy always takes time.

The Hon. JACQUI MUNRO: You've said that. I'm glad you're not embarrassed but people are waiting.

**Mr ANOULACK CHANTHIVONG:** I'm going to do the analysis that's required, both qualitative and quantitative, to deliver what I consistently hear from stakeholders—long-term policy stability.

**The Hon. JACQUI MUNRO:** Minister, have you consistently heard from stakeholders that they would like to see the innovation blueprint and they would like to know when it will be delivered?

**Mr ANOULACK CHANTHIVONG:** What I consistently hear is what the industry really wants is long-term policy stability and clarity. The Government is going to deliver that with an integrated approach—

The Hon. JACQUI MUNRO: When, Minister?

**Mr ANOULACK CHANTHIVONG:** —both with industry policy, with the trade and investment strategy and policy, and also the innovation blueprint. These things are interdependent on each other.

**The Hon. JACQUI MUNRO:** Minister, thank you. I think you've repeated yourself often enough. Minister, what's the future of the Sydney Startup Hub?

**Mr ANOULACK CHANTHIVONG:** As I said, the Sydney Startup Hub and scaleup are both in the city, so we'll continue to liaise with the tenants of those to ensure that we deliver a model that works for the very people we are actually trying to help.

**The Hon. JACQUI MUNRO:** So what is that?

**Mr ANOULACK CHANTHIVONG:** We'll continue to liaise with tenants of the Sydney Startup and Scaleup hubs to ensure that we deliver a model that works best for those who are actually going to be utilising that area.

The Hon. JACQUI MUNRO: Is the future of the Sydney Startup Hub at York Street secured?

**Mr ANOULACK CHANTHIVONG:** The future of the startup hub will continue to be a point of discussion with the residents and the tenants of those startup hubs. We want to deliver a—

**The Hon. JACQUI MUNRO:** Does that mean you will continue the operation of the Sydney Startup Hub or not?

**Mr ANOULACK CHANTHIVONG:** We will continue to work with the tenants and residents of the startup and the scaleup hub to deliver a model that works for them.

The Hon. JACQUI MUNRO: Minister, have you met with Fishburners?

Mr ANOULACK CHANTHIVONG: I understand we're actually organising a meeting shortly.

**The Hon. JACQUI MUNRO:** You're 18 months into your term. You've just told me that you're liaising with the tenants of the Sydney Startup Hub and you still haven't met with Fishburners, which I asked you in the very first budget estimates that we had.

**Mr ANOULACK CHANTHIVONG:** We got a request from Fishburners recently and a meeting has all been organised.

The Hon. JACQUI MUNRO: So you didn't reach out to them?

Mr ANOULACK CHANTHIVONG: Fishburners requested a meeting and that's been obliged.

**The Hon. JACQUI MUNRO:** Minister, what about Stone and Chalk? Have you met with Stone and Chalk?

**Mr ANOULACK CHANTHIVONG:** Of course I have. I met with them when I visited the startup and scaleup hubs.

The Hon. JACQUI MUNRO: They're not in your diary disclosures in at least the last six months.

Mr ANOULACK CHANTHIVONG: These are at events.

The Hon. JACQUI MUNRO: They're at events? So you're having passing conversations. Honestly, this is like the questions that I was asking earlier in the year and last year. Are you telling me that you have not had any proactive engagement with the key tenants of the Sydney Startup Hub, who you say you are consulting with?

**Mr ANOULACK CHANTHIVONG:** The Government, through Investment NSW, works closely with the sector, as evidenced by our innovation blueprint. As our—

The Hon. JACQUI MUNRO: But there is no innovation blueprint.

**The Hon. BOB NANVA:** Point of order: Chair, if the Minister could be allowed to complete his answer before the next round of questioning from Ms Munro, that would be in accordance with the procedural fairness resolution.

The CHAIR: Yes, I'll allow the Minister some time to answer that last question.

Mr ANOULACK CHANTHIVONG: Investment NSW works closely with the industry and will continue to develop the long-term policy, stability and clarity that the industry has been crying out for for more than a decade.

**The Hon. JACQUI MUNRO:** I've just asked you two specific questions to give the industry clarity about their future—from the Sydney Startup Hub, where you've not proactively engaged with them; and the date of the release of the innovation blueprint, because the original date has already been missed—and you're not providing them any clarity whatsoever.

**Mr ANOULACK CHANTHIVONG:** We are absolutely providing a level of engagement which they have not had over the past 12 years—genuine, sincere engagement, looking at ways to better the innovation sector. I'm really disappointed that you continue to talk down our innovation sector.

The Hon. JACQUI MUNRO: I have not done any such thing, Minister—

Mr ANOULACK CHANTHIVONG: It is the number one sector in—

**The Hon. JACQUI MUNRO:** —and for you to assume that is incredibly rude.

The CHAIR: Order!

**The Hon. PETER PRIMROSE:** Point of order: Can I take a point of order now, rather than the debate that's occurring at the moment? The honourable member continues to ask, essentially, leading questions full of invective and then doesn't give the Minister the opportunity to respond before immediately asking another question. It's serial offending that's going on here and I simply ask that you, please, call her to order.

**The CHAIR:** In this particular instance, I think there were insinuations made from both sides. That, obviously, heightens the problem. Noting that there is only one minute left, I invite you to move on to further questions.

**The Hon. JACQUI MUNRO:** Thank you, Chair. Minister, I'll finish off by asking about the CFMEU's new New South Wales wage deal. It will add 10 per cent to the cost of new apartments—more than double the rate of inflation. What are you doing to ensure that building costs aren't passed on to consumers in light of this CFMEU wage deal?

Mr ANOULACK CHANTHIVONG: As I said, one of the best ways the Government has reformed, in terms of ensuring reduced cost pressures within, the sector—which, everybody knows, a lot of it is macro factors. Whether it's access to finance, materials, or skills shortages, these were all part of the core inputs that created the challenges that are within the sector. Our building reforms are, in particular, about improving quality standards to ensure that builders don't have to spend twice to fix up defects. This is really significant, important reform that will continue to bring trust and confidence back to the sector, so that the industry does not have to spend twice on a particular site.

**The Hon. TANIA MIHAILUK:** Minister, I have a question about the Offender Management and Programs, CSNSW - Inmate Classification and Placement, *Classification and Placement of Transgender and Intersex Inmates* publication, that you have carriage of. Given that there is currently legislation before the House, the equality bill, that's looking at altering the way an individual can adjust their sex and gender by making a change to their birth certificate, are you involved in discussions about that? As a Minister, have you had any briefing from the Premier's office or the Attorney General in relation to that?

**Mr ANOULACK CHANTHIVONG:** All Government decisions, Ms Mihailuk, are part of the normal discussions we have within the Government.

The Hon. TANIA MIHAILUK: But the bill proposes 80 amendments to legislation—52 to the ADA Act, of which some fall into the area of transgender discrimination, and you obviously manage prisons and correctional services for New South Wales. This publication gives the information needed to determine which prison transgender prisoners will be in. It says, for example, that whatever sex is on their birth certificate is how they're assigned to a particular prison. Is that right?

Mr ANOULACK CHANTHIVONG: All inmates are classified and risk-assessed individually. This is an operational matter. The acting commissioner will determine where best to place a particular inmate, taking into account to ensure that there is a safe environment for both the inmate and the surrounding inmates, and also the staff. I'm happy to ask the acting commissioner to—

**The Hon. TANIA MIHAILUK:** Minister, the document specifically states that a person is recognised as transgender if, in accordance with section 32DA of the Birth, Deaths and Marriages Registration Act, a certificate indicates what the person's gender is. The equality bill is proposing that a person can change their gender at whim, without any particular operations and so forth. So I am just asking, what does that mean for your operations, for prisons?

**Mr ANOULACK CHANTHIVONG:** That means, regardless, inmates are classified according to their offence, their behaviour whilst in custody and other factors, working with—

**The Hon. TANIA MIHAILUK:** So that actually decides which prison they go to? It is not which sex they indicate on a birth certificate?

**Mr ANOULACK CHANTHIVONG:** All classification and risk allocation of inmates is an operational matter for the acting commissioner. I'm happy to ask him to elaborate on the risk allocation process of inmates.

**LEON TAYLOR:** Our policy around transgender inmates—we haven't updated it considering possible legislative change, but—

**The Hon. TANIA MIHAILUK:** So this is the current report, the one from 2021—that's the basis that you're making decisions on?

LEON TAYLOR: Sorry, I'm talking about our policy.

The Hon. TANIA MIHAILUK: Yes. It's what I could find online as your most—

**LEON TAYLOR:** Our policy is to manage transgender and intersex inmates in custody according to their identified gender.

**The Hon. TANIA MIHAILUK:** Which is a report that is from 2021, right? That's the last time that you assessed this.

**LEON TAYLOR:** Yes, that would be the policy, yes. And then the placement of the inmate, whether that be in a male correctional centre or female correctional centre, is a different decision that is made on an individual basis considering a whole lot of factors by a multidisciplinary team that includes Corrective Services and Justice Health.

The Hon. TANIA MIHAILUK: But you oversee that team, right?

LEON TAYLOR: Yes.

**The Hon. JACQUI MUNRO:** Minister, how widespread is the issue of sinking homes across Western Sydney?

Mr ANOULACK CHANTHIVONG: When you say "sinking homes", what are you defining that as?

**The Hon. JACQUI MUNRO:** Are you familiar with the 7NEWS investigation that was conducted a couple of months ago? The Building Commissioner had been investigating a number of sites and now there's a concern that there are literally sinking homes across Western Sydney. Are you aware of that issue at all?

**Mr ANOULACK CHANTHIVONG:** I think I understand. I think the report that you refer to, or the media—I think it was around Jordan Springs. Is that correct?

The Hon. JACQUI MUNRO: That was one of the suburbs.

Mr ANOULACK CHANTHIVONG: That's one of the sites.

The Hon. JACQUI MUNRO: The Building Commissioner was looking into it.

**Mr ANOULACK CHANTHIVONG:** I know the former Building Commissioner has been working very closely to ensure that, first, we protect the consumers. I might ask the acting Building Commissioner to further elaborate on this particular issue.

**The Hon. JACQUI MUNRO:** I'm mindful of time. Do you have any opinion or understanding of the issue, Minister, that you'll be following it up? Are you concerned about it?

**Mr ANOULACK CHANTHIVONG:** We want to make sure that we will always deliver quality building standards across New South Wales. The sinking homes which you're confirming for me was really about issues similar to the ones at Jordan Springs, which I'm advised or I recall that the developer is actually meeting all the costs. Is that correct, acting Building Commissioner?

MATT PRESS: Correct.

**The Hon. JACQUI MUNRO:** There are further concerns about poor fill and compaction in the area. Are you concerned about that, more broadly, in Western Sydney?

Mr ANOULACK CHANTHIVONG: Of course. Any—

The Hon. JACQUI MUNRO: But are you looking into it?

Mr ANOULACK CHANTHIVONG: We will, of course, consider any issues that do not provide the quality of building standards and development for the people of New South Wales. If you have specific issues, I'd welcome that information and I can certainly ask the Building Commissioner to investigate, but as a general principle, of course the Building Commission would investigate issues of low-quality building standards and construction.

**The Hon. JACQUI MUNRO:** Could you please confirm why there have been zero recipients of the Tech Central Scale Up Accommodation Rebate in 2024?

**Mr ANOULACK CHANTHIVONG:** Tech Central is an important part of the Government's innovation ecosystem and we'll continue to deliver a model that works for those tenants in that space.

The Hon. JACQUI MUNRO: When will the Jobs First Commission be established?

Mr ANOULACK CHANTHIVONG: That's a question that's best answered by the Minister for Finance.

The Hon. JACQUI MUNRO: You're not involved in that at all?

Mr ANOULACK CHANTHIVONG: That's a question for the Minister for Finance. I might ask the deputy—

The Hon. JACQUI MUNRO: That's okay, I can investigate that further later. I want to go back to the Sydney Startup Hub because this is incredibly important for startups, entrepreneurs, founders across New South Wales. Could you please confirm what kind of timeline you're looking at for contract renewals? It sounds like you're not going to give any certainty about the actual future of that site being used as a startup hub.

**Mr ANOULACK CHANTHIVONG:** As I said, the Government provides the Sydney Startup Hub to ensure that we continue to grow the innovation ecosystem.

**The Hon. JACQUI MUNRO:** Is there money in the budget for the innovation blueprint for the trade strategy and for the continuation of the Sydney Startup Hub?

**Mr ANOULACK CHANTHIVONG:** The Government allocates resources as part of its policy development and process to ensure we have an integrated policy with both the innovation blueprint, the trade and investment policy strategy, connecting it with the State's first industry policy.

**The CHAIR:** Are there any questions from Government members? No. That brings us to the end of our morning session. Thank you, Minister. The rest of us will return at 2.00 p.m., after lunch, for further questioning.

## (The Minister withdrew.)

## (Luncheon adjournment)

**The CHAIR:** I've got a few questions for the Rental Commissioner. My first question is about the 2024-25 budget, which included \$8.4 million to establish a new NSW Rental Taskforce. Is that \$8.5 million over one year, or is that over four years?

TRINA JONES: That's over the four.

**The CHAIR:** The four years.

TRINA JONES: Yes.

The CHAIR: Can you provide a breakdown at all on what that money is planned to be spent on?

**TRINA JONES:** There's about \$2.1 million per annum, with the majority in employee-related expenses and a small amount allocated for operating costs. At this stage that's looking like about \$1.7 million in employee-related expenses with the rest allocated for operating expenses.

The CHAIR: Will there be more employees and additional staff added as part of that Rental Taskforce?

**TRINA JONES:** Exactly. That's the intention of the taskforce—to help us to increase our capacity to issue compliance outcomes and to get more frontline staff.

**The CHAIR:** How many people do you anticipate will be employed as part of the Rental Taskforce in total?

**TRINA JONES:** We have 11 vacant positions right now for the Rental Taskforce, a number of which are in market, and the taskforce will also help us to recalibrate efforts across NSW Fair Trading using existing positions. So 11 new and vacant positions but also coordination of existing roles to help to deliver outcomes.

**The CHAIR:** The 11 new and vacant positions, have there been any people hired into any of those positions so far?

**TRINA JONES:** Not yet, but we do have the Rental Taskforce manager interviews scheduled for 17 September.

**The CHAIR:** The Government has also said that the taskforce will conduct targeted inspections and work with Fair Trading to act on breaches. Can you talk a little bit more about this and what the plan is going forward?

**TRINA JONES:** The Rental Taskforce is focused on regulatory priorities and preventing and acting on breaches of the Residential Tenancies Act. Fair Trading launched our strategy this year and, as part of that strategy, we have 12-month or annual regulatory priorities. Under the rental priorities in the regulatory priorities section, there are three areas of focus. The first is improving compliance with solicited rent bidding. The second is ensuring that we can implement the reform around unfair evictions. The third is around repairs and maintenance, and that's because this is one of the major issues that people contact us about. That's the focus of the taskforce, but the way in which the taskforce will work is using an intelligence-led and a harm-driven response. We're collecting all the data that's available to us. We're doing a comprehensive risk assessment, which we've done, to identify where are the greatest harms, what do we know the most about and how can we make sure that we can work smarter across our agency to deliver outcomes with what resources we have available.

**The CHAIR:** In regard to the Rental Taskforce, I'm just wondering if the work that's already being done in regard to Fair Trading in respect of breaches—will this sort of funding work within that, and how will that increase that particular workload?

**TRINA JONES:** The focus of the last couple of months has really been about what the operating model will look like within NSW Fair Trading to enable us to bring on the taskforce and for that to not just sit as an isolated team but to actually enable us to create uplift across the whole agency to improve rental regulation. That's been a big focus of the work, Chair, and what we're looking at doing is not only what will the taskforce deliver on but how can Fair Trading actually draw in all of our resources? How can we have an improved governance model to make sure that we're working smarter to deliver on those outcomes and those regulatory priorities. Imagine that as a whole end-to-end solution. The taskforce obviously has specific operations and specific taskings, but every resource in the agency is drawn on to help drive past those solutions.

**The CHAIR:** It's also reported that the taskforce will use intelligence and market analysis to inform its work. Can you explain a bit more about how that's going to work and what we mean by intelligence in this context?

**TRINA JONES:** I will explain this in two parts. Some of the work that we've been doing over the past 12 months is building this intelligence base on rental in Fair Trading. That looks like working with CoreLogic SQM and bringing in those datasets so that we understand what all the listings are, what's happening with those listings and what price points rents have been advertised for. But it also looks like drawing on intel from open-source data like Shitrentals, Dontrentme—all of those providers. They're actually providing—particularly from the Shitrentals platform. They provide us with the CSV files so we can actually see where all the complaints are. We are cross-referencing that with our own complaints data and including that with bonds data and with information on the listings to start to say what properties are on the rental market that have had high complaints, who are the agents and what are the issues?

**The CHAIR:** I also have some questions for Mr Press in regard to the fire doors and active bolts. On 29 April this year Fire and Rescue NSW issued a position statement raising concerns about the use of fire doors with active bolts in buildings around New South Wales. First of all, I wanted to hear if you're aware of the problem, what work is currently underway in regard to that and if there have been meetings with Fire and Rescue in regard to this issue?

MATT PRESS: Yes. Fire and Rescue brought this issue to our attention. Essentially, it's a new technology—a technology that uses a bolt which is activated through a set of circumstances to essentially lock that fire door in place and therefore compartmentalise the space. There are concerns about whether those devices can cause unintended consequences. For example, if that bolt activated and there were people yet to evacuate that space that would obviously be a concern. The technology is not intended to operate in that way and is meant have to have a threshold of heat, for example. But there are concerns, because it's innovation. Currently we understand that it does comply with the relevant standards for those types of installations, but it is new and it's something that we see as an emerging issue. We are working closely with Fire and Rescue to make sure, if it is deemed unsafe by them under their requirements or by anyone else, that we, as the building regulator, respond accordingly.

**The CHAIR:** Do we know how extensive this concern is?

**MATT PRESS:** It's not in an installation that we, through our own inspections, have observed, but it is a product that we understand is available on the market. I couldn't tell you how many are installed. It's not something we've observed significantly.

**The CHAIR:** Is anything being done in the interim by the department in regard to ensuring these doors aren't installed in New South Wales buildings while we're still sorting it out?

**MATT PRESS:** Currently they are a compliant device, and they do meet the standards. But Fire and Rescue has taken the lead as the appropriate authority and put out a position paper statement quite recently on them.

**The CHAIR:** Mr Press, I might ask you as well about the interior designer issues that I spoke at length about with the Minister this morning. Could I get an update from you in regard to where we're up to on this issue and what meetings have taken place in this space?

MATT PRESS: Yes. Interior design was not included under the 2021 reforms; that was the design and building practitioner legislation. That's probably the point at which that part of the industry maybe felt left out. I think that's probably an unreasonable characterisation. The reforms didn't include interior designers because they were primarily focused on building designers and architects as the people that were dealing in the common property, which that design and building practitioner regime regulates. Going forth, we've had number of discussions with the Design Institute of Australia, trying to work through their views on becoming recognised under the DBP and/or in regulation more broadly, and I think that's the point that we've landed with that portion of the industry.

Really, the conversation is less about whether they should be considered design practitioners under the DBP and more about whether, in modernising New South Wales's building regulation and licensing framework, interior design might be a trade category or category of practice that should be recognised under the framework, and that's the proposal which is included in the current building bill.

**The CHAIR:** But at the moment, because they're not in the current Act, that excludes them from being able to do a lot of the work that they were originally doing. Is that correct? That's your understanding?

**MATT PRESS:** They can definitely do work that is exempt from the design and building practitioners legislation. That is work classified as exempt under the SEPP planning instrument; also work that would fit that.

**The CHAIR:** I'm sorry to interrupt. It's just because I've only got a few seconds. My understanding is that exemption won't apply to most things because once there's something that's structural, like a sink or to fix a ceiling, that exemption wouldn't apply. I think that that's still cutting this industry out of the majority of work they currently were doing.

**MATT PRESS:** There's a design and building practitioner review on at the moment. Any further changes to that, I think that's the most appropriate forum for it. But in getting to the point we are now, the view was that interior designers did not have the suitable qualification and skills to be considered design practitioners under that framework.

The CHAIR: I have a few more questions, but I'll come back to you.

**Ms SUE HIGGINSON:** Secretary, can I please ask you about the document I was referring the Minister to earlier. It's apparently a Corrective Services strategic document and looks at the transformation of prisoner rehabilitation through digital technology. Can I just ask what the status is in terms of the projects? If you want to take it on notice, I'm okay.

**MICHAEL TIDBALL:** No, I don't need to take it on notice. It is a very important piece of work. I believe that, through the commissioner, Assistant Commissioner Galouzis is the full bottle, and I believe her evidence can guide the Committee.

Ms SUE HIGGINSON: I'm just looking for an update on what's come from it and where we're up to.

**JENNIFER GALOUZIS:** Thank you for the question and thank you for reading it and recognising its value. We commissioned that project. We commissioned the Designing Out Crime team at UTS to consult widely to construct that document because we knew, with the introduction of the tablets, we had an opportunity to really think about how we did things differently. We knew that the tablets in and of themselves wouldn't revolutionise our rehabilitation approach. We really had to be quite proactive. From that we established a research and development fund. We have \$150,000: \$50,000 cash and \$100,000 in-kind support. We put out an EI to interested people who wanted to respond to put forward an innovative way to transform the way we do rehabilitation in custody via technology.

We had four applications through that R and D process. We're still going through the process. We've narrowed that down through the panel review to two applications. I can't give you detail on the projects because we're still going through that procurement process, but at the moment, that's the key thing to come out of that document as well as the development of an LMS system for people in prison. At the moment, again, we're in a procurement phase, but we want to establish a system on that tablet where people can access all of their learning. There's been a range of discussions around how else we can use the tablets to engage people in the process of change. It's obviously been very transformative in how people can access their family. The capacity to contact their family of an evening has also made a huge change. They're the main things to come out of the document so far.

**Ms SUE HIGGINSON:** With the LMS through this, are we looking at access to university-level study? **JENNIFER GALOUZIS:** Sorry, I missed that question.

**Ms SUE HIGGINSON:** Are we looking at how we can access university course studies through these systems?

**LEON TAYLOR:** I might take that, Ms Higginson. The LMS is well developed. The trial of the learning management system on the tablet will commence at Wellington in December. The learning management system is essentially focused on vocational training and short courses, and the type of training that inmates might be able to do in their cell. The broader question around distance education, if you'd like me come to that now, is one that has perplexed us over a number of years. I think we're starting to come to a good landing. Our education in prison is deliberately focused on vocational training. Last year we had over 4,000 courses completed in vocational training. Distance education, particularly tertiary education, is a small offering. What I am particularly careful about in tertiary education is the worst thing we can do for someone in custody is enrol them in a course; they get HECS debt, which they don't get for vocational training; and then not have the environment in which they can complete that course, so they exit custody with a debt and no qualification.

Universities, as the Committee would appreciate, are becoming far more electronic in their delivery and that is a challenge for us. Years ago, most courses—when most people in this room would have gone to university, it was very paper-based. It was much easier to deliver tertiary and distance education in custody in a paper-based world. The gentleman that we spoke about this morning was located at Bathurst and was keen to do a course at Charles Sturt University and, to do that course, needed a laptop with email and be able to contact lecturers and tutes and all the normal kind of interaction that someone in the community would have in that course. That environment is just not something that we can replicate in custody, but we are working particularly with two universities—USQ and Curtin—who are particularly well set up for offering university courses for people in custody. We have, and only received two weeks ago, from USQ 10 laptops that are preloaded with about a dozen—or maybe less; maybe eight or nine—university-level courses that are preloaded. Inmates can participate in the USQ qualifications with laptops that are provided for them by the university as part of the HECS fee.

The way to scale distance learning is to partner with a small number of tertiary organisations that can offer, at scale, tertiary qualifications for inmates that we know that we can support for the duration of their study. I get inmates writing to me all the time and saying, "I've come into custody. I'm an accountant. Because of my offence, I want to become a psychologist and I want to do psychology", at some university, somewhere. It's difficult for us to support courses at many institutions all over the place because, when we do that, that comes at the expense of being able to offer, at more scale, vocational education and training. If we're supporting someone through a university on a bespoke basis, the amount of—

**Ms SUE HIGGINSON:** Is it a matter of you don't have the resources to accommodate that? Is that the issue?

LEON TAYLOR: There's a security side of it as well. It's being able to access—

Ms SUE HIGGINSON: What about in other States? Other States do it, and they're doing it.

**LEON TAYLOR:** I think USQ and Curtin are the two universities, perhaps, that do all—

Ms SUE HIGGINSON: Yes. WA's doing it.

**LEON TAYLOR:** Through Curtin, I think. Perhaps we've been a little slow off the mark to partner with those universities.

**Ms SUE HIGGINSON:** Is it something that, having served your term so far as acting commissioner, you think we should be doing?

**LEON TAYLOR:** It's been a focus of my substantive role, which is in this space. I am passionate about expanding the opportunities for inmates to do education and to further themselves—really focus on vocational

training. When people come into prison, I want to get them training, getting their first job—not necessarily a better job, but that doesn't mean that people who want to come in custody and engage in tertiary and university education, that those opportunities shouldn't be provided, either. It's providing the right opportunities that we can support at scale and support through their journey of custody, because I can't guarantee that an inmate at Bathurst isn't going to move to Junee tomorrow. That means I can't continue to support their education, which they're getting a debt for. That's something that, as the head of the agency at the moment, I really can't have that situation.

Ms SUE HIGGINSON: Following up with the phone calls, the Minister has said that he's asked you to look into the cost. You know I've been going on about this since last year. Where are you at with it in terms of—and you know that the motivation is just free accessible phone calls.

**LEON TAYLOR:** I get your position. The environment around phone calls has changed. The current contract came in in 2018. We're just about to enter the last 12 months of that contract. Notwithstanding the Minister's request of us to have a look at what we can do, we're about to enter that phase of looking at what the next iteration of the contract looks like. From 2018 to now, I think telephony has changed for all of us, right? So what does the future look like for that?

Ms SUE HIGGINSON: I don't think there's any such thing as a landline anymore, realistically.

**LEON TAYLOR:** We've still got one, but I don't think it ever rings. One of the issues that we perhaps need to fix through this next phase is that sentenced inmates get one personal call a week, and unsentenced inmates get three, but that was set up in the time that you referenced when you were making a 25¢ call to your home phone. The reality is that very few calls get made to landlines now. They all get made to mobiles. To your comment earlier around Lithgow and the free calls, we, just in the break, looked at that as an example. At Lithgow in August, there were 548 free calls that inmates made, but I expect they're not aware of it because it's a 25¢ or 75¢—depending on their status—kind of flag fall on their account. It probably gets lost in the wash of the charges that they pay to mobile calls.

What we're looking at is, as we work through the new contract with the vendor, that the big change that happened around phone calls was not that the costs increased. The costs actually went down from 33¢ to 23¢. About a year or 18 months ago, the engine number option that inmates used to be able to access, for security reasons, we discontinued. Part of the work we're going to do now is to see if there's something that meets our security requirements that can replace that function. That's something that we're looking at. There may be an option for Corrections to replace that capability with a forwarding service that we maybe didn't contain.

There is work to be done. New South Wales, other than Western Australia, have the lowest calls for costs of the jurisdictions that will tell us—for South Australia and WA we don't know, but out of all the other jurisdictions. The issue we have is the access to tablets has exponentially increased the opportunity for inmates to make calls and connect to their families, which is a good thing and was one of your points this morning. The issue is that increases the cost. The exercise we are doing, and that the Minister has required of us, is how we can make the cost better for inmates. Maybe there is a policy decision that government can make around free calls. That would be a policy decision. There's also, with the vendor—can we increase the entertainment by a dollar to reduce the cost of the phone call? We will put all those options, ultimately, up, and put those before the Minister.

Ms SUE HIGGINSON: Just on that, what is your expected timing to have something?

**LEON TAYLOR:** The contract ends in a year, but we'll have something well before then.

Ms SUE HIGGINSON: In a year, you'll have something well and truly—

**LEON TAYLOR:** There are people working on the options now.

**The Hon. JACQUI MUNRO:** I have some questions about the Trade Statement. Who is the best person?

REBECCA McPHEE: I am.

The Hon. JACQUI MUNRO: Ms McPhee, do you have an idea of the overall goal of the trade strategy?

**REBECCA McPHEE:** As the Minister mentioned this morning, the trade and investment strategy is under development as part of that broader suite of documents that includes the industry policy and the innovation blueprint. I can't speak to the document fully until it's finalised. However, I think I can reaffirm what the Minister said this morning around a focus on trade diversification away from coal as our predominant export and into areas of priority for the Government, like clean energy.

The Hon. JACQUI MUNRO: So what does that suite of documents include?

**REBECCA McPHEE:** An industry policy, the innovation blueprint and the trade and investment strategy.

The Hon. JACQUI MUNRO: It's three documents?

REBECCA McPHEE: Yes.

**The Hon. JACQUI MUNRO:** What's the targeted dollar value of the New South Wales export economy this financial year?

**REBECCA McPHEE:** This financial year, as you will know—and also last financial year—the exports were \$150 billion. There are no new targets in place. However, we did meet the interim target from the previous strategy, which was \$130 billion.

The Hon. JACQUI MUNRO: There's no target this financial year?

**REBECCA McPHEE:** For the State? No. We'll obviously seek to continue to grow exports and diversify.

**The Hon. JACQUI MUNRO:** That's good to know. Sorry, I can't ask for an opinion. In terms of Investment NSW, is its role to coordinate trade across all departments? Regional New South Wales, for example, has a trade component, and there are other trade-related elements to different departments. Is Investment NSW the coordinator of all of those functions?

**REBECCA McPHEE:** We have a role supporting trade and investment for the whole economy, and clearly, as we pull together things like policy documents, we'll engage extensively with other departments to ensure that all of the different policies and activities and programs that they have on foot are properly reflected and coordinated within those documentations. I think the move for Investment NSW into the Premier's Department gives us a good position to do that coordination, but I would describe it as more of a coordination role.

**The Hon. JACQUI MUNRO:** How much money has been put aside in this year's financial statements for both the development of these three documents and the implementation of those documents?

**REBECCA McPHEE:** There's a small amount of money set aside for the development of the documents themselves.

The Hon. JACQUI MUNRO: Do you have a dollar figure that you can provide on notice, please?

**REBECCA McPHEE:** For the innovation blueprint, we have spent a total of just under \$315,000. I don't have a consolidated figure yet for those other documents. In terms of any additional funding that might flow as a result of the policy documents, that would be a matter for future government consideration.

**The Hon. JACQUI MUNRO:** Nothing is in this budget for the implementation of any of those documents?

**REBECCA McPHEE:** Nothing incremental to what is already a significant investment that the Government is making across various spaces.

The Hon. JACQUI MUNRO: What is that significant investment?

**REBECCA McPHEE:** To provide some examples, if you think about a priority like green energy, this year's budget included \$3.5 billion towards the clean energy—

The Hon. JACOUI MUNRO: But this is being done, obviously, without a strategy.

**REBECCA McPHEE:** The strategy will wrap what are some clear priorities for the Government and significant investment that has been made in some of those spaces already.

**The Hon. JACQUI MUNRO:** Of that \$315,000 for the innovation blueprint, how much has been spent on external consultants out of that money?

**REBECCA McPHEE:** If you don't mind, for more detailed comments relating to innovation, I might ask my colleague Ms Noonan, who is our lead for fostering innovation, to join me at the table. I think Ms Noonan will have those figures.

**LIZA NOONAN:** With regards to the innovation blueprint, we have spent \$315,000, as Ms McPhee just mentioned. Approximately two-thirds, I would say, would be external consultants. We have used consultants to support the facilitation of an innovation summit and eight round tables. We've also used a consultant to help us with the quantitative assessment—framing that quantitative assessment of the innovation systems performance. They have worked alongside a department—data scientists and policy designers within a department—to draft the blueprint.

The Hon. JACQUI MUNRO: That \$315,000 is last year's budget as well as this year's budget?

**LIZA NOONAN:** The majority of it would have been in the last financial year's budget, but there was some consultant spend in this financial year's budget.

The Hon. JACQUI MUNRO: How much more is budgeted for that process for this financial year?

**LIZA NOONAN:** In terms of spend on actually developing the blueprint, that spend is now complete.

The Hon. JACQUI MUNRO: That's complete.

**LIZA NOONAN:** In developing the blueprint itself. The recommendations that will come as a result of the blueprint, or within the blueprint, will be separate to budget submissions in the usual cycle and the usual process.

The Hon. JACQUI MUNRO: So that will be done towards the end of this year in preparation for the next—

**LIZA NOONAN:** For those incremental programs spends, yes.

The Hon. JACQUI MUNRO: This is back to Ms McPhee. Have you had any feedback from stakeholders about the fact that there is no trade title in any department titles? I know we have Investment NSW, but the fact that the trade department as such has been abolished—have you had any feedback about that?

**REBECCA McPHEE:** I haven't personally received any feedback about that, nor am I aware of any having been provided. As you're aware, Investment NSW is the title of the department. However, it includes trade, international, industry, as well as innovation.

**The Hon. JACQUI MUNRO:** Could you please provide me, maybe on notice, the budget breakdown for Investment NSW from 2018 to this year, 2024-25?

**REBECCA McPHEE:** I can give you a couple of years' data now. The budget for this financial year for Investment NSW is \$150 million recurrent and \$3.2 million capital expenditure. Last financial year, 2023-24, the budget was \$212,000.

The Hon. JACQUI MUNRO: Sorry, \$212 million?

**REBECCA McPHEE:** Sorry, \$212 million, absolutely—apologies. I don't have the prior years with me, so I can see what I can get for you.

**The Hon. JACQUI MUNRO:** Thank you. Could you please tell me what functions have been reduced given the cut of almost \$65 million?

**REBECCA McPHEE:** The expenditure review looked across the department, and I believe that there were cuts across all areas of the department.

The Hon. JACQUI MUNRO: How many fewer staff, for example?

**REBECCA McPHEE:** We have, at the moment, 220 staff in the department. I would have to take on notice what that was prior to my joining.

**The Hon. JACQUI MUNRO:** When you say cuts to all aspects, perhaps you could provide on notice a list of grants that are currently available through Investment NSW and their value.

**REBECCA McPHEE:** I'm happy to provide that now, if you would like. I've got that information with me. The aggregate list of grants for Investment NSW this financial year is \$16.8 million. That includes the Boosting Business Innovation Program, which includes TechVouchers at \$3.4 million for this financial year. Many of these grants are funded over multiple years, so that one is \$11 million over four years and \$3.4 million this financial year. The Female Founders Program is in its second year at \$0.28 million. The Fostering Innovation Sponsorship Program is at \$0.88 million. The Growing Global Export Program is at \$0.7 million. The Industry Capability Network had its funding boosted this year to \$2.3 million. The MVP Ventures Program is \$12 million over four years and \$5.5 million in this financial year. The Techstars Accelerators program is \$1.2 million in this financial year and \$6.6 million over three years. And the Westmead Innovation Ecosystem Fund is \$2.5 million in this financial year and \$7.8 million over four years.

**The Hon. JACQUI MUNRO:** Could you also please provide me with a list of grants available in the last, let's say, three years, with their values in terms of the spend associated with them?

REBECCA McPHEE: I'll have to try and come back to you later with that.

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**The Hon. JACQUI MUNRO:** Thank you, that would be helpful. I wanted to ask a little bit more about the Minister's trade mission to Thailand, Vietnam and Singapore. Did the department provide advice about this trip to the Minister?

**REBECCA McPHEE:** Yes, the department provides ongoing advice about various trade missions that we're supporting and various opportunities internationally for him to potentially participate. That did include this trade mission that he undertook earlier this year.

The Hon. JACQUI MUNRO: Were there KPIs associated with this trip?

**REBECCA McPHEE:** We have KPIs associated more broadly for the department to deliver and, of course, a mission of this scale, with the quantum of events and meetings that the Minister took, would help contribute to those broader departmental targets.

The Hon. JACQUI MUNRO: But there weren't any specific targets associated with this trip?

**REBECCA McPHEE:** Not broken down specifically. A number of leads accrue, as you know, over time, and we pursue all of those leads, which can take six to 24 months to come to fruition. It can be quite tricky to take an investment win or a trade win, for example, and trace it back to one single origin. We'll have multiple points of contact with various exporters and investors.

The Hon. JACQUI MUNRO: Were any MOUs signed, for example?

**REBECCA McPHEE:** A number of leads were identified that the department staff in the relevant areas are following up on.

**The Hon. JACQUI MUNRO:** In terms of the way that the department seeks to advise the Minister, do you have priority systems, for example, in terms of countries?

**REBECCA McPHEE:** We absolutely have priority markets. That's correct.

**The Hon. JACQUI MUNRO:** Were Thailand, Vietnam and/or Singapore part of that priority list? Are they in the top five?

**REBECCA McPHEE:** Vietnam and Singapore are both places where we have local staff. As the Minister spoke to this morning, the ASEAN region more broadly is a priority for government, given the level of growth that's happening in that area. Thailand, for instance, is New South Wales's ninth largest two-way trading partner in goods.

**The Hon. JACQUI MUNRO:** But in terms of the priority countries, are they in the top five priority countries?

**REBECCA McPHEE:** We have a list of priority countries that includes six hubs and 13 spokes. I haven't seen them ranked.

The Hon. JACQUI MUNRO: There is no rank or you just haven't seen them ranked?

**REBECCA McPHEE:** I'm not aware that there is a rank, no, beyond the six hubs and the 13 spoke countries.

The Hon. JACQUI MUNRO: What are the six hubs and 13 spokes? You can take it on notice.

**REBECCA McPHEE:** No, that's okay. I can answer it; I've got it in front of me. Apologies, I am only a few weeks into the role, so excuse me if I have to refer to my notes. The six hubs are San Francisco, London, Mumbai, Singapore, Tokyo and Shanghai.

The Hon. JACQUI MUNRO: And the spokes?

REBECCA McPHEE: I don't think I've got those written down—apologies. I'll bring those back to you.

**The Hon. JACQUI MUNRO:** Thank you, I appreciate that. Is there any plan to set up a trade office in Thailand?

**REBECCA McPHEE:** Not that I'm aware of, no. We don't have any current plans to establish an additional office in Thailand. But we are, of course, always looking at that network and assessing that we have the right priority markets. We do that based on importance in terms of trade and investment.

**The Hon. JACQUI MUNRO:** There are no KPIs for this trip, so how do you approach evaluating the success of a trip like this?

**REBECCA McPHEE:** We look at it based on the quality of connections and the quality of leads that are coming out of those trade missions. There were a significant number of important people and important contacts that the Minister made whilst he was on that mission.

**The Hon. JACQUI MUNRO:** Is there some sort of quantum of expected trade that is a goal for something like this? When you say "the quality of leads", are we talking about deals that will be worth over a billion dollars? How do you judge that?

**REBECCA McPHEE:** As I say, we track those KPIs at an organisational level, and we do track direct exports facilitated by our team, as well as investment that is directly facilitated by our team.

The Hon. JACQUI MUNRO: What are those KPIs?

**REBECCA McPHEE:** I am pleased to say that we did meet those KPIs last financial year.

The Hon. JACQUI MUNRO: Congratulations.

**REBECCA McPHEE:** This is last year's KPIs. For capex directly facilitated, the target was \$1 billion, and we achieved \$2.6 billion last financial year. For trade, the target was \$130 million, directly facilitated. This is us supporting typically small- and medium-sized enterprises who would not otherwise have been able to export their goods and services. The target was \$130 million and we achieved \$212 million.

The Hon. JACQUI MUNRO: That honestly seems quite low to me. Are you—I can't ask your opinion.

**REBECCA McPHEE:** As I said, we're talking about direct support to businesses that otherwise wouldn't have occurred. We obviously provide broader support to industry, but what we're tracking there is, for instance, through our programs like Going Global programs, the Minister's trade mission, where we've provided business with skills that they didn't have to help support exports or facilitated in-market contacts and overcoming any barriers in local markets to enable them to export where they wouldn't have previously or otherwise.

**The Hon. JACQUI MUNRO:** Just thinking about this Hyundai visit that Mrs Mitchell referred to earlier, it seems like there was no ministerial representation. There weren't any senior Investment NSW representatives there. This is a deal that now the Victorians have jumped on, and they have had leadership up to the Premier engaged with this deal. Why isn't Investment NSW engaging more proactively with deals like this?

**REBECCA McPHEE:** Investment NSW representatives have met with Hyundai on a number of occasions over a number of years. That includes a meeting just last week on 6 September with Hyundai Engineering, which is part of the group. It has 5,000 staff at international offices and doesn't currently have an Australian presence. That meeting was joined by their local representative, the managing director, and was talking about seeking to expand their expertise in renewables—obviously, potentially in New South Wales. That's just one example. We do meet with representatives both onshore and offshore of that important organisation. I can also confirm that a meeting was offered with the Premier's office, but it wasn't at an agreeable time for Hyundai.

**The Hon. JACQUI MUNRO:** On the offshore/onshore, could you please provide me the numbers of offshore staff this financial year compared to the last two financial years, and also where they were based?

**REBECCA McPHEE:** I absolutely can. At the moment, as you recognised, our trade and international team comprises both onshore teams as well as those offshore-based teams. They work hand in glove together. At the moment we have 46 members of staff in that international network, who all report, along with our onshore team, to our executive director here in Sydney. I will have to take on notice the prior years' numbers of staff.

The Hon. JACQUI MUNRO: That would be excellent—and also where they're based would be helpful, please.

REBECCA McPHEE: Sure.

The Hon. JACQUI MUNRO: Very quickly, there were reports earlier in the year about Vietnamese students disappearing, for want of a better phrase, from South Australia. The NSW Department of Education informed partners in Vietnam that New South Wales would no longer receive applications from students in central provinces of Vietnam. I understand that there is now a partnership situation happening with Investment NSW going over to some sort of Vietnamese education showcase. What is the advice from Investment NSW? How is Investment NSW managing this, when I understand that tertiary colleges here have been advised to be cautious when reviewing applications from these areas? Is there a kind of conflict going on?

**REBECCA McPHEE:** We do have an international education expo which we are attending at the moment in Vietnam. The support that my team provides relates not just to attraction of foreign students to tertiary education but is also extremely supportive of the transnational education system—that is, universities setting up campuses

offshore—as well the edutech, or online learning and technical platforms for learning. That education expo covers those areas as well.

The Hon. JACQUI MUNRO: There's no concern that people might be coming to New South Wales and disappearing, essentially, as a result of partnerships between the Government and central Vietnamese province-based organisations?

**REBECCA McPHEE:** Not that I'm aware of, but let me take that question on notice.

The CHAIR: I might go back to Mr Press. Just before the bell rang you talked about suitable qualifications and the fact that people within the industry don't have suitable qualifications. My understanding is that a lot of interior designers have completed several years at university to be qualified in this space—some people for 4½ years. I do understand that there is some variability there. How do we protect those people who obviously have got these really extensive qualifications, who are in this industry, who are being affected at this point in time, being able to actually do the work that they have been doing and that they are clearly qualified to do?

MATT PRESS: The space that is unaffected for them is working in unregulated classes of buildings. Class 1 building work, for example—they can continue to operate there without holding any particular licence at all, or in fact no licence. It's only in the class 2, the class 3 and the 9c where there are the requirements in place. If interior designers want to operate in that space and be the practitioner who is considered a design practitioner—that's the one who is actually signing off on that final declared design which then goes to a builder to complete the work. Interior designers can only have the role of providing specialist advice and supporting drafting services, along with a whole lot of other range of similar-type practitioners: building consultants, draftspersons et cetera. They can still play a role. The only function they can't be is the declared designer at the end. That has to be, essentially, an architect. There are pathways, though, if interior designers want to become design practitioners, reflecting their many years of university et cetera. There is a pathway for them to become an architect and, therefore, be recognised under the DBP as it stands today.

**The CHAIR:** Obviously there are two different degrees at university, and so for people who have taken the degree of interior design because that's what they wanted to become, it would be quite frustrating to say, "Now you can't do that work anymore and you've got to go back and do further qualifications and become an architect." My understanding of the space—and obviously there are interior designers who are working in people's homes and that may not necessarily be affected, but a lot of these—

MATT PRESS: What we're primarily concerned about is looking after the core DNA of the building: the structure, the fire safety systems, the lifts and those sorts of things. Those are aspects of the design that, without trying to be critical of interior designers, are not as strong as others. When that design and building practitioner legislation was set up, it placed, I'd say, a fairly hard line because at the time, of course, the concern was, "Let's make sure that for these apartment buildings we put quality first." It caused challenges for a whole range of practitioners—even builders, because builders had to go through a process to be recognised to have a class 2 building practitioner's registration, and even architects. For the scheme, it required architects to have recent experience, not just experience from, say, 20 years ago. Interior designers have, yes, been affected, but also a whole range of other have people have seen these new rules around building.

**The CHAIR:** Is there any evidence that interior designers have actually caused structural issues? Is that where this is coming from?

**MATT PRESS:** Less so on interior designers being the cause of an issue, just more looking at it from the framework of what are the skills and qualifications—does that meet the type of functions that are performed as a design practitioner under that regime?

**The CHAIR:** My understanding, obviously, is that the interior designers would still have to engage with engineers. They'd still have to upload any plan to the Planning Portal where it'd be reviewed by the council or reviewed by a private certifier. Were they not necessarily good enough avenues to make sure that some of these big issues around fire escapes and other aspects were dealt with, where the actual interior designers could still work within that system?

MATT PRESS: They can still work within the system today; they just can't be that design practitioner.

**The CHAIR:** Just to clarify that, my understanding is it's unlikely that someone's going to then hire an architect and an interior designer, whereas previously they could just get the interior designer. Some of them were qualified to be able to do that extensive work with the engineers without having to hire an architect.

MATT PRESS: I don't know if they were necessarily qualified, as compared to that was the function they played. Again, that's not a critique of interior designers. A whole range of practitioners, before the legislation was set up, were, I would say, going outside of their skill set. That's why the legislation really had to come in to say

everyone's got to stay in their space and you do have to engage with an engineer, you do have to engage with other practitioners.

A key tenet of that design and building practitioner framework is designs have got to be declared by the relevant specialists and integrated together so we have a complete and accurate integrated set of designs before we start building.

The CHAIR: It sounds like there was a decision at some point to carve away what interior designers were doing and change that in some way. Why, I suppose, is really my question. It sounds like there's been a decision that interior designers shouldn't be doing this even though they are. It's not clear to me as to why, particularly when there are those other avenues already put into place where it has to be worked with an engineer and where it has to go through the planning portal. There are obviously these safety mechanisms already in place. I'm wondering why there's been a decision to change what interior designers can and can't do within this legislation without that consultation process.

**MATT PRESS:** There was a consultation process for the design and building practitioner framework. I think fair to say—

**The CHAIR:** With interior designers?

MATT PRESS: There was a consultation for that design and building practitioner legislation. The fact of the matter was that the Design Institute of Australia and interior designers I don't think recognised that that consultation was occurring and I don't think made many submissions through that earlier process. There's a number of stakeholders who have felt a bit like that. The remedial industry as well were probably not as across the legislation as they could've been. I think it was thinking it was all about new construction. Since that legislation has come in, as Building Commission now and Fair Trading previously, we've been bringing those stakeholders on the journey and, particularly with the interior designers, having quite good quality conversations about where they could potentially fit under that legislation—the pros and cons and also the general licensing framework. That's where, in answering before, we believe there's a strong policy rationale for them to be a licensed profession under the—a licensed trade, if you like, but still we don't consider them as suitable under the DBP framework. That's our position and no doubt the DBP review will consider that and any other practitioners doing design work as part of their review.

The CHAIR: When you say that that initial consultation didn't include interior designers and any organisations that represent them, were there attempts made by the department to seek them to be part of that consultation?

MATT PRESS: I couldn't recall offhand. I'd have to check with others in the department. That's probably three years ago now so I'd have to check for you.

The CHAIR: Could you take that one on notice and find out? Just if anyone had actually sought their feedback as well.

MATT PRESS: Absolutely.

**The CHAIR:** I might move on to Mr Taylor. We were talking before about the Ombudsman's report. I was talking to the Minister as well about the disciplinary process, particularly for inmates who were self-harming and the problems around that. He mentioned a review and he said that you would probably have some further information about that review. Can I go to you on that if there is further information?

**LEON TAYLOR:** Obviously we've been aware of the Ombudsman's investigation around inmate discipline well before he tabled the final report, so we've already been working behind the scenes on the important work that needs to happen around inmate discipline. I can explain where we're at and where we plan to head. Notwithstanding we recoil from some of the language that comes out in oversight body reports, the Ombudsman's report around inmate discipline is a really useful road map to head us in the direction we need to around inmate discipline. The challenge in the inmate discipline process is—and I don't think I'm going to offend anyone in this room—the legislation is set up to be really informal and really flexible in terms of a process that's administered by corrections staff. There are no rules of evidence, no representation, evidence isn't given on oath, there's no right of appeal but then it's a judicial burden of proof.

It's the highest judicial burden of proof—beyond reasonable doubt—so there's a real disconnect in the legislative framework that the Ombudsman has called for a full review. That's that side of things but there were policy failings that the Ombudsman discovered as well and reported on, and we were already working on those elements well ahead of the Ombudsman's report. What we've already done is we've spent a fair bit of time looking at exactly what we're doing, consulting with our staff who undertake the inmate discipline process and also consulting with inmates around how they perceive the procedural fairness. We looked at a whole lot of

compensation matters. One of the findings of the Ombudsman's report was they found a few cases where inmates had been charged above the statutory rate of \$500.

We've done a review to identify cases where that has occurred so that we can remedy that. We've done an interjurisdictional scan of what good looks like. The UK appears to us to be a model that is worth us looking more closely at. We've looked at our training and we've engaged with the correctional officers' vocational branch, which is the commissioned officers that administer inmate discipline. So we've done the groundwork for that. We have our legal people through DCJ starting to look at what a new regulation might look like. Now that the Ombudsman's report has been tabled, there's a couple of things I'm about to do. I'm about to write to the chairmen of both the Serious Offenders Review Council and State Parole Authority. What I'm concerned about is inmate discipline can ultimately affect people's classification and placement and also be factored into parole decisions.

I will be writing letters to both those authorities asking them to seek further information if a decision they are making around classification or parole or placement is hinging on an inmate discipline matter. We will take steps to look further into—there are a lot of cases, so for us to do a review of every matter, as the Ombudsman ultimately concluded, would be a job that would be enormous, and under the statutory framework there is no process of review. I'm particularly minded where an inmate discipline decision may result in a particularly negative parole decision for someone that I'll be writing to the SPA chair and asking them to defer back to us. There is a number of instructions that I will also issue to staff. One will be around the statutory limit and reminding staff of the legislation, and also the need for inmates subject to a disciplinary hearing to have support people, particularly translators.

There was a number cases that the Ombudsman identified where the right supports, particularly for inmates who didn't speak English or had a disability, weren't in place. I'll also give some further guidance ahead of a regulation change around the burden of proof and beyond reasonable doubt. Then, ultimately, we have a lot of our officers that are commissioned officers at ranks below the governor that administer inmate discipline. The legislation does have a reversal power of the governors in correctional centres, so I will be pointing out that to the governors so that they can have some better oversight around inmate discipline process that is happening under the current processes.

Ms SUE HIGGINSON: I might carry on with the Ombudsman's report a little bit more. The Clarence situation and the report is really bad. It's such an awful situation. What was it? It's "unlawful", "unreasonable and oppressive" and so on. The Ombudsman recommended that those inmates that were subjected to very cruel punishment—they were segregated, they were dehumanised through a kangaroo court ultimately. It was such a horrid report to read, imagining what that must have been like for those inmates. There's an apology been suggested. But what about a real remedy? How do those inmates, who were subjected to degrading, inhumane treatment, through a supposed system of justice within a system, get that part of their life back? I'm referring specifically to the inmates that we know about at Clarence. Is there some kind of remedy for them beyond an apology and having the false, awful, maladministrative record expunged?

**LEON TAYLOR:** The recommendations in the Ombudsman's report for Clarence were accepted by the department and by Serco. I visited Serco soon after that report, onsite at Clarence. There is a new governor up there. He's a former assistant commissioner from Victoria. I spent a fair bit of time going through that report with them, which satisfies me in terms of that administration understanding the seriousness of the failings up there in terms of that matter. As for going back in time, that's a difficult question, clearly, to answer. But I have absolute confidence up there now in terms of the lessons learnt and the implementation of the recommendations, including the one you refer to in terms of individually contacting each of those inmates. It was an awful event in that it was an assault of staff—

Ms SUE HIGGINSON: It was dreadful.

**LEON TAYLOR:** It was the escalation or perhaps overreaction—my words, not the Ombudsman's words—in terms of the consequences of that. We've been particularly focused on that with Serco in terms of having their administration of inmate discipline, notwithstanding the issues that the State has, so that the State and the public have a consistent administration of justice, because an inmate should have the same processes applied whether they are in a State jail or a private jail. My confidence is around where we're heading with the broader system and also that Serco, in this instance, are very much more operating in line with the State.

**Ms SUE HIGGINSON:** With the Ombudsman's other report—I think the Chair referred to it—in terms of the practice of young First Nations people being isolated in their cells, that particular finding, what are we doing about that?

**LEON TAYLOR:** That recommendation needs to feed into our policy approach. It's not the case that First Nations people are never in a cell on their own, but there are particular risks around First Nations people,

which goes back to the 1991 royal commission, in terms of cell placement. So if an inmate is being placed in a cell on their own for any reason—they could be a non-Aboriginal inmate who is at risk—notwithstanding inmate discipline, it's not safe for a disciplinary decision to override safety. We have alerts on inmates' profiles that will say an inmate needs to be two-out for their safety or in a camera cell. An inmate discipline decision should not and cannot override a safety decision that's been put there, often by Justice Health. Their health problem notification will say, "Inmate Smith needs to be two-out". They have a different coloured card on the outside of their cell. That supersedes any kind of inmate discipline decision, which could be being confined to cell for a period.

Ms SUE HIGGINSON: And you're satisfied that now, across all the facilities and with the 14,000—

**LEON TAYLOR:** I'm going to be more satisfied when I write to governors in the manner that I said I'm about to.

Ms SUE HIGGINSON: It's very urgent.

**LEON TAYLOR:** The Ombudsman's report only just landed, but that will be one of the features of my correspondence to governors, reminding them of that obligation.

**Ms SUE HIGGINSON:** It's a very urgent matter because it's, obviously, very systemic throughout the system. It's that thing, isn't it: How many more unbelievably bad reports need to be tabled? I think that's kind of where the State is. Can we fathom one more report? It is likely to be another bad one. I think that's the predicament we're in.

**LEON TAYLOR:** We have lots of areas of reform, and that's the territory we're heading into now with the Astill recommendations. We have some inspectors' reports that we need to respond to. Those reports will continue to come, and recommendations from the inspectors' and the Ombudsman's reports. So in terms of moving the agency forward, there is a broader reform piece that captures all of those, rather than in the past we'd respond to this and we'd respond to that and respond to the other.

**Ms SUE HIGGINSON:** From where you're sitting, as the acting commissioner, do you believe that you have a clear message from the Government that you have what you need to drive this reform?

**LEON TAYLOR:** I think the machinery of government change sends a real message to our staff, and I hope to the community, that Corrections is heading into a new phase. We have to be a different organisation to the one that has existed to this point. The Astill Inquiry has been very painful and very refining, I suppose, for Corrections. But for us to continue without the cultural change that that report calls for would be such a lost opportunity. There are other things, like the Ombudsman's report, that feed into that. So the answer to your question is, yes, through the Minister and the ongoing support of DCJ and where we need to head, I think we are well-placed to do that. We have very many good staff. That's the disappointing thing in the past 12 months that we've had, but it's what encourages me. And it certainly encourages me to continue in this organisation that, notwithstanding the challenges that we've had, most of our staff care as deeply for the people in custody as you do, and as I do, and as the Executive does.

There are some people in our organisation who honestly need to change their attitude or find somewhere else. Fortunately, those numbers of officers in Corrections are a small number and a reducing number of staff. So as we work through the necessary and painful cultural change—that will take time. If you go back and read the naval royal commission from 1973, '74, whatever it was, it could have been written by Justice McClellan, some parts of that, in terms of culture. Culture is deeply ingrained. It takes time to change. But, certainly, I think we have the right executive, the people on the ground that I talked to are right for that change, and I think we're well supported by the Government for that to happen. And we're ready. The commissioner will be appointed, the Astill Inquiry has reported, the MOG changes are happening. All of those really set us up well for that continuing reform and change.

**Ms SUE HIGGINSON:** Can we go to Keli Lane, in the last minute? Why is she being so punished for another six months, with no external leave and so on?

**LEON TAYLOR:** I'm really reluctant to discuss details around an individual. What I will say to you is that the commissioner does all the serious offender placements. I do about 30 of those a month. I spend a lot of time on those decisions—30 decisions, about 1,500 pages of supporting documentation for those. The situation you talk about is quite unique. She is the first person who has actually been captured by the new regulation. I went and visited the facility, and the manager of the facility, where I approved the placement. What I will agree to do is—I don't want to canvass here reasons around that placement that are not known to the individual. I will go and sit down and I will explain that decision. It will be reconsidered by the Serious Offenders Review Council in six months, but my commitment will be I'll go and explain that decision—

**Ms SUE HIGGINSON:** Out of the 463 recommendations made by the Serious Offenders Review Council in the last calendar year, 460 are just signed off. Will you also commit to having a look at what you have—

LEON TAYLOR: I'm not sure whether—there are lots of decisions that I make—

**Ms SUE HIGGINSON:** I know, but will you commit to revising the next six months of Keli Lane's life? Will you commit to having another look at it?

**LEON TAYLOR:** I'll commit to explaining to Ms Lane the decision. I'd prefer to leave it at that. Is that all right?

The CHAIR: Thank you.

The Hon. JACQUI MUNRO: I am very mindful that the Chief Scientist and Engineer has been sitting patiently all day. If there are no other questions from the rest of the Committee, we're happy to try to get through all of our Innovation, Science and Technology questions. First of all, what is your budget this year?

**HUGH DURRANT-WHYTE:** It is \$42.657 million in opex and \$61 million in capex.

The Hon. JACQUI MUNRO: What is the \$61 million for capex?

**HUGH DURRANT-WHYTE:** It's the RNA manufacturing facility.

The Hon. JACQUI MUNRO: Excellent. Is that solely for that?

**HUGH DURRANT-WHYTE:** Yes.

The Hon. JACQUI MUNRO: What are the forward estimate budgeted figures?

**HUGH DURRANT-WHYTE:** I have to take that on notice. I can do it individually, but then I'll have to add it up, if you see what I mean. But I can also break it down by—

The Hon. JACQUI MUNRO: If you can break it down by year, that would be fabulous.

**HUGH DURRANT-WHYTE:** By program, I meant.

**The Hon. JACQUI MUNRO:** That would be excellent, so that's capex and also opex. You released the quantum algorithm report earlier this year.

**HUGH DURRANT-WHYTE:** Yes.

**The Hon. JACQUI MUNRO:** Congratulations. I'm wondering if you're aware of whether the SQA ended up getting funding?

**HUGH DURRANT-WHYTE:** Yes, it did. It received funding in the budget, but in addition we are able to commit to its three-year funding profile.

The Hon. JACQUI MUNRO: How much was that?

**HUGH DURRANT-WHYTE:** It will end up being about \$1½ million a year—and the universities also contribute in addition to that.

The Hon. JACQUI MUNRO: And that's four universities that are associated with that program?

**HUGH DURRANT-WHYTE:** Yes, that's correct.

**The Hon. JACQUI MUNRO:** Are there any other actions that will be taking place as a result—I'm not sure if SQA funding was as a result of your report, but after the publication of your report?

**HUGH DURRANT-WHYTE:** Yes. We were successful—you may be aware—in attracting the Federal quantum growth centre here, so that's \$18 million from the Federal Government, and we contributed a million to that.

The Hon. JACQUI MUNRO: That was in last year's budget, or was that in this year's?

**HUGH DURRANT-WHYTE:** It's interesting because they claim it runs over three years, but it's really one year, plus a month of a year either side, if you see what I mean, so technically this year is the bulk of it.

The Hon. JACQUI MUNRO: Okay, and that's one million?

**HUGH DURRANT-WHYTE:** Correct. In addition, yes, we are looking at supporting a software quantum network.

The Hon. JACQUI MUNRO: That comes from your budget?

**HUGH DURRANT-WHYTE:** Correct, from the RAP program.

The Hon. JACQUI MUNRO: Do you have any projects in the Macquarie Park Innovation District?

**HUGH DURRANT-WHYTE:** Yes, the RNA facility is one.

The Hon. JACQUI MUNRO: Are there others?

**HUGH DURRANT-WHYTE:** Macquarie University has received funding under a number of programs that we support. In particular, it's part of the semiconductor sector bureau and is playing a big role in that. It received funding under the synthetic biology foundry, which also won there, and that was in collaboration with a number of companies, so it's received a number of partnerships and competitive grants, if you see what I mean, around that. We also support the Centre of Excellence in Synthetic Biology, as we do all our Federal Government centres of excellence that we attract in New South Wales.

The Hon. JACQUI MUNRO: Is there any concern about the rezoning or potential rezoning of that area having an impact on the running of those programs?

**HUGH DURRANT-WHYTE:** No, all the programs that we are funding at present are actually within the boundary of Macquarie University, even if they're on the edge of it, if you see what I mean.

The Hon. JACOUI MUNRO: So they're not in the district that's been marked out for any changes?

HUGH DURRANT-WHYTE: That's correct. The RNA facility, for example, is on the north edge and the land is effectively provided almost rent-free by Macquarie University for the facility.

The Hon. JACQUI MUNRO: Thank you, that is very helpful. Ms McPhee, on the Investment NSW budget, could I also get the forward estimate per year breakdown, please?

REBECCA McPHEE: I'll take that on notice.

The Hon. JACQUI MUNRO: I also wanted to get a little bit more clarity. I know you said before that all parts of the department were looked at when referring to the cuts, but could you be a bit more specific about what actually was reduced in terms of the operation of the department?

REBECCA McPHEE: I've obviously been in the role for just four weeks now so I can't speak to the previous cuts. I'll have to take that on notice.

The Hon. JACQUI MUNRO: That would be helpful—I mean any programs, for example. Obviously we've already spoken about staff, but funding for grants, any reduced capacity to negotiate trade deals, for example—or not negotiating trade deals specifically, that's probably more a Federal Government responsibility, but certainly facilitating trade deals, for example.

REBECCA McPHEE: I will absolutely take the specific question on notice. I will reiterate that the department did continue to meet its targets last financial year and continues to do so.

The Hon. JACQUI MUNRO: Are there targets this year?

**REBECCA McPHEE:** There are.

The Hon. JACQUI MUNRO: What are those targets?

**REBECCA McPHEE:** In terms of the two targets that I spoke about from last year, the capex target for this year is \$1.2 billion and the trade target is \$120 million.

The Hon. JACQUI MUNRO: They don't seem very ambitious, given the figures that you spoke about earlier in terms of exceeding the goals. Why haven't they been given more ambitious numbers?

REBECCA McPHEE: The targets have been set based on our priority markets, on the resources we have in market and based on our expectations for this year.

The Hon. JACQUI MUNRO: Based on your expectations, so you're not expecting to have the same kind of results that you saw last year?

**REBECCA McPHEE:** We would obviously always seek to exceed our targets like we did last year.

The Hon. JACQUI MUNRO: You exceeded your targets by a pretty significant amount. Why not calculate and include that?

REBECCA McPHEE: There were some very specific circumstances leading to some of those that we may not expect to see replicated this financial year. Of course, we will seek to continue to exceed.

The Hon. JACQUI MUNRO: What are those conditions?

**REBECCA McPHEE:** Exceptional circumstances—I'm talking about specific deals that may have been very large and one-off in nature last year.

The Hon. JACQUI MUNRO: Why wouldn't you expect to have similarly valuable deals made this year?

**REBECCA McPHEE:** As I say, we will continue to progress those large-scale deals as well and seek to exceed our targets again.

The Hon. JACQUI MUNRO: But what's the point of targets if—

**The Hon. Dr SARAH KAINE:** Point of order: Ms Munro has asked a legitimate question; it is just that she's asked it three or four times now and the question has been answered by Ms McPhee.

The Hon. JACQUI MUNRO: I don't think I'm asking the same question.

**The CHAIR:** Do you want to reframe the question that you've just asked and make sure it's a new question?

**The Hon. JACQUI MUNRO:** What kind of data is fed into the calculations that come up with those trade figures and goals or KPIs?

**REBECCA McPHEE:** Obviously, as you've suggested, last year's performance is fed in, as are the number of leads we've got in the pipeline, as are the likely growth of those various different markets, as are the number of people in the team to support those deals, planned investments in programs like Going Global and our export advisory teams—many different factors feed into development of those targets.

**The Hon. JACQUI MUNRO:** In terms of the resources that your department has available, what proportion of the calculation is that in making your final assessment?

**REBECCA McPHEE:** It is absolutely one of the factors. As I said previously, we've currently got 220 people in the department. I think it would be wrong of me to suggest I could provide a specific percentage associated with that factor.

**The Hon. JACQUI MUNRO:** How is it calculated then? If there's not a percentage or proportion allocated to each factor, whether it's the number of people in the office or the markets that you're seeking to engage with, how is that calculation made if there's not a proportion—

**REBECCA McPHEE:** All of those factors are brought together in order to develop the target.

**The Hon. JACQUI MUNRO:** There must be an equation or an algorithm that is used.

REBECCA McPHEE: Not specifically. All of the factors are considered but not explicitly weighted.

**The Hon. JACQUI MUNRO:** In terms of the innovation blueprint, I know you said that two-thirds of the \$315,000 was spent on a consultant. Is it one consultant or multiple consultants?

**REBECCA McPHEE:** No, so that figure was not just about consulting spend but also about data and datasets and data analysis.

The Hon. JACQUI MUNRO: The two-thirds of the \$315,000 that we've spoken about.

REBECCA McPHEE: That is correct, yes.

The Hon. JACQUI MUNRO: What is the exact figure that was spent on consultants?

**REBECCA McPHEE:** I will have to come back to you on that, unless—sorry, Ms Noonan is no longer at the table. Ms Noonan, do you have a breakdown of that figure?

**LIZA NOONAN:** We worked with two consultants. One was Astrolabe, who helped us with the round tables and the design of the innovation summit. Another consultant was Kate Pounder, who was engaged directly to support us on the quantitative assessment exploring policy options. We did do a direct labour hire as part of that \$315,000, which was a data scientist. I don't have the individual because some of that is, obviously, commercial in confidence. We only used three elements of that. When I said two-thirds, in terms of external consultants, it was Astrolabe and Ms Pounder.

The Hon. JACQUI MUNRO: But not the labour hire.

**LIZA NOONAN:** No, he was working inside the department, so he was a direct labour hire. He had specific data scientist skills. He worked alongside our team. We would not account him as a consultant spend.

**The Hon. JACQUI MUNRO:** I also wanted to clarify, on the four I's framework that was referred to at the beginning of the year, is that a fundamental structure for the innovation blueprint?

**LIZA NOONAN:** The innovation blueprint—obviously, the consultation was informed on those four I's. I think the feedback from stakeholders throughout the process was, actually, it's the integration of those four I's that help support a productive and high-performing innovation system. The framework of the final blueprint will be informed by the four I's, but we'll also be looking at key areas of actions along the lines of strategy, funding, people, places and practical engagement, which is what we've heard through the blueprint consultation process.

The Hon. JACQUI MUNRO: I wanted to ask about the grant approval process. I've got some information that startups and founders are being approached for information about their startup without having their funding confirmed, and the department is saying, "We are currently in the process of seeking formal internal approval for the proposed sponsorships and amounts. We anticipate this process to take approximately one to two weeks from today." But this particular message was, I believe, in early to mid-August, and there is still no resolution. I'm just wondering if it's normal that the department would be asking for information from potential grant recipients before actually getting formal confirmation that those recipients are getting money.

REBECCA McPHEE: Ms Munro, apologies, but it's not clear what additional information was requested.

**The Hon. JACQUI MUNRO:** You've got contractual agreement details. You've got things like entity name, company address and ABN.

**REBECCA McPHEE:** It may be that additional information is being requested in order to fully assess the application against the scheme's requirements.

The Hon. JACQUI MUNRO: That's definitely not what is happening here. It explicitly says, "We"—a departmental staff member—"are currently in the process of seeking formal internal approval for the proposed sponsorship and amounts." Then it says, "Once the sponsorship has been formally approved, we will revert to you with the necessary contacts to finalise the agreement."

**REBECCA McPHEE:** We would obviously try and keep people informed of how their submissions are progressing and give them an indication of the likely time frame before we're able to confirm or not.

**The Hon. JACQUI MUNRO:** Why are they being asked to provide information and being told that they've essentially got the sponsorship but without internal approval?

**REBECCA McPHEE:** I would imagine, based on what you've just read—and obviously I haven't seen the correspondence you're referring to—that it would be the team attempting to give the applicant an idea of likely time frames before a decision is confirmed to them.

**The Hon. JACQUI MUNRO:** But these people are essentially being told that they get the grant if there's formal internal approval. What is that? What is formal internal approval?

**REBECCA McPHEE:** Apologies, we obviously can't speak to a document that we haven't seen.

**The Hon. JACQUI MUNRO:** Well, what could be the process of formal internal approval that is not undertaken before startups are being contacted?

**The Hon. Dr SARAH KAINE:** Point of order: Ms Munro has just framed that as a hypothetical question, which isn't appropriate. A response has been given.

**The CHAIR:** I think that the witness was about to question that anyway.

The Hon. JACQUI MUNRO: I don't think it's hypothetical. I've asked what that process is. There's obviously a process of seeking internal approval, but that hasn't been undertaken before startups are being contacted.

**LIZA NOONAN:** Can I ask, is the program in question the sponsorship program?

The Hon. JACQUI MUNRO: Yes, it is.

**LIZA NOONAN:** Okay. The process is, obviously, we have two rounds every year where we invite people to submit applications for sponsorships. They are then competitively assessed against a range of criteria, which is all available on our website. There's an assessment panel of four people, three within Investment NSW and one person outside of Investment NSW. We had, for this current round—just bear with me. I think I've got the data here. For this current round, we had 51 applications totalling over \$2 million in funding requests for a budget of \$400,000, and 17 recipients have been successful. We, as the department, put up recommendations to the deputy secretary for her approval, and when there is an indication of approval from the deputy secretary, we would then begin contract engagement with those recipients.

The Hon. JACQUI MUNRO: Is there any further approval that's required?

**LIZA NOONAN:** No. Once the deputy secretary has approved, we would then start contract execution with those recipients.

The Hon. JACQUI MUNRO: What's the point of the midpoint?

LIZA NOONAN: Sorry, I can't talk to that. I'm not aware of that particular engagement.

**The Hon. JACQUI MUNRO:** It says, "While we are still waiting on formal confirmation of our offer"—and then the amount—"in sponsorship for your activity, we wanted to get a head start on the next steps." Is that appropriate?

**The Hon. Dr SARAH KAINE:** Point of order: I think it was mentioned earlier that it's very hard for anyone to give reasonable comment when they haven't seen the document. I don't know if Ms Munro wants to table the document. It might be of some assistance.

**The Hon. JACQUI MUNRO:** I don't want to table this document because I think there is still some identifying feature in it. The email says, "While we are still waiting on formal confirmation of our offer of X dollars in sponsorship for your activity, we wanted to get a head start on the next steps."

**REBECCA McPHEE:** If I may respond, we've tried to answer the question as best we can in relation to the process and the steps in the process. We don't have sight of the document that you're referring to, so I wouldn't like to make any more comment on it.

**The CHAIR:** It does create some complications.

**The Hon. JACQUI MUNRO:** I'll see if I can get a properly redacted document so I can put it to you this afternoon. Could you please explain what the Sydney Startup Hub's future is, in terms of contract negotiations with tenants?

**LIZA NOONAN:** The Sydney Startup Hub opened in 2016, at a time when accommodation in the Sydney CBD for technology-intensive startups to be close to their customers, investors and partners wasn't affordable. When the Sydney Startup Hub was created, it was a very different market environment and I think, since that time, feedback from startup residents and also the anchor tenants would tell us that the market for good quality accommodation and co-working space for startups in the Sydney CBD has evolved quite significantly.

The New South Wales Government, we are in monthly, regular engagement with the three anchor tenants—Tank Stream Labs, Fishburners and Stone and Chalk—to really assess whether the accommodation model offered in the Sydney Startup Hub is the best fit for the New South Wales startup industry. I can say, though, that it is budgeted. The budget for the Sydney Startup Hub is there until the lease expires on the premises at 11 York Street on 30 September 2027. We are looking at different models. We are in close consultation with the anchor tenants but also, importantly, the startup residents themselves to see what they value and what else is available in the market. We'll be making some recommendations to that effect in the blueprint.

The Hon. JACQUI MUNRO: How much money is budgeted until 2027?

**LIZA NOONAN:** The Sydney Startup Hub budget, the annual lease fees and the maintenance and services cost, is \$14.8 million each year.

**The Hon. JACQUI MUNRO:** Will the department be using information from the 2024 Startup Muster to inform policy development and future work?

**LIZA NOONAN:** Yes. I think the Startup Muster provides important sentiment-based data and we would certainly look at that alongside the consultation that we've also conducted this year. I would expect a number of the stakeholders we consulted with as part of the blueprint consultation, given the extensiveness of that process, will also be respondents to the Startup Muster. I hope we see some confirmation bias in the Startup Muster report.

The CHAIR: We will now break for a short afternoon tea break.

(Hugh Durrant-Whyte withdrew.)
(Short adjournment)

**The CHAIR:** Welcome back. We will start with Ms Boyd.

**Ms ABIGAIL BOYD:** I've been going from estimates to estimates asking about the implementation of the National Construction Code's minimum accessibility standards. This is one of those where there seems to be

responsibility across a variety of different Ministers, but I believe that Minister Chanthivong is the right one for this. What has the department been doing in relation to working out—I'm not going to say "whether"—when it's going to implement the National Construction Code minimum accessibility standards?

MATT PRESS: We obviously follow what's in the building code and the parts of the building code that the Government chooses to implement. As you know, the former Government made the decision not to implement all those aspects. We're currently trying to engage with relevant parts of the sector, the industry, to see how New South Wales might reconsider its position. There's a suite of options that we're considering. It might adopt part of those recommendations in certain classes. A particular area of concern is, while we support accessibility in New South Wales, to think about the cost of some of those provisions on construction. I think that has been a concern, that we don't just jump to recognising those and to think through what might be some alternatives. It could just be to accept all of those conditions, but you could think about some hybrid options. For example, in class 2, not having the walk-up provisions but having other aspects of it.

Ms ABIGAIL BOYD: There's a lot to unpack there. One of the most frustrating things here is that this is not a new thing. This has been something that we've been pushing the previous Government to accept, and now the current Government for almost 18 months. With the previous Government, I understand from the department's perspective there are no instructions to implement it, so that makes sense, even though we know that NSW Labor at the time also was backing in the stance of not implementing this. At what point did the Minister instruct you to start looking at it as a serious proposition?

**MATT PRESS:** That would have been before my time as acting Building Commissioner, probably within the former Building Commissioner and the work done in the first six months of the year, so I will have to take that on notice.

**Ms ABIGAIL BOYD:** Is it a Building Commissioner issue, though? Who would have responsibility for implementing something like that?

**MATT PRESS:** The department sits on the Australian Building Codes Board, so in that role, the Building Commissioner is the organisation, not me personally. I don't have visibility, unless Mr Head has been through that period?

**GRAEME HEAD:** The Building Commissioner, as part of the department, my understanding is that that part of the department has been leading the discussions about this. There is a policy group within the Building Commission and that is the part of DCS that focuses on these issues.

**Ms ABIGAIL BOYD:** When I raised this in previous estimates couple of years back under the former Government, there was a suggestion based on industry figures at the time, I think, that there was a certain cost to implementing these standards. That was then thoroughly debunked in the years since. Has there been some new modelling that indicates that there would be some impact on the cost of homes from this?

**MATT PRESS:** I'm not aware that there has been new modelling to debunk the views that there are costs involved. I think our position is to try and put good advice to this Government so it can make a decision about whether it might recognise all of those new provisions or a portion of them.

Ms ABIGAIL BOYD: In being able to allow the Minister to make the right decision, where is the information being sourced?

**MATT PRESS:** We are sourcing that information through our discussions with the industry—with the builders, the developers and the designers.

**Ms ABIGAIL BOYD:** Are you aware that the Australian Building Codes Board doesn't think it costs very much money at all. They're saying between \$2,700 and \$4,300, I think I quoted the other day. That's a very small amount of money to add to a new build. Is that this Government's position? Is that the amount you are relying on to make that assessment and advice to the Minister?

**MATT PRESS:** I am not Government, so I don't have a Government position. We'll continue to provide advice to the Minister on what this Government might want to do.

Ms ABIGAIL BOYD: Again, I appreciate that you may not see it this way, but some might say that the building industry or the property developers are, perhaps, self-interested in this in some way and are perhaps inclined to inflate the cost of this, which is why the ABCB went to such great lengths to cost it all out with, as you know, industry participation on that board. I guess my question is—and to be honest, I find it very difficult to understand the Government's position in not adopting this, so I'm trying to find what's gone wrong—is the advice going up to the Government that this is going to cost a lot more than what the ABCB is saying it's going to cost?

**GRAEME HEAD:** If I can, I guess, just reinforce what Mr Press is saying—and, again, I am a relative newcomer to the department, and this has been a lengthy discussion that's been going on. I think what Mr Press has said—and this is also my perspective—is that the Building Commission is seeking to understand the range of viewpoints and what is influencing those viewpoints. I don't think we would be putting advice forward to Government where we weren't confident that we understood the reality of the assertions that people are making about costs, and that we'd actually tested those assumptions.

**MATT PRESS:** Ms Boyd, if I could just recognise a point of difference that we have in New South Wales? Obviously, ABCB data is national. One particular point of difference in unpacking this is the smaller lot sizes that we have in New South Wales. Generally, they're class 1. They're smaller and have more storeys. We're talking about a class 1 typically being two storeys, or even up to three.

Ms ABIGAIL BOYD: And that makes us very different, does it, to Victoria?

MATT PRESS: Not necessarily very different, but it is a point of difference. Again, we want to make sure, in considering this, that we consider it—

**Ms ABIGAIL BOYD:** From Victoria? Because Victoria and Queensland have implemented this—amongst the ACT and a whole bunch of other places. Are we that different to—

MATT PRESS: I'm just saying in terms of the context of ABCB data—which is obviously a national average—and not discussing the magnitude of the costs involved. Again, in terms of making sure we give quality advice to the Government, considering the New South Wales specifics, so we can make an informed decision about whether it should follow those others or not.

Ms ABIGAIL BOYD: The disability royal commission made a clear recommendation that all States and Territories sign up to the NCC as a matter of human rights for people with disability. New South Wales is the only State other than WA not to sign up to this. The New South Wales response to the disability royal commission was that it needed to determine how it could impact on New South Wales delivery of affordable homes. Puzzle me this: If you've got ABCB telling us that this is around \$3,000 if you put these things in at the construction phase as opposed to the \$27,000—up to 22 times as much—to retrofit it once you've bought a house, and when the New South Wales Government is responding with worrying about how it impacts on the delivery of affordable homes, are we only talking about affordable homes for able-bodied people?

MATT PRESS: I can't talk to the Government's response. Sorry, Ms Boyd.

**Ms ABIGAIL BOYD:** Does that make sense to you, though, if we are not signing up to something that everyone else is signing up to that is a fundamental human right, and we're doing it on the basis of some sort of market analysis of affordable homes—that we're not considering the cost to people with a disability or with a mobility need?

**MATT PRESS:** I can't speak to Government's position. All I can say is we've got to make sure that we give well-rounded advice—to consider all of those factors so that it can consider its position.

**Ms ABIGAIL BOYD:** I appreciate you have only just come into this role, but where is the Government getting its advice if it is not getting it from the department? If the department is giving advice, why is it not giving advice that this is something the Government should do? I don't understand what the hold-up is.

**GRAEME HEAD:** As Mr Press indicated before, the Building Commission is involved in discussions about this issue with the intent to put advice forward to Government. I think beyond that, as indicated, there's a lot of consultation going on.

Ms ABIGAIL BOYD: It's just that it has been 18 months since this Government's been in.

**GRAEME HEAD:** I understand that.

Ms ABIGAIL BOYD: People with mobility needs are waiting.

**The CHAIR:** I may not have a full 10 minutes if Ms Boyd has further questions. I'll see how we go with that 10 minutes if she wants to hang around. I have a couple of follow-up questions for Mr Taylor in regard to our discussion before on the Ombudsman report. The Ombudsman has requested that Corrective Services NSW provide its final response to the recommendations made in the final report within two months and provide updates every three months regarding its process in implementing the recommendations. Do you know if Corrective Services NSW intends to comply with that timeline?

**LEON TAYLOR:** Yes. We will table a response in October—next month.

The CHAIR: Will there be those updates as well every three months?

LEON TAYLOR: Yes.

The CHAIR: Will they be public—those three-monthly updates?

**LEON TAYLOR:** I'll take that on notice. It will be a response to the Ombudsman. I'm not sure of the convention around that.

**The CHAIR:** If you could take that on notice, that would be fantastic. I just had another follow-up question to Mr Press in regard to our discussion earlier in regard to interior designers. I was wondering if the department has had any feedback on the effect on architects as well. My understanding is it's quite difficult to get an architect now, and they're quite stretched. Have concerns been raised with the department around that?

**MATT PRESS:** I think you're talking about the context of remedial work rather than new construction. Do you have any particular space that you believe the concern is coming from?

The CHAIR: My understanding is that now that interior designers are cut out of a lot of the work that they used to do, it relies almost entirely on architects to have to fill this space. We were talking earlier about how interior designers can work with architects and work collaboratively. That's nearly impossible to do because architects are so stretched now. They're having to also fill the space of the work that was originally done by interior designers, which means that now there's almost a shortage, I suppose, of architects across the whole field. That's a concern that's been raised with my office. I'm just wondering if that's a concern that's been raised with the department.

MATT PRESS: That type of concern hasn't been raised with us, no.

**The CHAIR:** Has there been any consideration of that?

MATT PRESS: Based on the information we have at the moment, there are enough registered design practitioners to do building construction work in New South Wales. There's obviously been challenges in certain parts of the sector, particularly around remedial work, because the regime caused quite a change in how that work was happening previously. But we haven't heard any feedback to say there's insufficient numbers of architects, or consultants generally, to do the work.

**The CHAIR:** If there was feedback, I'm assuming then that would go from the department to the Minister in regard to the impacts of the changes to the Act as well?

**MATT PRESS:** Absolutely. We have information where there are activities happening across industry that cause friction with the legislation and opportunities for policy reform. We definitely would provide that advice. I also note that probably the best space for that sort of discussion is the DBP review that is ongoing. It is a very thorough process to have all of those conversations.

The CHAIR: Do you have a timeline on that review process?

MATT PRESS: That's the review being run by committee. I'm not aware of the timeline at this moment.

Ms ABIGAIL BOYD: I'll just come back to this—and I think you can tell that I'm quite frustrated because I have been here for years asking this question. I've seen the data, and I think that even if it was a small amount added to the cost of construction at the outset, we would be doing people a favour for anyone who wants to age in place or wants to have somebody around for a cup of tea who happens to be in a wheelchair. It would be great for everybody if we had this level of accessibility that everywhere else has. Are you able to give me anything in terms of a timeline for expectations? It would give comfort if there was a process that the department was following through with and a deadline where it would then hand a bit of advice or something to the Minister. Is there something going on?

**GRAEME HEAD:** I can't at this stage. The Government is committed to further stakeholder forums to consider this issue. I can take it generally on notice and see if I can come back to you with something.

Ms ABIGAIL BOYD: I think it would be helpful. I think also in the estimates this round, when I've asked these questions, people keep talking about stakeholders as though it's only the industry. I just don't believe that the New South Wales industry is so much weaker than every other bit of Australia that we need to consider them exclusively. I hope that we're speaking with not just people with disability but also seniors and anyone else who is a human, I think, and has somebody coming around who's not necessarily able to go up stairs. Coming back on the discussion I was having with the Minister in relation to weapons manufacture, I understand that the innovation blueprint is still under consideration and I understand that there is a bunch of other documents yet to be revised. But is there something, somewhere, that gives guidance as to the extent to which we would invest in that sort of activity and where we would draw a line if something was being exported that we thought to be particularly dangerous?

**REBECCA McPHEE:** I think it might be helpful to put my response in context of the defence industry. The defence industry in New South Wales, which is very broad, as you know, is currently worth \$3.4 billion in GVA. That's 0.5 per cent of GVA for the State. So, whilst important, it pales in comparison to industries like construction, which is currently sitting at \$53 billion.

Ms ABIGAIL BOYD: The website says we're trying to grow it.

**REBECCA McPHEE:** We provide support to a range of different industries including defence but, if you're looking at priority industries, clearly areas like minerals extraction, green energy, modern manufacturing and local manufacturing are very clear priorities for Government, where we are focused and there is significant expenditure ongoing. There's extremely limited direct investment in defence from the New South Wales Government.

**Ms ABIGAIL BOYD:** What about the Western Sydney airport development and the cluster of agreements around that that we now have, with different weapons companies and an advanced manufacturing facility to help those companies? It seems to all be very defence related around that project. Is that going to increase our percentage of what we're churning out in terms of product?

**REBECCA McPHEE:** I'm extremely sorry but I'm going to have to refer to any questions to the Bradfield development agency—apologies.

The Hon. JACQUI MUNRO: Going to building and on the strike action that the ETU is undertaking, is there any work being done to ensure that public safety and welfare are not at risk? There were media reports there might be risk to network security and potential blackouts resulting from industrial action. Is there any work to ensure that this is not going to be the result?

MATT PRESS: Our focus as Building Commission is on the electrical work essentially—if I put it in simple terms—on the meter side of the connection. To my understanding, a lot of this action is more on the distribution side, so that's not an area that we regulate. That's for DCCEEW. We really don't have much interaction with that issue from our perspective at this point in time. Obviously, we're keeping a watching brief to see if there are any impacts that we should be aware of.

The Hon. JACQUI MUNRO: I have the same question but for the CFMEU action.

**MATT PRESS:** That's primarily more of an issue for SafeWork. Our concern is that, regardless of who the constructor is and whether they might be a union member or not, they're doing that work properly. If we have any evidence that a site becomes high risk because of CFMEU-related events, we can consider that. Until that point, we just continue as normal.

**GRAEME HEAD:** SafeWork is in estimates tomorrow.

**The Hon. JACQUI MUNRO:** Thank you. Has that occurred? Have there been any high-risk situations that have emerged?

MATT PRESS: Not to my knowledge, no.

The Hon. JACQUI MUNRO: On Fair Trading, I want to ask about the automotive repairs. There have been concerns raised that, because of the complexity and high costs associated with motor vehicle repairs, there is a shortage of Fair Trading inspectors who handle these disputes. Is that something that is going to be addressed?

**NATASHA MANN:** At Fair Trading we have a pool of inspectors, and we look at where the highest need is and the highest risk is. Then we will deploy the inspectors accordingly. We're looking at that issue currently and looking at how we resource it.

The Hon. JACQUI MUNRO: Are there enough Fair Trading inspectors to handle the disputes that are arising?

**NATASHA MANN:** To this point, yes, there are. But, as I said, we're keeping a watching brief on that, and we can redeploy people into the area if required.

The Hon. JACQUI MUNRO: What's the time frame that you like to resolve disputes within?

**NATASHA MANN:** In the automotive industry?

The Hon. JACQUI MUNRO: Yes.

**NATASHA MANN:** I'm not sure whether we actually have a KPI for automotives, in particular. But I can certainly take that on notice and come back to you.

**The Hon. JACQUI MUNRO:** Do Fair Trading inspectors have a speciality within the department?

**NATASHA MANN:** Yes, they do. Some of them have specialities. Others of them can work across multiple areas and we can deploy them as we see fit.

The Hon. JACQUI MUNRO: How many automotive-specific inspectors are there?

**NATASHA MANN:** I may have to take that figure on notice for you. Let me have a look. Yes, I do have that figure. We currently have 10 dedicated automotive inspectors.

The Hon. JACQUI MUNRO: How many have been dedicated automotive inspectors over the last three financial years?

NATASHA MANN: I can get that on notice for you.

The Hon. JACQUI MUNRO: Thank you very much; that would be helpful. Is there any recruitment happening at the moment for those roles?

**NATASHA MANN:** I believe there are maybe a couple of vacancies that are being recruited for, yes.

The Hon. JACQUI MUNRO: Do you know how many vacancies?

NATASHA MANN: I don't have that information.

The Hon. JACQUI MUNRO: Could you please provide it on notice?

NATASHA MANN: Yes.

**The Hon. JACQUI MUNRO:** Thank you. I wanted to ask about the battery rebate that was recently announced. There have been some concerns about the regulation around providers. Is that something that Fair Trading are examining at the moment? Is there any focus?

**NATASHA MANN:** It doesn't primarily sit in our space, although I am aware that we have been having discussions with IPART on the issues. So it is on our radar but it doesn't sit squarely in our space.

The Hon. JACQUI MUNRO: Where would it usually sit?

NATASHA MANN: IPART has been taking the lead on that.

The Hon. JACQUI MUNRO: When you say they've been taking the lead, they've been engaging with stakeholders?

**NATASHA MANN:** They have been engaging stakeholders. They are aware of some of the issues that you raise. They have been talking to us about whether we can do something in a combined way. I know that my inspector and investigators are dealing with the IPART counterparts.

The Hon. JACQUI MUNRO: Can I just understand why it sits with IPART, from a functional point of view, rather than Fair Trading?

**NATASHA MANN:** I'll have to take that on notice. I know that they have been the lead on it and have engaged with us. But it is sitting with them.

The Hon. JACQUI MUNRO: That would be helpful to understand that.

Back to innovation, is the department advising the Minister on options to create some sort of venture capital type fund like Breakthrough Victoria or Main Sequence?

**REBECCA McPHEE:** A number of different options are being considered as part of the innovation blueprint, including various different funds—not necessarily modelled on other jurisdictions, which have had their own share of success and issues. But, yes, we are providing advice in relation to those types of funds.

The Hon. JACQUI MUNRO: Is any work happening with other departments to create that advice?

**REBECCA McPHEE:** We're engaging more broadly across government on the innovation blueprint, including with colleagues in other departments, absolutely.

The Hon. JACQUI MUNRO: Which other departments are involved in that?

**REBECCA McPHEE:** I will have to get a full list. Clearly, departments like Customer Service, Treasury—I think the work is actually engaged very broadly across government departments. I might ask Ms Noonan to join me if she's got a broader list of engagement.

LIZA NOONAN: Yes, we are consulting extensively across government. The innovation blueprint is relevant to many sectors and much of the work of government, so there is a very extensive list. All of those

agencies which Ms McPhee just referenced are included, in addition to Health, Transport—I won't do the list justice, but I'm happy to provide it.

**The Hon. JACQUI MUNRO:** That would be helpful. On TechVouchers, my understanding is that they haven't opened this year. Is that correct?

**LIZA NOONAN:** There has been no expenditure in TechVouchers this year, but in terms of the contracts between ourselves and the delivery partners, that should be—let me just check. I'm sure that's close to being finalised, if not already. In terms of the funding going to the delivery partners, the way it works—the Boosting Business Innovation partnership program, there's the 13 delivery partners. They all receive an equal allocation of funding. Let me just get a specific amount—sorry.

The Hon. JACQUI MUNRO: That full list has got every—

**LIZA NOONAN:** Every university and publicly funded research organisation operating in New South Wales, so that includes CSIRO and ANSTO. They each receive, of the \$11 million, \$786,000, and \$511,000 of that goes to boost activities: things like incubator programming and promoting the value proposition of the research within that organisation.

**The Hon. JACQUI MUNRO:** I want to ask specifically about those organisations. Do they have to apply? Do they seek that funding? How are they selected?

**LIZA NOONAN:** No, the guideline is that there's an equal distribution across the eligible PFROs in New South Wales.

**The Hon. JACQUI MUNRO:** I spoke last budget estimates about a grants measurement framework. I'm wondering if anything has been completed or worked on to have some sort of grants measurement framework in place.

**LIZA NOONAN:** In terms of the impact of the grants—the evaluation of the grants?

The Hon. JACQUI MUNRO: Yes.

**LIZA NOONAN:** With all of the programs that we administer, we have an evaluation framework as part of those programs. For things like the MVP Ventures program, BBIP, Westmead, Female Founders, we have a program logic for each one of those programs which have targeted outcomes, and we have a dedicated evaluation team that we work closely with on assessing who's applying for those grants, who's receiving those grants, what happens to those businesses after they receive those grants. It's an area we're continuing to work on and improve so we can see the impact of that funding.

The Hon. JACQUI MUNRO: Could you please provide me with a breakdown of the remote and regional versus urban recipients, and also the proportion of men and women who are receiving grants?

**LIZA NOONAN:** Across all programs, no, but I could for something like MVP. I have the data—

The Hon. JACQUI MUNRO: Okay. Why not across all programs?

LIZA NOONAN: It's not just with me at the moment, but happy to get that information for you.

The Hon. JACQUI MUNRO: That would be fabulous. LIZA NOONAN: Would you like me to talk to MVP?

The Hon. JACQUI MUNRO: I'm happy for it to be taken on notice with the other aspects. I mean, there has been some reporting, for example, about the regional aspect of MVP, but I'm just happy to have the figures on notice.

LIZA NOONAN: Sure.

**The Hon. JACQUI MUNRO:** I also want to note that the Female Founders dates on the website seem to not have been updated. It doesn't say that they're open. I don't think it's got any 2024 dates.

**LIZA NOONAN:** For the program administered by Tech Ready Women?

The Hon. JACOUI MUNRO: Yes.

LIZA NOONAN: I'll have to look at that.

The Hon. JACQUI MUNRO: I think the Tech Ready Women website is correct, but the Investment NSW one isn't.

**LIZA NOONAN:** I know that we're halfway through that program with 50 females in each cohort, and we're due to start another one shortly. I'll look into that. Thank you.

**The Hon. JACQUI MUNRO:** With the International Landing Pads, do you have the number of international organisations that have made use of that since last year?

LIZA NOONAN: We have one business currently in residence at the International Landing Pads. Just for context, we have the capacity to host five firms at any one time. We have one currently in residence, and we also have three approved for residency once they enter New South Wales. There was also, as you might have noted, MOUs recently signed with Living Labs in Jakarta in Indonesia for up to four months of residency for startups coming into Sydney, with a reciprocal access arrangement for New South Wales startups to go into their facility in Jakarta. There's intention to sign MOUs with Sci-Hub in Ho Chi Minh City in Vietnam, and also Common Ground in Kuala Lumpur, Malaysia, for those reciprocal arrangements.

The Hon. JACQUI MUNRO: How were those companies selected?

**LIZA NOONAN:** The eligibility is on our website. They have to apply and they're assessed against that eligibility.

The Hon. JACQUI MUNRO: You've got five spots, but are you receiving more submissions than you can take?

**LIZA NOONAN:** At this point in time, no. This first year is very much a test on the demand and types of services and connections those startups seek when they come into market. If we see demand and value for the New South Wales innovation system, we'll look at that program and put forward recommendations to the Government.

**The Hon. JACQUI MUNRO:** Are those companies actually proactively seeking the space, or is Investment NSW going out and asking for expressions of interest?

**LIZA NOONAN:** We're not actively going out. The information is available on our website. We promote it, obviously, when we're having events—that that is something we offer. Where we have sourced, typically, has come from our offshore network. Our senior trade commissioner in Singapore has done some work with those countries—in Vietnam, Indonesia and Malaysia. We also have an MOU with Nasscom in India, which Business NSW was part of. Those organisations really are the sources of lead generation.

The Hon. JACQUI MUNRO: Are they involved with GIFT City?

LIZA NOONAN: I'm not aware of that, no.

**The Hon. JACQUI MUNRO:** What investment money is allocated in the budget for the growth and development of the space industry for Investment NSW?

**REBECCA McPHEE:** I don't have a specific dollar associated, but I can talk to the space industry and work that we're doing with the industry more generally, if that would be helpful.

**The Hon. JACQUI MUNRO:** I think there's a fair bit of public information about that, so that's okay. Can I just confirm, is the Space Research Network's pilot research program and student program fund still active?

**REBECCA McPHEE:** It is, yes. The Space Research Network has awarded \$2.3 million through their research pilot program and student project fund, and those activities are ongoing.

**The Hon. JACQUI MUNRO:** I'm going to go back to Mr Press. Could you please outline what the Building Commissioner has done in relation to ANSA Homes?

MATT PRESS: ANSA first came to my attention around April this year. A concerned customer of ANSA reached out. At that point, I was concerned that I hadn't heard about ANSA issues generally. It turned out, because they were a builder, that it didn't necessarily have a high number of complaints in any particular period. It was a period of prolonged action. Our focus in just establishing the Building Commission at that point in time had been focusing on the most complained about builders and trying to take affirmative action there. From that point we did a review of ANSA, you could say, by doing proactive inspections on a number of their active building sites. Through that it came to our attention there was some relatively serious compliance issues. Then in about June or July we issued a temporary suspension of both the ANSA company licence and that of their single director, Mr Maloney. That was taken because we had concerns about the conduct that we'd seen and we were also concerned that there could be a possibility that new customers could signed up and, therefore, also exposed to the types of harms that we'd already seen in the historic performance.

**The Hon. JACQUI MUNRO:** You mentioned it was temporary. Is there a time frame on that? Or when does it become not temporary?

MATT PRESS: That was a 60-day suspension initially and then we followed that up in August with a further 60-day suspension. At the same time we issued both of those parties with a notice to show cause. That commences the formal disciplinary process where we give both of those parties an opportunity to respond to our investigation findings. Then we assess that and determine what action we would take, whether that be reprimands, caution, suspension et cetera.

The Hon. JACQUI MUNRO: When is that show cause deadline in place? Is it within the 60 days?

MATT PRESS: We're currently within the 60 days. We're about roughly halfway through that period.

The Hon. JACOUI MUNRO: What's the date for their show cause deadline?

MATT PRESS: I'm not sure I if I have that specifically to hand. I won't guess but I'm fairly certain it's some date in this month of September.

The Hon. JACQUI MUNRO: Could you please take the date on notice?

MATT PRESS: Absolutely. From that point then we determine what action is taken.

**The Hon. JACQUI MUNRO:** Yes, I understand. Is that a public process? Will there be some announcement made as the assessment is occurring, or is it once you've made a decision that the announcement is made?

MATT PRESS: If there is a disciplinary decision—and let's presume for argument's sake it was a suspension or something of that nature—or if there were any disciplinary conditions issued to the licence holders, then that information would be reflected on the public register, essentially in real time. Because there are a number of home owners affected by this process, we have been trying to lean into communicating with them regularly as much as we can share. Obviously we can't share all parts of the process because of maintaining procedural fairness but we have been trying to share as much as possible including writing to them to let them know what's going on. So I'd expect we'd also inform them of the outcome.

**The Hon. JACQUI MUNRO:** Sorry to jump around. I also want to clarify, with the Advanced Manufacturing Research Facility, what is the role of Investment NSW in that?

**REBECCA McPHEE:** That isn't part of my portfolio of responsibilities.

**The Hon. JACQUI MUNRO:** I understand that Professor Durrant-Whyte is on the investment committee, I think it's called. Do you have any reporting lines related to the AMRF?

**REBECCA McPHEE:** I'm afraid we'd have to pass that question to the chief scientist.

**MATT PRESS:** Ms Hurst, you asked a question before that I wasn't able to answer regarding the DBP review. It's being run by the Public Accountability and Works Committee. Ms Boyd is Chair of that committee. The submissions closed on 2 July. I wasn't able to advise you on a timeline. I've checked the committee's website information; there's no timeline listed, unfortunately.

**Ms SUE HIGGINSON:** I'm back on Corrections, if that's okay. I'm wondering if you could tell me what the potential or actual use of the devices or the video access to mental health services is? It's a concern. I think it goes back to the Audit Office in 2017 when we became aware that 75 per cent of inmates are not receiving access two therapeutic programs, and also the degree—62.9 per cent of inmates have been diagnosed with a mental health disorder. One of the things was about whether or not inmates could access counselling from inmate tablets. I'm wondering whether that's happening or whether it's possible, or we're looking at that.

**LEON TAYLOR:** There's a big part of that that is Justice Health but there's certainly a Corrections component. Maybe my colleague, or psychologists who work for Jen—and there's certainly a Corrections component to that answer.

**JENNIFER GALOUZIS:** That is something we've been looking at, particularly around the remote counselling for psychologists. People can currently access private psychologists in that way. One of the challenges we have is around the continuity of care and how we ensure that we can keep people safe when there might be two different clinicians providing that service. We do have situations at the moment where psychologists do provide remote service into correctional centres and we're utilising technology to do that. For some of our locations where it's hard to recruit psychologists, we have metro-based psychologists who provide those remote services. We haven't looked at the delivery of the programs that you mentioned via tablets for a number of reasons. One,

the tablets at the moment are largely given to people when they go into their cell at the end of day. It's not really conducive to be running therapeutic programs in that setting.

We do have other options where we've used laptops. We do that in the community, where people can access group-based programs via laptops rather than in person. We're also looking at technology that's more like a booth. People can sit in a booth and participate in a program remotely rather than having to be group-based but not via the tablets at this stage. Then, as Commissioner Taylor said, we have been looking at mental health apps via the digital strategy that you referred to earlier. One of the proposals that we're considering is to develop a mental health application specifically for those tablets. So we're looking at all options. We were looking at other available apps but, again, it comes back to the continuity of care and the safety of people in custody when they're receiving psychological services from people independent to Corrective Services. There are some policy and information-sharing aspects to that that we need to work through to make sure that we can keep people safe.

Ms SUE HIGGINSON: There's this recurrent theme about confidence versus risk and where you find yourself on the pendulum of those things. It seems to be this recurring thing. Risk seems to be the prohibitor, whereas it may have to be, in certain circumstances—addressing that is how we'll actually move to being able to provide the services that we really need to. I think this might be for you, Acting Commissioner, or possibly Secretary—I'm not sure—and that is the closure or the mothballing of some of those parts of prisons. I know that Goulburn and Bathurst were both having wings closed due to various reasons like low inmates and ageing facilities, and that staff were promised to be relocated if needed. I'm curious whether that's happened. What's happening there, given they're quite remote? What are we doing with the staff?

MICHAEL TIDBALL: At high level—and as I've been very quiet this afternoon—

Ms SUE HIGGINSON: Yes, it's your turn.

MICHAEL TIDBALL: Just in terms of consolidation, there are 130 beds at Cessnock—stop me, Acting Commissioner, if I'm wrong—209 at Bathurst and 170 at Goulburn. They're just components, clearly, of both Goulburn and Bathurst. I am calling out that Goulburn, for example, is 1884 infrastructure. It may be heritage, in one sense. It is good consolidation. Then there are 140 beds at Oberon and 146 at Dawn de Loas at Emu Plains. That, I think, tallies out at—how many beds?

**LEON TAYLOR:** It's about 1,000. That program that you reference were the beds that we mothballed at Christmas time. The inmate numbers have risen by about 1,000 from 12,000 just before Christmas to 13,000 today. Those beds remain mothballed. But our ability to continue, we're constrained at the moment by the growth of numbers, which was unexpected. There are no plans at the moment to close other—

Ms SUE HIGGINSON: What about the staff that were—

**LEON TAYLOR:** Sorry, your question was around relocation—I'm sorry.

MICHAEL TIDBALL: Staff.

**Ms SUE HIGGINSON:** My question was broad. I'm also curious that you've raised the extra 1,000 increase in numbers. But where we have mothballed or closed down, have staff been transferred and moved around?

**LEON TAYLOR:** We had vacancies on all of those sites, that staff were just relocated into, particularly vacancies caused by long-term leave, sick leave, workers comp. So no-one was relocated. No-one had to move.

MICHAEL TIDBALL: If I may, clearly, quantity is one—awful word. Numbers are one thing; the other aspect is the qualitative aspect of what is actually going on. Ms Higginson, I think you're probably aware of this. The ratio of sentenced to remanded inmates is increasing. That is a pressure point and a challenge to which Corrective Services must rise and adapt, and it's very focused on doing that because it appears to be a sustained trend.

**Ms SUE HIGGINSON:** Is there a feed-in system? Corrections is notifying the Government that, obviously, this big increase in remand numbers is happening. Is the advice to Government, "That's okay, we can deal with this increase in remand. We've got the places. Business is good"? Is that the feedback loop?

**LEON TAYLOR:** In terms of bed numbers, the prison population peaked in March 2020 when the pandemic came along, at over 14,000 inmates. So we are still 1,000 inmates below where we were in 2020, four years down the track. Bed capacity isn't an issue, but we are having to adjust and adapt the system for the rise in remand inmates. Remand inmates are a very different cohort, with different risks and challenges than a sentenced cohort.

**Ms SUE HIGGINSON:** Exactly. Are we likely to see existing facilities that aren't remand purposed facilities having to convert part of their facility?

**LEON TAYLOR:** It's more adapting what we do. We have a growing cohort of the remand, as the secretary mentioned, so Jen, in her area, is looking around the programs offering for remand inmates. In our work and education area, we're looking around further offerings for remand inmates. Remand inmates are less stable, more unwell cohorts, so unscheduled escorts to the hospital, uses of force, assault and some of those things are increasing as well. There are decisions that we need to make around the network just to adjust the way that we operate our centres with that change in mix, less so "We need to operate these beds rather than those beds".

MICHAEL TIDBALL: And whilst I would not claim to be an expert on it, I was reading last night, Acting Commissioner, about the range of programs that are being developed for remanded prisoners. I think the historic thinking has perhaps been that, as prisoners on remand are entitled to the presumption of innocence and their matters are before the courts, the options for programming were very limited. There is more program development work happening with an eye to ensuring that there is a level of occupation and activity through the day that is meaningful and focused on an outcome and, dare I say it, some hope for the future as well.

**Ms SUE HIGGINSON:** What are we talking about? More to the point, who is developing those programs?

**LEON TAYLOR:** They're within Jen's team. There are existing programs, but there are new areas that we're moving into.

**JENNIFER GALOUZIS:** For a number of years now we've delivered a domestic and family violence program that's adapted for people on remand, and an addictions program for people on remand. We now offer what we call our dialectical behaviour therapy program, which is more about that emotional regulation type skill development—so completely agnostic to offence. We have two programs on offer for people on remand where they can learn those skills. We're also very focused at the moment on the need to address trauma for people in prison, so we've just launched a new program called Seeking Safety, which is a trauma stabilisation program which is for everyone in custody.

But certainly we're looking at how we can offer it very early in that reception phase because, as Acting Commissioner Taylor said, that initial period of remand really needs to be focused on stabilisation. What health needs do you need? Do you have an immediate substance abuse issue that we can address straightaway? Is there trauma that we can support you through to make the process of incarceration slightly easier? And then, when people receive their sentence, they're in a really good place to then move on to the next phase, which is looking at the drivers of their offending behaviour and how we can support them to learn skills in that space.

Ms SUE HIGGINSON: Who has designed the Seeking Safety program?

**JENNIFER GALOUZIS:** We've adapted it internally, but it's an off-the-shelf program that we've purchased and adapted.

Ms SUE HIGGINSON: When you say "off the shelf", is it possible to find out whose shelf it came from?

**JENNIFER GALOUZIS:** Absolutely. I probably have that here. We have a whole discussion paper that we can provide on the history of that program and why we selected it and how we adapted it.

Ms SUE HIGGINSON: Would you be able to provide that on notice?

JENNIFER GALOUZIS: Yes.

**Ms SUE HIGGINSON:** Thank you very much. I'd be very grateful. In terms of how that program is delivered to people on remand, how is that done? Is it done in a group setting?

**JENNIFER GALOUZIS:** It's group based.

Ms SUE HIGGINSON: Are there people who lead it?

JENNIFER GALOUZIS: Yes, there are facilitators that are Corrective Services staff.

Ms SUE HIGGINSON: And those staff members are trained in how to deliver the program?

**JENNIFER GALOUZIS:** That's right, yes.

**Ms SUE HIGGINSON:** I mentioned, very briefly, to the Minister this morning recommendation 16 of the Astill Inquiry, about the safe reporting line. How many operators are currently working that telephone system? Do you have that detail?

MICHAEL TIDBALL: I don't.

Ms SUE HIGGINSON: You can take it on notice.

LEON TAYLOR: I think I might.

MICHAEL TIDBALL: Just while the acting commissioner is finding that, can I just say, having been close to the Astill Inquiry, where we actually outsourced some of our services for reasons of independence and heightened security, to put it bluntly, directly, if there are concerns around confidentiality or seeping of information, those are serious matters, Ms Higginson, and we would be both applicable, by the way, to staff as well. We absolutely want work to be a safe environment, with the assurances about matters that should be reportable having the appropriate mechanism. But very importantly for prisoners as well, if they're inmates, if there are concerns, we are open to receiving those and looking at them in a highly focused way.

Ms SUE HIGGINSON: Yes. I'm happy to write to you and talk to you about this, but I'm just curious as well about what the set-up is.

MICHAEL TIDBALL: Of course.

**LEON TAYLOR:** I can speak to that. There are six staff that man—we have two lines. We have the Corrective Services Support Line and the Sexual Misconduct Reporting Line. It's the same six staff who sit at the end of those two numbers, which are free numbers on the inmate telephone. They're not recorded. They're not listened to. Those staff have a different process that they run through if they're receiving a call to either one of those lines. The SMRL line was stood up pretty quickly. Those staff were trained in trauma-informed practice. It's a line to report, not necessarily to provide sexual assault counselling and trauma counselling. That would be referred elsewhere. It's a reporting line.

To the secretary's point around concerns for staff and avenues to report, on the inmate phone system at the moment, which for many inmates—most inmates—includes the tablet in their cell, they can report to those two lines that I mentioned. They can also phone the ICAC, the Law Enforcement Conduct Commission, the NSW Ombudsman, the Commonwealth Ombudsman, Justice Health and the health care complaints inquiry line. All those lines are available, as well as talking to staff, writing letters, official visitors and contacting anyone, including parliamentarians. But any feedback that might come through you in terms of that line—that line has taken a number of calls and there's been a number of calls that have been responded to. I've not had any concerns raised with me around confidentiality. I know that was a particular feature of the inquiry, that that be the case. An important part of that service is it reports outside of the correctional centre, which was obviously a focus of the special commission of inquiry, but happy to receive your correspondence.

Ms SUE HIGGINSON: Are you able to indicate how many calls they've currently received? Is there a number?

LEON TAYLOR: Yes, I'll do that on notice.

Ms SUE HIGGINSON: If there's a breakdown of calls per day or calls overall, I'd be really interested to know what the volume is.

**LEON TAYLOR:** Yes, happy to on notice.

Ms SUE HIGGINSON: It slipped my mind at the time, but when we were talking about the remand programs and we talked about the couple that are available, are there programs specifically for First Nations men and women on remand?

**JENNIFER GALOUZIS:** Not that are in that suite of programs that I discussed, no. But there are supports that are provided by staff within centres. We've got identified SAPOs and our regional Aboriginal pathway officers, who do provide support to people on remand.

**Ms SUE HIGGINSON:** I got some questions returned on notice in relation to how many SAPOs are available et cetera. There's a very low number compared to the number of inmates. I think there were both remand figures and sentenced inmate figures. I'm curious, is there a plan? Secretary, are there plans to be able to have more cultural programs operating within the system, whether by external providers—I don't necessarily mean by Corrections staff. What is the system? I know that we were talking in other budget estimates about co-designed programs and so on. Is anything happening in that space in terms of Corrections?

**MICHAEL TIDBALL:** I would make the point, Acting Commissioner, that the thematic review is due for completion—

**LEON TAYLOR:** Very soon, and Jen is leading that work. That's around really looking at the 1991 royal commission. Probably something I might point out in answer to that is our Aboriginal mentor program is an area that we're really focusing on. Notwithstanding the work we're doing to connect with Aboriginal controlled

organisations and increase our employment of our Aboriginal staff, which is nudging 4 per cent—we've still got a long way to go, but we've come a long way. Almost 200 staff now, I think, identify as Aboriginal, not necessarily in Aboriginal identified roles. We have 12 Aboriginal Elders now that are employed by Corrections that come from community into correctional centres and mentor inmates. They work alongside the program staff. Down on the South Coast I was able to have a chat with one of the Elders that come in there and they just provide that cultural connection and support that ultimately assists inmates culturally and makes them better connected with the other interventions we have.

MICHAEL TIDBALL: Just very quickly, there is clearly more to be done and the focus around Closing the Gap target 10 and the many challenges there—changing offending profile, challenges arising from DV—are very real. A shifting sentence-to-remand ratio is a very real challenge. All of us sitting here today close to Corrections would say good things are happening and I think we have some remarkable staff doing good work. Is there more to be done? Is the work incomplete? It is absolutely in need of new initiatives, but I think there'll be opportunities with things, such as the thematic review, to look at more and new things.

**Ms SUE HIGGINSON:** I will put on supplementary questions, but the mission isn't to just increase First Nations employment in Corrections, is it? The mission is to be having community. That's the mission, surely.

**LEON TAYLOR:** I saw the secretary's comments, I think in Minister Washington's estimates, around DCJ, learning how to partner there, and I would echo that for Corrections. We've come a long way, and probably some of that is just the epiphany that we've had around—

Ms SUE HIGGINSON: Which First Nations people have been telling us for a long, long time.

**LEON TAYLOR:** Yes, totally, but it's how we learn.

**MICHAEL TIDBALL:** And there have been learnings in Youth Justice—the place of healing, yarning circles and all of those sorts of things. There are learnings from a much smaller system that we need to apply to a much larger system.

**JENNIFER GALOUZIS:** In response to the question around programs, we don't have programs that are specific for online, but we do offer a lot of cultural strengthening programs that are designed and implemented through our Aboriginal strategy directorate. We run a didgeridoo-making program in St Heliers in Cessnock. We've got a cultural immersion program in Cessnock. We've got a number of programs across the State that we can provide you detail on that are very much focused on cultural strengthening. But they're available to everyone in custody, remand or sentenced.

**The Hon. AILEEN MacDONALD:** I might also stay on Corrections. Can you advise—and I'm trying to rephrase my question so I'm not asking for opinions, so bear with me—what allocation of sanitary products are distributed per inmate at correctional centres?

**LEON TAYLOR:** For women, sanitary products aren't available on our buy-ups. They're not available for purchase. They are provided to women in the quantities they need when they need them. The complaint that came to you also came to me, and I spoke to the governor at the centre where the complaint came to try and get to the bottom of it. I have not seen any evidence of women not accessing the sanitary products that they need. It would concern me were that the case. I did look into that straightaway and I actually learnt something, because a lot of the things on the buy-up—there's the soap you get for free and there's the soap you buy. But that's not the case for hygiene products. They're available free of charge.

The Hon. AILEEN MacDONALD: So commissary is also buy-ups—is that what you're talking about?

**LEON TAYLOR:** Yes, that's more a US term.

The Hon. AILEEN MacDONALD: And they're not available on the buy-ups?

LEON TAYLOR: No.

**The Hon. AILEEN MacDONALD:** Why would this be circulating, the story that there's not enough sanitary products and that they're using tissues and toilet paper or pieces of clothing?

**LEON TAYLOR:** I'm not sure, Ms MacDonald, but if you have more information than I have, I'd be happy to take that. It would concern me greatly, as you would expect.

The Hon. AILEEN MacDONALD: I turn now to Junee. When it was under the GEO group the total cost was approximately \$60 million per year. Now that it is under Corrective Services, what measures would you put in place to obtain metrics so that inmates will have better results, less recidivism, better community integration and those kinds of things?

**LEON TAYLOR:** Junee transitions to the State operation on 1 April 2025. The metrics that Junee will operate under will be the same and reported in the same manner as for other State-managed correctional centres.

The Hon. AILEEN MacDONALD: Would you expect that it would be under that \$60 million?

**LEON TAYLOR:** I'll take that on notice. I'm not sure what we have. I know we canvassed that in detail in the previous estimates, so I'll take that on notice and respond.

**The Hon. AILEEN MacDONALD:** We also talked about the GEO Group in supply contracts worth about \$7.5 million to local June businesses. Will these arrangements be continued once the transition happens?

**LEON TAYLOR:** Some of those local arrangements that we spoke about at the previous estimates will be different. Some of those will continue; some of those will be discontinued. I remember at the last estimates we spoke a fair bit about the Meals on Wheels, which I know is slightly different to your question, but I can inform the Committee that we are continuing that service in the community. For some of the businesses that the GEO Group purchased directly from, the arrangements will be different when the State is there because we purchase on a statewide basis. Having said that, we are a long way into the transition period. There are seven months to go, so we are deeply engaged with the community in finding new ways and different ways, as a State-run operation, that we can engage in that community. I have approved an additional role, in terms of the community projects role down there in Junee, to make sure that we can realise some of the opportunities that have been identified there in that community. I think my evidence last time was that we will engage in different ways, as the State, to a private enterprise, and we are just making sure that we are true to that commitment in our staffing. It will be different, but it will continue to contribute to the community, both for the council and the local economy.

**The Hon. AILEEN MacDONALD:** I did ask before about the Bail and Other Legislation Amendment (Domestic Violence) Bill and indicated that in October the e-monitoring will come online?

**MICHAEL TIDBALL:** It is anticipated to be October. A precise date, I cannot advise yet, but it will be early October.

**LEON TAYLOR:** It still needs to pass the Parliament.

**The Hon. AILEEN MacDONALD:** On that, is the parole service going to engage in training the police in use of the electronic monitoring? How will that happen?

**LEON TAYLOR:** The electronic monitoring is the same—

The Hon. AILEEN MacDONALD: As the DVEM?

**LEON TAYLOR:** We have around 1,200 people in the community at the moment on electronic monitoring. It will be the same device operated by our same staff. Someone on bail who is on electronic monitoring will have schedules around them which will either come out of an ADVO or there'll be a bail condition. That may be a particular address, an area or LGA that that person is excluded from, or a type of location, like a school. If a person on bail breaches those exclusions, our staff will report that to police. Then it's over to the police to respond. They may choose to respond; they may choose not to respond. They may talk to a PIN Op. The obligation of Corrections under the bail lien is to monitor people in terms of exclusion zones and then report to police.

**The Hon. AILEEN MacDONALD:** It will be fairly similar to what is already in operation for Community Corrections?

**LEON TAYLOR:** Similar, albeit breach action in terms of bail is a police matter whereas for parole and ESOs—

The Hon. AILEEN MacDONALD: I understand that Community Corrections has had a lot of input into—

**LEON TAYLOR:** Yes, there's a bail monitoring implementation taskforce that is chaired by the Cabinet Office.

The Hon. AILEEN MacDONALD: Good.

**LEON TAYLOR:** Corrections are on that—police, Legal Aid, Aboriginal Affairs, BOCSAR, Treasury, courts, DCJ legal and policy. It is a well-represented group and it has done some pretty good work in a pretty short period of time. Subject to the legislation passing the Parliament—

MICHAEL TIDBALL: It's passed. It's just got to be commenced.

LEON TAYLOR: Yes—early October.

**The Hon. AILEEN MacDONALD:** You've clarified that the electronic monitoring devices will fall under Corrections. Will it be Corrective Services that own and operate the equipment, or is it a joint—

**LEON TAYLOR:** We have a private vendor that operates the equipment. We own the equipment, but there's a contract in place. It is the same equipment I mentioned a minute ago. It is Corrective Services equipment. The equipment is fitted by Corrective Services officers—and the journey that the taskforce went on. People that are subject to bail lien will be bail refused and then come to a corrections facility—either a court location or a remand centre. Corrections will fit the monitoring device, check that it's working and all the schedules are in place, and then that person will be released. It will be a bail condition. As soon as that condition is met, they'll be released from custody.

The Hon. AILEEN MacDONALD: What's the average life of the electronic monitoring equipment?

**LEON TAYLOR:** It needs to be charged every day. I've not heard of one—they last for years. Hopefully no-one is on bail that long.

**The Hon. AILEEN MacDONALD:** On that—but just a change of tack—what is the expected increase in the remand population?

**LEON TAYLOR:** The bail population?

The Hon. AILEEN MacDonald: Yes, sorry.

**LEON TAYLOR:** BOCSAR has modelled it at around 51 people. So in terms of our 1,200—

The Hon. AILEEN MacDONALD: How many?

**LEON TAYLOR:** It's 51. It's quite small in terms of the 1,200 people we're already monitoring. The volume is not a large increase for us. We've modelled it on 51 defendants—88 at any one time, because people come on and off. It was really around getting the processes right, rather than it being a huge volume issue for us.

The Hon. AILEEN MacDONALD: What do you think is the estimated cost of housing the bail offenders?

**LEON TAYLOR:** That's not an issue for us. Bail offenders are on bail, so—

The Hon. AILEEN MacDONALD: The ones that aren't subject to EM but are on—

**LEON TAYLOR:** Sorry, the remandees. I mentioned in my evidence earlier, since the Molly Ticehurst tragedy, an additional 34 people have come into custody. We haven't done an exercise on how many of those actually get bail further down the track, but the cost of someone in custody—the ROGS—is about \$300 dollar a night.

**MICHAEL TIDBALL:** On the detail of the numbers, you need to distinguish between a change in the practice of the court imposing it. Some are being placed in custodial remand, which could be, effectively, the practice of the court as distinct from the application of the show cause provision. They are two different numbers that lead to that high number.

**LEON TAYLOR:** To the secretary's point, the numbers went up to the level that I mentioned pretty much the next day after that event. The bail reform came in at some point down the track and it didn't then spike again. It appeared the practice of the court changed, and then the bail laws—

MICHAEL TIDBALL: There's not intricate science in what I'm saying, but I think that is what we're seeing: The show cause provision will kick in and there will be an impact of that new provision. We would expect, and it's what we saw after—as I mentioned in this morning's evidence—the Lindt siege. We'd expect the courts to go back, effectively, to where they were, subject to the fact that the processes of the courts will be different with bail obviously, with registrars being backed out of hearing those matters and them all being heard by magistrates.

**The Hon. AILEEN MacDONALD:** With the machinery of government change—I think the announcement was 16 August—I thought it said that there would be a new commissioner in place by 1 October. Is that likely to happen?

**MICHAEL TIDBALL:** No. You're right with 1 October in that that is the date the change happens with the standing up of the new agency.

The Hon. AILEEN MacDONALD: All right. I misunderstood.

**MICHAEL TIDBALL:** There will be the recruitment process, which is a different process, that will begin anew. Obviously, the Minister has been very clear that it is a priority for that to proceed.

**The Hon. AILEEN MacDONALD:** Earlier we were talking about officers that are suspended and you said that there are approximately 82 staff—four that were not on full pay, but the rest were. When a person is suspended, are they told at the time of suspension the reason for the suspension?

**LEON TAYLOR:** Not always.

The Hon. AILEEN MacDONALD: At time would an employee be advised of the reason?

**LEON TAYLOR:** That's subject to the process of the investigation. There's not one answer to that. I think the secretary said this morning that, through the MOG, Corrections becomes a standalone agency and the professional standards branch remains in DCJ. But there's been a lot of work on what that model is. One of the criticisms is around the time frame that matters are taking to resolve, so there are additional resources that will be in that model and also a streamlined process where more serious matters head down one route and the less serious matters head along a different path. To deal with the issue that I think you're going to, around the timeliness of resolving matters, that's an important feature of the new model.

MICHAEL TIDBALL: I think the question was about the advice at the time.

The Hon. AILEEN MacDONALD: Yes.

**MICHAEL TIDBALL:** My answer to that would be that there would be transparency, subject to any exigencies of investigation that might be underway, and ensuring that that investigation, which may be a criminal or police investigation, is not being compromised.

**LEON TAYLOR:** Some of the strong feedback from the PSA is around the timeliness of giving allegations to someone on suspension, or even someone that's just subject to misconduct. That's certainly a feature of the new model, to be more efficient in terms of putting matters to people. I might just mention that you asked this morning how many there were without pay of that 82. It's five.

The Hon. AILEEN MacDONALD: Leanne, who was suspended back on 23 October has indicated that she still hasn't been advised of the reason. Is that a long period of time?

**LEON TAYLOR:** Yes. It sounds a while, but I don't have an answer to that question. I might answer that on notice, or at least talk to—

**The Hon. AILEEN MacDONALD:** On notice, okay. When the person is suspended, are they allocated a support person, or do they ask for a support person?

**LEON TAYLOR:** I mentioned in the evidence this morning there is a support group that sits within professional standards. I'll correct my evidence. That group now sits in a new directorate we have of cultural support and wellbeing. They're dedicated people that are not part of the group that are doing the investigation to have that separation between the issue and the care for the person. It's that group that reaches out proactively to people that are in that situation.

The Hon. AILEEN MacDONALD: Is that group advised of why the person is suspended so that they can audit—

**LEON TAYLOR:** No. It's about the person's welfare. It's less about the circumstances that finds them where they are.

**The Hon. AILEEN MacDONALD:** Are you able to provide—probably you would have to do this on notice—the number, out of the 82, who have been on suspension for three months or less, six months, nine months, and 12 months or over?

**LEON TAYLOR:** Yes, sure. We'll give you some time frames.

The Hon. AILEEN MacDONALD: What would be the longest time that an employee would be suspended while the matter's being investigated?

**LEON TAYLOR:** I'll answer that on notice. There are some people who are suspended that are subject to police matters that are protracted, and those types of matters are often outside of the department's hands. In the information we provide on notice, we may just put a comment where that circumstance exists, but the time frames are an area that we're seeking to improve.

The Hon. AILEEN MacDONALD: Are you able, probably also on notice, to provide a dollar figure on the annual cost of, while someone's on full pay, what that annual figure would be?

**LEON TAYLOR:** Yes. We'll see what we can provide on notice. Sure.

**The Hon. AILEEN MacDONALD:** Whilst those positions are temporarily backfilled, the person would be acting up in that role?

**LEON TAYLOR:** Yes. That's part of the cost, like any absence from the workplace for any reason. You backfill and it ends up there's a chain reaction and it does add a cost.

**The Hon. AILEEN MacDONALD:** Thank you for that. Are you able to provide an overview of the overall funding that Corrections provides in the form of grants to the community to deliver services to people leaving custody?

**LEON TAYLOR:** Sure. There's a lot of work in that space that Community Corrections do. That's just part of Community Corrections' business-as-usual work. That's not a figure that necessarily exists, but our Funded Partnerships Initiative is the area that we engage the non-government sector. That is \$8.6 million a year and we've got 13 agreements with 12 NGOs to provide the type of support that you mentioned in your question.

**Ms SUE HIGGINSON:** I want to go to two last things in the last few minutes I've got. One is about where we are in terms of ID and that very important issue around digital ID. The second issue I really wanted to address and ask your views around is food. I am receiving an unbelievable amount of correspondence from inmates that are really more than displeased with the food. They are really concerning letters.

LEON TAYLOR: Do you want to do ID?

MICHAEL TIDBALL: I'd love to do ID. I don't want to talk about food.

**Ms SUE HIGGINSON:** Seriously, though, how many cases of bowel cancer are we dealing with? What sort of food systems are we providing to some of the most vulnerable people in the whole State? Some of the letters I've got are really awful in terms of what people are experiencing. I just want to see what your view is and where that is on the radar.

LEON TAYLOR: Sure.

Ms SUE HIGGINSON: Do you want to do ID first?

MICHAEL TIDBALL: Can I deal with ID?

**LEON TAYLOR:** Do ID and then I'll talk about food.

**MICHAEL TIDBALL:** Digital ID, as you know, Ms Higginson, in terms of the things that are on that home stretch, out the gate—

Ms SUE HIGGINSON: It's make it or break it, isn't it?

MICHAEL TIDBALL: Accommodation, therapy, accessing a mobile phone, benefits—the lot—ID is crucial. We've had for around two years work underway and it has been difficult work, but excellent collaboration within government between Transport and secretary heads of department. It's gone well, although we're at a point now where we have a number of—the number is not as large as I would want. We've had about 300 prisoners released and issued with digital IDs over that period. We're at a point now where we need to make a decision about investment in terms of infrastructure, which is with a recurrent component as well. The acting commissioner and I are talking about ways of expediting that. There will be more coordination work to be done with other agencies. Whenever I have spoken to my colleague secretaries, there has been very instant buy-in and support. I think at next estimates—

Ms SUE HIGGINSON: I was just going to say next estimates, Mr Tidball.

MICHAEL TIDBALL: I will hopefully be able to talk about the permanent structure that we're putting around this because it's been highly effective, but it now needs to move to larger scale. We've used kiosks. We've had various workarounds which have been effective, but we now need to move to a permanent system. There are some decisions which the acting commissioner and I are talking about, but we'll be able to report on that. If we are going to assist offenders, as I say, to walk out that gate with the connections in place so that they don't unnecessarily circle back, digital ID is vital for the future. There is a plan developing to make sure that it is scaled now to stretch across 34 prisons across the State.

Ms SUE HIGGINSON: And food?

**LEON TAYLOR:** The Correctional Food Services Working Party is the group that oversights the meal production and nutrition within prisons. We serve and deliver 14 million meals a year, so it is at some scale. That group is chaired by an assistant commissioner. Justice Health are on there and dietitians. We have environmental health officers because it also looks after water treatment at a number of our facilities. Official Visitors is on there. Chaplains are on there. There's a whole range of people. They're responsible for the menu control plan that exists

across Corrections. That is reviewed every two years against the Australian Dietary Guidelines, and it's just getting updated as we speak. There are items that go on and items that go off. That review has just happened. I'm happy to provide it on notice as it's quite an impressive menu.

It'll be the one that's about to be superseded, but just to give you an idea of what prison nutrition looks like—they've just been through that. It involves an inmate survey as well. Cottage pie is coming off, and chilli con carne is coming on. Mexican beef is off. I walk around with inmates, and they complain about this meal, and they say this one is good. Just to really get into detail, that group are really focused on getting omega-3 into inmates' diets—particularly for violent offenders that's an important thing. So we were delivering a lot of tuna, tuna salad and those types of things which—just because we were putting it on the menu control plan—by the time they got to the inmates they were sloppy and inedible. We were producing lots of food that was going in the bin. We've been focused on quality of meals and, ultimately, delivering meals that are quality. Not just quality when we make them, but when we deliver them.

There is a lot of work happening. I'd be really interested in what's coming through your office coming to me, because if I'm getting one story and there's a different story, then I am keen to understand it. There's been a lot of work going on in the food space to increase quality. We've changed the packaging; we've changed how we produce food and how we distribute it. The area that we're heading into now is choice. Serco are ahead of the State in terms of meals. Up at Clarence, inmates, on their tablets, can choose their diet two weeks ahead. In the State, at the moment, you can't do that. Ultimately, we should end up with a system where, from a selected menu, inmates can choose their nutrition for the week, or two weeks, ahead. We're doing more self-catering options as well—particularly people in residential settings and in open custody can make their own meals as a group. That's happening in Clarence as well. It's also happening in a number of State facilities.

That's all part of the work that's been happening on nutrition as well. We spend a lot of money on food, and I get reports that inmates are using their buy-out for their base nutrition. Buy-out should be the things on top of the base nutrition that the State provides. That's why the focus has been really making sure that we improve the quality of meals. We've reduced the size of meals. Some of our meals were over 700 grams, which we were paying for, and were outside of the Australian Dietary Guidelines. We've automated some of our processes in terms of weighing meals. We have a clear cover rather than a cardboard cover so that we can provide inmates quality rather than quantity, necessarily. We make sure that the money that we're investing in meals is going to nutrition and not being thrown out and then families are ultimately funding inmates' nutrition through buy-out.

The Hon. AILEEN MacDONALD: On the question on notice with regard to the dollar figure for people on suspension, are you able to do a breakdown of, say, what the highest salary is? Not every single person, but just, say, what the highest and the lowest would be.

The Hon. JACQUI MUNRO: And the band.

**LEON TAYLOR:** Yes. We'll do something like that. We'll work out a way.

**The Hon. AILEEN MacDONALD:** For best practice for correctional policies, do you ever look outside Australia—say, maybe, the Netherlands or Scandinavian countries, which have a much lower rate of recidivism, and which prepare people to become good neighbours when they leave prison?

**LEON TAYLOR:** The Nordic countries certainly are quite progressive in their correctional systems.

Ms SUE HIGGINSON: They are. Let's be like them.

**LEON TAYLOR:** We spend a lot of time looking within Australia and New Zealand, and we look at the US less and we look at Europe, particularly, the Nordic countries. I don't know whether, Jen, you've seen any space looking there?

**The Hon. AILEEN MacDONALD:** I have one more on notice. Can you provide data on how many people leaving prison each year are able to receive post-release services that are run by community sector organisations? Also, how many people leaving prison are released into homelessness?

**LEON TAYLOR:** We'll provide whatever data we have.

MICHAEL TIDBALL: We're happy to agree to do our best. That's a challenging task, and to do it with accuracy is going to be challenging.

**LEON TAYLOR:** The Australian Housing and Urban Research report 2022 says that 54 per cent of inmates existing custody expect to be homeless on release. We do a lot of work beforehand. If we've got time now, it sits in Jen's area. We've got a new homelessness action plan that's being worked on, because that challenge is not lost on us. The challenge of housing is one in all parts of the community but affects inmates more than most of the public.

**The Hon. JACQUI MUNRO:** Ms McPhee, I had a question about the NSW space industry development strategy. It was reported in the media that the Government was planning to review this. Is that happening?

**REBECCA McPHEE:** The space industry development strategy, which was released in 2020, remains ongoing and hasn't, to my knowledge, been reviewed or replaced. So we continue to progress some initiatives under that strategy.

The Hon. JACQUI MUNRO: So there are no plans to override that strategy?

REBECCA McPHEE: Not that I'm aware of.

**The Hon. JACQUI MUNRO:** This is a question to Mr Head. Is there a deliberate policy of hiring generalists in the public service currently?

**GRAEME HEAD:** Not that I'm aware of, no. That would be a question for the Public Service Commissioner. But we hire specialists for specialist roles; we hire generalists for generalist roles. Since 2012 there has been a capability-based framework as the basis for recruitment the public sector. Each role has a set of capabilities. That might include specialist capabilities, depending on the nature of the role.

The Hon. JACQUI MUNRO: Can I finally ask perhaps Ms McPhee to put on notice the number of generalists in Investment NSW currently?

**REBECCA McPHEE:** I'm happy to take that question on notice, although, obviously, many of our staff have varied and myriad different skills and experiences, rather than technical qualifications.

**The Hon. JACQUI MUNRO:** I suppose I'm asking if there is a clause in the contract that stipulates that that person is allowed to be essentially redeployed anywhere across government.

**REBECCA McPHEE:** That is a standard clause in the senior service employment.

The Hon. JACQUI MUNRO: So every person has that?

**GRAEME HEAD:** When the former Government introduced the Government Sector Employment Act in 2013, one of the major provisions of that was around mobility and people being able to be assigned to roles for which they have the relevant capabilities. But it also allows for specialist recruitment. So everything depends on the set of capabilities required.

The Hon. JACQUI MUNRO: That remains the case now?

**GRAEME HEAD:** Yes.

The CHAIR: Are there any Government questions?

**The Hon. PETER PRIMROSE:** I only ask if there are any matters anyone would like to clarify before we finish. I won't put anything on notice.

**The CHAIR:** Before we finalise the hearing today, I make a short statement about a reference containing personal information regarding Ms Keli Lane made immediately before the lunch adjournment today. After the hearing, the Committee will be considering a request for redaction or expungement of this reference. I therefore urge members of the media and the public to refer to the published transcript before repeating or republishing this evidence. I thank our government officers for their attendance today and all their information and their time. The Committee secretariat will be in touch in the near future about any questions that were taken on notice or any supplementary questions. Thank you all for your amazing work and thank you for attending today.

(The witnesses withdrew.)

The Committee proceeded to deliberate.