PORTFOLIO COMMITTEE NO. 1 – PREMIER AND FINANCE

Monday 3 March 2025

Examination of proposed expenditure for the portfolio areas

INDUSTRIAL RELATIONS, WORK HEALTH AND SAFETY

UNCORRECTED

The Committee met at 9:15.

MEMBERS

Mr Jeremy Buckingham (Chair)

The Hon. Robert Borsak (Deputy Chair)
Ms Abigail Boyd
The Hon. Greg Donnelly
The Hon. Mark Latham
The Hon. Stephen Lawrence
The Hon. Chris Rath
The Hon. Emily Suvaal
The Hon. Damien Tudehope

PRESENT

The Hon. Sophie Cotsis, Minister for Industrial Relations, and Minister for Work Health and Safety

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 second hearing of Portfolio Committee No. 1 - Premier and Finance for the additional round of the inquiry into budget estimates 2024-25. I acknowledge the Gadigal people of the Eora nation, the traditional custodians of the lands on which we are meeting today. I pay my respects to Elders past and present, and celebrate the diversity of Aboriginal peoples and their ongoing cultures and connections to the lands and waters of New South Wales. I also acknowledge and pay my respect to any Aboriginal and Torres Strait Islander people joining us today. My name is Jeremy Buckingham. I am the Chair of the Committee. I welcome Minister Cotsis and accompanying officials to this hearing. Today the Committee will examine the proposed expenditure for the portfolios of Industrial Relations, and Work Health and Safety.

I ask everyone in the room to please turn their mobile phones to silent. Parliamentary privilege applies to witnesses in relation to the evidence they give today. However, it does not apply to what witnesses say outside of their evidence at 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 these procedures.

Mr SIMON DRAPER, PSM, Secretary, Premier's Department, on former affirmation

Ms SAMARA DOBBINS, Deputy Secretary, People and Workforce Group, Premier's Department, on former oath

Ms SONYA CAMPBELL, Deputy Secretary, Commercial, NSW Treasury, on former oath

Mr STUART FARQUHARSON, Interim Chief Executive Officer, icare, on former affirmation

Mr TONY WESSLING, Group Executive, Workers Compensation, icare, on former affirmation

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

Mr TRENT CURTIN, Acting Deputy Secretary, SafeWork NSW, Department of Customer Service, on former affirmation

Ms MARINA RIZZO, Executive Director, Industrial Relations, Premier's Department, sworn and examined

Dr PETRINA CASEY, Executive Director, Strategic and Corporate Services, SafeWork NSW, affirmed and examined

The CHAIR: I welcome all the witnesses. Thank you for making the time to give evidence. 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 1.00 p.m., with a 15-minute break at 11.00 a.m. In the afternoon we will hear from departmental witnesses from 2.00 p.m. to 5.30 p.m., with a 15-minute break at 3.30 p.m. During these sessions there will be questions from Opposition and crossbench members only, then 15 minutes is allocated for Government questions at 10.45 a.m., 12.45 p.m. and 5.15 p.m. We will begin with questions from the crossbench.

The Hon. MARK LATHAM: Minister, you have said publicly that SafeWork is a toothless tiger. What has gone wrong with SafeWork—a very important institution in our workplaces—and what are you doing to give it some teeth?

Ms SOPHIE COTSIS: Thank you, Mr Latham, for that very important question. If I can provide some context, particularly over the last 12 years under the former Government, SafeWork was entangled in a Better Regulation unit. Now, every government has the right to make decisions based on the commitments they take to an election and also for their own purposes. They will consider a whole range of options. I think, for the Labor Government—and we put forward a number of election commitments with respect to safety at work, whether it was banning silica or banning engineered stone. But with respect to SafeWork, if you do recall, Justice McDougall was brought in by the former Government after a relentless campaign by the now Treasurer with respect to icare.

Former Justice McDougall put forward a number of recommendations with respect to icare. One was about reviewing SafeWork NSW. Unfortunately, that had not been undertaken by the former Government. However, right at the end of its term, after campaigns by injured workers and workers throughout the State, former Justice McDougall was commissioned by former Minister Dominello, who commissioned this review. We were elected to government, and Mr McDougall provided us with 46 recommendations—a number of which we are implementing.

It is very important to note that there is currently a bill before the House about establishing SafeWork as a standalone tough cop on the beat. That bill is currently in the lower House. What we want to ensure is that it has come out—I haven't just sat on my hands over the last year and a half. We have moved SafeWork NSW out of the Better Regulation unit and it has sat under the Department of Customer Service. Now what we are trying to do is establish it as a standalone and also have a SafeWork commissioner and an expert advisory council.

Also, through the restructure that we have done—and I am sure that Mr Curtin will be able to advise you about some of the internal work that we have done in being front-facing, making sure that we have value for money for the taxpayers and, of course, those who pay their premiums, in having more inspectors on the ground and making sure that where we are getting requests for service, we are out there. I mean, there is a whole process to this, but I am looking forward to the day and hopefully you will be able to support our bill, as well, to have this standalone executive agency that is going to be a tough cop on the beat in making sure that employers, industry, workers—we are all working together for one purpose and that is keeping workers safe at work but also they are coming home safely to their families.

The Hon. MARK LATHAM: I have no doubt that your intentions are very fine indeed but moving it to a different bureaucracy and having a commissioner might not necessarily change the cultural deficiency at SafeWork. I had a bad experience with them with the asbestos problem at Castle Hill High School. I saw the documents and had the feedback showing the culture of SafeWork. Talking to other MPs over the past six years,

there is agreement about this. They have zero belief in accountability. It seems if a matter is too hard, it is easier for SafeWork not to pursue it. What are you going to do to change culture so it lives up to your promise of being a tough cop on the beat?

Ms SOPHIE COTSIS: Mr Latham, I, like you, formed that criticism. I was the shadow Minister for two years and I held that portfolio. Unfortunately, the former Government had a different view with respect to safety at work—I am not saying that their commitment to keeping workers safe was not altruistic, but in terms of the way they believed that having one regulation unit and shoving all of the regulatory bodies in one unit was going to fulfil their statutory obligations. We have—and I can pass on to Mr Curtin and he can provide you—the work that currently has been done over the last 18 months in terms of culture, in terms of the structures, particularly with the two reviews that have been undertaken: Justice McDougall's and also the Audit Office, which I had written to in opposition. I had written to them in opposition, asking them to conduct an investigation into SafeWork because, like you and like many others—and like injured workers—we were very concerned. I would sit at estimates time and again with respect to the questions that they were answering, with respect to a number of matters. I can put forward—and Mrs Cassaniti has talked about this a lot. She was very critical of SafeWork at the time. But, if I can hand over to Mr Curtin—

The Hon. MARK LATHAM: Perhaps Mr Curtin can take that on notice or we can deal with that this afternoon, because, Minister, your time is valuable to us as well as yourself. Moving to your time as Minister and responsibilities, have you read this report, *Out in the Open: Changing the Culture at Nine Entertainment*, published in October last year, which is a scarifying condemnation of workplace safety and mental health issues in the Nine Entertainment group?

Ms SOPHIE COTSIS: No, I haven't seen that report.

The Hon. MARK LATHAM: You haven't? Are you aware there are 3,000 New South Wales employees of the Nine Entertainment group? Have you seen any coverage or been briefed about the contents of this very damning report on workplace safety?

Ms SOPHIE COTSIS: I haven't seen that report, but I am aware there have been concerns with respect to employees of that company. I am certainly aware of those, yes.

The Hon. MARK LATHAM: Mr Curtin, have you read this report?

TRENT CURTIN: I have not read the report, but I have read a summary of it.

The Hon. MARK LATHAM: Will you undertake to read the report in full? I've been asked by a number of people inside this organisation to bring the workplace safety and mental health issues to the attention of the Parliament, which I'm doing today. Minister, there's a summary of the extent of the problem on page 8 of the report, where it lists the various divisions. The two worst ones, as you'd expect, are broadcast, or TV, and radio. In radio, two out of every three employees say that they've experienced or witnessed an abuse of power or authority. Half of them say they've experienced bullying, discrimination or harassment. That's basically, in our State, 2GB. In the television unit, 62 per cent of broadcast employees have experienced or witnessed abuse of power, and nearly 60 per cent have experienced bullying, discrimination or harassment. It's hard to imagine a more toxic workplace culture than this, with toxic outcomes for employees. Will SafeWork now undertake to read the report—that's a good start—and investigate what has gone wrong at Channel 9 for the sake of the 3,000 employees?

TRENT CURTIN: Mr Latham, whilst I've read a summary of the report, I can assure you we have taken action in relation to Nine Entertainment. As you might know, SafeWork NSW has the Respect at Work team, which is focused on improving sexual harassment in workplaces in New South Wales. When concerns were raised with us in relation to 2GB and when concerns were raised with SafeWork NSW in relation to that report, I initiated a request for service to have our inspectors attend Nine Entertainment. As part of those inspections, they were able to observe concerns in relation to workplace behaviour in Nine Entertainment. As part of those inspection processes, they set up a meeting with the board of Nine Entertainment. I went with our inspectors and met with the board of Nine Entertainment, and we had a discussion about the concerns there. They've made a very strong commitment to resolve the concerns that are in that report, and they've got some work to do to achieve that. SafeWork NSW inspectors issued improvement notices to enforce work health and safety laws in relation to those concerns. Those notices are still in the process of being complied with.

The Hon. MARK LATHAM: Has SafeWork accessed the background or confidential material that has been the subject of staff complaints that the perpetrators have not been identified to other staff and there is a fear that nothing is ever going to happen to them? There's a wad of material there from the background documents from the report. Has SafeWork accessed those to find out, in detail and confidentially, what has actually gone on?

TRENT CURTIN: Yes. SafeWork inspectors accessed a range of documents and also spoke with members of staff. They undertake regular inspections as part of these processes and speak confidentially with staff so that they can raise their concerns. That process was undertaken as part of this, and there's a lot of work being done at Nine at the moment to improve their approach to work health and safety. I know that they have brought in additional resources and they're taking the recommendations in that report seriously. We'll be monitoring their progress and making sure that they comply with those laws.

Ms ABIGAIL BOYD: Good morning, Minister and officials. Can we start with what I thought were quite unfortunate comments by the Premier at the beginning of last week in relation to flagging changes to workers compensation, which were made at a business event. Do you agree with the comments of the Premier at that event? In particular, there was a bit of a stigma vibe to his comments. Not only did he say that young people were particularly responsible for a jump in psychological injury claims, but he also said, "I am not saying that doesn't happen in workplaces. I'm sure it does. But there has been an exponential growth, particularly young people claiming this payout." It makes it sound very much like it's people having a go, as opposed to a very serious issue of psychosocial injury in our workplaces. What do you think about what the Premier said?

Ms SOPHIE COTSIS: I think that the Premier is absolutely right with respect to looking at this particular issue. Yes, he was at an important business chamber event. You're always going to have advocates, whether it's from business or injured workers—particularly in the workers compensation system—who raise serious issues, for government to consider very important matters. With respect to this particular matter, as you know, Ms Boyd, there has been an increase in psychological claims. The growth in psychological claims has increased exponentially. If I can take you to the findings of the Safe Work Australia's 2024 report, respondents aged 15 to 24 and 25 to 34 were most likely to report having very high or high levels of psychological distress. In the People at Work survey, psychological distress was lower than average in the 45 to 54 and 55 to 64 age groups.

Ms ABIGAIL BOYD: Can I clarify? That's just a survey, though; that's not the actual claims into icare.

Ms SOPHIE COTSIS: Yes, this is a survey. But, to put it into context, the Premier, the Treasurer and I care very much about the young people at work. We very much care about young people being safe at work. As Mr Curtin has stated, we have the Respect at Work unit in SafeWork. That was established by the former Government, and I acknowledge them for establishing that, knowing that there were issues with respect to the rise in issues affecting young people and particular cohorts in the workplace.

Ms ABIGAIL BOYD: Those comments from the Premier were that young people were particularly responsible for the huge jump in the number of psychological injury claims. But when you look at the icare report from last year, for instance, that isn't made out. There's a lot of discussion about it being increasingly driven by exposure to trauma, occupational violence and assaults, particularly in the emergency services sector. There's also reference later on in the data to the number of over-50s who are now claiming within the system. It's simply not correct to say that the pressures on icare are due to a rise in claims from young people in relation to psychological injury.

Ms SOPHIE COTSIS: The Premier was talking about a specific matter at a business summit, and it is in context. Young people do make up a cohort where we have seen the growth in psychological claims, and there are other workers as well, whether it's women who work in community sector work—but it's in the context. That's one extract that you've taken out from the St George Leader. If I can take you back to the data that I have—

Ms ABIGAIL BOYD: Sorry, to clarify, this is a survey. I'm talking about claims on icare.

Ms SOPHIE COTSIS: There are the findings of the Safe Work Australia report, and I've got icare claims data. On the proportion of psychological claims made by people under 40, in 2020 there were 1,714 claims reported—35 per cent of total psych claims made by workers under 40. It was 35 per cent back then. In 2024 there were 3,268. There's 40 per cent. Then the increase since 2020 has been 90 per cent. So there has been—

Ms ABIGAIL BOYD: Under 40s?

Ms SOPHIE COTSIS: There has been an increase—

Ms ABIGAIL BOYD: I think we have a different idea of who a young person is, at this point. Can we come to the issue that we have the Premier making a long-awaited announcement in relation to changes to workers compensation at a business summit, where he says, "The New South Wales Parliament will be looking to make changes in the months ahead and we're looking to the business community for support." When does a Labor Government choose to get support from business before even talking about a reform with workers?

Ms SOPHIE COTSIS: Ms Boyd, we've been talking about reforming workers compensation since the former Government made changes to workers compensation. The Premier is very committed to making sure that injured workers are at the centre of care, making sure that we have a sustainable workers compensation system. It

is the absolute responsibility of our Government and any government to review these schemes. Absolutely. Now, you've been—

Ms ABIGAIL BOYD: I appreciate that. That's why we've all have been waiting for it.

Ms SOPHIE COTSIS: You've been on the law and justice committee—

Ms ABIGAIL BOYD: But why haven't you been consulting with the workers?

The CHAIR: Order! The Minister is answering, so please give her the opportunity to answer, Ms Boyd.

Ms SOPHIE COTSIS: You're a member, aren't you, of the law and justice committee? You are, so you've heard extensive evidence over many years about the challenges that people face, particularly those who are on psychological claims. You've heard that evidence. The law and justice committee put forward a number of recommendations, which the Government is considering—has put forward a response to those recommendations.

Ms ABIGAIL BOYD: With respect, though, Minister, you're telling me things that I already know. We've been waiting for this reform for some time because of what's gone on in the past.

Ms SOPHIE COTSIS: Right.

Ms ABIGAIL BOYD: We have been waiting and waiting. We're told that no-one's been consulted.

Ms SOPHIE COTSIS: So, what, you're offended because the Premier of the State—

Ms ABIGAIL BOYD: Has said that he's already got these reforms in place, they're coming, can we have business support, but nobody—

Ms SOPHIE COTSIS: The Premier's been talking about this for—the Premier talks about this. He talks about this a lot.

Ms ABIGAIL BOYD: Which unions have been consulted on these changes?

Ms SOPHIE COTSIS: Unions raise issues with us all the time.

Ms ABIGAIL BOYD: Right, so they've not been consulted on these changes.

Ms SOPHIE COTSIS: Unions raise with us—there are unions throughout the last two years that we've been in government and previous—that there are concerns about people in the workplace who are bullied and harassed, intimidated. Where we have seen the rise in sexual harassment, unions have been raising this with us for a very long time and—

Ms ABIGAIL BOYD: But these specific changes that the Treasurer has confirmed he's been doing modelling on and the Premier has now announced and tried to get business support for, why have they not been consulted by—

Ms SOPHIE COTSIS: The Premier's been talking about—

Ms ABIGAIL BOYD: Sorry, let me finish my question. Why have you not consulted with the unions or the workers before going out to business?

Ms SOPHIE COTSIS: We speak to unions about a whole range of issues all the time. We speak to our workforce. We speak to the employees in the public service all the time about a range of issues. I established the whole-of-government return to work where we had public sector unions and public sector agencies working together, so we are able to look at—

Ms ABIGAIL BOYD: That's why we're so surprised—

Ms SOPHIE COTSIS: There are $3\frac{1}{2}$ —

Ms ABIGAIL BOYD: —that there's no consultation on this.

The Hon. GREG DONNELLY: Point of order—

Ms SOPHIE COTSIS: Do you want to hear what we have done?

The CHAIR: Order! A point of order's been taken. Mr Donnelly on a point of order.

The Hon. GREG DONNELLY: I'm loath to interrupt the flow of questions back and forth, but the member has to allow the Minister to answer the question.

The CHAIR: Yes, I uphold the point of order. Please don't interrupt. The Minister is giving an answer. It's directly relevant to the question. Please allow her the opportunity to conclude her answer before you ask another question, Ms Boyd.

Ms SOPHIE COTSIS: Ms Boyd, any changes to any bills or any—I consult to the nth degree, as people would know in this place.

Ms ABIGAIL BOYD: Normally.

Ms SOPHIE COTSIS: With respect to any—

The Hon. GREG DONNELLY: Point of order: It's very rude to cut in with statements like—

Ms ABIGAIL BOYD: Right, to the point of order—

The Hon. GREG DONNELLY: I haven't finished my point of order yet.

Ms ABIGAIL BOYD: The point of order needs to be made to the Chair, and not to me, Mr Donnelly. You're being aggressive and rude again. To the Chair.

The CHAIR: Yes, Mr Donnelly, if you would direct your—

The Hon. GREG DONNELLY: Don't be so offended. You're the one that cut in with the sarcastic comments to the Minister.

The CHAIR: Thank you, Mr Donnelly. All comments should be directed to me, through the Chair. Let's maintain decorum and respect for each other, and not interject when the witness is giving an answer. Minister?

Ms SOPHIE COTSIS: One of the most—can I finish this?

The CHAIR: You certainly can.

Ms SOPHIE COTSIS: I'm sure you'll ask me further questions. One of the greatest achievements of this Government is the whole-of-government return to work, which will form part of end-to-end, point-to-point work with respect to people in the New South Wales public service. Every single day we have over 3½ thousand excellent public servants in New South Wales that are on workers compensation. They have capacity to work and, because of a disconnection with agencies across the board, what we have done is we have brought a centralised process that will be run out of Mr Draper's agency and where we will be looking across agencies so we're able to place workers who have capacity to work. I'll have more to say about that, but that is something that we worked on very closely with public sector unions and the agencies, and we worked right across the issues that you've raised, Ms Boyd.

The Hon. DAMIEN TUDEHOPE: Thank you, Minister, for being here. You made some observations in relation to the privatisation of Parklea Correctional Centre. You said that's a decision which has been a long time coming and that you welcome Parklea going back into public hands. A long time, of course, is 15 years, isn't it? Fifteen years ago it was privatised, wasn't it?

Ms SOPHIE COTSIS: Mr Tudehope, as the Premier said yesterday at his press conference, that was a decision that was made by the former Labor Government—

The Hon. DAMIEN TUDEHOPE: Correct.

Ms SOPHIE COTSIS: —and sometimes we get things wrong.

The Hon. DAMIEN TUDEHOPE: Good.

Ms SOPHIE COTSIS: He said that.

The Hon. DAMIEN TUDEHOPE: At the time, of course, it was against Labor Party policy, was it not?

Ms SOPHIE COTSIS: What, the Labor Party platform?

The Hon. DAMIEN TUDEHOPE: The platform, yes.

Ms SOPHIE COTSIS: Right.

The Hon. DAMIEN TUDEHOPE: Is that true?

The Hon. STEPHEN LAWRENCE: Point of order: I'm just struggling to see how something that occurred 15 years ago, and its compliance with Labor Party policy, is relevant to the portfolio that we are examining today, and the budget that we're examining today.

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The CHAIR: I have some sympathy with the point of order. It's early on in the series of questions, and I think Mr Tudehope is building some context, so I'm not going to uphold the point of order. But if he could make it more pertinent, that would be helpful.

The Hon. DAMIEN TUDEHOPE: Would you agree with me that, at the time, it was a bad decision?

The Hon. STEPHEN LAWRENCE: Point of order: I think that it's now clear that he's not heading to a more relevant place and that he's, in fact, arrived at a place that is totally outside of the terms of reference that we're looking at.

The Hon. CHRIS RATH: To the point of order: This is a highly topical issue that's been in the media. There's been commentary already made by the Premier and the Minister on this issue, and the position that has changed from 15 years ago, today. It's an incredible line item in the budget, and I think it is highly relevant to this Committee to ask questions about it. The previous position informs the current position, and I think that it's well and truly within the scope of budget estimates.

The CHAIR: Yes, I won't uphold the point of order. I do think it's within the scope. It's very early on in what is likely to be a series of questions, and Mr Tudehope is building some context, so I will allow the question. Mr Tudehope, if you want to repeat the question so that we can—

The Hon. DAMIEN TUDEHOPE: Was it a bad decision at the time, Minister?

Ms SOPHIE COTSIS: Mr Tudehope, the Government made an announcement yesterday about bringing Parklea Correction Centre—

The Hon. DAMIEN TUDEHOPE: I am asking about that. At the time, was it a bad decision?

Ms SOPHIE COTSIS: Mr Tudehope, you're talking about a decision that was made by a previous Government. Your Government—when you were in government, you sold \$90 billion worth of assets. You sold energy companies, you sold desal, you sold—

The Hon. DAMIEN TUDEHOPE: Minister, my question was: Was it a bad decision at the time?

Ms SOPHIE COTSIS: The Premier at his press conference made a statement yesterday. I refer you to that statement.

The Hon. DAMIEN TUDEHOPE: Who was the Minister at the time, do you recall?

Ms SOPHIE COTSIS: Mr Tudehope, the Government has made a very important announcement about—

The Hon. DAMIEN TUDEHOPE: No, at the time that the original decision was made, who was the Minister?

The Hon. STEPHEN LAWRENCE: Point of order—

Ms SOPHIE COTSIS: I don't know how that's relevant to today's decision.

The CHAIR: Order! A point of order has been taken. Mr Lawrence on a point of order.

The Hon. STEPHEN LAWRENCE: I'm not in any way seeking to cavil with the earlier ruling, but in terms of descending into what is essentially a trivia question about the past, I fail to see the relevance of this.

The Hon. DAMIEN TUDEHOPE: I will come to why it is relevant.

The CHAIR: Mr Tudehope, in all honesty, you must know who the Minister at the time was, so let's—

The Hon. DAMIEN TUDEHOPE: Would you agree with me that John Robertson was the Minister at the time?

Ms SOPHIE COTSIS: If that's who you say it was.

The Hon. DAMIEN TUDEHOPE: It was a decision which was contrary to the Labor Party platform at the time?

Ms SOPHIE COTSIS: Mr Tudehope, the Government has made a very important decision—

The Hon. DAMIEN TUDEHOPE: I am asking you at the time.

Ms SOPHIE COTSIS: —and we have brought in Parklea Correctional Centre, and it is a very good decision. It is a very welcome decision, and it's an excellent decision.

The Hon. DAMIEN TUDEHOPE: Can I take you back to my question, Minister?

Ms SOPHIE COTSIS: I don't know how that is relevant.

The Hon. DAMIEN TUDEHOPE: I am asking the questions. Do you agree with me that it was contrary to the Labor Party platform at the time?

Ms SOPHIE COTSIS: The 2009 Labor Party platform?

The Hon. DAMIEN TUDEHOPE: Yes, in relation to the privatisation of a correctional institution.

Ms SOPHIE COTSIS: There is a platform on a whole range of essential services that—

The Hon. DAMIEN TUDEHOPE: Do you know or not know whether it was contrary to the Labor Party platform at the time?

Ms SOPHIE COTSIS: The Labor Party platform has a number of—

The Hon. DAMIEN TUDEHOPE: Do you know or not know whether it was contrary to the Labor Party platform at the time?

The Hon. MARK LATHAM: Point of order: This is one of the funny, frustrating things about estimates in that the questions are not hard to answer, and you should urge the Minister just to answer them. It was a bad decision because it has been reversed. The Minister doesn't know what's in the 2009 platform. Take it on notice and we can move on and save time.

The Hon. EMILY SUVAAL: To the point of order: The Minister can't get an answer out because she is being continually interrupted by the person asking the question.

The Hon. STEPHEN LAWRENCE: To the point of order: I wonder if the Minister might be provided with the relevant parts of it, if there is going to be this sort of sustained questioning on it. It is a pretty unfair question and, again, it is a dissent into trivia, is my suggestion.

The CHAIR: It isn't a very difficult question to answer, but the Minister is entitled to answer it how she sees fit. I won't uphold the points of order, but I would encourage the Minister to be more relevant to the question so we can move through a series of questions.

Ms SOPHIE COTSIS: I am happy to state that, under this Premier and under our Government, we do not support privatisation. It is very simple. We do not support privatisation, and what we have done is we have brought in Junee, and we have brought in Parklea Correctional Centre.

The Hon. DAMIEN TUDEHOPE: Minister, I hate to interrupt you—

Ms SOPHIE COTSIS: That's a good thing. That's a welcome thing.

The CHAIR: Order!

The Hon. DAMIEN TUDEHOPE: The Minister is not answering the question.

Ms SOPHIE COTSIS: I have just said that our Government does not support privatisation. You ripped out some of the best assets this State has seen: energy companies, desal, land and titles. You wanted to privatise five hospitals.

The Hon. DAMIEN TUDEHOPE: Minister, at the time, was it against the Labor Party platform?

Ms SOPHIE COTSIS: Look at what you have done with northern beaches. You have got a gall.

The Hon. DAMIEN TUDEHOPE: At the time, was it against the Labor Party platform?

Ms SOPHIE COTSIS: The Labor Party platform, for a number of essential services, has stated—and people have stated at conferences about being against privatisation.

The Hon. DAMIEN TUDEHOPE: Who was Mr Robertson's chief of staff at the time that the decision to privatise it was made?

The Hon. STEPHEN LAWRENCE: Point of order—

Ms SOPHIE COTSIS: Here we go. My goodness me.

The Hon. STEPHEN LAWRENCE: There seems to be a suggestion that who Mr Robertson's chief of staff was back at this point—in the early 2000s or whenever it was—is somehow relevant to the task before us. I would fundamentally disagree with that. How could a staff member position all those years ago be relevant? It is just not relevant.

The CHAIR: I am not exactly sure. I am disinclined to uphold the point of order at this stage because I don't know what I don't know. Mr Tudehope, if you could ask some questions that were maybe more relevant to the estimates inquiry and weren't based on something that was many decades ago.

The Hon. MARK LATHAM: The answer is Chris Minns. Let's move on.

The Hon. DAMIEN TUDEHOPE: Chris Minns was the chief of staff at the time, was he not?

Ms SOPHIE COTSIS: Mr Tudehope, governments of every persuasion make decisions, and that Government made a decision. The Government made a decision. Our Government has made a very important decision because it didn't work. Having correctional centres outside of the public service doesn't work. If you listen to what the acting commissioner said yesterday with respect to having courts and police that are part of our public service, and Corrective Services need to be part of our public service for—

The Hon. DAMIEN TUDEHOPE: Thank you, Minister. Do you recall that, at the time, on the Administrative Committee of the Labor Party in relation to reviewing that decision Anna Minns also took a role to confirm the decisions?

The Hon. STEPHEN LAWRENCE: Point of order—

Ms SOPHIE COTSIS: Mr Chair, that goes beyond. This goes beyond—absolutely beyond.

The CHAIR: Order! All right, Minister. I understand. A point of order has been taken.

The Hon. STEPHEN LAWRENCE: It is really the same point, but it is another step removed now. Apparently, the wife of the Premier having served on the admin committee—it's just absurd and risible.

Ms SOPHIE COTSIS: That is seriously outrageous.

The CHAIR: Order! It is up to me to decide what happens here.

Ms SOPHIE COTSIS: He needs to apologise.

The Hon. GREG DONNELLY: To the point of order: I think it is taking it to a new low to be drawing in individuals who are associated with—it is one thing to go after, so to speak, a politician, but it's another thing to go after a family member.

The CHAIR: I will uphold the point of order. I don't see how it is directly relevant to the inquiry into budget estimates this year. While I acknowledge, for Mr Tudehope, it might be good theatre for him to ask a range of questions he already knows the answer to, it is not actually benefiting us and the good conduct of this inquiry and this hearing. If he would ask some questions that he doesn't know the answer to, that would be very helpful.

The Hon. DAMIEN TUDEHOPE: I will come to a lot that she doesn't know the answer to.

The CHAIR: No, you. That's what I said.

The Hon. DAMIEN TUDEHOPE: In relation to the decision taken by the Fair Work Commission on 20 February this year, when a cooling-off period was granted by the Fair Work Commission in relation to negotiations with the RTBU, have any negotiations taken place since that day?

Ms SOPHIE COTSIS: Mr Tudehope, you probably, out of a lot of your former colleagues, know—you went through this process yourself. You were in and out of the rail bargaining throughout the 18 months duration under the former Government. At the moment we are in conciliation, and I am not going to provide a running commentary. I don't want to prejudice this matter. We need to resolve—

The Hon. DAMIEN TUDEHOPE: I am just asking if negotiations are continuing.

Ms SOPHIE COTSIS: As you know, the full bench of the Fair Work Commission made its decision with respect to an order of a cooling-off period under section 425. That decision—I am sure you have read the decision—provided for parties to go to conciliation. That was last Friday, so the process is ongoing. The process is—

The Hon. DAMIEN TUDEHOPE: Have you taken part in any of those conciliation meetings?

Ms SOPHIE COTSIS: The Minister doesn't turn up to a conciliation.

The Hon. DAMIEN TUDEHOPE: Have you been involved in providing instructions in respect of the manner in which the Government is participating in those conciliation meetings?

Ms SOPHIE COTSIS: Have you read the Fair Work Act with respect to the responsibility and the statutory obligation of the industrial relations Minister in New South Wales? Have you read that?

The Hon. DAMIEN TUDEHOPE: I am asking the questions.

Ms SOPHIE COTSIS: You are insulting me now. You really are. You really are insulting me. There are provisions in the Fair Work Act with respect to the responsibility of the State industrial relations Minister. If you're saying to me have I issued instructions—as the Government has stated in the public arena, we will consider all of our options, whether they are legal or otherwise, and we all have a role to play. I don't understand your—

The Hon. DAMIEN TUDEHOPE: You may have misunderstood my question. My question is in relation to the negotiations which are currently afoot. Let me put it to you another way: At the time of that action under section 425 which was being taken, the union seemed to indicate that there were only two or so matters which were outstanding, to be determined or to be resolved. Do you recall that that was their position?

Ms SOPHIE COTSIS: The union puts forward their position, but their—

The Hon. DAMIEN TUDEHOPE: Do you recall that that was their position—that there were only two matters? I think the \$4,500 payment and the safety clause were the two issues which they identified as being in dispute.

Ms SOPHIE COTSIS: Right, but—

The Hon. DAMIEN TUDEHOPE: Is that true?

Ms SOPHIE COTSIS: Mr Tudehope, at the moment, the parties are in conciliation, and there is a whole process, as you know, with respect to when you are negotiating. When you are negotiating with the rail unions, there are a number of unions, there are a number of parties, and the rail agencies and those rail unions are party to the enterprise agreement. We also operate under a different system than other public sector workers in New South Wales. You know that.

The Hon. DAMIEN TUDEHOPE: The Premier seemed to indicate there were many more than two issues which were outstanding between the Government and the union. Do you know what issues the Government says are outstanding between the union and the Government?

Ms SOPHIE COTSIS: There are matters that are currently before the Fair Work Commission through the conciliation process.

The Hon. DAMIEN TUDEHOPE: What issues are they?

Ms SOPHIE COTSIS: They are before the Fair Work Commission.

The Hon. DAMIEN TUDEHOPE: What issues are they, Minister?

Ms SOPHIE COTSIS: Mr Tudehope, they are before the Fair Work Commission, and both the Government—

The Hon. DAMIEN TUDEHOPE: You are the industrial relations Minister. Do you know—

Ms SOPHIE COTSIS: Here we go.

The Hon. DAMIEN TUDEHOPE: —what the issues are that are currently outstanding between the Government and the RTBU which need to be resolved? Do you know?

Ms SOPHIE COTSIS: Mr Tudehope, I'm not going to be lectured by you on industrial relations and matters before the Fair Work Commission. There was a conciliation process before Fair Work on Friday and, as you know very well, there are matters that will be ventilated. There are processes that are undertaken. You have a range of unions involved in this process, independent bargaining agents and the rail unions. The Government has very much put forward their position.

The Hon. DAMIEN TUDEHOPE: What issues are outstanding?

Ms SOPHIE COTSIS: It's in the public arena, in fact. Mr Tudehope, it's been put out there. We are now in conciliation.

The Hon. DAMIEN TUDEHOPE: I'm asking you—

Ms SOPHIE COTSIS: I really don't know what you're trying to get at.

The Hon. DAMIEN TUDEHOPE: Do you know what issues are outstanding? There's general interest, and this is something that the Chair has indicated. It's an interest I have in knowing whether you know what the issues are that are outstanding.

Ms SOPHIE COTSIS: The issues have been well ventilated out there in the media with respect to pay and some of those conditions.

The Hon. DAMIEN TUDEHOPE: What is it that remains to be determined?

Ms SOPHIE COTSIS: Those matters will be ventilated and will go through a process in the commission, which is where they should be. Whatever I say—and I'm very, very careful without prejudicing the proceedings. We all know that the Government has made it very clear with respect to this \$4,500.

The Hon. DAMIEN TUDEHOPE: Do you know what issues are outstanding? It's the third time I've asked you this.

The Hon. EMILY SUVAAL: Point of order: The Minister is continually interrupted while she's answering and being directly relevant to the question that is being asked. At paragraph 19 of the procedural fairness resolution, witnesses are to be treated with courtesy. I would ask that she be allowed to answer.

The Hon. DAMIEN TUDEHOPE: To the point of order: Perhaps the Minister can be just directed to answer my question, rather than another question. It is a simple matter that I've asked her, to tell me whether she knows what issues are outstanding.

The CHAIR: I can rule on the point of order. The Minister, it appears to me, is treading a fine line by not wanting to, as she says, prejudice these matters. She's entitled to answer or not answer in the way that she sees fit. You are entitled to continue to ask her that question—

The Hon. DAMIEN TUDEHOPE: I'm going to ask her.

The CHAIR: —but to do so in a respectful way.

The Hon. DAMIEN TUDEHOPE: Absolutely respectful. Minister, do you know what issues still need to be resolved between the Government and the union, or Transport for NSW and the union, to reach a resolution of this longstanding dispute?

Ms SOPHIE COTSIS: Mr Tudehope, we all want to see that this dispute be resolved. Absolutely we do. Commuters want certainty and stability. Businesses want certainty and stability. We need to make sure that we're doing everything we can to ensure that this dispute is resolved. However, there will be points of differences in these matters, as the Premier and as the Government have stated, with respect to that \$4,500.

The Hon. DAMIEN TUDEHOPE: Is that the only issue?

Ms SOPHIE COTSIS: There will be other matters. There were matters that were put forward at the conciliation on Friday.

The Hon. DAMIEN TUDEHOPE: What were those?

Ms SOPHIE COTSIS: I can't disclose that. The conciliation is where parties come in and have without prejudice discussions with the Fair Work commissioner, in front of Commissioner Matheson. I don't think that anything that I say will be very helpful, in terms of those proceedings. What we're urging is all the parties, the agencies and the rail unions, to work together in the interest of commuters and small businesses. In particular, we want to make sure that the 13,000 rail workers are provided with good pay and conditions, under a multi-year agreement. As you know, they come under a different system. We have to respect that system. I'm being very respectful—

The Hon. DAMIEN TUDEHOPE: I know that's a long answer, and I thank you for it. Can I just move on to another question? The protected industrial action, you sought an injunction in the Federal Court. Do you recall that?

Ms SOPHIE COTSIS: Yes. We got an interim—

The Hon. DAMIEN TUDEHOPE: It was a failed application. Do you recall that? The Government failed in its application.

Ms SOPHIE COTSIS: Yes, that's right. We weren't successful.

The Hon. DAMIEN TUDEHOPE: How much did those proceedings cost?

Ms SOPHIE COTSIS: I don't have a response for you. I'm happy to take that on notice. Just back to with respect to the Federal Court, we were successful in getting an interim—

The Hon. DAMIEN TUDEHOPE: And in the final application, it was dismissed. You got an interim order, but the final order was dismissed. Is that right?

Ms SOPHIE COTSIS: Right. What are you seeking? You're seeking the costs?

The Hon. DAMIEN TUDEHOPE: In relation to the protected industrial action.

Ms SOPHIE COTSIS: We'll take that on notice.

The Hon. MARK LATHAM: Minister, given its importance, do you undertake now, and also Mr Curtin, to read in full this report *Out in the Open: Changing the Culture at Nine Entertainment?*

Ms SOPHIE COTSIS: Yes, absolutely. Just to take you back to your point about Channel 9, I take those issues very seriously. Yes, as I said to you earlier, I am concerned. Obviously, these are operational matters and they're with our SafeWork NSW team. Mr Curtin has provided you with that information. I absolutely take that very seriously and I do undertake here, and to you and to the 3,000 employees, absolutely that I will definitely have a look at this. As I said, we have the Respect at Work Taskforce that has been going out. We've got a number of inspectors and a team that takes issues with respect to sexual harassment at work very, very seriously. We have a dedicated team. We have been doing quite a bit of work over the summer period with respect to the hospitality industry but, as Mr Curtin has said, we will definitely undertake to look at that report.

The Hon. MARK LATHAM: Have you been briefed, Minister, by SafeWork about the fact it's put inspectors in to talk to the board and employees in response to this report?

Ms SOPHIE COTSIS: I am aware, Mr Latham, that's—I have to be very careful with respect to live investigations.

The Hon. MARK LATHAM: I'm just asking you have you received a briefing about SafeWork's actions so far?

Ms SOPHIE COTSIS: I have been aware but, as I said, I have to be very careful in terms of live investigations.

The Hon. MARK LATHAM: I'm not asking you for detail about the live investigation. I'm asking have you been briefed prior to today on the information that Mr Curtin gave the Committee?

Ms SOPHIE COTSIS: Not over the last period, but I have been made aware.

The Hon. MARK LATHAM: Since October, when the report came out. I'll take that as a no. Minister, isn't this a problem? I thank Mr Curtin for the information he gave us, but in terms of giving SafeWork teeth and making them a tough cop on the beat, don't they need to move faster and harder in these instances? Part of that is public transparency. There are two things. One is that SafeWork has a history of taking forever to deal with matters and then nothing happens. The second one is, on its website, why doesn't it have a heading "Current Investigations" to put pressure on organisations to know they're being looked at, to give some comfort to the staff who've been abused and to pressure a change in culture?

Ms SOPHIE COTSIS: Mr Latham, as you're aware, we are currently going through a restructuring process. That bill, with respect to a standalone agency, it hasn't passed the Parliament. But we have been doing a lot of work in making sure that through this restructure we increase the number of inspectors, and we get people out on the ground. With respect to being accountable on the website, absolutely, but also I'm very mindful, though, of the legal responsibilities that we have in putting particular things out there. I'll refer to Mr Curtin with respect to the legal obligations that we have in putting forward investigations on the website. I understand you want a live "Where are we up to?". I get that. We are looking at that. That came through with the Audit Office and Mr McDougall's report as well, but it's how we do this.

The Hon. MARK LATHAM: The transparency is not great when you haven't been briefed, Minister, and if I hadn't asked the question nobody would have known that this action was taken. The best disinfectant is sunlight and obviously transparency.

Ms SOPHIE COTSIS: No, I have been made aware. Just to take you back, there are certain investigations that are undertaken that let that work be undertaken. There are certain investigations that I'll be made aware of but because of where they are—whether they're in court or whether further investigation has to happen—that work is currently being undertaken by SafeWork NSW.

The Hon. MARK LATHAM: I don't know what that means exactly. Mr Curtin?

TRENT CURTIN: In relation to the report, as I said to you before, I've read a summary of that report. Very importantly, and for anyone interested, to read of the conditions that some of the workers have shared and some of the concerns that they've raised in that report is really heartbreaking. We know that one in three workers have been exposed to sexual harassment in Australian workplaces. It's a really important piece of work for us to do at SafeWork NSW to ensure compliance with work health and safety laws but there's a lot more to be done in

our community around domestic violence, around bullying and harassment and sexual harassment in the workplace. We call on everyone to be engaged in that conversation and to help us with that. I commit to you, Mr Latham, that I'll read that report in full, because it's important to understand—

The Hon. MARK LATHAM: Okay. After five months, what's SafeWork doing at Nine Entertainment?

TRENT CURTIN: At Nine Entertainment we undertook inspection activities. That was a result of media concerns that were raised—that's the first time it came to our attention. I initiated requests for service for the team to go in and undertake compliance activities. As part of those, as I indicated before, I met with the board of Nine Entertainment to make sure that they were clearly aware of their role and responsibilities in resolving these issues. They've got a number of recommendations in the report that go to some of the foundational elements of what needs to be done to ensure compliance with work health and safety laws. They've complied with section 155 notices, which are notices to obtain information, so that our inspector could undertake a review of what systems they've got in place.

There's two improvement notices in place at the moment. One is for consultation mechanisms, which are due to be complied on 14 March. There's a second notice in regards to inadequate systems of work in relation to controls for risks where reporters are heading out to do news and current affairs in the field. That's also due to be complied on 14 March. More broadly, in terms of our respect at work concerns, we encourage anyone who's having concerns about sexual harassment or bullying in the workplace, where it's a work health and safety issue, to raise those concerns with SafeWork. They can do that anonymously on our website using our Speak Up app. These are very serious and tricky matters for us to progress and we do it with great diligence. Since 1 January 2023 to 31 December 2024, we've had 291 request for service for work health and safety concerns in relation to respect at work and sexual harassment in the workplace. We've done three advisory visits and we've done—

The Hon. MARK LATHAM: Yes, but I'm asking about Nine Entertainment. Do you agree, Mr Curtin, that it would be helpful to have a current investigations update on your website, for two purposes: to give comfort to the victims of these processes that something is happening; and, secondly, to add pressure to change culture? Because the Minister wasn't aware of all that detail; no-one was. Without compromising any investigation, can't you provide an update? Because the pressure and transparency certainly helps to put these people on notice that they need to change culture.

TRENT CURTIN: The board and the executives of Nine are well aware of their responsibilities due to the inspection compliance activities that were undertaken.

The Hon. MARK LATHAM: These are prominent people. They're not fools: Dimity Clancey, Deb Knight, Tom Steinfort and Amelia Adams. It's reported that Dimity Clancey was "incensed by the company's lack of action and complained that many Nine staffers had 'poured their souls out' for hours"—during two-hour interviews with investigators—"complaining about specific people," only for the network bullies to be given a free pass. Can you guarantee to the staff that the free pass will be withdrawn and anyone who's broken the law will actually be prosecuted?

TRENT CURTIN: Our role is in relation to work health and safety compliance. There's some deeper work to be done at Nine through the recommendations in the report. I recommend that they invest all of the resources needed, and the time and energy, to change culture at Nine. Where staff have particular concerns about breaches of the work health and safety law, I encourage them to contact SafeWork directly on 13 10 50 and report that through, so that we can make sure we can come and investigate those concerns.

The Hon. MARK LATHAM: But haven't you looked at the report and the background material to it identifying the perpetrators who potentially have broken the law? Shouldn't that have been done, five months after the publication of the report?

TRENT CURTIN: We have undertaken inspections into Nine. We've spoken with staff and we're working with Nine Entertainment—

The Hon. MARK LATHAM: Have you looked at the background document identifying the perpetrators and what they've done? Many of these people are still working in radio and TV. I know at one level there's political pressure or instinct to leave them alone, for obvious reasons, but if they're endangering work health and safety, it's your responsibility. Have you identified the perpetrators that've been outed in this particular report in the background information?

TRENT CURTIN: We've been working with Nine Entertainment to make sure that they've got the systems in place for independent reporting, independent investigation and cultural building, and that they've got the right capability in their people and culture team and the right systems in place to protect those workers.

The Hon. MARK LATHAM: What's the method that SafeWork normally uses to help an organisation change culture, particularly when this report gives very disturbing detail about a culture of cover-up? These broadcasters on air are very valuable commercial commodities to the company, so the instinct is to put them on a pedestal—which has encouraged the pig-like behaviour in the workplace—then protect them, because to hurt them hurts the company's profitability. How do you change that and break that culture of cover-up?

TRENT CURTIN: Nine Entertainment are well aware of the concerns that their staff have been raising with them. They've undertaken this review and they've committed to the recommendations in the review.

The Hon. MARK LATHAM: What's the SafeWork technique for breaking a culture of cover-up?

TRENT CURTIN: The SafeWork technique is to undertake—

The Hon. MARK LATHAM: Just tell them to do it? Or have you got some other recommendations that you impose?

TRENT CURTIN: We make sure that they comply with the laws by undertaking inspections, undertaking interviews and issuing notices to make sure they can send us documentation to demonstrate they've got the appropriate systems in place. If they haven't got the right systems in place, we issue notices to make sure they comply with our laws.

The CHAIR: Thank you, Mr Curtin. Ms Boyd?

Ms ABIGAIL BOYD: Thank you, Chair. Minister, can we talk about Snowy 2.0 and the hugely concerning events that have been occurring there, particularly in the last week and a half—the exploding ventilation fan. People were very lucky that there were no deaths. This contractor is a known offender. I would say it's abundantly clear that they're failing to provide a safe working environment. There's been a number of concerning incidents. Can you tell me how many safety concerns have been raised at Snowy 2.0 and what the regulatory response has been?

Ms SOPHIE COTSIS: Thanks, Ms Boyd. I know that you're very interested in and care very much about this matter. As we all know, this project has been operating for over six or seven years. There are hundreds and hundreds of workers who are down there. One of the concerns that's been raised with me over the last 18 months is about a whole range of safety issues from amenity to maintenance, to the way workers are working. There are a number of unions that represent workers down there. I've been working closely with one of the main unions, the Australian Workers' Union, and the other unions, CFMEU and ETU.

With respect to the AWU, I've had several meetings with them—with their organiser and with their delegates—and with our SafeWork inspectors as well, who are down there quite often. I have been made aware of these issues over the last 18 months and I have been following this through. Probably about three or four weeks ago, we had a meeting with Mr Curtin, AWU, HSRs and the organiser. They took me through some of the very serious matters that they were concerned about. These matters are raised through a process, as you know. HSRs raise these matters with the management, then management have to deal with these issues. There has been frustration between the HSRs, who just want to get on with the work and get on with the job, making sure that the safety issues that they're raising are being fixed. That's where the frustration is—that the safety matters are taking longer to be fixed, or haven't been fixed, or are delayed for all sorts of reasons.

From that meeting that we had a few weeks ago, there was a commitment on my part that we will put the resources required to urge the company—I know that Mr Curtin has got more details because he was down there last week. Can I say it is a miracle—but thanks to the workforce down there—that we haven't had anyone die. I'm quoting a number of the union officials down there. This company has to take their work health and safety responsibilities very, very seriously. We are going to go hard. I'm sick and tired of this company ignoring the improvement notices. I know that Mr Curtin has written to them and has also spoken to them, and we're putting forward a committee to ensure that this company—put the Snowy Hydro aside. The actual company that's doing the work are the ones that are not following our work health and safety processes.

Ms ABIGAIL BOYD: In terms of how many notified instances and how many PINs—

Ms SOPHIE COTSIS: Too many.

Ms ABIGAIL BOYD: Has the site been shut down now? Is that what I read last week? Until when will it be shut down?

TRENT CURTIN: In relation to the incident with the ventilation fan, SafeWork inspectors identified that there are serious concerns about the maintenance of those fans and the operation of fans. On their inspection of the fan that had disintegrated, it had a catastrophic failure and some of the metal had flown more than 30 metres from the fan, which is a potential serious injury or death that could have happened as a result of that. They also

observed other fans that were in a state of disrepair and formed the view that it wasn't safe for those types of ventilation fans to continue to be in use at the site. They issued six prohibition notices against the fans at the site. I understand, as a result of those prohibition notices, that some of the works at the site have been stopped.

Ms ABIGAIL BOYD: How many safety officer positions are at that site?

TRENT CURTIN: I understand that they employ somewhere around 22 health and safety people.

Ms ABIGAIL BOYD: How many are filled at the moment?

TRENT CURTIN: Verbally, I've been informed that 11 of those were filled.

Ms ABIGAIL BOYD: Do you know how long it has been since they had a full complement of those safety officers?

TRENT CURTIN: No, I don't know.

Ms ABIGAIL BOYD: Are they breaching rules or regulations for having not filled those positions, and only having half of what they're supposed to have?

TRENT CURTIN: Not necessarily in that respect, but we do have serious concerns about health and safety at the site.

Ms ABIGAIL BOYD: I might come back to that this afternoon. In the meantime, Minister, we are talking about ventilation fans. As you know, I've spent a long time—as have a number of other members of this Committee and the Standing Committee on Law and Justice—talking about the air quality in tunnels. We know that SafeWork has been aware for at least seven years of thousands of workers being exposed to unacceptable levels of silica dust in these tunnels. When do we finally take action against these contractors, who are clearly not capable of maintaining a safe workplace when it comes to tunnelling, to stop it from happening in the first place?

Ms SOPHIE COTSIS: Two points: the Snowy Hydro—we'll provide you with more information. Mr Curtin will provide you with more information this afternoon. I put that joint venture on notice. They have to comply with their notices. They have to get their maintenance logs up to standard. They need to take seriously what the HSRs say on the ground. They need to immediately rectify some of the work health and safety issues that have been brought to their attention. But we will not hesitate to take them on and go full bore, because I'm very, very concerned about the issues that have been raised with me. Mr Curtin will provide that further information to you this afternoon.

With respect to the matters that you've raised about tunnelling, tunnelling is important in terms of progress—it is progress—but also important for our productive economy. Productivity—it's very important. Tunnelling changes people's lives: small tunnels, bridges et cetera. My concern about this—and it has been brought to our attention again through the work of the law and justice committee, and workers' health experts who have raised these issues about the air monitoring process and the exceedances. We brought in a regulation last year with respect to exceedances, but also in terms of getting that information out there and the transparency. I agree with you 100 per cent. That's why I've set up an expert taskforce. I don't want it to be just a sit-there talkfest; it's about having people that I've invited—people like Dr Yates, who will be on the taskforce, and a number of agencies, a number of unions and medical experts. Let's bring the smartest people in the room.

We already have the data. We've got the data. The tunnelling code hasn't been updated since 2006. That's bad. We were in government at the time, then it was the Coalition, and we are in government now. Let's look at this. Everything is there; we just need to connect it and we need to coordinate. My concern is that you've got workers and young workers in those tunnels. We need to make sure air monitoring is done properly. We need to make sure that there's transparency about exceedances. But we also have to make sure that those workers are screened and that we know exactly where they're at in terms of their health. And we need to make sure that we follow through.

Ms ABIGAIL BOYD: That taskforce, which I did see was announced today, looks like a really positive step forward. When is it going to start operating? How many people are in it? What's the path for them actually getting in there and holding companies to account?

Ms SOPHIE COTSIS: As soon as possible. We've sent out the letters. We've invited the experts. We'll have a meeting as soon as possible. I don't want this to be a long process. Let's get a plan, let's execute this plan and get this done. It's already there. We've banned engineered stone. We support the Federal Government's import ban. But we're also doing other work. We've established a silica register. We've got a \$2.5 million taskforce: a unit of inspectors who are out there in workplaces with respect to looking at these issues. But we want to connect it all. I want the Dust Diseases Board and this SafeWork taskforce to work together with the relevant unions to

make sure that we get this right. At the end of the day, it's about making sure that workers are safe at work, but making sure that we know where they are with respect to their health.

The Hon. DAMIEN TUDEHOPE: Returning to the action in the Federal Court, you may or may not recall, Minister, that that action was predicated to seek an injunction against the taking of protected industrial action. It was based on the single interest employer authorisations for Sydney Trains and NSW TrainLink. That was the basis of the application, was it not?

Ms SOPHIE COTSIS: Mr Tudehope, I'm not sure what you're trying to relitigate here.

The Hon. DAMIEN TUDEHOPE: I'm just asking.

Ms SOPHIE COTSIS: I'm happy to refer you to Mr Draper.

The Hon. DAMIEN TUDEHOPE: Mr Draper, is that correct?

SIMON DRAPER: Yes, Mr Tudehope. Part of the cause of action there was that there was an argument—and it was certainly a strongly arguable case—that the creation of the authorisation—

The Hon. DAMIEN TUDEHOPE: Created a new entity.

SIMON DRAPER: —meant the existing PABOs were no longer valid.

The Hon. DAMIEN TUDEHOPE: Were you briefed in relation to that? Did you take that decision?

Ms SOPHIE COTSIS: Mr Tudehope, I've been involved in lots of meetings. I've been briefed. I've been involved in this process. I'm not sure what you're getting at.

The Hon. DAMIEN TUDEHOPE: I'm just asking were you briefed in relation to the impact of the single interest employer authorisation, which had been negotiated and approved by the Fair Work Commission, that it created a new entity? In those circumstances, the protected industrial action was invalid. That was the substance of the application. Did you authorise the commencement of proceedings in the Federal Court based on that material?

Ms SOPHIE COTSIS: Mr Tudehope, governments are presented with a series of options. Governments make decisions based on those options. I am not sure what you are trying to relitigate here. We are currently trying to resolve a dispute between the rail agencies. I am not the Minister for Transport. With respect to those matters, you can ask those questions of the Minister as well.

The Hon. DAMIEN TUDEHOPE: You are the industrial relations Minister.

Ms SOPHIE COTSIS: Yes, I know that very well. It is one of the greatest privileges of my life to be the industrial relations Minister in the Minns Labor Government. We have done so many things to make people's working lives better in this State. I am very proud of that work. I am not going to relitigate. We are in the Fair Work Commission. We are in conciliation. I don't want to prejudice any of the proceedings at the moment. I am happy to refer to Mr Draper, if he has anything further to add.

SIMON DRAPER: Only to say that the dealings on the single interest employer authorisations and the application to the Federal Court are both matters for the rail agencies, not for the Minister. The Minister made applications and interventions in other cases, but not those.

The Hon. DAMIEN TUDEHOPE: Except that the Premier's memorandum requires the Minister to authorise the bringing of the action, does it not?

SAMARA DOBBINS: The Premier's memorandum requires the Minister to be involved and provide advice in relation to those things, but not to authorise the action when it is made by the rail agency.

The Hon. DAMIEN TUDEHOPE: Were you advised in relation to this matter, Minister?

Ms SOPHIE COTSIS: I have been very much involved, very much briefed and very much in meetings. As you are aware, I have lodged a number of applications with respect to this matter. You're fully aware of that.

The Hon. DAMIEN TUDEHOPE: That's fine. What is the current status of the CRU's application to include light rail under the same single interest employer authorisation?

SIMON DRAPER: For that application—as I understand—there haven't been any substantive hearings on the matter. Is that correct?

SAMARA DOBBINS: That's correct.

The CHAIR: What's the acronym, sorry? CRU?

The Hon. DAMIEN TUDEHOPE: The combined rail unions. Minister, is the Government supporting that application?

Ms SOPHIE COTSIS: With respect to?

The Hon. DAMIEN TUDEHOPE: The single interest employer authorisation for light rail to be brought under Sydney Trains and NSW TrainLink.

Ms SOPHIE COTSIS: I am not sure what you are trying—

The Hon. DAMIEN TUDEHOPE: There is an application, under the Fair Work Act, to bring light rail under the same single interest—

SIMON DRAPER: Ms Dobbins might correct me, but the Government hasn't made any submissions in support of that application.

The Hon. DAMIEN TUDEHOPE: In principle, does the Government support it?

The CHAIR: To be clear, what do they support, Mr Tudehope?

The Hon. DAMIEN TUDEHOPE: Bringing the light rail under a single interest employer authorisation with Sydney Trains and NSW TrainLink.

SIMON DRAPER: Ms Dobbins has just clarified. The Government has not been asked to make any submissions one way or the other on that matter.

The Hon. DAMIEN TUDEHOPE: Can I ask you about the 471 notices, Minister? Do you understand what occurred in relation to the 471 notices that were issued to employees, advising them that if they took protected industrial action they would not be paid for that day? Do you recall that?

Ms SOPHIE COTSIS: That the rail agencies took out? Yes.

The Hon. DAMIEN TUDEHOPE: Were you consulted before they issued those notices?

Ms SOPHIE COTSIS: About the 471s—that if you don't work, you don't get paid?

The Hon. DAMIEN TUDEHOPE: No, that if you engage in protected industrial action you will not be paid.

Ms SOPHIE COTSIS: Since when did you become the trumpeter for the workers? You were part of the Government that brought in the wages cap. You had no bargaining process. You had no framework. There is no credibility.

The Hon. DAMIEN TUDEHOPE: Minister, do you understand that this rail union has got no relevance to the wages cap? Do you understand that?

Ms SOPHIE COTSIS: I very much understand that. But you were in government—

The Hon. DAMIEN TUDEHOPE: Can I just ask you again, did you authorise the issuing of the 471 notice by NSW TrainLink and Sydney Trains?

Ms SOPHIE COTSIS: The rail agencies are the agency.

The Hon. DAMIEN TUDEHOPE: Was it your position that if unions took protected industrial action, they should not be paid? Was that your position?

Ms SOPHIE COTSIS: The Premier and the Government have made that view very, very well known.

The Hon. DAMIEN TUDEHOPE: Do you support the Premier's view that if unions take protected industrial action, they should not be paid for that day?

Ms SOPHIE COTSIS: Absolutely.

The Hon. DAMIEN TUDEHOPE: Absolutely? Absolutely?

Ms SOPHIE COTSIS: I am absolutely with the Premier.

The Hon. DAMIEN TUDEHOPE: You agree that if they take protected industrial action, they should not be paid for that day?

Ms SOPHIE COTSIS: This was ventilated—and you would have read this in the decision with respect to the 425. We are the Government and we have made decisions. The Premier and the transport Minister have outlined this matter about the 471. If people are not performing their duties—it's like the nurses and midwives and

it's like any other union that takes industrial action—they do not get paid. I understand the principles of protected industrial action and the reasoning of protected industrial action in the Fair Work system. I understand that process and the principles. I understand the rights of working people. It is the one thing working people have in terms of withdrawing their labour. I understand that in terms of the framework of bargaining. But this is a Government decision. We are in the process now where we are in conciliation. We want to see this dispute resolved. We want to see commuters having stability and certainty.

The Hon. DAMIEN TUDEHOPE: All of which I agree with, Minister. But do you accept that protected industrial action may not necessarily involve withdrawing a day's labour?

Ms SOPHIE COTSIS: When unions put in their applications for protected industrial action, in terms of certain bans, they will do what they have to do.

The Hon. DAMIEN TUDEHOPE: Do you agree with the proposition—

Ms SOPHIE COTSIS: There is an application by the rail unions. I will correct myself if I am wrong on whether it is the CRU or just one of the unions, currently, with respect to the 471 and the payments. I am not going to get into a tit for tat. I am not going to do that. I do not want to prejudice any live proceedings at the moment. I absolutely support what the Premier has said.

The Hon. DAMIEN TUDEHOPE: There is a difference, is there not, between withdrawing your labour for the day and not turning up for work for the day and a protected industrial action that, for example, may mean that you took an extra break at a particular time to do something? You might have a 20-minute break for a meeting or whatever. There is a difference, is there not, between withdrawing your labour for a day and withdrawing your labour for 20 minutes?

Ms SOPHIE COTSIS: This has been ventilated in the public arena. There is no one size fits all.

The Hon. DAMIEN TUDEHOPE: Correct.

Ms SOPHIE COTSIS: When you are running a massive operation, as you know, like in rail, every role matters and all the jobs matter. In this instance, there is a highly sophisticated operation here. I understand that people absolutely have a right to take industrial action and—

The Hon. DAMIEN TUDEHOPE: But a go-slow is not the same as a strike, is it?

Ms SOPHIE COTSIS: I don't know what you are getting at. If they are not performing their duties—we have made it very clear. There is an application—

The Hon. DAMIEN TUDEHOPE: It was protected industrial action, Minister.

Ms SOPHIE COTSIS: There is an application currently before the commission. I am not going to add anything further that is going to prejudice the case.

The Hon. CHRIS RATH: Should a worker not be paid simply for not wearing their appropriate uniform?

Ms SOPHIE COTSIS: Seriously? I've read some of the anti-union stuff that you talk about. Really?

The Hon. CHRIS RATH: That's not the question, Minister.

Ms SOPHIE COTSIS: Listen, mate. I'm just a humble—

The Hon. DAMIEN TUDEHOPE: Minister, just answer the question.

Ms SOPHIE COTSIS: I'm just a humble hospitality worker, who happens to hold this office. This is one of the greatest privileges of my life, representing working people. I have seen the difference it makes in terms of representing working people, particularly in hospitality. Some of the things that you've said that are anti-union—

The Hon. CHRIS RATH: Thank you for the advertisement, Minister, but that wasn't my question.

The CHAIR: Minister, I draw you back to the question.

The Hon. CHRIS RATH: The question was, should a worker be paid simply for not wearing their appropriate uniform?

The CHAIR: Sorry, Mr Rath, was the question should they not be paid?

The Hon. CHRIS RATH: Should they be paid or not paid if they don't wear their appropriate uniform?

Ms SOPHIE COTSIS: But in what context? If you've got an example to give me—

The Hon. DAMIEN TUDEHOPE: That was one of the PIAs. That's a protected industrial action on this day.

Ms SOPHIE COTSIS: About wearing badges?

The Hon. DAMIEN TUDEHOPE: Yes.

Ms SOPHIE COTSIS: We haven't said anything about wearing badges.

The Hon. CHRIS RATH: Badges, T-shirts, uniforms. Ms SOPHIE COTSIS: Have you got a circumstance?

The Hon. DAMIEN TUDEHOPE: You issued a 471 notice that if—

Ms SOPHIE COTSIS: They're not getting paid because they're wearing their RTBU uniform?

The Hon. DAMIEN TUDEHOPE: —workers engaged in protected industrial action, they would not be paid.

Ms SOPHIE COTSIS: I don't understand. Wearing a badge or putting up a notice on the noticeboard is not withdrawing labour. If you're not performing the duty—I understand that one of the PIAs is wearing their campaign badges.

The Hon. DAMIEN TUDEHOPE: Correct.

Ms SOPHIE COTSIS: So are you saying that—

The Hon. DAMIEN TUDEHOPE: The 471 notice covered that?

Ms SOPHIE COTSIS: Are you saying that someone told them that they can't wear their union badge? Is that what you're getting at? Where people are not performing their duty, we've made it very clear. It doesn't matter what I think. The Fair Work Commission allows for partial work bans and the docking of pay if an employer decides there is an operational matter for the trains. But I don't understand what you're trying to—

The Hon. CHRIS RATH: The Premier said that any protected industrial action would ensure that the workers wouldn't be paid, if they engaged in it. If they don't wear their uniform, which is a type of protected industrial action, will that rail worker be paid or not paid?

Ms SOPHIE COTSIS: I haven't seen that comment in terms of the uniforms, but if you've got an instance where—you're saying their rail uniforms? They haven't been wearing their work uniforms?

The Hon. CHRIS RATH: Which is a type of PIA.

Ms SOPHIE COTSIS: I'll take that on notice. But with respect to the matter that you raised earlier, Mr Tudehope and Mr Rath, drivers were driving the train slowly, and that was the main reason for the 471. Also, in terms of the whole litigation process, that will be put before the Fair Work Commission. Again, I'm not going to prejudice these matters that are before the Fair Work Commission.

The Hon. DAMIEN TUDEHOPE: Perhaps we will move on to something else. Minister, have you played any role in fixing the bargaining parameters for the nurses and midwives award to include a maximum of 9.5 per cent over three years?

Ms SOPHIE COTSIS: I've been part of that process but, as you know, Mr Tudehope, we removed the wages cap and we set up a new bargaining framework. The health agency—and Mr Park was here last week. I respect the incredible work that the nurses and midwives do. Under your Government—

The Hon. DAMIEN TUDEHOPE: I can tell you, I'm one of their biggest advocates, Minister.

Ms SOPHIE COTSIS: They got 0 per cent during COVID. In our first year, in 2023, not only for the nurses and midwives but across the public service there was a 4 per cent pay rise. At the moment, as you know, they did receive an interim 3 per cent until this matter is resolved in the Industrial Relations Commission. They're in arbitration later this year.

The Hon. DAMIEN TUDEHOPE: On 1 April. Minister, the offer has now been reduced to 9 per cent, has it not?

Ms SOPHIE COTSIS: The offer to the nurses?

The Hon. DAMIEN TUDEHOPE: Yes.

Ms SOPHIE COTSIS: I'm not sure where you got that information from.

The Hon. DAMIEN TUDEHOPE: Am I wrong?

Ms SOPHIE COTSIS: There was an offer that was put to all public sector workers.

The Hon. DAMIEN TUDEHOPE: Has it been reduced to 9 per cent?

SIMON DRAPER: As I understand it, there was a 10½ per cent offer, comprising two half-per-cents in superannuation. It also included one-half of 1 per cent for signing on in a timely manner. That hasn't happened in the nurses' case.

The Hon. DAMIEN TUDEHOPE: So their one-half of 1 per cent has been withdrawn?

SIMON DRAPER: It hasn't been withdrawn. The offer is exactly the same as it was originally made.

The Hon. DAMIEN TUDEHOPE: Is it 9 per cent at the moment?

SIMON DRAPER: It's just as I described it just now.

The Hon. DAMIEN TUDEHOPE: Excluding superannuation, is the offer 9 per cent?

SIMON DRAPER: The matter's going to arbitration, Mr Tudehope. It's going to be settled there.

The Hon. DAMIEN TUDEHOPE: In relation to the fire employees and bus—I'll call them the firies.

Ms SOPHIE COTSIS: Haven't they made you a member yet? They've certainly provided you with a set of T-shirts.

The Hon. DAMIEN TUDEHOPE: Yes, they have.

The CHAIR: And questions.

The Hon. DAMIEN TUDEHOPE: It was reduced by 0.5 per cent in relation to their case, was it not?

Ms SOPHIE COTSIS: Mr Tudehope, again, as you know, the FBEU and Fire and Rescue have been in hearings. Further hearings will commence in a couple of weeks, during this month. The case is running, so I don't want to—

The Hon. DAMIEN TUDEHOPE: Was it your understanding?

Ms SOPHIE COTSIS: I'm certainly not going to put forward anything here because, as you know, there was a week of hearings in the Industrial Relations Commission—

The Hon. DAMIEN TUDEHOPE: Have you increased the offer at all?

Ms SOPHIE COTSIS: Mr Tudehope, they are currently in arbitration. The parties are currently in arbitration.

The Hon. DAMIEN TUDEHOPE: Is there any position from the Government that they will increase their offer?

Ms SOPHIE COTSIS: Mr Tudehope, the Government is trying to resolve this dispute with the FBEU. We have enormous respect for our firefighters and—

The Hon. DAMIEN TUDEHOPE: Can I just come back to the nurses. Prior to the election, was it your understanding that safe staffing ratios would replace an application for a pay rise? Was that your understanding?

Ms SOPHIE COTSIS: Mr Tudehope, the Labor Opposition at the time took to the election a very comprehensive industrial relations policy. As you know, the public sector unions, public sector workers, have been campaigning for the removal of the wages cap for a very long time, a new bargaining framework, and the re-establishment of the Industrial Relations Court, which we have done. As the Government has said, as the Premier has said, as the health Minister has said with respect to the nurses, because of the suppression of wages at the time—we've talked about this. You and I have talked about this at every estimates. However, the former Government had a policy, a wages suppression policy—

The Hon. DAMIEN TUDEHOPE: So have you.

Ms SOPHIE COTSIS: No, you had a legislated wages suppression policy and, unfortunately, a number of the workforce have sought for our Government to bring forward their wages after the 12 years of suppression. The Premier has made it very clear that we can't do that at this point in time. That's why we're seeking a multi-year agreement. We are in the commission. We have respect for the commission.

The Hon. DAMIEN TUDEHOPE: But there's a wages—

Ms SOPHIE COTSIS: We have respect for the nurses and midwives, and we will be awaiting the decision of the commission.

The Hon. DAMIEN TUDEHOPE: I could go on, but I think you probably—

The CHAIR: There's 30 seconds left, so maybe one question from the crossbench and I'll allocate it to the Opposition next time.

The Hon. MARK LATHAM: Minister, are you aware—again, coming to Nine Entertainment and specifically one of their TV shows—that the New South Wales police are investigating a man on the program *Married at First Sight* for toxic and violent behaviour? If the police are doing that, and given that this program has deteriorated badly over the years and a number of the contestants always say they've got mental health problems for being part of it, particularly given the pattern now of shaming and denigrating men and exploiting women on the program, what's SafeWork doing about it?

Ms SOPHIE COTSIS: The issues that you've raised, of course I'm very concerned about those. Absolutely, we want people to work in safe workplaces, but I'm happy to take that particular matter—and Trent will have a look at that matter you've raised.

The Hon. MARK LATHAM: Isn't this a chance for SafeWork to have the teeth and be a tough cop on the—

Ms SOPHIE COTSIS: This is what we're doing, Mr Latham.

The Hon. MARK LATHAM: Are you doing it, though, Mr Curtin?

Ms SOPHIE COTSIS: We've been in government—

The Hon. MARK LATHAM: I'm raising these things. I'm not seeing any action.

Ms SOPHIE COTSIS: As we keep saying, we can't change these cultures overnight, but we are certainly doing every single thing. Every single day that I'm in this role—and I'm very proud to hold this role—it's about ensuring that we have safe workplaces. Whether it is through regulation, through legislation, we will be tough. We have been able to get more inspectors to go out there. We will be more open and transparent with respect to the SafeWork standalone agency.

The Hon. MARK LATHAM: If the police are investigating, are you, Mr Curtin?

The CHAIR: Order! Thank you very much for that, Minister. The time being 10.46, the time for crossbench and Opposition questions has expired. I don't believe there are questions from the Government.

The Hon. GREG DONNELLY: No, we're banking ours.

The CHAIR: You're banking yours. Good to hear, Mr Donnelly. In the absence of some questions from the Government, we will have a recess and reconvene at 11.15 a.m.

(Short adjournment)

The CHAIR: We will now recommence the hearing with questions from Mr Latham.

The Hon. MARK LATHAM: Minister, would you agree that, under the former Government, SafeWork took far too long to undertake investigations and, generally, in the business community and in the workplace, its reputation wasn't strong enough for organisations to think to themselves, "If SafeWork is involved, it's serious, and serious things could happen here," and put them on notice that safety and workplace health arrangements can never be compromised?

Ms SOPHIE COTSIS: Mr Latham, there are three points I want to make to the question you have asked me. The first one is that I would like to acknowledge all of our SafeWork staff, particularly our inspectors, who have been doing really important work. And I want to acknowledge all of our SafeWork staff. They do important work. We are increasing the number of inspectors through a restructure process that has been undertaken under my watch, and Mr Curtin will be able to provide you with additional information. With respect to the former Government and the way it viewed SafeWork, I recall, even under Mr Greiner, Mr Fahey and previous Liberal governments, that SafeWork had a very different standing. It was independent and standalone, and it did have that gravitas and that stature where it did work across—particularly, the issues of safety were very different to conditions that we are confronting today. Of course, construction was one of the main areas of their involvement.

These issues have been ventilated when I was in opposition but, also, the two reports that have been put out—the Audit Office report and the McDougall report. The Audit Office report is quite scathing in terms of a

whole range of issues and the way things were done at the time. We are implementing those recommendations. We are doing a lot of work to improve not only the reputation—the standing. But I can say to you, hand on heart, speaking to a number of inspectors and officials within SafeWork, having spent some time with them on the road or at different work sites—and I am going to do a little bit more of that this year—that they value the work that they do. They are purpose-driven, and they really care about what happens to workers, whether it is on sites or whether it is workers in the community sector. Probably about a year ago SafeWork was undertaking a blitz with respect to the community sector around, particularly, the psychosocial aspect—harassment, bullying and intimidation. This is kind of a new sector over the recent times, and SafeWork is adapting to those changes in the workplace.

One of other things that I have instructed is that SafeWork—the benefit is that you have the Premier and a Government that now has a work health and safety portfolio and a Minister. I have both the agencies, icare and SafeWork, so what I have asked for from day dot—two years ago, when I was sworn in—is that they work together in sharing data and sharing information. Where we have what I call the repeat offenders—the cowboys who continuously do the wrong thing—we need to make sure that SafeWork and icare are working together and sharing that information so we can not treat those cowboys the same as we treat the employers that do the right thing. In terms of what you are saying with the Opposition, I just don't think they really understood the role of SafeWork and its importance not only in keeping people safe but also in terms of productivity—having good, healthy and productive workplaces. I think, yes, we had to come in and clean up their mess.

The Hon. MARK LATHAM: In terms of your own reform program, can I see commitments from you on three fronts? One, will investigations be at a faster pace and more intense? I saw, at Castle Hill, a deliberate attempt to slow down the pace of the investigation, and what should have taken three months took three years. Will they be sped up?

Ms SOPHIE COTSIS: Again, we will follow the recommendations of those two reports, and I can commit to you and to the Committee that, of course, we will use our resources in the best way possible. I hear what you are saying about accountability and having a progress update. I'll take advice on that because, with these live investigations, you don't want to be in a situation where you are prejudicing cases that are being prepared to go to court. But, in terms of what you are saying, yes. Absolutely.

The Hon. MARK LATHAM: Secondly, will you ensure that SafeWork has a stronger reputation among the business community and in workplaces for being fearless? Perhaps saying that they're being "feared" is the wrong word, but certainly an apprehension in the business community that, where SafeWork is involved, serious things are happening here and there could be a very serious outcome, so that businesses on notice give much stronger attention to workplace health and safety.

Ms SOPHIE COTSIS: I have been engaging with the business community and their representatives over the past couple of years and even prior to our election about the importance of safety in the workplace and the benefits that it has for workplaces. As part of the bill that is in the House, we will establish an expert advisory council that will have a number of business representatives as well as union and other experts and families of those who died. We will have an advisory council that will advise not only the SafeWork Commissioner but also myself, and they will also be held accountable, of course, by the Parliament, through myself, and also the law and justice committee.

The Hon. MARK LATHAM: But you are going to put the teeth back into them—that is what I'm saying—because you said they're toothless. It is a heavy criticism to say this agency is a toothless tiger. Are we putting the teeth back into them under the new commissioner?

Ms SOPHIE COTSIS: I want to acknowledge the work that has been done by Mr Curtin, Mr Head and all of our officials in SafeWork. We are turning this around. You can't do all of this overnight. As you know—just going back to your issue around the businesses—when we came in, I introduced a number of changes with respect to businesses who were insuring against fines and penalties that were issued to them by SafeWork. These are the loopholes that we have closed. And I will be very fair to one of the former Ministers in the Coalition who did start doing this work. It was Mr Anderson, and it was brought to him by Mrs Cassaniti, with respect to closing this loophole. There was some work done, and we actually fixed it. We have increased penalties, and we are making those changes. But you saw with the Qantas prosecution, SafeWork did take that on but, even back then, I did have my views with respect to—of course, SafeWork need to pursue further prosecutions. The Qantas one took about four years.

The Hon. MARK LATHAM: Yes, way too long.

Ms SOPHIE COTSIS: That's right.

The Hon. MARK LATHAM: My third one was transparency and accountability, but I think you have addressed that previously. Will you ensure that SafeWork has powers and processes in place to deal with companies that have a very entrenched culture of cover-up, which is the issue at Nine Entertainment? Back in the day at 2GB—now Channel 9—Ray Hadley put a young guy called Richard Palmer into the mental home and was suspended by the station manager. He appealed to John Singleton, who restored Hadley and then sacked the station manager. People at 2GB are worried, notwithstanding this detailed report, that that is the sort of thing is going to continue to happen in the future.

Ms SOPHIE COTSIS: What I can guarantee in executing my commission—and that is ensuring that we have a very strong safety regulator, that we change the culture, and that we work together with unions, business, industry and families of those who have been injured or deceased but, also, be more proactive and not reactive. Be more proactive. That's what I'd like to see. SafeWork know my views. I've had very strong views with respect to safety in the workplace, and I can guarantee you that we will do everything we can to ensure that we have—

The Hon. MARK LATHAM: I only mention those names because there was a court case that sets all the facts out. It's all on the public record.

Ms ABIGAIL BOYD: Minister, in August 2023, when the icare board bill was passed, I was given an assurance that you would establish an injured workers advisory panel on the icare governance structure. I understand that's not yet happened. Can you give us an update?

Ms SOPHIE COTSIS: I do recall and I did make a commitment that we would establish that committee. As you know, we have made a number of changes to icare and we've just recently put a bill through the Parliament with respect to ensuring that we have more accountability, but also that we make sure that we have the Treasury secretary on the board. What we've also been doing is we established the injured worker round tables that we have held with icare, SafeWork and SIRA, which you know is the regulator, and with the families of injured workers and those who've been deceased.

Ms ABIGAIL BOYD: I think the round table is great, but in relation—I'll just take you back to the question and the debate that we had in 2023 on that bill. I said it should be not as a one-off consultation or round table but as a standing consultative body. Then the Parliamentary Secretary in response said:

... the suggestion made by Ms Abigail Boyd that there be a standing consultative committee to deal with any ongoing issues and to provide real consultative input. I have spoken to the Minister and we are happy to implement that suggestion.

Ms SOPHIE COTSIS: I take that on board. Yes, through all the changes that we've been making—and as you are aware, I asked the Treasury to also conduct an operational expenditure review of icare and we've seen a number of savings. There were processes internally that we needed to make change. As you know, we do have the Nominal Insurer Advisory Committee. We do have a number of committees that come under the different schemes. With respect to your request, I'm happy for our acting CEO to provide you with additional information about that. What I've found from the round tables, I think they are valuable. I think they're very important in terms of having the agencies, the decision-makers, the regulator in the one room. One of the important matters that icare and the other agencies looked after is people's mental health, because having to recount their situations again and again in these types of forums, even though they're small groups, is quite traumatic. So I've taken some lessons from these round tables, but I'm happy for Mr Farquharson to provide—

Ms ABIGAIL BOYD: I will bring that up in the afternoon, but I just wanted to get from you that this hadn't been forgotten, that it was still in process.

Ms SOPHIE COTSIS: No.

Ms ABIGAIL BOYD: Just coming back on the workers compensation reforms that were flagged by the Premier last week, I understand that there will be a bill coming to Parliament at some point. Do you have a timeline for when that's anticipated?

Ms SOPHIE COTSIS: At this point in time, the Government will consider all its options. The Government will make whatever announcements and we'll consult with relevant stakeholders, but as you know through all the work that we've been doing, whether it's in making reforms to SafeWork, whether it's reforms to the industrial relations system, we're very open and transparent about our processes and our consultation. Particularly in terms of getting that feedback. At the moment, we all know that there has been a growth in claims. We know that.

Ms ABIGAIL BOYD: Sorry, my question, though, was will there be a bill coming? When will the bill be coming for this particular set of reforms to workers compensation?

Ms SOPHIE COTSIS: Ms Boyd, the Government will consider all its options with respect to any workers comp changes.

Ms ABIGAIL BOYD: We don't have a timeline at the moment for that particular bill?

Ms SOPHIE COTSIS: I can't provide you with that level of detail.

Ms ABIGAIL BOYD: That's okay, just if you did have one.

Ms SOPHIE COTSIS: As you know from our record, we will consult intensely and in a considered way with all key relevant stakeholders.

Ms ABIGAIL BOYD: Just in relation then to the psychological claims, which we know have been growing, but I understand the rate of growth has slowed slightly—

Ms SOPHIE COTSIS: Sorry, has what?

Ms ABIGAIL BOYD: Has slowed. The rate of growth in those claims, even though they're still going up, has declined. In any event, is it correct then that we're going to be looking at some changes when it comes to workers compensation for psychological claims?

Ms SOPHIE COTSIS: As you know, governments look at a whole range of policy matters. Workers compensation is one of those policy areas that we need to make sure that we're constantly reviewing, because we're talking about over 330,000 businesses who pay premiums. As you know, when we were first elected two years ago, one of the first things that I had to do was—what I was confronted with was increasing premiums for businesses up to 22 per cent. That's what I was left with. We made a decision to cap those at 8 per cent over the three years. We need to ensure that there is a sustainable scheme for workers. We need to make sure that injured workers are at the centre of care. Any particular changes—and we've done this over the last two years. We will consult widely, but we know that we do have challenges with respect to this growth in claims.

Ms ABIGAIL BOYD: In the past, as you say, you've been very consultative and we've had exposure drafts, discussion papers and other things released. Is that the intention in relation to any workers compensation reforms as well?

Ms SOPHIE COTSIS: The Government will consider all its options with respect to consultation. You've seen our timeline. The Government will make its decision based on information, modelling and considerations, but the Government will make its decision.

Ms ABIGAIL BOYD: The Premier did refer to the changes that have been made in Victoria, which have frankly been a bit disastrous. Are you able to give any assurance that we're not going to head down the same path as Victoria?

Ms SOPHIE COTSIS: Ms Boyd, I think we need to get to the crux of this issue, right? We need to get to the crux of this issue with respect to the growth in claims and particularly around the increase in psychological claims. We need to understand the causes. Why are we seeing an increase in psychological claims? What is the cause? A lot of these causes, bullying, harassment, intimidation, stress—

Ms ABIGAIL BOYD: Just on that, though, because the icare report does make it clear that most of the growth—I don't want to verbal them. We'll come back to it this afternoon. But the connection was with those people who were working on the front line, particularly in emergency services, and their increase in response to trauma and stress et cetera. Obviously, we don't want to have a workers compensation system that doesn't compensate our frontline workers.

Ms SOPHIE COTSIS: You're absolutely right and—

Ms ABIGAIL BOYD: Shouldn't we be more focused on prevention than trying to take away—

Ms SOPHIE COTSIS: You're talking my language now. There has to be an end-to-end with respect to workers compensation with respect to psychological claims. We absolutely need to do more work when it comes to prevention. I'm 100 per cent—we need to invest more in having safe workplaces and for employers to understand their obligation when it comes to bullying and harassment, intimidation and sexual harassment. You're 100 per cent right. It's something that I've been advocating for very strongly to the Treasurer, with respect to additional resourcing. Let me tell you: It's very tough when you come up to the Treasurer seeking funding. He's a very tough Treasurer.

Ms ABIGAIL BOYD: I'll add that to my list of things to beat him up about.

Ms SOPHIE COTSIS: I'm happy to discuss that further.

The Hon. DAMIEN TUDEHOPE: Before the break, Minister, I was asking you about whether staff ratios was in lieu of pay rises. Is that your understanding, if you delivered on staff ratios?

Ms SOPHIE COTSIS: Mr Tudehope, the Opposition at the time, as I stated earlier, made a commitment that we would remove the wages cap, that we would re-establish the Industrial Relations Court and that we would bring in a new bargaining framework. As you know, with every sector or portfolio—however you like to call them—there were a number of commitments that were made to those different sectors. I'm not sure what you're getting at.

The Hon. DAMIEN TUDEHOPE: I asked you whether the nurses and midwives were advised that if the Government delivered on new staffing ratios, that would be in lieu of a pay rise.

Ms SOPHIE COTSIS: Mr Tudehope, I want to be very clear that the Government made commitments about safe staffing levels. They made that commitment. Minister Park—you can refer to his responses—is the portfolio Minister responsible. The Government made that commitment. The Government also made a commitment prior to the election, in opposition, that we would remove the wages cap, set up a new framework and re-establish the industrial court. Fast forward to now, I'm not quite sure—we're in arbitration.

The Hon. DAMIEN TUDEHOPE: If anyone made a suggestion that anything above 9 per cent, which is currently being offered, is unjustifiable on the basis that they had received the benefit of new staffing ratios, that would be wrong, would it?

Ms SOPHIE COTSIS: They're two separate matters. An election commitment was made and is currently being implemented with respect to safe staffing. For the detail of that policy, I'll refer you to the Minister for Health. With respect to the new industrial relations system that we've set up, that is the framework that was supported—

The Hon. DAMIEN TUDEHOPE: Did the mutual gains bargaining system fail in relation to the negotiations with the nurses and midwives?

Ms SOPHIE COTSIS: No, I don't agree with that because—

The Hon. DAMIEN TUDEHOPE: Okay, that's fine.

Ms SOPHIE COTSIS: —the mutual gains bargaining is one part of this. As you know—

The Hon. DAMIEN TUDEHOPE: But it hasn't been successful in reaching a resolution, has it?

Ms SOPHIE COTSIS: We're in arbitration. There is a dispute with respect to the quantum. This is the first time in 12 years that a union—the Nurses and Midwives' Association—has had the opportunity to raise and to put forward their submissions through the arbitration process. Let that run its course. There's the independent umpire, and the Government will abide by its decision.

The Hon. DAMIEN TUDEHOPE: What's the current offer being made to the staff specialist psychiatrists?

Ms SOPHIE COTSIS: Mr Tudehope, as you know, the psychiatrists are in arbitration in two weeks time. It's been set down for a four-day hearing. This has been highly ventilated in the media and the—

The Hon. DAMIEN TUDEHOPE: There's an offer. Is the current offer 9½ per cent?

Ms SOPHIE COTSIS: The current offer is what the Government has put to—

The Hon. DAMIEN TUDEHOPE: It's part of the bargaining parameters that would have been approved by the IRC.

Ms SOPHIE COTSIS: Right.

The Hon. DAMIEN TUDEHOPE: What is the current offer?

Ms SOPHIE COTSIS: That's what we put to everyone, including—

The Hon. DAMIEN TUDEHOPE: So everyone is 9½ per cent, is that right?

Ms SOPHIE COTSIS: No, it's 10.5.

The Hon. DAMIEN TUDEHOPE: That includes superannuation.

Ms SOPHIE COTSIS: It was 10.5. The psychiatrists are seeking a 25 per cent wage increase in one year.

The Hon. DAMIEN TUDEHOPE: I understand that that's what they're seeking, but I want to get clear on what the current Government offer is. Can I ask you this. Were you consulted in relation to the proposal to ASMOF from NSW Health for a six-month pilot that would be conducted, subject to approval, with a view to enable additional salary increase or allowance on salary for staff specialist psychiatrists where Treasury-verified

savings are materialised through the productivity and efficiency measures? Were you consulted in relation to that proposal?

Ms SOPHIE COTSIS: Mr Tudehope, I'm very much aware of this dispute. My agency has been having, and I'm happy to refer to our excellent officials who've been involved with the process in trying to come up with a resolution—

The Hon. DAMIEN TUDEHOPE: But, as the Minister, were you party—

Ms SOPHIE COTSIS: I'm very much aware of everything that you're airing and ventilating; however, we are in arbitration in two weeks time. It's set down for a four-day hearing. Again, I'm not going to prejudice any of the proceedings. The psychiatrists in New South Wales do very important work.

The Hon. DAMIEN TUDEHOPE: I agree.

Ms SOPHIE COTSIS: They are valued, and the Government values their work and their effort.

The Hon. DAMIEN TUDEHOPE: Effectively, what was proposed to a union was a six-month trial of possible productivity and efficiency measures, with any prospect of additional remuneration postponed until the trial and subject to Treasury analysis. That's part of the new mutual gains bargaining system, is it?

Ms SOPHIE COTSIS: Mr Tudehope, in part of the bargaining process there'll be a number of considerations and there'll be a number of ideas. The difference between your Government and our Government is that we're committed to being innovative, to looking at different ideas and to listening to our workforce. I think it's really important. Listening to our workforce means that we're not going to agree to everything but that we're getting their perspective on working better, delivering the services that people care about and delivering world-class services for the people of New South Wales. Those conversations don't stop and end during the bargaining process. I'll give you an example. We've signed a multi-year agreement under the Crown employees award—90,000 employees in the public service. That includes thousands of Service NSW staff, thousands of park rangers, our wonderful community—

The Hon. DAMIEN TUDEHOPE: I'm concentrating on the staff psychiatrists.

Ms SOPHIE COTSIS: I want to give you—

The Hon. DAMIEN TUDEHOPE: In terms of the process, you tell us that the proceedings in the IRC have been expedited. Is that right?

Ms SOPHIE COTSIS: The matter with respect to the psychiatrists is before the independent umpire.

The Hon. DAMIEN TUDEHOPE: That was an expedited hearing, as I understand it.

Ms SOPHIE COTSIS: It's before the commission in two weeks time.

The Hon. DAMIEN TUDEHOPE: Who initiated the expedited hearing? Who initiated the application for an expedited hearing?

Ms SOPHIE COTSIS: What does that—we wanted to see—

The Hon. DAMIEN TUDEHOPE: Someone made an application for it. Who did?

Ms SOPHIE COTSIS: We wanted to see the matter resolved.

The Hon. DAMIEN TUDEHOPE: Yes, but who made the application?

Ms SOPHIE COTSIS: The Government has been to the commission.

The Hon. DAMIEN TUDEHOPE: Did the Minister for Mental Health make the application of her initiative or did the Industrial Relations Commission use its initiative to call the parties in? There are two different scenarios.

Ms SOPHIE COTSIS: But isn't this great that we have an active Industrial Relations Commission?

The Hon. DAMIEN TUDEHOPE: Absolutely.

Ms SOPHIE COTSIS: Under your Government, those things were not possible because—

The Hon. DAMIEN TUDEHOPE: The same provision existed under the previous Government.

Ms SOPHIE COTSIS: —there was a legislative restriction on what the Industrial Relations Commission was able to do.

The Hon. DAMIEN TUDEHOPE: It's a simple question, Minister.

Ms SOPHIE COTSIS: There have been a number of hearings in the commission with ASMOF. The commission is doing its job, and the Minister and the agency are doing their jobs.

The Hon. DAMIEN TUDEHOPE: So the commission, of its own initiative, called the parties in and has determined that this should be given an expedited hearing?

Ms SOPHIE COTSIS: We sought an expedited—the commission did bring it in, but we also sought to have this matter resolved as quickly as possible, which is what we want. We want these matters to be resolved. This is going in to the commission—

The Hon. DAMIEN TUDEHOPE: So, if the Minister for Mental Health claimed that she was responsible, that would be wrong, wouldn't it?

Ms SOPHIE COTSIS: The Minister for Mental Health is doing an excellent job. Under your Government, you had about 10 mental health ministers. You've got a mental health Minister who absolutely cares and is doing everything possible to ensure that this matter is resolved. As we have said—

The Hon. DAMIEN TUDEHOPE: I'm sure all that's true, Minister.

Ms SOPHIE COTSIS: It is. It absolutely is—someone who cares and is considered.

The Hon. DAMIEN TUDEHOPE: I'm putting to you this—

Ms SOPHIE COTSIS: But the matter now is before the Industrial Relations Commission. It is going to be deliberated in two weeks time. It's in arbitration and we will abide by the decision of the independent umpire.

The Hon. DAMIEN TUDEHOPE: Can I take you to the Fire Brigade Employees Union? In relation to the arbitration hearings involving them, is the current offer by the Government 9 per cent over three years?

Ms SOPHIE COTSIS: I refer you to my previous answer about the FBEU. We're in the middle of arbitration.

The Hon. DAMIEN TUDEHOPE: Is the current offer 9 per cent?

Ms SOPHIE COTSIS: No, it's not. We made an offer to all public sector workers.

The Hon. DAMIEN TUDEHOPE: I understand that. Is the current offer to the FBEU 9 per cent—yes or no?

Ms SOPHIE COTSIS: We made an offer to all public sector unions that was 10.5 per cent. We made that offer—

The Hon. DAMIEN TUDEHOPE: That includes super, though, doesn't it?

Ms SOPHIE COTSIS: They are currently in arbitration. I am not going to prejudice this case. We are right in the middle of the hearings.

The Hon. DAMIEN TUDEHOPE: Minister—

Ms SOPHIE COTSIS: No, we are in the middle of hearings.

The Hon. DAMIEN TUDEHOPE: It doesn't prejudice, Minister.

Ms SOPHIE COTSIS: No, because my words will get used. I'm not going to. We have worked so hard to get to this point.

The Hon. DAMIEN TUDEHOPE: Is there a counterclaim by the FBEU? What's their claim?

Ms SOPHIE COTSIS: I'm happy to refer you to our officials—

The Hon. DAMIEN TUDEHOPE: No, I'll come to the officials.

Ms SOPHIE COTSIS: —but I assume that they'll put forward the same thing.

The Hon. DAMIEN TUDEHOPE: Let me ask you this: Has the Government, in relation to that claim, which is now before the Industrial Relations Commission, offered any evidence pursuant to section 146 (2) (c) of the Act as to the fiscal position and outlook of the Government?

Ms SOPHIE COTSIS: Has the Government provided information to the commission with respect to the fiscal considerations and outlook?

The Hon. DAMIEN TUDEHOPE: That's the question.

Ms SOPHIE COTSIS: The Government has a responsibility to put forward its case.

The Hon. DAMIEN TUDEHOPE: So have they actually put a position on the fiscal position of the Government as part of its case?

Ms SOPHIE COTSIS: The hearings are currently underway.

The Hon. DAMIEN TUDEHOPE: I will go to you, Ms Dobbins. Has a statement been prepared on behalf of the Government in relation to its fiscal position?

SAMARA DOBBINS: Yes, Mr Tudehope.

The Hon. DAMIEN TUDEHOPE: Thank you. Will you table that submission, Minister?

Ms SOPHIE COTSIS: I have to seek legal advice. We're in the middle of proceedings. I'm not going to have this re-run because I do something that prejudiced the case. I'm going to get legal advice.

The Hon. DAMIEN TUDEHOPE: Subject to obtaining legal advice in relation to being transparent, Minister—and that is a big mantra of the Government; you want to be a transparent government—will you table the evidence which you have filed before the Industrial Relations Commission about the fiscal position and outlook of the Government in relation to the claim by the FBEU?

The CHAIR: I think the Minister has said, "Yes, subject to legal advice."

The Hon. DAMIEN TUDEHOPE: Can I just confirm it?

The CHAIR: Well, it is confirmed. That's what she said.

Ms SOPHIE COTSIS: I'm seeking legal advice. We are in the middle of an arbitration.

The Hon. DAMIEN TUDEHOPE: I just want the additional commitment that, subject to obtaining that legal advice, will you table it?

Ms SOPHIE COTSIS: Let me give you some advice: Why don't you go down there and sit and listen to the hearings?

The Hon. DAMIEN TUDEHOPE: Thank you.

Ms SOPHIE COTSIS: That's all right. If you're a supporter of the FBEU, you should go down there.

The Hon. DAMIEN TUDEHOPE: I just want to know, subject to obtaining the legal advice, will you table it?

Ms SOPHIE COTSIS: Mr Tudehope, I'm going to seek legal advice. We're in the middle of arbitration hearings and I'm not going to prejudice this case.

The Hon. DAMIEN TUDEHOPE: So your commitment to transparency—

Ms SOPHIE COTSIS: It has taken too long, too much time—

The Hon. DAMIEN TUDEHOPE: —is a hollow commitment, is it not?

The Hon. STEPHEN LAWRENCE: Point of order—

Ms SOPHIE COTSIS: —and too many resources.

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

The Hon. STEPHEN LAWRENCE: The Minister has now been asked that about five times. In my submission, it is getting discourteous to continue to press it.

The Hon. DAMIEN TUDEHOPE: I have to say that—

The CHAIR: What do you have to say? Is it to the point of order?

The Hon. DAMIEN TUDEHOPE: I wanted clarity about what the Minister's position is in respect of that particular piece of evidence.

The CHAIR: Can we just have it one last time, Minister: What is your position, so we can move on?

Ms SOPHIE COTSIS: Mr Tudehope, when this bill came to the House in November 2023, your side of politics opposed this. You said no, you were not supporting this. Now you want to revisit, relitigate and get the information.

The Hon. DAMIEN TUDEHOPE: Point of order: Chair, you asked the Minister a question.

Ms SOPHIE COTSIS: Seriously, you opposed this bill. The thing is that we have—

The CHAIR: The point of order has been taken. Is it to relevance?

The Hon. DAMIEN TUDEHOPE: It is to the relevance of the answer. You asked a specific question of the Minister and she should answer that.

The CHAIR: Yes. Minister, if I could draw you back to the question that was asked.

Ms SOPHIE COTSIS: I don't want to be disrespectful to the Committee, to yourself, Mr Chair, or to Mr Tudehope. Fair enough, we did put a provision in there that the commission has to consider the fiscal outlook and the budget—absolutely. The Government has a responsibility to ensure that we have a sustainable budget and that we can provide for the schools and hospitals, pay the wages and do all of the important things that we've committed to. As I said earlier, I'm going to seek legal advice. I'm not going to prejudice this case. We're right in the middle of hearings. There has been over a week of hearings and there are going to be further hearings, I think, next week. I welcome Mr Tudehope and anybody else from the Opposition to go and listen to these hearings because it's really important.

The Hon. DAMIEN TUDEHOPE: Has the mutual gains bargaining process failed in relation to the FBEU?

Ms SOPHIE COTSIS: As I said earlier, mutual gains bargaining is a new bargaining framework. It's part of the system that we instituted and that your side of politics didn't support. You opposed the bill, right? But this is the thing: This is about a mountain of claims because the former Government had a draconian wages cap that was instituted for 12 years. During COVID, the former Government provided these amazing heroes, the COVID heroes. Day in, day out, you'd tune in and you'd hear them talking about the COVID heroes. And what did they do? They gave them 0 per cent. So we tried to—

The Hon. DAMIEN TUDEHOPE: No, we didn't, in fact, Minister. The Industrial Relations Commission gave them 0.3 per cent.

The CHAIR: Order!

Ms SOPHIE COTSIS: If you think 0.3—

The Hon. DAMIEN TUDEHOPE: It's your system.

Ms SOPHIE COTSIS: No, it's not my system.

The Hon. DAMIEN TUDEHOPE: It was an Industrial Relations Commission audit.

Ms SOPHIE COTSIS: Mr Tudehope, with all due respect—

The Hon. DAMIEN TUDEHOPE: Minister, I want to ask you this.

Ms SOPHIE COTSIS: —it's a system that your side of politics abided for 100 years.

The Hon. DAMIEN TUDEHOPE: You've been the Minister for two years now. You gave a commitment that you would introduce presumptive cancer legislation for firefighters. When will you actually introduce that? You've given us a lot of other legislation.

Ms SOPHIE COTSIS: That's good, isn't it? You've supported some of it—not the industrial relations one that you keep going on about.

The CHAIR: Order!

The Hon. DAMIEN TUDEHOPE: When will you actually do something substantive in relation to presumptive cancer legislation for firefighters?

Ms SOPHIE COTSIS: I know you're sincere about this.

The Hon. DAMIEN TUDEHOPE: You gave a commitment.

The CHAIR: Order!

Ms SOPHIE COTSIS: I know you are sincere about this and you care about this matter. I have said it at previous estimates and I will put it on the record now as well. When I was the Opposition spokesperson, I sought, on a number of occasions, your support to add a number of dust diseases to the schedule. You did that. I want to commend you and thank you for doing that. That is going to save lives. To your point about presumptive cancers, the Government is considering all of its options. That is all I am going to say about that matter.

The Hon. DAMIEN TUDEHOPE: Is that all I can tell the firefighters?

Ms SOPHIE COTSIS: They are probably watching this and they are probably going to make a video, like they did last time. Hopefully my hair is better this time.

The CHAIR: Order! Thank you, Mr Tudehope. Your time is expired. We are turning to crossbench questions.

The Hon. MARK LATHAM: Mr Curtin, New South Wales police are investigation a program at Nine Entertainment called *Married at First Sight*. What is SafeWork doing?

TRENT CURTIN: I understand we have had a request for service to also look into it. We've allocated that to an inspector. The inspector will make inquiries, probably with New South Wales police and the PCBU.

The Hon. MARK LATHAM: Is it pending to make those inquiries, or has something already happened?

TRENT CURTIN: I have only been made aware that we have received a request for service. I am getting an update. I can come back to you this afternoon.

The Hon. MARK LATHAM: If you could take that on notice and inform the Committee, that would be very helpful. Further, with the broader work of the inspectors at Nine Entertainment in response to the report that is out in the open, when do you expect to have that process finalised?

TRENT CURTIN: The process is still underway. It will depend on compliance with the notices. The inspector will maintain a watch on that situation to see whether any further action needs to be taken. It is an ongoing matter at the moment.

The Hon. MARK LATHAM: What does compliance with notices mean? Could you provide that detailed information for the Committee, please?

TRENT CURTIN: For the two notices that have previously been issued, the inspector will need to see that those two notices are being complied with within the time specified, or if a request for an extension has been asked for, then that—

The Hon. MARK LATHAM: What date is that? Is that to give an explanation or an account of what has happened in the past or what changes they are making in the future? How does that work?

TRENT CURTIN: This is in relation to compliance with the legislation around consultation and the adequate systems of work in relation to reporters going out into the field to make sure they have got the right safe systems to work. Those two notices are due to be complied with on 14 March.

The Hon. MARK LATHAM: Is this process a bit different and made easier by the fact that you already have an existing and extensive report out in the open that was published and is publicly available? There is obviously confidential material in the background, but that has been publicly available since October. Each one of the 4,500 staff had the opportunity to participate, and 900 did. Obviously a large number of those staff are in New South Wales. Doesn't that make it easier to move faster with this particular matter?

TRENT CURTIN: When we became aware of the issues through the media, we initiated a request for service and had inspectors go out there to seek compliance. It's a large workforce and it's a large organisation. The inspector has been working through a methodical process to achieve those outcomes.

The Hon. MARK LATHAM: The organisation is the media. I suppose this started with the Darren Wick matters that were so high profile. There is obviously a litany of problems and cultural issues. Is it made easier by the fact that so much of this work has already been done in the report?

TRENT CURTIN: The inspector undertakes a range of checks. They will seek documentation. They will undertake interviews. They will seek to talk to staff. The whole process is made easier by all of the information obtained by the inspector.

The Hon. MARK LATHAM: Is this going to be an example of tough cop on the beat under the Minister's new outlook? Anyone reading the report—and I know you will in full—will be horrified by what they see. We know this is not a safe workplace and it needs remedial action as quickly as possible.

TRENT CURTIN: Unfortunately, Mr Latham, there are widespread concerns in workplaces where people are exposed to bullying. We know that the reports are telling us that there are many workplaces where people are exposed to it. We have set out a strategy and allocated specific resources. The Government has funded \$2.4 million per year for the SafeWork NSW Respect at Work Taskforce. We work with a whole range of other organisations to make sure that we are building capability in organisations, holding duty holders to account and, very specifically, where we do receive concerns and people are willing to come forward, our SafeWork inspectors, along with some other organisations, support compliance in those areas. There is a lot to do in workplaces to make sure that everyone can come to work safely and make a meaningful contribution without bullying and harassment in New South Wales.

The Hon. MARK LATHAM: Cultural change can be difficult. What success has SafeWork had in the past with this particular challenge of changing culture when there has been a very clear culture of cover-up?

TRENT CURTIN: The strategy that sets out our approach to respect at work has focused on education and advice and making sure we have got the right support systems in place. We've undertaken a huge number of education programs. We have published webinars for people to have a look at so people can become aware of our approach to work health and safety in relation to sexual harassment in the workplace. This year, we have shifted that to a more compliance-focused approach. We are building capability across our inspectorate so that we can address more sexual harassment matters and more psychosocial matters across workplaces in New South Wales. We have added some inspectors to our Respect at Work Taskforce so we can get more focused on these organisations. But there is a lot of work to do.

The Hon. MARK LATHAM: I am sure capability, education and advice make some difference. But isn't the biggest difference to actually bring perpetrators to justice? The basic problem you've got at Nine Entertainment is that these people—talent, they call them—are on air and are very valuable commercially. They have been built up and put on a pedestal. That, perhaps, explains part of their behaviour. [EVIDENCE OMITTED BY RESOLUTION OF THE COMMITTEE 3 MARCH 2025].

The Hon. STEPHEN LAWRENCE: Point of order—

The CHAIR: I will hear the point of order from the Hon. Stephen Lawrence.

The Hon. STEPHEN LAWRENCE: I am concerned about the procedural fairness resolution that applies to the reputation of third parties who do not have a chance to address this. It has been slipped in a pretty gratuitous way in an unrelated stream of questions. It is not an appropriate way to raise the matter.

The Hon. MARK LATHAM: It is not unrelated. I am suggesting that the perpetrators should be—

The CHAIR: Order! Using terms like "perpetrator" and adverse mentions of third parties fall outside the procedural fairness resolution, clearly. I do not have a copy of the report you are relying on. It is hard for me to know whether or not the report actually names those people.

The Hon. STEPHEN LAWRENCE: I don't think it does.

The CHAIR: I don't think it does. I will just get some advice.

The Hon. MARK LATHAM: Chair, just to let you know, I do have other documentation. I am happy to show the Minister and SafeWork. It forms the basis of my question.

Ms SOPHIE COTSIS: I do not think naming people in this environment is appropriate.

The CHAIR: I am just going to get some advice from the secretariat.

The Hon. MARK LATHAM: In a culture of cover-up—

The CHAIR: Order!

Ms SOPHIE COTSIS: That is your view.

The CHAIR: Order! Can everyone please calm down while I get some advice. To help us out, Mr Latham, would you be prepared to table the report that you have there?

The Hon. MARK LATHAM: The out-in-the-open report?

The CHAIR: Yes.

The Hon. MARK LATHAM: I can table it. It has been out in the open for five months.

The CHAIR: I understand that. But we did not know you were bringing it here today. It gives us an opportunity to look at it and consider what you have just said in the Committee. I am mindful that the procedural

fairness resolution states that we are to avoid adverse mentions of third parties. There is a course of action we can take if that has happened. Will you table that?

The Hon. MARK LATHAM: Yes, I have said that. It is a publicly available document. You can get a copy right now. I have one with me.

The CHAIR: We will avoid adverse mentions of third parties who are not here to defend themselves.

The Hon. MARK LATHAM: Isn't there a procedure where there is a right of reply for anyone?

The CHAIR: Yes, there is.

The Hon. MARK LATHAM: I think the people involved should avail themselves of that.

The CHAIR: They may well. But we can probably avoid mentioning them so we do not have to do that.

The Hon. MARK LATHAM: In a democratic forum, people who have a right of reply can take it. This is part of the standing orders that are well established.

The CHAIR: Yes, but the procedural fairness resolution is to be avoided unless absolutely necessary. I'm just reminding you of that. We will continue. We will have a look at what the report says and we will consider any further action down the track.

The Hon. STEPHEN LAWRENCE: In the interim, I wonder if we should resolve to suppress mention of those names and redact it from the video and so forth. That's happened in the past in a committee that I've been on. This is not the House. There is a different procedure in relation to third parties.

The CHAIR: That's exactly right; it is a different procedure. I want to have a look at the report, and then we will consider that.

The Hon. STEPHEN LAWRENCE: My understanding is they're not named in the report.

The CHAIR: I don't know.

The Hon. MARK LATHAM: I've said that, but I've got supporting documentation of very, very serious complaints—complaints, quite frankly, you'd be horrified to read—that I'm willing to make available to SafeWork and the Minister.

The Hon. STEPHEN LAWRENCE: This is the issue. It seems we're now going to get questions—

The CHAIR: Order! If we can avoid adverse mention of other—you may well have that, Mr Latham, but this Committee doesn't have anything before it. It is hard for me to know what you've seen. Nothing has been tabled. In that regard, we need to make sure that we offer procedural fairness to all people, and people who aren't party to these hearings. I'll have a look at what's in the report and we'll consider what other action to take down the track.

The Hon. MARK LATHAM: Mr Curtin, what is the approach SafeWork takes in ensuring that a culture of cover-up is not allowed to persist in this case?

TRENT CURTIN: SafeWork NSW works with a range of other organisations, including the Australian Human Rights Commission, New South Wales police, Domestic Violence NSW—a whole range of organisations—to support better behaviour and to reduce bullying and sexual harassment in workplaces. Our role is in relation to work health and safety laws and securing compliance with work health and safety laws. The role an inspector will take will be usually more systemic: to look at policies and procedures, to make sure that consultation is in place in workplaces when change is affecting workers, to make sure there are avenues for people to raise concerns. If workers are concerned about sexual harassment or bullying in a workplace, they can anonymously report to SafeWork NSW and we can take a look at the systems, but anonymous reports make it a little more difficult for us to look at the very specific areas within an organisation. It is a very challenging environment to operate in and our inspectors take a holistic approach to make sure work health and safety laws have been complied with.

Ms ABIGAIL BOYD: I note that a regulation was issued on 13 December allowing SafeWork inspectors to wear body-worn cameras. Do you consider that the footage obtained at the scene of a work health and safety incident or suspected breach is a valid and potentially useful source of information?

Ms SOPHIE COTSIS: Ms Boyd, that was raised—it's an operational matter, so I will refer that to Mr Curtin. Having had meetings with union representatives as well as inspectors on the ground, this is something that they've been advocating for for a long time. I understand, in terms of the footage, the material, the process—there is a process, but in terms of the actual detail, I'll refer to Mr Curtin.

Ms ABIGAIL BOYD: I will come to the detail this afternoon, but I think you're going to my substantive question. We've heard a lot, even in the dust diseases inquiry, about PCBUs not allowing union reps and others to wear body-worn cameras because it's not explicitly allowed under the Act. Will you commit to add a regulation or a provision into the Act to make it clear that union reps and safety officials are able to take footage or take photos?

Ms SOPHIE COTSIS: I don't want to give a commitment and be put on the spot without considering all the legal matters and the analysis and all that information. It's something that I'm happy to take on. I know that unions have made requests for a range of increased powers, but what I want to see is our SafeWork inspectors, who do go into workplaces, and on many occasions—and I hate to say this, but they are attacked. They are intimidated by some of the bosses. It's not right. I know that some of our inspectors have been bullied and been sworn at and pushed, and that's not how you speak to a public servant as well as an inspector in New South Wales. Whether you're a boss or whether you're a union official—because I know that there have been instances where it's not just bosses, but also union officials, where they're having issues around a particular safety matter. It's all round—there has to be respect all round.

Ms ABIGAIL BOYD: We welcome the body-worn cameras for the inspectors, but it just seems a bit incongruous when you have safety officials going in from the unions that aren't allowed to even take a photo of a clearly defective piece of equipment or whatever it happens to be, because they've been told by the PCBU they're not allowed.

Ms SOPHIE COTSIS: No, union officials have to abide by specific rules and those employers have to abide by those rules as well. Where union officials are collecting evidence, particularly around safety, their work should not be hindered by employers and should be allowed to put up. I know Mr Curtin has had a number of occasions where—and I have heard this as well by inspectors whose work has been hindered, but also union officials who had their work hindered, and HSRs as well. The other thing, in terms of the health and safety representatives on the ground, is you've got to remember that these people are employed by the company. There is a power imbalance between the HSR and the bosses. That's why you have the delegate and the next point of call is the official. I know that in certain circumstances the official will work with SafeWork to get an outcome, because we want to make sure we're protecting the HSRs, but we shouldn't have to come to that point.

Ms ABIGAIL BOYD: Would you maybe take on notice the consideration around whether or not there could be a bolstering of the Act or something to make it explicit?

Ms SOPHIE COTSIS: I can't give you a yes or no. In part of our discussions with the unions—I'm happy to consider it, but I can't give you a definitive answer.

Ms ABIGAIL BOYD: Moving on, when the industrial manslaughter offence came in, we were given an assurance there would be a separate identifiable team within the DPP who would have that specialist knowledge on prosecuting industrial manslaughter. I asked the DPP about this last Friday and she said, "Still sorting out the funding for that." What is the status of that? Are you concerned that it has not been established yet?

Ms SOPHIE COTSIS: As you're aware—and I know you are very supportive of this, and everyone here, may I say, was supportive of the introduction of establishing an offence of industrial manslaughter. Where we're up to with the DPP, I'm happy to defer to our officials. If it's a matter of resourcing, I'm happy to take that on board, but I know that there has been work between the agencies. Mr Curtin, have you got any further advice?

TRENT CURTIN: We have been meeting with DPP. I can't speak to any resourcing requirements in DPP, but we've been working through a process to allow SafeWork to refer category 1 matters and industrial manslaughter matters.

Ms ABIGAIL BOYD: On the funding issue—again, I'm looking to know who to hassle about the funding. Maybe it's the Treasurer.

Ms SOPHIE COTSIS: The Treasurer is here on Wednesday.

Ms ABIGAIL BOYD: Okay, I will take that up then.

Ms SOPHIE COTSIS: There's another one for you.

Ms ABIGAIL BOYD: The crash of the RFS large air tanker in Cooma five years ago—I understand that there have been some concerns from the widows of those who were tragically killed, who have been unable to navigate the system for compensation. Are you aware of whether any support has been given to assist those family members and whether they're able to claim a lump sum death benefit under the New South Wales scheme?

Ms SOPHIE COTSIS: This is the water tank matter, isn't it?

Ms ABIGAIL BOYD: The air tanker, yes.

Ms SOPHIE COTSIS: The council that was run by the Snowy—sorry, I don't want to—

Ms ABIGAIL BOYD: That's all right. It's Cooma, and Coulson Aviation is the contractor.

Ms SOPHIE COTSIS: Ms Boyd, sorry, I just said Snowy. It's probably another matter, so can I retract that? But can you give me the name of the company?

TRENT CURTIN: Ms Boyd is referring to a Rural Fire Service large air tanker that crashed and any support. From a SafeWork perspective, I'm not aware of any current ongoing issues and relationship with the family. I can find out whether we have any and whether icare have. It's separate to the matter that the Minister's referring to.

Ms ABIGAIL BOYD: I understand that the widow of one of the US pilots is suing the RFS for negligence in the Supreme Court and that public money is being spent on that RFS defence through icare. There seems to be a bit of a gap in terms of providing any sort of benefits to those widows.

Ms SOPHIE COTSIS: In terms of the death benefits?

Ms ABIGAIL BOYD: I just wanted to check you're aware.

Ms SOPHIE COTSIS: I'm happy for us to have a look at this to provide you with that information after, so you're not wasting your time. We'll take that on notice and if we've got that information for you—after lunch. Otherwise, we will speak, because I want to find out the whole issue so we can try to help.

Ms ABIGAIL BOYD: In relation to the bill for SafeWork—which we're really pleased to see coming through—and the SafeWork board, it is excellent that the bill has the proposal of unions nominating some of those members, and there's a bunch of other members to be appointed by the Minister. I understand that three of the five regulatory priorities effectively relate to construction and the construction industry, including things like falls from heights. Will you ensure that the board composition reflects those priority areas?

Ms SOPHIE COTSIS: I'm very pleased that we can establish this advisory council. It will be filled with experts. I'm looking forward to seeing the nominations, and we'll consider all the nominees. I hear what you're saying. Absolutely, construction—particularly falls from heights—is one of our key areas. It's something that I'm very passionate about, particularly young workers on building sites. We're seeing serious injury. Certainly, I hear what you're saying. We will consider all of those nominees.

The Hon. DAMIEN TUDEHOPE: Minister, when I was asking questions previously, I raised with you the issue in relation to presumptive cancers. You may be aware that the FBEU is seeking coverage for ovarian, uterine and cervical cancer, as well as lung and skin cancer. It has been two years since we first ventilated this matter and since you've been the Minister. In fact, in the November 2023 budget estimates, you told me, in response to a question along similar lines, that you would be working together with your colleagues who have responsibility in this area—that's Minister Dib, Mr Chanthivong and the Treasurer—in a coordinated and collaborative approach to make sure we get it right. That is almost identical to the answer you've given today. Where is the hold-up?

Ms SOPHIE COTSIS: The Government will make its considerations, and we hope to come to some position, but we will consider. I know that this has been an ongoing campaign by the FBEU and its supporters, including yourself and colleagues across politics. Of course we are very concerned about these issues, but the Government is considering all its options.

The Hon. DAMIEN TUDEHOPE: Minister, I know you're a very sensitive Minister in relation to these sorts of issues, where people's lives are involved. But two years—people die in that period of time when they do not have the benefit of being able to make the relevant claim. Would you agree with me that this is just too long?

Ms SOPHIE COTSIS: The Government has been reforming many areas in industrial relations. We've got an offence of industrial manslaughter; we're making changes to SafeWork. I know that this has been something that the FBEU have been campaigning for, for a very long time. Yes, there are firefighters who are currently going through the workers comp system process because they are being affected by particular cancers at work. I hear what you're saying. But I'll keep repeating this: The Government is considering all its options.

The Hon. DAMIEN TUDEHOPE: I asked you where the hold-ups are. Is the Treasurer the hold-up? He is, isn't he? The Treasurer is the hold-up.

Ms SOPHIE COTSIS: I have enormous respect for the Treasurer. The Treasurer is a fine Treasurer, and he is working day and night to ensure that we have a sustainable budget and that we fulfil all our election commitments. Alongside the Treasurer, I know that the Premier, Minister Dib, our colleagues and I are very

passionate and committed to this policy. But there are many proposals that have been put to the Government. As you know, they go through a process, and we are considering.

The Hon. DAMIEN TUDEHOPE: I think you probably are getting to the position where the Treasurer is the problem.

Ms SOPHIE COTSIS: No. No way.

The Hon. DAMIEN TUDEHOPE: I won't put that. Could I identify the problem differently? The Treasurer thinks this is too expensive, doesn't he?

Ms SOPHIE COTSIS: I'm not going to verbal the Treasurer. In our deliberations, work, as you know—and I've said this at previous estimates and you've spoken to the Treasurer at estimates and he'll be here on Wednesday.

The Hon. DAMIEN TUDEHOPE: So will I.

Ms SOPHIE COTSIS: He will do what he has to do. He has to do his work, and the Government will consider all its options. The Treasurer is a fine Treasurer. I'm saying this before the budget.

The Hon. DAMIEN TUDEHOPE: But we were considering all our options in 2023. Here we are in 2025 and we're still considering our options.

Ms SOPHIE COTSIS: We were.

The Hon. DAMIEN TUDEHOPE: When are you going to be able to say we've landed it?

Ms SOPHIE COTSIS: We're very committed and we've taken on a number of commitments. This is a proposal that was put to us, and I understand that there are, as you said, a number of primary site cancers that have been put to us by the FBEU. The Government is entitled to do its modelling, do its work and work through those processes. The Government is considering all its options.

The Hon. DAMIEN TUDEHOPE: Minister, I want to go to staff specialists in public hospitals. Were you consulted before NSW Health proposed the abolition of the 25 per cent emergency physician's allowance, which was introduced by the Liberal-Nationals Government?

Ms SOPHIE COTSIS: Sorry, your question is?

The Hon. DAMIEN TUDEHOPE: The 25 per cent emergency physician's allowance is proposed to be abolished by your Government. It was introduced in 2015. It was specifically to address a crisis in the provision of emergency medicine in the New South Wales public health system. Have you been consulted about the removal of that allowance?

Ms SOPHIE COTSIS: I'm happy to take that on notice.

The Hon. DAMIEN TUDEHOPE: Good, thank you. How do you respond to the recent communication from ASMOF to its members in relation to the staff specialists award that the Minns Government is leaving them with no option but to strike—strike or accept an appalling award? This is staff specialists in public hospitals going on strike. Does that concern you, Minister?

Ms SOPHIE COTSIS: What concerns me is that we were left with a big mess under your Government, and we've got a lot of work to do. With respect to the communiqué that you've stated, I haven't seen that. I'm happy to take that on notice. The Government has put forward our offer. They are currently in discussions with Health, and I'm happy to take that on notice.

The Hon. DAMIEN TUDEHOPE: Minister, the NSW Treasury circular 14-23, which is wonderfully titled *Consultative Arrangements Policy and Guidelines 2012*—in that document it is proposed that the Minns Labor Government is:

... committed to consulting with employees and their representatives, including unions, at both agency and the sector-wide level in relation to proposed major changes in the workplace that are likely to have a significant effect on employees.

Do you endorse that provision?

Ms SOPHIE COTSIS: From our Government? Yes.

The Hon. DAMIEN TUDEHOPE: You would, as a matter of principle, say that that is something that is adopted by your Government?

Ms SOPHIE COTSIS: Through our excellent industrial relations officials, we now have a process where agencies have a responsibility to consult with their workforce, with their unions, and that's a massive priority for the Government.

The Hon. DAMIEN TUDEHOPE: How many applications are currently before the IRC asserting that the New South Wales Government, or its agencies, have breached their requirement to consult in relation to major workplace training? I can give you a couple off the top of my head if you want me to give them to you.

Ms SOPHIE COTSIS: Sure.

The Hon. DAMIEN TUDEHOPE: The Fisheries offices, was there consultation in relation to unsafe night-time work for employees?

Ms SOPHIE COTSIS: I'm aware of the issues as part of our agreement with the PSA, with respect to Crown employees. There were a number of matters that were yet to be resolved, and I understand that Fisheries is one.

The Hon. DAMIEN TUDEHOPE: Where they were asserting that there was no consultation?

Ms SOPHIE COTSIS: Okay.

The Hon. DAMIEN TUDEHOPE: You probably also were aware that the Environment Protection Agency employees—there was a failure to consult in relation to significant redundancies. Are you aware of that?

Ms SOPHIE COTSIS: Are you talking about the EPA?

The Hon. DAMIEN TUDEHOPE: Yes.

Ms SOPHIE COTSIS: I'll be corrected if I'm wrong. The EPA is State, not Federal? New South Wales, yes. Mr Tudehope, I wasn't aware of the EPA.

The Hon. DAMIEN TUDEHOPE: Weren't you? Perhaps I'll help you. The PSA described the failure by the EPA to consult in these terms:

EPA have treated their staff and the PSA with the utmost contempt in their lack of engagement regarding this distressing announcement to affected staff. [They] have [shown] a complete lack of humanity and compassion in informing staff that their contracts would be terminating prior to Christmas.

One affected member commented, "This is a brutal approach by the EPA and feels like the EPA's Hunger Games." Does that accord with any recollection you may have in relation to staff redundancies?

Ms SOPHIE COTSIS: Can I just refer to our IR officials?

SAMARA DOBBINS: I'm sorry, Mr Tudehope. I'm not aware of those matters either. I'll need to take the details on notice.

The Hon. DAMIEN TUDEHOPE: Okay. Are there any other matters where there are allegations that come to mind where the Government has failed to consult in accordance with the requirements under the NSW Treasury circular 14-23?

Ms SOPHIE COTSIS: It's very simple. Government agencies have a responsibility under our policies to consult. Where they are not, I want to know about it, so if you have more examples—

The Hon. DAMIEN TUDEHOPE: I'll give you another example. Were the nurses and midwives consulted in relation to performing duties previously undertaken by resigning psychiatrists?

Ms SOPHIE COTSIS: My understanding is that that matter is before the commission and—

The Hon. DAMIEN TUDEHOPE: Were they consulted?

Ms SOPHIE COTSIS: I understand that that matter is before the commission, and there has been an announcement by the Government with respect to dealing with psychiatrists who have resigned. It is the Government's obligation to ensure that they put forward their emergency protocols. I know that this matter was ventilated last week by one of the members of this Committee to the Premier and to the health Minister, but it's currently at the commission.

The Hon. DAMIEN TUDEHOPE: You would agree with me that one of the claims by the nurses and midwives was that they have not been consulted?

Ms SOPHIE COTSIS: We're in dispute with the nurses and midwives.

The Hon. DAMIEN TUDEHOPE: Have they or have they not been consulted?

Ms SOPHIE COTSIS: We're in dispute with the nurses and midwives.

The Hon. DAMIEN TUDEHOPE: Thank you. Minister, there is an administration in relation to the CFMEU which commenced on 23 August 2024. Is that correct?

Ms SOPHIE COTSIS: That's correct.

The Hon. DAMIEN TUDEHOPE: You were supposed to receive six-monthly reports from the administrator pursuant to section 16A of schedule 6 to the Industrial Relations Act. You're aware of that?

Ms SOPHIE COTSIS: Yes.

The Hon. DAMIEN TUDEHOPE: Have you received the first report?

Ms SOPHIE COTSIS: Mr Tudehope, there has been a report that's been provided to the workplace relations Minister, Mr Murray Watt. I have gone through that report. I know that you supported this bill about—the Government is very clear about no tolerance for criminal or corrupt behaviour in the building industry. There were a number of allegations that were aired against the CFMEU, and we took immediate steps. As you know, the Government appointed an administrator. We supported the Federal Government in appointing Mr Irving. Mr Irving has made an interim report to the Commonwealth Minister, Mr Watt, and outlined key investigation findings and strategies to reduce corruption implemented since the administrator was appointed.

As you know as well, Mr Geoffrey Watson was also commissioned to conduct an investigation. He also, as part of this report, has made a number of recommendations. Throughout this process, throughout the six months, there have been a number of initiatives that have been undertaken, such as establishing a whistleblower hotline, looking at a number of officials and dealing with them. To let you know, Mr Tudehope, the report submitted to the Commonwealth Minister outlines the progress of the administration. We all know this at the moment. It notes that, despite the leadership changes, union services, workplace safety initiatives and EBA agreements have continued. The work of the union that represents the workforce continues on. However, shortly after the administration was imposed, a High Court challenge was filed questioning its legality. If you read deep into this report, work is continuing on. I acknowledge all of those people who are doing important work and, of course, the officials who—

The Hon. DAMIEN TUDEHOPE: I understand. There is an obligation for the administrator to report to

Ms SOPHIE COTSIS: Yes.

you.

The Hon. DAMIEN TUDEHOPE: Has a report been provided to you?

Ms SOPHIE COTSIS: I have the report that was submitted by Mr Irving. I've got that report.

The Hon. DAMIEN TUDEHOPE: Is that specifically addressed to you?

Ms SOPHIE COTSIS: The report that Mr Irving has provided also is specific to the New South Wales branch of the CFMEU.

The Hon. DAMIEN TUDEHOPE: When did you receive that report?

Ms SOPHIE COTSIS: I'm saying to you that a report was provided to the Federal Minister.

The Hon. DAMIEN TUDEHOPE: When did you receive it?

Ms SOPHIE COTSIS: I've read the summary of the report.

The Hon. DAMIEN TUDEHOPE: When did you receive it?

Ms SOPHIE COTSIS: I've read a summary of the report.

The Hon. DAMIEN TUDEHOPE: Minister, you have an obligation to table this report in both Houses of Parliament. When did you receive the report?

Ms SOPHIE COTSIS: I will fulfil my statutory—

The Hon. DAMIEN TUDEHOPE: Within 15 days of receiving it.

Ms SOPHIE COTSIS: I will fulfil my statutory obligation.

The Hon. DAMIEN TUDEHOPE: When did you receive it?

Ms SOPHIE COTSIS: I will get that for you, but I will fulfil my statutory obligation. This is a very serious report, and I'm sure that you've read it or you're going through it. It was recently handed to the Federal

Minister, and can I just say to this Committee, just to give you an update, that the administrator has taken steps to remove corrupt officials. Several dismissals and resignations have already occurred—enhancing the governance arrangements, including improved financial oversight and accountability measures.

The Hon. DAMIEN TUDEHOPE: I'm aware that what you say is in the report. In terms of what you acknowledge as your obligation, it was tabled in the Federal Parliament on 25 February.

Ms SOPHIE COTSIS: But that was provided to the President of the Senate, Ms Lines, because they weren't sitting, so—

The Hon. DAMIEN TUDEHOPE: But it has been tabled in the Federal Parliament.

Ms SOPHIE COTSIS: And I will fulfil my statutory obligation. I've committed to you and to the Committee that I will do that, because I'm going to do that.

The Hon. DAMIEN TUDEHOPE: On what date did you receive it, so I can track the 15 days?

Ms SOPHIE COTSIS: I will call your office and let you know as soon as I've tabled the report. The report is online.

The Hon. DAMIEN TUDEHOPE: In terms of the recommendations contained in the report, are there any recommendations contained in that report which apply specifically to the New South Wales Government or the New South Wales division of that union?

Ms SOPHIE COTSIS: There are a number of specific investigation recommendations. In terms of the findings of the New South Wales branch, the investigation found that there were key instances of financial misconduct, including unauthorised personal benefits; the Greenfields used their position to improperly direct union funds for personal gain; and personal expenses were misreported as business-related costs. The report also found that there was little transparency in financial decision-making, and financial controls were weak, allowing excessive spending with minimal investigation. They're the findings. There's a list of findings. In terms of the specific investigation recommendation that the investigation has referred—referral of identified misconduct to the Fair Work Commission for possible legal action. They're also looking at civil penalties for officials for breaching their fiduciary duties and disqualification from holding future union office for those found guilty of serious breaches. This goes on. Mr Tudehope, anything that is required from the State Government with respect to making any changes—

The Hon. DAMIEN TUDEHOPE: Can I get some—

The CHAIR: For the remainder of the time—because I have to split the time equally—we will go to a question from Ms Boyd, then to the Opposition, and then alternate until we run out of time. Have you concluded your answer, Minister?

Ms SOPHIE COTSIS: I just give you a commitment that, with respect to New South Wales, if we're required to make any change to legislation, of course, we will do what we have to do. But there's a list of—

The Hon. DAMIEN TUDEHOPE: That's a good commitment.

Ms SOPHIE COTSIS: No, we want a functioning union that does the right thing by its members, but we also want to get rid of the corruption and the criminal elements. It's a disgrace that you've got—anyway, I will leave it at that.

Ms ABIGAIL BOYD: In January I asked a question of SafeWork in relation to how many inspectors have a history of, particularly—I was interested in sexual violence offences and domestic and family violence offences. The answer came back saying that there's only a 12-month record in relation to employees and whether or not they've got a claim against them during that time, which didn't really answer my question. I'm aware there is at least one inspector who has quite a serious public allegation on record and was dismissed from the Police Force for a quite horrific incident of sexual assault. Does it concern you that SafeWork don't seem to know how many people within its inspectorate have that kind of a past?

Ms SOPHIE COTSIS: It's concerning to me, but I know that we're making changes in terms of probity and background checks with respect to people who are employed, and there's a government protocol about making sure that people who have particular matters with respect to their past dealings are looked at. We have to go through those checks. I'm happy to refer that to you, Mr Curtin or Mr Head.

GRAEME HEAD: I might make a brief comment before Mr Curtin speaks. The arrangements, I think, for workplace clearances across the public service, which includes SafeWork, are referred to in section 54 of the Government Sector Employment Act. That doesn't limit the clearances that can be imposed but, generally, I think DCS does what's called a fit2work check, which includes criminal history checks, health clearances et cetera. If

you were required to have something like a Working with Children Check, then the various things that calls up would also apply. Equally, that's true for people who require, in their function, an NDIS worker clearance, which goes beyond national criminal checks.

Ms ABIGAIL BOYD: How did this person get employed?

GRAEME HEAD: What I can undertake is two things. I can have a look at the specifics that applied in this situation but also undertake to have a discussion with Ms Dobbins about clearances generally for regulators and the extent to which they pick up the range of things that might be more pertinent for people exercising powers. There will be people in regulators who, because of what they're doing, will require more than the clearances we have, and some of those other clearance mechanisms alert things beyond criminal history. Those things can be taken into account. Did you want to add anything?

TRENT CURTIN: Not so much, just that SafeWork inspectors are employees of the Department of Customer Service and we follow the GSE arrangements there. I think Mr Head has outlined some opportunities for us to review that.

The Hon. DAMIEN TUDEHOPE: I just wanted to ask you whether you would give me this undertaking, Minister: You have the report. Will you need the whole 15 days to deliver that report, or can you table it next week?

Ms SOPHIE COTSIS: Let me find out what my legal obligation is, but I don't think that there's any issue in tabling it prior to the 15 days.

SAMARA DOBBINS: We would just have to look at the procedures, but we can support the Minister to do that.

Ms SOPHIE COTSIS: Yes, all good.

The Hon. MARK LATHAM: When we were last here, Minister, on 11 September, you spoke a little about the Government's productivity policies. Since then the issue has become much more pressing, as most economists will say, but hasn't the New South Wales Government made a farce and effectively humiliated itself on productivity by introducing drivers on driverless metro, which sends a dreadful demonstration effect to the rest of the public sector?

Ms SOPHIE COTSIS: I'm not sure what you're—

The Hon. MARK LATHAM: You put drivers on trains that have got no drivers, that were purchased and constructed not to have a driver, which automatically lowers the productivity. It's the same outcome for more staff sitting there and twiddling their thumbs.

Ms SOPHIE COTSIS: You're talking about the rail—

The Hon. MARK LATHAM: Isn't this just making a joke of the—

Ms SOPHIE COTSIS: No.

The Hon. MARK LATHAM: Every economist will say the big issue for the Australian economy is productivity and this Government has made a joke of it.

Ms SOPHIE COTSIS: I was waiting for you to ask me questions on productivity, not on this particular issue.

The Hon. MARK LATHAM: I just did. Just not the one you wanted.

Ms SOPHIE COTSIS: In terms of generally, some of the important work that we've been doing in terms of not only satisfying yourself but the Committee, as well as the public, is we are working extremely hard with our agencies and our unions with respect to savings and efficiencies and doing things better in terms of productivity. As you know, productivity in the public services—there's no one size fits all. You can't compare one sector to another sector in the way they're doing their jobs.

What I can report to the Committee is that, as part of facilitating productivity and efficiency enhancements in a number of industries, this includes the New South Wales public sector salaries award which identified savings arising from the removal of obsolete allowances. In addition, an agreement was reached to consolidate the existing Managing Excess Employees policy and the New South Wales Government Workforce Mobility Placement Policy to reduce redundancy costs and also to encourage skilled and talented workers to stay in the public service. These are some of the things that we're doing that we believe are going to enhance productivity and enable that the skills and talent of our public services are benefiting the people of New South Wales. With respect to the question you asked me before, you can raise that with the other Ministers in their agency.

The CHAIR: Just on the point of order that was raised earlier in the hearing, I have consulted with the secretariat. They're going to get a copy of the transcript and then hopefully we'll be able to consider it, and the report from Mr Latham, and what action, if any, we will take later on in today's hearing.

The Hon. STEPHEN LAWRENCE: Chair, I wanted to move a motion in relation to that that the matter be kept in confidence until then. Perhaps we should go into a deliberative.

The CHAIR: Okay. We'll go into deliberative to consider that. Thank you very much, Minister, for your attendance. Officials, thank you very much. We'll see you later on this afternoon.

Ms SOPHIE COTSIS: Chair, I'd just like to thank the Committee members for their time, their consideration and their interest in this portfolio. Our incredible officials, my incredible staff, the public sector workers, I want to thank everybody for their contribution. I also just wanted to add onto the record, and I'm very sorry I didn't do it earlier, is we've had news that Mr Brian Seidler has passed away. There was news of that by the Master Builders Association. He has been a very strong advocate for builders in New South Wales. I know that he has worked on a number of committees and taskforces. Our condolences to his family, friends and organisations that he's been dealing with. He will be missed.

The CHAIR: Thank you for those thoughtful sentiments, Minister. We will go into deliberative. We will reconvene at two o'clock.

(The Minister withdrew.)

(Luncheon adjournment)

The CHAIR: Welcome back, everyone. We will now have the interrogation of our public officials, starting with questions from Ms Boyd.

Ms ABIGAIL BOYD: Back on the body-worn cameras, can I ask how many devices have been procured by SafeWork NSW?

TRENT CURTIN: I'll just have a look if I've got that, Ms Boyd. There was a trial, in 2020 and 2021, of the body-worn cameras. During the trial, it was determined that SafeWork couldn't continue with using them under the Surveillance Devices Act. Work, as you know, has since been done to alleviate that. We're still in the process of putting together all of the requirements to be able to implement that later this year. I will have to come back to you. Forgive me—300 cameras were procured.

Ms ABIGAIL BOYD: So 300 will be procured?

TRENT CURTIN: Have been—300 have been procured under that trial process. We have to work through renewals of contracts and other things in terms of the storage of the video footage.

Ms ABIGAIL BOYD: What are the circumstances under which the recording device will be used by inspectors?

TRENT CURTIN: The primary purpose of those cameras is designed around the safety and wellbeing of the inspectors themselves. It's being used as a combat to any violence or aggression against inspectors. That's how the pilot will work in the first instance, and how we'll start to phase those cameras in. The intention is to allow the inspectors to activate the cameras when they believe there might be the potential risk of any violence or aggression against the inspector.

Ms ABIGAIL BOYD: Will there be the ability, then, for the evidence gathered or collected to be used for other purposes as well? I hear what you're saying about the safety issues, but in terms of possible prosecutions for breaches of safety requirements and things.

TRENT CURTIN: We're still in the process of consulting with staff about how the cameras will be used—and designing the program itself—but it's not intended at this stage, primarily, to be a process of capturing information for the purpose of investigations or for release otherwise.

Ms ABIGAIL BOYD: Tell me who this one goes to—whether it's you, Mr Head, or Mr Draper. Can I ask about the portable long service leave reforms that were passed last year? I remember them being passed in June, with a start date of July this year. There was talk about the regulations and things that would need to be put in place before that came into effect. What's the update on those?

GRAEME HEAD: I can help you with that, Ms Boyd. I don't have anyone else from the Long Service Corporation here—they weren't on the witness list—but we're on track for the 1 July commencement. That includes all of the component parts of what's required to flick it on on 1 July: consultation with stakeholders, any

reg development—the raft of things that are required for that new scheme to commence. We can provide some extra detail on notice if there are particular matters that you would like information on.

Ms ABIGAIL BOYD: Yes, I'm keen to know that it's still on track and to see whether there has been any consultation on the regulations—if they've been drafted or what the process is there.

GRAEME HEAD: I'll need to take that on notice just to make sure I give you an accurate update.

Ms ABIGAIL BOYD: Has consideration been given to adding other industries into the portable long service scheme?

GRAEME HEAD: My focus at the moment is implementing the scheme that's been legislated. That will ultimately be a matter for government.

Ms ABIGAIL BOYD: In the second half of last year, there were amendments to the portable long service leave legislation because of that strange circumstance where workers who were working on Commonwealth sites weren't able to have their leave added in. Amendments were passed as a temporary solution to that. Have there been discussions with the Commonwealth since then in relation to fixing this more permanently?

GRAEME HEAD: Yes, and there has been some consultation between the Commonwealth and other jurisdictions, but the matter is still pending. There's a need for the Commonwealth to modify schedules to the mirror tax Act, I think, to deal with these things. But there is a process underway where the Commonwealth is talking to States and Territories, and New South Wales is participating in that process.

Ms ABIGAIL BOYD: When was the last time it was raised?

GRAEME HEAD: Quite recently, I think. But I'd need to get back to you with a specific date.

Ms ABIGAIL BOYD: On the issue I raised earlier in relation to the crash of the RFS large air tanker, I understand—maybe this is a question for Mr Farquharson—the icare money is being spent on the RFS defence on that. How much are we expecting those legal claims to cost?

STUART FARQUHARSON: Ms Boyd, I'll need to get back to you on that because I'm not aware of the details of that particular claim. But we absolutely will be able to share with you what we're able to share on notice, if that's okay.

Ms ABIGAIL BOYD: That would be good. I'm also concerned about—there has been a suggestion that there's doubt over whether that particular company involved actually has any workers compensation, and what happens for the widows in that particular circumstance.

STUART FARQUHARSON: It sounds like there are two parts to that question: The one is the liability claim issue and activity around that, and then the second one is more—I think what you're getting at is what's happened from a workers compensation perspective. So the two—we'll need to get back to you on both of those—is what you're asking for.

Ms ABIGAIL BOYD: Yes. I'd be interested to know if that is in fact the case—if that's information that icare has—whether or not this particular contractor had that certificate of insurance. Also, can you explain how it works from an accounting perspective, or why these costs appear on icare's books in the first place? I probably should know the answer already. From a very basic perspective, presumably RFS is paying a certain amount in order to get this coverage?

STUART FARQUHARSON: We're talking about the two distinct issues. The first would be the workers comp. That will flow through in the normal manner through the relevant workers compensation scheme—either the Nominal Insurer or the Treasury Managed Fund. But I think what you're asking about is any costs associated with a liability through the courts.

Ms ABIGAIL BOYD: Yes, sorry, I am. I'm confusing two separate things. You are correct.

STUART FARQUHARSON: That's fine. That would typically be for government agencies. There would be coverage, which they'd pay a premium for. Then any valid insurance claim would be paid for out of the Treasury Managed Fund. That's how it would flow through as a claims cost.

Ms ABIGAIL BOYD: So it goes through the TMF.

STUART FARQUHARSON: Yes.

Ms ABIGAIL BOYD: Teasing that out, then, each agency pays a certain amount as part of its annual premium or whatever—

STUART FARQUHARSON: Correct.

Ms ABIGAIL BOYD: —to cover it for legal liability going forward.

STUART FARQUHARSON: Well, it will be the full range of insurance. As the State self-insurer, the Treasury Managed Fund provides insurance to the government agencies, and they pay a premium for that. That would cover property and casualty, or property and liability, exposures. That's how it would flow through. The premium that's collected will be appropriate for that full range of risks as they stand.

Ms ABIGAIL BOYD: Are you able to tell us the ballpark range of how much money is expended out of the TMF on legal costs for agencies defending claims?

STUART FARQUHARSON: I absolutely would be able to get that to you, but I won't be able to quote the specific legal costs amount. It would apply to some claims and not others because, obviously, property claims would have less of a legal component, and the liability claims would have a significantly larger legal component.

Ms ABIGAIL BOYD: How would the amount of premiums be calculated for that component of insurance, then, for the agencies?

STUART FARQUHARSON: We have an underwriting team within the Treasury Managed Fund: the general lines function. They work out the premiums on an annual basis. There's a premium-setting process that covers both the workers comp and then the general lines exposure. That will be a function of the property exposure plus the liability based on a risk assessment, effectively.

Ms ABIGAIL BOYD: Are there programs or other things run within icare to try to reduce the amount of that exposure?

STUART FARQUHARSON: Yes, there's a significant amount of effort around risk awareness and risk mitigation training, effectively. We have a forum called REX. We are quite proactive from a training perspective. That is around being aware of the risks and managing them.

Ms ABIGAIL BOYD: Are there certain agencies that incur greater costs, perhaps even disproportionate to their size?

STUART FARQUHARSON: Yes, there are, absolutely.

Ms ABIGAIL BOYD: Are you able to tell me them now?

STUART FARQUHARSON: I would have to provide that on notice, if that's okay.

Ms ABIGAIL BOYD: That would be really useful. I am going to move on. Are the associated claims costs publicly available under that TMF general lines—how much information do you provide publicly in the annual report, in terms of the agencies?

STUART FARQUHARSON: I would say that typically it's not. You will see the results of the various schemes, which are in our financial statement. On an annual basis, you could see how much premiums have been collected, what claims have been paid and what the operating expenses are. In terms of drilling down to individual claims, you wouldn't pick that up from the financial statements.

Ms ABIGAIL BOYD: When you come back on notice with that, could you please tell me what sort of percentage of—I am interested in how the agency costs are impacting on the overall viability of icare and whether or not, when we are talking about the escalating costs of icare, any of that is coming out of agency legal liabilities and where those pressures are coming from. I am interested in knowing the percentages of icare's outflows or any other data you can give me to show whether the agency amount is getting more or less over time.

STUART FARQUHARSON: I absolutely will be able to provide more detail to you on notice. But each of the schemes that icare manages has different dynamics around it. If you look at the two workers comp schemes, the increase in psychological injury claims is having an impact on the sustainability of those two schemes. Within the Treasury Managed Fund, obviously there is the workers compensation component, which falls under that, but then the general lines piece, which is really what we are talking about now. Over time, the significant factors or claims costs that have impacted the sustainability of that scheme have been the catastrophic events—floods and some of those activities. The abuse claims that have come through—there's a big legal component to that, of course.

Ms ABIGAIL BOYD: I'll go back to you, Mr Head, and you can direct me. I'm interested in how many workers have had their benefits terminated under section 39.

GRAEME HEAD: The workers compensation benefits?

Ms ABIGAIL BOYD: Yes. It is probably an icare question.

STUART FARQUHARSON: Sorry, I missed that.

Ms ABIGAIL BOYD: How many workers have had their benefits terminated under section 39?

STUART FARQUHARSON: I can't answer that, but potentially Tony can. I don't know. We'll take that on notice, if that's okay.

Ms ABIGAIL BOYD: Thank you. Similarly, I'm interested in how many workers have had their medical entitlements terminated under section 59A. Does icare still report all suicides or self-harm of injured workers that it's responsible for to SIRA? I know it used to report that to SIRA. Is that still the case?

STUART FARQUHARSON: I believe so. Tony, can you confirm it?

TONY WESSLING: I believe so, yes.

Ms ABIGAIL BOYD: Are you able to provide data? I know we've got the data before out of questions on notice, but a few years ago now. Are you able to provide, for the last five years, the numbers of suicides and self-harm of injured workers that icare has had within its responsibility so we can see that over time?

STUART FAROUHARSON: Yes.

Ms ABIGAIL BOYD: Thank you. Do you have any of that data now or is that something we can get maybe later in the in the session?

TONY WESSLING: I will try.

Ms ABIGAIL BOYD: Thanks very much. I will go to you, Mr Curtin. Earlier, I was asking questions about the record of convictions and charges against inspectors, that I asked for on notice. In the response, it talks about only having a record for approximately 12 months. Is that because it is only recording matters where there is a new charge, as opposed to historically? Is that what you were getting at there?

TRENT CURTIN: Yes. As I understand it, a search was done of a newer system that the department has, which only has 12 months of information in it. The prior system wasn't categorised in a way that assisted in doing that. That was for employment records.

GRAEME HEAD: I can assist there, Ms Boyd. If somebody is being recruited into the department, the relevant checks are done. In addition, post-employment, people have an obligation to notify the employer of any significant change of circumstances that would relate to those things. If they are charged with a criminal offence—those sorts of things—under the code of conduct arrangements, there are obligations on people to make disclosures around things that would be relevant in that space. While Mr Curtin is accurate about the system, it's not the case that once somebody is recruited, that is the end of it in terms of notifying the employer of things that are relevant to their ongoing employment.

Ms ABIGAIL BOYD: I may have been looking at an outdated application form. I was looking at an application form for becoming a SafeWork inspector. Don't worry, I'm not applying. I was looking at it and it says any criminal record is not necessarily going to stop you getting a job, which is fine. I've got nothing to complain about there. But it says, "We will use our discretion as to whether or not a particular history is problematic or not." Are there any sorts of allegations or criminal records that you would say, "No, absolutely not. You can't be an inspector"?

GRAEME HEAD: I will answer, as the employer. Yes, there might be. Context would be important. What is the role that somebody is performing? What is the nature of the conduct? Were people convicted? Were they charged? Were they only charged? Were the charges withdrawn? What was the basis? In a sense, my offer this morning to talk to Ms Dobbins about this is that I think there are now examples of other work clearance things that apply in other contexts which do deal with charges specifically for certain types of workers in certain settings. I'm not adverse to looking at those things in terms of SafeWork while it's within my responsibility. But it would also be useful to talk to other regulators about the extent to which they also do things beyond what's required under the Act.

Ms ABIGAIL BOYD: I think you're absolutely right, because it depends on the context. What piqued my interest was not just the particular case that I came across, but also that the sort of work that SafeWork is doing now around psychosocial injury is increasing and is getting more sophisticated. That perhaps brings up the additional issues with having inspectors with particular criminal records or particular charges against them.

GRAEME HEAD: Of course, it's something that needs to be looked at very carefully, because sometimes there might be very good reasons why charges were withdrawn. We owe a duty of care to both the environment in which we're regulating and the individuals who are seeking, potentially, to work for us.

Ms ABIGAIL BOYD: If someone has been let go from the police, for instance, because of a thing, you wouldn't want—

GRAEME HEAD: I'm not talking about this specific case; I'm talking about it in general.

Ms ABIGAIL BOYD: I think we can agree on that. I will stop it there and come back at the next round.

The Hon. DAMIEN TUDEHOPE: Mr Farquharson, the Net Asset Holding Level Policy, which is the previous policy of the Government, required funds managed by the NSW Self Insurance Corporation, including the Treasury Managed Fund scheme, to hold assets that should be between 105 per cent and 115 per cent. You're aware of that?

STUART FAROUHARSON: Yes.

The Hon. DAMIEN TUDEHOPE: If the funding ratio is less than 105 per cent, then Treasury would be required to make additional payments to the fund. That's your understanding, is it?

STUART FARQUHARSON: Yes.

The Hon. DAMIEN TUDEHOPE: As of the most recent date that this ratio was available, what were the asset and liability ratios for the TMF?

STUART FARQUHARSON: At the end of the last financial year, the ratio was 105 per cent. At the half-year after the December valuations, it was at 102 per cent.

The Hon. DAMIEN TUDEHOPE: Has that triggered a payment?

SONYA CAMPBELL: Perhaps, Mr Tudehope, I might answer that question, as these are Treasury policies. You'd be aware that the NAHLP is no longer in effect.

The Hon. DAMIEN TUDEHOPE: I'll come to that. But, anyway, complete your answer.

SONYA CAMPBELL: I was just going to talk about how it is being replaced by a contributions and transfer framework that is being developed for all of OneFund.

The Hon. DAMIEN TUDEHOPE: Tell me how that operates.

SONYA CAMPBELL: The Treasurer will obviously be here on Wednesday, and my colleague Ms van der Walt is responsible for the development of that framework. But I'm happy to give you just a general overview on how that is expected to operate. It is expected to be operational by 30 June this year. With respect to liabilities—no, not with respect to liabilities, but participating schemes. Sorry, Mr Tudehope. As I said, this is Ms van der Walt's area of expertise. The contributions and transfers framework will aim to help ensure appropriate funding of schemes covered by OneFund and minimise the need to fund schemes via debt by more efficiently using resources within OneFund in the first instance. The draft of that framework is based on certain principles, including that the funding adequacy of OneFund is assessed annually to determine its ability to meet future cash flows and/or liabilities considering the funding adequacy of each participating fund individually and any indirect support that the DRF could provide, noting that the DRF remains ring fenced.

The Hon. DAMIEN TUDEHOPE: Is this policy reduced to writing somewhere?

SONYA CAMPBELL: There is a draft of it, and it has been before the Asset and Liabilities Committee, which Mr Farquharson and myself participate on. But it is yet to be finalised and agreed by government.

The Hon. DAMIEN TUDEHOPE: I'm really unclear as to how this is going to operate because, certainly in terms of some of the questions that Ms Boyd was asking earlier, it potentially identified the risk profile of some of the various agencies who would be required to top up contributions to the fund in circumstances where there was a reduction below 105 per cent in relation to that asset holding policy. It appears to me, and you might correct me if I'm wrong, that there is going to be now a significant mixture of funds in terms of all the funds—and the OneFund now brings into it.

SONYA CAMPBELL: Yes.

The Hon. DAMIEN TUDEHOPE: How is it determined in those circumstances exactly the pressures which are on the insurer in respect of their exposure if, in fact, there is a mixture of funds which are available to meet its liabilities?

SONYA CAMPBELL: As I said, the framework is still under development and has yet to be approved by government. I recommend, Mr Tudehope, that you direct those questions to the Treasurer and my colleague Ms van der Walt when they are here on Wednesday.

The Hon. DAMIEN TUDEHOPE: I will. Am I to understand, since the end of the last financial year, that there has been no call for contributions by any agencies in respect of the reduction in the—as it was then—Net Asset Holding Level Policy?

SONYA CAMPBELL: The December valuations, as I understand it, have not yet been finalised by the board. There will be consideration in the first half of this year as to whether any contributions would need to be made to the TMF.

The Hon. DAMIEN TUDEHOPE: So that policy won't change. Is that what you're telling me?

SONYA CAMPBELL: No, the NAHLP no longer exists.

The Hon. DAMIEN TUDEHOPE: I understand that. But the requirement for agencies to make contributions according to the asset holding level of icare as opposed to its liabilities—will there be a process for identifying how contributions will be made by agencies to meet the increased exposure of icare?

SONYA CAMPBELL: Yes, there will be a process, Mr Tudehope.

The Hon. DAMIEN TUDEHOPE: And that process now will take into account not only the contributions of the TMF generally and the holding of the two, but will in fact relate to the OneFund total asset position?

SONYA CAMPBELL: Yes, I think that's correct, Mr Tudehope, but there will be various principles that will inform the decision-making around when transfers would need to be made and whether they relate to systemic issues or peaks that—

The Hon. DAMIEN TUDEHOPE: Mr Farquharson, you were working for icare during the term of the last Government, were you not?

STUART FARQUHARSON: I joined in October 2022—a slight overlap.

The Hon. DAMIEN TUDEHOPE: Well, you had a brief experience with the last Government. You'll recall, of course, that there was significant criticism of the last Government every time there was required to be a top-up of the TMF as a result of the increasing claims which were being made on the firm. Were you aware that—

STUART FARQUHARSON: It was before I arrived, but I was aware, yes.

The Hon. DAMIEN TUDEHOPE: Certainly it was an accounting problem, but it was cast as a political problem because icare was seen to be a body which, in fact, was living beyond its means. It had liabilities greater, potentially, than its assets.

STUART FARQUHARSON: Yes, I am aware of some of those conversations.

The Hon. DAMIEN TUDEHOPE: How will this new arrangement characterise the true state of the TMF in circumstances where the TMF, as the self-insurer, would have a mechanism for being able to identify the true pressure on the self-insurer arising from liabilities?

STUART FARQUHARSON: There are two ways I'll answer that. The first is to say that we will continue to produce a set of financial statements on an annual basis for the Treasury Managed Fund so it will always be clear what the assets and liabilities are of that fund. I think that will provide an appropriate line of sight to understand the dynamics of the fund. I think that will answer part of the question. The second part of the question, around any contributions or capital injections to reach a target ratio—that is, as Sonya Campbell has just described, a matter of Treasury policy to be addressed. There is a framework in place that I've had exposure to, that is still to be finalised, that will deal with some of those questions that you raise. I think you'll achieve the objective of understanding the financial position of the fund. How it is capitalised will be a function of the premiums that are collected and any mechanism in place that is implemented to deal with additional contributions.

The Hon. DAMIEN TUDEHOPE: Will there be a difference from how premiums were collected previously?

STUART FARQUHARSON: I think that will be a function of a Treasury decision and any policy changes as a result of that. At this stage, I'm not aware of anything impacting that, but I need to wait and see. That will be a matter for government and for Treasury.

The Hon. DAMIEN TUDEHOPE: I'm just interested in your perspective on how the board's responsibilities to manage the team prudentially changed with the transfer of the TMF assets to the NSW Master Fund.

STUART FARQUHARSON: To the OneFund. The concept of the OneFund, yes.

The Hon. DAMIEN TUDEHOPE: I think we called it the Master Fund, but OneFund.

STUART FARQUHARSON: That's fair.

The Hon. DAMIEN TUDEHOPE: How do you manage its assets prudentially in circumstances where they are now transferred to the Master Fund? What is icare's role in that?

STUART FARQUHARSON: I think that icare's role, certainly for the Treasury Managed Fund, remains the same. We're still responsible for the management of the Treasury Managed Fund and the assets and liabilities of that scheme. As has been the case, the investment risk appetite has always been set by Treasury under the Master Fund, or OneFund as we describe it. It will continue to be set by Treasury. So I don't think that's a fundamental change. Although, it is now pooled together with a broader portfolio of assets, which should generate positives, but I don't think that fundamentally changes the role of the icare board and management. We're still ultimately responsible for the assets and liabilities with that interface with Treasury and, of course, TCorp, who manages the investment portfolio and always did manage that investment portfolio.

The Hon. DAMIEN TUDEHOPE: How do you continue to identify the TMF funds?

STUART FARQUHARSON: They are still separately disclosed in that Master Fund arrangement.

The Hon. DAMIEN TUDEHOPE: Treasury now has the ability to use those funds wherever it wants, does it not, under the new arrangements for OneFund?

STUART FARQUHARSON: I'll stand corrected, but I don't believe that's the case.

The Hon. DAMIEN TUDEHOPE: The Government Sector Finance Act, section 10.3B, says, "The Treasurer may make transfers between relevant funds if the Treasurer is satisfied the transfer promotes the objects of this Act."

SONYA CAMPBELL: I can confirm, Mr Tudehope, that's with the exception of the DRF and the LSC funds, which are excluded from those transfer provisions.

The Hon. DAMIEN TUDEHOPE: The DRF, but not the TMF, though.

SONYA CAMPBELL: Correct.

The Hon. DAMIEN TUDEHOPE: How do you keep track of TMF assets?

STUART FARQUHARSON: Certainly in the reporting that's provided to the NSW Treasury ALCO there is reporting that shows the TMF assets. We do have clear line of sight of that. That is reported to the icare management and board committees.

The Hon. DAMIEN TUDEHOPE: Can I take you to the police insurance scheme. What is the estimated payout from the Enhanced Police Support Scheme for the period 1 October 2024 to 30 June 2025?

STUART FARQUHARSON: I will need to take that on notice unless Tony's able to provide that, at this stage.

The Hon. DAMIEN TUDEHOPE: Well, are you able to provide it? Best guess?

TONY WESSLING: No.

The Hon. DAMIEN TUDEHOPE: Was icare's advice to the comparative annual cost of the Police Blue Ribbon Insurance scheme and the new Enhanced Police Support Scheme sought at any time prior to 19 August 2024, when the new scheme was announced?

STUART FARQUHARSON: Yes. We do on a regular basis provide the costings and support to government in terms of the policy setting that they're involved in. I can't tell you exactly what we've modelled and what advice we provided, but we do on a regular basis provide advice and did in that situation.

The Hon. DAMIEN TUDEHOPE: The total cost to the New South Wales Government of the Police Blue Ribbon Insurance scheme is \$724 million for 2023-24. Do you accept that?

STUART FARQUHARSON: Yes.

The Hon. DAMIEN TUDEHOPE: The new Enhanced Police Support Scheme, is that going to be a separate fund?

TONY WESSLING: I understand it's a separate fund, yes.

The Hon. DAMIEN TUDEHOPE: Is it invested in the NSW Master Fund, or OneFund?

SONYA CAMPBELL: Let me check that for you.

The Hon. DAMIEN TUDEHOPE: Ms Campbell, do you know that?

SONYA CAMPBELL: I can check that for you, Mr Tudehope. I don't believe it is at this stage. I'd have to just confirm that on notice, Mr Tudehope.

The Hon. DAMIEN TUDEHOPE: Do we know the current asset—

SONYA CAMPBELL: I can tell you what is in the OneFund, if that would be helpful. The Treasury Managed Fund, the NSW Generations Fund, the New South Wales infrastructure fund, the Social and Affordable Housing Fund, the Snowy Hydro Legacy Fund, the Long Service Corporation Investment Fund, the Residual Workers Compensation Liabilities of the Crown fund, the Governmental Workers Compensation Account fund and the Pre-Managed Fund Reserve—they were all incorporated as part of phase 1, on 31 August. Then phase 1B was completed on 1 October to include the Construction Risks Insurance Fund and the Transport Accidents Compensation Fund.

The Hon. DAMIEN TUDEHOPE: It doesn't appear to be included as one of those.

SONYA CAMPBELL: It doesn't appear to be, no.

The Hon. DAMIEN TUDEHOPE: Do we know what the current assets of the Enhanced Police Support Scheme fund are?

STUART FARQUHARSON: I don't have that. Sonya, do you?

SONYA CAMPBELL: I'm not sure that I have that either, but I will just check for you, Mr Tudehope. No, I don't have that information, Mr Tudehope.

The Hon. DAMIEN TUDEHOPE: Do we know where the assets of the Enhanced Police Support Scheme come from?

STUART FARQUHARSON: There is a separate funding arrangement for that. I can provide those details on notice, if that's helpful.

The Hon. DAMIEN TUDEHOPE: Do we know what the total liabilities of the Enhanced Police Support Scheme are?

STUART FARQUHARSON: As we work through the different valuation periods, we will have that, but obviously it's just in its infancy.

The Hon. DAMIEN TUDEHOPE: There's no way we can work out what the ratio for that fund is, currently?

STUART FARQUHARSON: I think it's too early at this stage. We don't have a preliminary set of numbers, no.

The Hon. DAMIEN TUDEHOPE: In respect of this new fund, are there going to be provisions to top up the assets of the fund, if needed, to ensure that there are sufficient funds to meet liabilities?

STUART FARQUHARSON: Yes, there will be. I think back to the discussion that Ms Campbell was leading earlier around the Treasury policies to be determined in that regard.

The Hon. DAMIEN TUDEHOPE: This is a distinct fund.

STUART FAROUHARSON: Yes, that's correct.

The Hon. DAMIEN TUDEHOPE: What will be the formula used for the purposes of requiring additional provision of funds if in fact there aren't sufficient assets to meet liabilities?

SONYA CAMPBELL: Mr Tudehope, I can perhaps give you a bit more colour on this. Following the commencement of the new scheme on 1 October, SICorp is administering the new Police Additional Payments Fund Scheme as a government-managed fund scheme with the purpose of centralising, monitoring and managing the funding for Police Force liabilities arising out of the new scheme. Those funds will be invested into OneFund by the self-insurance fund special deposit account and Treasury Managed Fund investment portfolio that is managed by TCorp. It will be subject to the same contributions and transfer framework.

The Hon. DAMIEN TUDEHOPE: Does that require legislation?

SONYA CAMPBELL: I don't believe so, but I would have to confirm that.

The Hon. DAMIEN TUDEHOPE: Each of the other funds were brought into OneFund as a result of legislation, were they not?

SONYA CAMPBELL: Yes, but I think it just operates in the same way that the Treasury Managed Fund does, in that the Police Force, as a sole beneficiary, provide the annual contributions to ensure full funding of the liabilities out of that scheme.

The Hon. DAMIEN TUDEHOPE: Just again, who is managing claims for the EPSS?

SONYA CAMPBELL: It says that the NSW Police Force, as the sole scheme beneficiary, will be responsible for making annual contributions to the—I'll just get my acronyms right—Police Additional Payments Fund scheme, to ensure full funding of liabilities.

The Hon. DAMIEN TUDEHOPE: Who is currently managing the claims for EPSS?

SONYA CAMPBELL: That would be a question for icare.

TONY WESSLING: The scheme has only just started. I understand the police will make the top-ups to the workers comp payments. So icare continues to manage the workers compensation payments, police will manage the top-up payments, icare will manage the liabilities and the fund and will collect the contribution to cover those.

The Hon. DAMIEN TUDEHOPE: What percentage of claims on the EPSS since 1 October are for psychological injuries? Do we know that?

TONY WESSLING: I don't have that. I'll see if I can get the information.

The Hon. DAMIEN TUDEHOPE: What involvement does icare have in the wellbeing initiatives—you may have answered this in respect of a question that Ms Boyd asked you previously—under the new health, safety and wellbeing command of the NSW Police Force? There is a new command, is there not?

STUART FARQUHARSON: I can't add anything. I can get back to you, unless Tony is able to.

The CHAIR: Take that one on notice.

Ms ABIGAIL BOYD: Can I ask a few questions around the mutual bargaining policy from 2023? Is that for you, Mr Draper, or Ms Dobbins?

SAMARA DOBBINS: Yes, either or both.

Ms ABIGAIL BOYD: I was just checking back with the legislation and how much was included in there and how much has been expanded on in the 2023 policy. I'm particularly interested in what counts as an enhancement to productivity for these purposes in terms of being something that an agency would then consider within the mutual bargaining. In 5.2.2 there is discussion about productivity and efficiency improvements, including changes to work practices, work systems et cetera, which provide demonstrable enhancements to the delivery of services to the public. Then there is reference in 5.2.3 to labour, equipment, technology and natural resources. Are there any other bits of guidelines or policy anywhere that go on to explain how to quantify those productivity enhancements or exactly which ones can be counted, or is this all we have for guidance?

SAMARA DOBBINS: Yes, the primary piece of guidance is the Fair Pay and Bargaining Policy. There's also a productivity unit within Treasury who have provided some guidance to agencies. I'm sorry, I don't have that in front of me. We also work with agencies and assist them to work with unions to identify examples of productivity or efficiency or service improvements as part of these ongoing conversations throughout the life of instruments.

Ms ABIGAIL BOYD: Are you able to provide on notice the pieces of guidance that have been issued from the productivity unit to agencies, or are they specific to particular negotiations?

SAMARA DOBBINS: No, I'm sure I can work with Treasury to provide whatever guidance has been issued to the sector.

Ms ABIGAIL BOYD: That would be really useful. Are there any limits, for example, on whether or not the productivity gain comes from something that would be on the recurrent expenses side of the budget or something that would be capital expenditure? Are there any sort of overarching principles that would preclude one of those?

SAMARA DOBBINS: No. As you know, in the public sector it's notoriously difficult to measure productivity because of the nature of the work that the sector does. It is a deliberately not-too-specific definition around productivity or enhancement or service delivery improvement. We worked very closely with the agency, the union and also the Treasury to try to work out what value that might have. It might be a specific cost saving, but it might be a more general service improvement or a less quantifiable productivity improvement that wouldn't preclude it from consideration.

Ms ABIGAIL BOYD: Say I identified a particular back-office system that could be improved in a certain way that was going to reduce the amount of time spent having to do a particular thing or the amount of money spent on external contractors or whatever, and that productivity gain was, say, a \$20 million efficiency gain over one year, but we were bargaining in relation to a three-year wages deal or wages/conditions deal, would there be a limit on including that gain in productivity to count the \$20 million across three years or would I have to say that that \$20 million could only count against that first year? Is there any guidance around that that restricts that?

SAMARA DOBBINS: There's not a restriction on that, no. But the more fulsome answer would be it depends on the nature of that improvement or efficiency or productivity enhancement. We would expect, and government would expect, that agencies do improve their systems and processes over time as a matter of course, so you wouldn't get to count all those improvements. They wouldn't all necessarily apply to wage increases as part of bargaining. For example, if an agency made changes to a form to make it more user friendly, more customer friendly, we would say that that is a thing that they should be doing as a matter of course. If it were a significant improvement that would be achieved in the life of the agreement, if it were in year one, it could be applied to the first year of a three-year offer, or it might be spread over the life of the agreement if it were something that would take some time to implement. It is not granulated into very hard and fast rules. It's for the Cabinet to consider when proposals are brought to it what that enhancement is and how it could be applied to an offer above the baseline.

Ms ABIGAIL BOYD: If I was in a union and I came to you and I said, "I've identified that we can save \$20 million with this particular thing", the process then is that that goes to the productivity unit to calculate, to check that calculation? Or how does that step work?

SAMARA DOBBINS: I'm not sure it goes specifically to the productivity unit, but certainly that proposal is costed and interrogated within Treasury, and Treasury provides advice to the agency and to the Cabinet.

Ms ABIGAIL BOYD: If there is then a dispute about how much that productivity should be counted for, is there a mechanism for resolving that, or is it just a matter of that goes into the bargaining and the agency says, "Sorry, that's all we're giving you credit for"?

SAMARA DOBBINS: In the first instance, that's what would happen, but ultimately you could go to either the Industrial Relations Commission or the Fair Work Commission if you couldn't come to an agreement. If the union held a view that that enhancement or improvement had not been valued sufficiently and wasn't contributing enough to a wages offer, either commission in either jurisdiction could look at that issue and make a judgement.

Ms ABIGAIL BOYD: But there's definitely nothing excluding something that comes from the capex side of things being included within these negotiations?

SAMARA DOBBINS: Not to my knowledge, but that advice is not industrial relations advice provided by us; it's more the advice provided by the Treasury.

Ms ABIGAIL BOYD: The idea of labour reductions being an enhancement to productivity—there is some concern in some quarters that that is calling on workers to identify fellow workers that aren't as efficient. It's a bit DOGE. It's a bit, "Here we go, these people aren't doing as much as others. If we offer them up, we'll all get a pay rise." Has that aspect come in, in terms of basically labour cuts being required in order to get agreement on wages and conditions, in any of the cases so far?

SAMARA DOBBINS: I'm not aware of labour cuts being proposed from the government or agency side, but certainly these kinds of ideas have come up within mutual gains bargaining. But it's not a usual course for the Government to put that on the table.

Ms ABIGAIL BOYD: No, but I guess that's the fear. Unless a broad range of things can be considered—like you make a big saving in year one but maybe not continuously, or you make a big saving on the capex side but not the recurrent funding side—as an onlooker looking in, the fear is that you're basically incentivising workers to go and identify other workers to be on the chopping block in order to get fair wages and conditions for other people, which is why I said it's a bit DOGE. It's Elon Musk asking, "Tell us the top five things you did last week." That's the concern there. If it was proposed, and if a union was to come and say, "We've identified that these people could potentially lose their jobs", is consideration given from the Government side around how that would work in terms of job losses and more impact on the rest of the economy, outside of that particular—is that offer discounted in some way because it's clearly going to result in job losses? Is there any consideration given to that?

SAMARA DOBBINS: I think that would go to the deliberations that they have in the ERC. Certainly it's all balanced across what would be the saving and what would be the efficiency. If one of the suggestions were job losses, I imagine the Government would take all those factors into consideration. It's certainly not the intent of the

policy to drive that perverse outcome, but there's no doubt that is an efficiency you could put up under the Fair Pay and Bargaining Policy.

SIMON DRAPER: Ms Boyd, it might be worth saying it's very unlikely that someone's going to come to us and say, "Cut jobs." It's more likely they're going to say, "You could merge these processes or change a process that will deliver efficiency." But the inevitable outcome of that is that, by being more efficient, you might need fewer people to do it. We do have a mobility policy in the public service, so where our people are displaced, our first step is to try to see where they might be relocated within the public service, where there's demand. That's something we've worked with unions on implementing that has been reasonably successful so far.

Ms ABIGAIL BOYD: Have there been any external parties appointed to consultants or the like to give advice on this negotiation and framework?

SAMARA DOBBINS: As in the Fair Pay and Bargaining Policy?

Ms ABIGAIL BOYD: Yes. Generally, in terms of how that was developed, were there any consultants or other parties involved?

SAMARA DOBBINS: I'm trying to recall. There were no consultants. There may have been recommendations by the Industrial Relations Taskforce right after this Government was elected, which might have contributed to the development of the policy. But I'd have to take on notice whether the taskforce recommendations went specifically to the policy. But there were no external consultants that I'm aware of, unless Ms Rizzo—

MARINA RIZZO: No, there weren't.

Ms ABIGAIL BOYD: Are you able to give me an up-to-date legal costs figure for the CRU dispute? I did ask in the House in February and I was given a figure, but it didn't appear to me to involve all of the legal advice—maybe just the court costs. Are you able to give us the full—

SAMARA DOBBINS: No. In the rail dispute, there are two different legal aspects. The rail agencies seek legal advice and have their own lawyers. Where the Minister appears in matters, we seek the support of the Crown Solicitor's Office. While that dispute is on foot, I don't have the costs in front of me, but I can certainly take the Crown Solicitor's costs question on notice. You'd need to go to the rail agencies and Transport for the costs of their proceedings.

Ms ABIGAIL BOYD: Which is probably what I got out of Mr Graham in the previous sitting. We're only getting that part of it, not the other amount that is being spent.

SIMON DRAPER: I'd say that the Transport element would be the lion's share of it.

Ms ABIGAIL BOYD: In terms of the interaction with the IR Minister, there's a lot of discussion in this policy about portfolio Ministers seeking the concurrence of the Minister for Industrial Relations on all decisions and being updated periodically. How does that work in practice? It seems like a lot of this is being run out of the Premier's Department. How often is the industrial relations Minister brought in on these matters? For instance, with the CRU dispute, how often is the industrial relations Minister consulted and on what sort of minutiae—at what level in terms of the bargaining?

SAMARA DOBBINS: It's different for different disputes. As you know, under the policy, when things go to the Cabinet or decisions are made about taking legal proceedings, they need to seek the Minister's concurrence. That has happened in accordance with the policy. But I would say the Minister is frequently updated in relation to the progress of disputes, including in relation to the rail dispute. That can be informal, because of the fast pace of things, or via briefings from us. We provide advice and support to both the Minister and the Premier out of the Premier's Department in relation to industrial relations.

Ms ABIGAIL BOYD: Again, something like a proposal from the unions for X amount of productivity gains that gets considered by Cabinet as a whole, is that the way that it will—

SAMARA DOBBINS: It's actually by the Expenditure Review Committee of Cabinet.

Ms ABIGAIL BOYD: So it gets considered by the ERC. At what level does the industrial relations Minister get involved?

SAMARA DOBBINS: As per the Fair Pay and Bargaining Policy, there's a two-stage process of going to ERC. The first is to identify interest areas, and the Minister for Industrial Relations provides concurrence in relation to that submission. Then, at the point where bargaining parameters are agreed and offers are to be made, again, the Minister provides concurrence in any submissions to the ERC. That's set out in the policy.

Ms ABIGAIL BOYD: But the everyday to-and-fro of a meeting on the Friday afternoon that doesn't go well and then, on the Saturday, another ambit claim made by the unions—is the industrial relations Minister consulted about "Do we take this seriously? Are we interested in progressing this particular offer from the unions?" Is it at every level, or is there a bit of decisions getting made and them going back to the unions to say, "No, we're not accepting this"? Then they get to a point where they feel they can take it to the ERC, and that's the point that they get the Minister involved?

SAMARA DOBBINS: The policy sets out the formal points for the Minister's involvement. You'd probably have to ask her the detail of how often she's involved in those more informal updates and provided advice. She's not a bargaining representative, nor the employer. She doesn't provide any approval. It's a concurrence, as I say, when there are formal parts of the process, and the rest is a point-in-time provision of advice.

Ms ABIGAIL BOYD: I'm sorry; I'm labouring. I'm really trying to understand how this works. If there's a moment where the unions say, "We're putting up this amount of productivity claims"—or whatever you want to call it—"We think it's worth \$100 million," who makes the decision to come back and say, "Actually, we're only valuing that at \$60 million or \$10 million," or "Actually, we don't accept that as a productivity improvement at all"?

SAMARA DOBBINS: Ultimately, it's the ERC.

Ms ABIGAIL BOYD: So that has to go to the ERC as a whole?

SAMARA DOBBINS: In terms of putting formal offers to unions, yes.

Ms ABIGAIL BOYD: But in terms of the agreeing on what the value of that productivity improvement would be?

SAMARA DOBBINS: I'm trying not to disclose the considerations of—but under the policy, the component parts of that offer, including how an enhancement above the baseline was valued, would go to all the ERC members, yes.

Ms ABIGAIL BOYD: As a concluded thing, as opposed to the—I'm trying to understand the negotiation over the value of that productivity improvement before it gets to a point where we go, "No, we think we've got a deal." At that moment where it's, "No, you can't have that one, but you can have that one"—who's making those decisions?

SIMON DRAPER: In practice, really, you've got the employer, as Ms Dobbins has been talking about. The employer in the relevant case is having dealings with the unions and the bargaining representatives. Where a proposition is put that there are savings to be had that they can help deliver, as Ms Dobbins has said, where they would normally seek the advice—and we would certainly seek the advice—of Treasury to put a number on that, that can be tested. That can be tested by the agency. There have been times when we've been really transparent with unions so they can test that as well and form a degree of confidence around that. That's all happening at an officials level. Then, ultimately, as is usual, officials provide advice to Cabinet committees, who can make approvals.

The Hon. DAMIEN TUDEHOPE: Mr Farquharson, can I just return to the Enhanced Police Support Scheme. What is the return to work rate currently for claimants under the Enhanced Police Support Scheme?

STUART FARQUHARSON: What I can tell you is that it's very early in the workings of the new scheme. The annual contribution, I can give you that number and I can talk about—

The Hon. DAMIEN TUDEHOPE: There are different markers that you would use?

STUART FARQUHARSON: Yes. From a performance perspective, if that's what you're getting at, return to work, I don't have those with me. Tony has them. He can provide that. Otherwise, we can get back to you on that.

TONY WESSLING: Mr Tudehope, I don't have up-to-the-minute return to work rates for police with me. I've got the most recent published full results for police which, for psychological injuries—I use a 13-week working rate—was 26.8 per cent, physical was 90.8 per cent. The way that the EPSS works, though—it's not a workers compensation payment. It's a top-up or an income protection type payment that will replace the PBRI, so it sits alongside but is separate to workers compensation.

The Hon. DAMIEN TUDEHOPE: But they are still managed, in many respects, like a workers compensation claim?

TONY WESSLING: Yes, they are, and they're managed by New South Wales police.

The Hon. DAMIEN TUDEHOPE: What percentage of the claims on the support scheme since 1 October 2024 are for psychological injury?

TONY WESSLING: I'll have to get the statistics—here we go. Since 1 October, there has been 1,340 police workers compensation claims lodged, with 1,100 of those are for physical claims and 240 of those are for psychological claims. These claims, though, are workers compensation claims. They don't necessarily progress to a EPSS scheme. A lot of them will, so I can't distinguish between EPSS numbers within them.

The Hon. DAMIEN TUDEHOPE: If I was to ask you to compare that to the TMF rates, are they better, worse, similar?

TONY WESSLING: Compare the return to work rates? If I look at the 13-week return to work rate across the TMF for psychological claims, it is 43.4 per cent. So, yes, it's materially worse than the TMF as a whole.

The Hon. DAMIEN TUDEHOPE: Ms Rizzo, I have some questions for you. Did you provide any advice to the Minister, or any other agency, relating to the prospect of commencing a 424 application against the protected industrial actions which were being conducted by the Electrical Trades Union?

MARINA RIZZO: No. I conveyed advice received from other lawyers.

The Hon. DAMIEN TUDEHOPE: Who were those lawyers?

MARINA RIZZO: Mr Tudehope, did you say the ETU industrial action in the energy bargaining or the rail bargaining?

The Hon. DAMIEN TUDEHOPE: In the energy bargaining, and to the extent that it also flows on to the rail bargaining.

MARINA RIZZO: In the energy bargaining, there was no advice with respect to a 424 prospect in a specific—

The Hon. DAMIEN TUDEHOPE: Did anyone ever ask for that advice?

MARINA RIZZO: In the energy agencies, I believe they obtained advice.

The Hon. DAMIEN TUDEHOPE: Where did they get that from?

MARINA RIZZO: I'm unaware. In terms of the rail bargaining, I conveyed the advice to the Minister for Industrial Relations. That advice we obtained from the Crown Solicitor's Office.

The Hon. DAMIEN TUDEHOPE: There were a number of applications under section 424 in relation to the rail dispute, were there not?

MARINA RIZZO: That's correct.

The Hon. DAMIEN TUDEHOPE: Before the decision to proceed to the actual 424 application in December—when it was also accompanied by a 426 application, as I recall—was any advice ever sought prior to that date in relation to the potential for a 424 application in relation to the protected industrial action being conducted by the rail unions?

MARINA RIZZO: I just have to look at the chronology for a moment.

The Hon. DAMIEN TUDEHOPE: Sure.

MARINA RIZZO: Yes, there was.

The Hon. DAMIEN TUDEHOPE: Who was that provided to?

MARINA RIZZO: If it was advice that we sought on behalf of the Minister for Industrial Relations, from the Crown Solicitor, that would have been provided to the Minister for Industrial Relations in terms of her standing. Advice obtained by the rail agencies would have been a matter for the rail agencies.

The Hon. DAMIEN TUDEHOPE: When was the decision made to employ lawyers outside—sorry. The decision to employ Kingston Reid to conduct litigation on behalf of the Government, who was that made by?

MARINA RIZZO: The rail agencies.

The Hon. DAMIEN TUDEHOPE: Was your advice sought in relation to that?

MARINA RIZZO: No.

The Hon. DAMIEN TUDEHOPE: One of the actions taken by the Government was a Federal Court action for an injunction against the—sorry, for a declaration from the Federal Court in relation to the combined rail unions that their protected industrial action was invalid. Was that litigation conducted by—

MARINA RIZZO: I might just refer to the chronology. Mr Tudehope, are you referring to the application where the rail agency sought an injunction in the first instance?

The Hon. DAMIEN TUDEHOPE: Yes.

MARINA RIZZO: I'm sorry, but could you repeat your question?

The Hon. DAMIEN TUDEHOPE: I just wondered, was that action taken using Kingston Reid, or was it taken by the Government's own lawyer?

MARINA RIZZO: Kingston Reid.

The Hon. DAMIEN TUDEHOPE: The cost of taking that action—are you aware of that?

MARINA RIZZO: I'm not.

The Hon. DAMIEN TUDEHOPE: That would be available from the rail agency, and I think Miss Boyd asked about that. Whose budget does it come out of? Does it come out of the rail agency budget?

MARINA RIZZO: That's right. Yes.

The Hon. DAMIEN TUDEHOPE: And the CRU's application, which is now on foot in respect of the single interest employer authorisation to include light rail as part of the single interest employer with Sydney Trains and NSW TrainLink—is the New South Wales Government opposing or supporting that application?

MARINA RIZZO: A position hasn't been determined by Government yet, as far as I'm aware.

The Hon. DAMIEN TUDEHOPE: Who will make that decision?

MARINA RIZZO: That would be a matter for—

The Hon. DAMIEN TUDEHOPE: Or who would make the recommendation? Would you be making that recommendation?

MARINA RIZZO: Certainly, the rail agencies would formulate a view in consultation with the Premier's Department, and Minister Graham would consult with the Minister for Industrial Relations pursuant to the Fair Pay and Bargaining Policy, as it would be an important industrial relations matter.

The Hon. DAMIEN TUDEHOPE: One of the things that the Government did as part of the negotiation with the union was to go to the union membership generally to put its position, in respect of the offer which had been made to the union, directly to the employees. Are you aware of that?

MARINA RIZZO: Yes, in January.

The Hon. DAMIEN TUDEHOPE: In January. Were you involved at all in relation to the preparation of seeking the views of the membership?

MARINA RIZZO: No. I was aware that that was going to be done but, no, I wasn't.

The Hon. DAMIEN TUDEHOPE: Are you aware that the offer which was put to the members did not, in fact, include a marked-up copy of the proposed agreement?

MARINA RIZZO: Yes, I'm aware.

The Hon. DAMIEN TUDEHOPE: Would you agree with me that if a marked-up copy had been provided, it would have disclosed this issue relating to the \$4,500 clause which the Government was surprised by and which the union maintains was part of the enterprise agreement which would carry forward?

MARINA RIZZO: I would agree with that.

The Hon. DAMIEN TUDEHOPE: Yes, and the failure to provide a marked-up copy led to, in many respects, a circumstance where this issue only became a live issue at a later date.

SIMON DRAPER: Mr Tudehope, do you mind if I just say I think it's unfair to characterise it as a failure to do something. It would be extraordinarily unusual to present a marked-up copy of an EA, which amounts to many hundreds of pages, to the workforce. That would be extremely unusual.

The CHAIR: And I don't think it's fair to ask Ms Rizzo to speculate and provide an opinion.

The Hon. DAMIEN TUDEHOPE: Mr Draper, you said it would be extremely unusual to provide a marked-up copy of the enterprise agreement as a part of the negotiation with the employees as to whether they accept it.

SIMON DRAPER: Certainly at that stage, when you're making an in-principle offer. When you're at that stage of negotiation, it would be probably not only unusual but also highly provocative to do that.

The Hon. DAMIEN TUDEHOPE: Had the union ever, in fact, asked for that to be done?

SIMON DRAPER: I can't answer that.

The Hon. DAMIEN TUDEHOPE: Ms Dobbins, are you aware whether the union had asked for that to be done?

SAMARA DOBBINS: I'm not aware, sorry. But, at the point where an employer offer would be put to the employees—the proper process under the Fair Work Act—as part of that process, there would be a marked-up copy or a draft of the EA. This was just an initial, high-level communication to employees to say, "This is the high-level part of the rail agency offer."

The Hon. DAMIEN TUDEHOPE: If, in fact, you had made reference in the offer to a marked-up copy on a website or wherever that could be examined by the employees—was that ever done?

SAMARA DOBBINS: I'm not aware of a marked-up copy appearing anywhere, no. But, at the point where—if it goes down this path and is put to employees, that's where you would see a copy of the draft EA.

The Hon. DAMIEN TUDEHOPE: But this was put to employees, wasn't it? It was directly put to 5,000 employees—the Government's offer.

SIMON DRAPER: I'd just say, Mr Tudehope, of course a marked-up copy of an EA of many hundreds of pages wasn't published on a website for people to trawl through in the midst of an industrial dispute. That would be utterly counterproductive. It's not in line with the types of practices that we use to conclude EAs. That is done when you get to that point where you're putting it to a formal vote of the employees for subsequent approval by the Fair Work Commission.

The Hon. DAMIEN TUDEHOPE: But it was never characterised—

SIMON DRAPER: We were just nowhere near that stage.

The Hon. DAMIEN TUDEHOPE: The offer which was being made to the individual members was never characterised as a high-level offer. It was characterised as an offer to the employees, so we were at that stage where we were seeking the approval of the employees.

SIMON DRAPER: No, that's not true.

MARINA RIZZO: Could I just say it was characterised as an update. It was simply an update as to where conciliation meetings had reached.

The Hon. DAMIEN TUDEHOPE: Was it characterised as a final offer?

MARINA RIZZO: No, it was—sorry, I'm actually reading from the update.

The Hon. DAMIEN TUDEHOPE: That's okay.

MARINA RIZZO: It was for information. It was an update—conciliation meetings and EA offer. I don't believe it was characterised as a final offer. "The rail agencies and combined rail unions have been in conciliation at the Fair Work Commission over recent days. As a result, we have presented our offer of improved pay and conditions to rail unions." Then it summarises it. It certainly wasn't a comprehensive final offer.

The Hon. DAMIEN TUDEHOPE: When was the Government first aware that the combined rail unions were also seeking the \$4,500 sign-on fee?

SIMON DRAPER: I should say, Mr Tudehope, there's actually been quite a lot of evidence given on this at the Fair Work Commission, if you care to read those transcripts. Ms Fatima Abbas gave evidence on that a week or two ago when we had the 425 hearings, and so did Mr Warnes, who is the secretary of the RTBU. That's probably your best reference point to get that information.

The Hon. DAMIEN TUDEHOPE: Did Mr Warnes make any observations in relation to a marked-up copy of the agreement during his evidence?

SIMON DRAPER: I don't recall, but I'm sure you'll find it on the transcript.

The Hon. DAMIEN TUDEHOPE: I think I will. Ms Rizzo, there was a 418 application made to the Fair Work Commission in response to the high rate of non-attendance by Sydney Trains crew on Friday 14 February. Do you recall that?

MARINA RIZZO: I do.

The Hon. DAMIEN TUDEHOPE: And that action was unsuccessful, was it not?

MARINA RIZZO: That's correct.

The Hon. DAMIEN TUDEHOPE: Did you provide advice in relation to that 418 application?

MARINA RIZZO: I didn't, no.

The Hon. DAMIEN TUDEHOPE: You didn't?

MARINA RIZZO: No.

The Hon. DAMIEN TUDEHOPE: Do you know who did provide that advice?

MARINA RIZZO: The rail agencies were represented by Kingston Reid, so Kingston Reid would have provided that prospects advice if one—I assume one was sought.

The Hon. DAMIEN TUDEHOPE: I anticipate that I already know the answer, but you were unable to tell me what the cost of that failed application was.

MARINA RIZZO: That's right.

The Hon. DAMIEN TUDEHOPE: There were two 424 applications and, as I alluded to earlier, a 426 application, which were made prior to Christmas and New Year's Eve. The 424 applications were designed to stop the protected industrial action because of the potential conflict and the impact on New Year's Eve celebrations in the Sydney CBD.

MARINA RIZZO: That's right.

The Hon. DAMIEN TUDEHOPE: In fact, did you provide evidence or was evidence provided in those proceedings about the economic damage which was asserted in the Minister's 426 application?

MARINA RIZZO: It was alluded to, and it formed part of the evidence that was filed on behalf of the Minister.

The Hon. DAMIEN TUDEHOPE: Is that information generally available?

MARINA RIZZO: It was evidence filed in those proceedings. The proceedings didn't progress to a hearing, so they weren't tendered as exhibits. So they're not publicly available.

The Hon. DAMIEN TUDEHOPE: Would you be prepared to make those available?

MARINA RIZZO: I would need to get legal advice.

The Hon. DAMIEN TUDEHOPE: On making that—

SIMON DRAPER: I should say, Mr Tudehope, it's not Ms Rizzo's call to do that.

The Hon. DAMIEN TUDEHOPE: I accept that.

SIMON DRAPER: Much of that information is actually the responsibility of other agencies.

The Hon. DAMIEN TUDEHOPE: Can I just confirm that you were involved in instructing in relation to that matter, were you not?

MARINA RIZZO: Yes, on behalf of the Minister for Industrial Relations.

The Hon. DAMIEN TUDEHOPE: So to the extent that evidence was prepared in those proceedings, being the economic impact of the protected industrial action, that was prepared by or in conjunction or with your oversight?

MARINA RIZZO: Yes.

The Hon. DAMIEN TUDEHOPE: Who was the deponent to that evidence?

MARINA RIZZO: From recollection, I believe it was a solicitor at the Crown Solicitor's Office. It was a consolidated piece of evidence. The case wasn't based solely on the economic harm threshold.

The Hon. DAMIEN TUDEHOPE: But there was evidence being provided on the economic harm, was there not?

MARINA RIZZO: That's my recollection.

The Hon. DAMIEN TUDEHOPE: Was it provided by someone who was an economist?

MARINA RIZZO: No.

The Hon. DAMIEN TUDEHOPE: As to the economic impact?

MARINA RIZZO: No. The basis of the 424 and 426 in December was more the welfare and wellbeing limb of the provisions.

The Hon. DAMIEN TUDEHOPE: There was subsequently a 424 application in January again, was there not?

MARINA RIZZO: Yes.

The Hon. DAMIEN TUDEHOPE: I think that was 16 January.

MARINA RIZZO: Yes, that's right.

The Hon. DAMIEN TUDEHOPE: Were you responsible for collating and providing evidence in relation to those proceedings?

MARINA RIZZO: I was peripherally involved. I wasn't responsible for it.

The Hon. DAMIEN TUDEHOPE: In those circumstances, did you obtain economic evidence, in respect of those proceedings, of the impact of the protected industrial action?

MARINA RIZZO: It formed part of the consideration but it wasn't the sole basis of the case. It didn't form the main part of the evidence, again.

The Hon. DAMIEN TUDEHOPE: But it was a significant component of the case being made out by the Government, of economic impact.

MARINA RIZZO: I'd have to refresh. Could I turn to my notes, please?

The Hon. DAMIEN TUDEHOPE: Yes, sure.

SIMON DRAPER: It might be best to take it on notice. You're asking for Ms Rizzo to recall all the evidence that was compiled in quite a complicated case.

The Hon. DAMIEN TUDEHOPE: No, I'm just asking her whether economic evidence was provided.

MARINA RIZZO: We certainly didn't have an economist as a witness, but there would have been a component of evidence relating to the economic impact. But I will take it on notice.

Ms ABIGAIL BOYD: If I could just come back on this bargaining policy again, I'm just looking again at 5.2.2. It talks about productivity and efficiency improvements providing demonstrable enhancements to the delivery of services to the public that emerge during bargaining. Can you just confirm whether that then precludes any other sorts of efficiency reforms that have occurred prior to bargaining from being included at all in these discussions?

SAMARA DOBBINS: No, it doesn't preclude them.

Ms ABIGAIL BOYD: For things like, for example, the Government's savings from not using as many contractors or consultants and using more in-house staff—that sort of saving—could that then be included in bargaining in terms of "You've saved this many or this much in the recent past." What is the limit on what you can include?

SAMARA DOBBINS: The productivity improvements or service improvements need to be improvements that the workforce are making. A government election commitment to reduce reliance on consultants and contractors might be a saving to the budget. It might be a saving to government. I'm not sure that a union could argue that those savings were attributable to the workforce.

Ms ABIGAIL BOYD: I guess that's the same as senior executive headcount reductions and things like that.

SAMARA DOBBINS: That's right.

Ms ABIGAIL BOYD: When the Police Force pay offer was announced, there was a clear link between—they talk about the reform being achieved under the mutual gains bargaining framework, and then they talk about it being funded by reforms to police insurance. But of course police insurance was something that Labor, when they were in opposition, were wanting to change and had been long on the cards. That has not been identified by the workers. That was something that made good sense to do. So why was that then included within the police bargaining?

SAMARA DOBBINS: I wasn't heavily involved in the police bargaining, but I understand two things. One was that, as part of the police mutual gains bargaining, the issue had been put on the table by the police association. Also, some of these decisions of what can be applied to wage increases and what can't are government decisions.

Ms ABIGAIL BOYD: So they're more policy, I guess. It's confusing when the police get the benefit of something which—and again, that's a reform that has nothing to do with what the police actually do. It's not a productivity reform, and yet they were entitled to claim that as part of their bargaining.

SIMON DRAPER: I think it's more a question of can that saving and that efficiency be achieved without the agreement and the support of the workforce and the union. If it can't be achieved without that agreement, then it's probably within scope. But if it's something that government can achieve—like you mentioned, senior executive service reductions—the Government can get on and do that. It doesn't need workforce agreement or the agreement of unions to do that.

Ms ABIGAIL BOYD: You didn't need police workforce agreement to change that policy though, did you? That was an Act of Parliament.

SIMON DRAPER: Which part of it are you talking about?

Ms ABIGAIL BOYD: I remember it going through in a bill. I spoke to it. It was funded by reforms to police insurance—a \$697.6 million investment. I remember that we passed a provision. I apologise that I cannot access that bit of my brain—it was the one that had a private insurer. We saved about \$700 million a year.

The Hon. DAMIEN TUDEHOPE: I am not sure that's right.

Ms ABIGAIL BOYD: We can maybe argue over that.

SIMON DRAPER: It may have required legislation to deliver the outcome. But it couldn't have been done without the agreement of the workforce and the union.

Ms ABIGAIL BOYD: Okay. We might have to come back to that.

SIMON DRAPER: It goes, very fundamentally, to their work conditions.

Ms ABIGAIL BOYD: It seems quite arbitrary.

The Hon. DAMIEN TUDEHOPE: I will return to the section 424 application. I was asking you about who is the deponent to the affidavit—I think it probably is an affidavit—in the Fair Work Commission relating to the economic and other aspects of the claim? Who is that deponent?

MARINA RIZZO: I will have to take that on notice. I should be able to answer that after the afternoon tea adjournment.

The Hon. DAMIEN TUDEHOPE: You were in the process of saying that the economic impact was not the main component of the application. What was the other component of that application?

MARINA RIZZO: I would have to take that also on notice and review the affidavit and application.

The Hon. DAMIEN TUDEHOPE: I think you identified public safety as being a significant component of the pre-new year one. What were the other components?

MARINA RIZZO: We might have to take that on notice to provide you with the absolute correct answer.

The Hon. DAMIEN TUDEHOPE: Ms Rizzo, why were the 424 applications both withdrawn?

MARINA RIZZO: They were withdrawn because both the RTBU and the ETU and the unions withdrew and provided undertakings to the commission on the morning of the hearing that essentially ensured that there would be no disruptive protected industrial action. It was a comprehensive undertaking. There was also an undertaking by the RTBU not to ever renotify the types of protected industrial actions that were the subject of the particular 424 application that was before the commission.

The Hon. DAMIEN TUDEHOPE: Yet, in February, we were faced with almost identical problems with protected industrial action, were we not?

SIMON DRAPER: They weren't identical problems. The biggest impacts in February were the result of absences from work. They weren't notified protected industrial actions. They were absences from work, largely characterised as "sick leave". That is not a protected industrial action.

The Hon. DAMIEN TUDEHOPE: With all due respect, Mr Draper, that is a wrong analysis.

SIMON DRAPER: No, it is quite correct. If you read the transcript of the Fair Work Commission hearing, you will find that is held up in their findings.

The Hon. DAMIEN TUDEHOPE: At the time that the action was taken by the Government, under section 418, I think, the circumstances were that the union had notified protected industrial action relating to reducing the speed by which trains were travelling in 80-kilometre areas by 23 kilometres per hour. Was that not the case?

MARINA RIZZO: Yes, it was a very different type of action.

The Hon. DAMIEN TUDEHOPE: In those circumstances, the Government issued section 471 notices, did they not?

MARINA RIZZO: The rail agencies did.

The Hon. DAMIEN TUDEHOPE: The rail agencies issued 471 notices that drivers that took that action or other protected industrial actions would not be paid.

MARINA RIZZO: I am not sure about other, but certainly with respect to the go-slow action. That was because of the operational impact to the network.

The Hon. DAMIEN TUDEHOPE: Do you have a copy of the notification by the rail agencies to their workers in respect of the impact of taking protected industrial action?

MARINA RIZZO: Not on me. I have seen it before, but no, I don't have it today.

The Hon. DAMIEN TUDEHOPE: Would you have a copy available if I asked you to table it on notice?

SAMARA DOBBINS: We can take that on notice.

The CHAIR: Thank you, Ms Dobbins. The time being 3.32 p.m., we will now break for afternoon tea.

(Short adjournment)

The CHAIR: The time being 3.45 p.m., we will recommence.

Ms ABIGAIL BOYD: I want to come back to the questions I was asking the Minister in relation to workers compensation changes. Is that you, Mr Head?

GRAEME HEAD: That would very much depend on what the questions are, given that Treasury, DCS, SIRA and icare all do different things in this space.

Ms ABIGAIL BOYD: Fair enough. I'm particularly interested in the changes that the Treasurer explained had begun being consulted on internally. Some modelling had been done. I am curious as to exactly what is being modelled and where we are up to and who has been consulted, that kind of thing.

GRAEME HEAD: That's more a question for Ms Campbell.

SONYA CAMPBELL: I'm happy to take the question. Yes, there has been a range of options that have been modelled with input from Treasury, icare, SIRA and DCS, as Mr Head said. But, as the Minister flagged this morning, Ms Boyd, those are all options that there are yet to be any decisions on from government.

Ms ABIGAIL BOYD: There has been internal consultation. Has there been any external consultation?

SONYA CAMPBELL: Not to my knowledge at this time, Ms Boyd.

Ms ABIGAIL BOYD: Is there a taskforce or a working group leading those changes?

SONYA CAMPBELL: Internally, yes, there are working groups working on those options for government.

Ms ABIGAIL BOYD: Do you know when a bit of legislation is anticipated? Is a bill already drafted?

SONYA CAMPBELL: There is work underway, Ms Boyd, but the Treasurer and his office are taking the lead on the consultation plan for external consultation. I'm sure you can ask him those questions when he's here before the Committee on Wednesday.

Ms ABIGAIL BOYD: I'm sure I will. I'm sure you're going to say no, but are there any terms of reference or anything you can share that the people directing the modelling have been looking at?

SONYA CAMPBELL: No, not at this stage, Ms Boyd.

Ms ABIGAIL BOYD: I guess it's hard to talk about in a vacuum, but there have been concerns raised because of the Premier's comments in relation to psychosocial claims that perhaps the claims coverage for that will be reduced. Given the safe work policy—let me just find the right one. It only came out last year, I think, in relation to work to reduce the incidence of—here we go: *Psychological Health and Safety Strategy 2024-2026* for SafeWork. Given that that has only just come out, will consideration be given to allowing that sort of preventative work to take effect before we make any changes?

SONYA CAMPBELL: I would say broadly the Government is looking at a reform package in three broad categories. One is absolutely prevention, the second is around the psychological injury and the third is looking at administrative streamlining. It is having regard to recommendations, obviously, of the law and justice committee, some recommendations from McDougall and, obviously, some of the Government's election commitments as part of a total package.

Ms ABIGAIL BOYD: Perhaps I could come to you then, Mr Curtin, on the Psychological Health and Safety Strategy that came out last year. To what extent is this being implemented? Are you getting enough resources? What is it looking like at this point?

TRENT CURTIN: The Psychological Health and Safety Strategy that we launched last year comes off the back of a prior strategy around mentally healthy workplaces which had a range of successful outcomes in terms of raising awareness and lifting capability in organisations across New South Wales. The current strategy takes a different approach. It continues with support for small and medium businesses. We have \$5.65 million allocated for programs for small and medium businesses, and then it takes a stronger compliance approach for those larger and well-resourced organisations. Part of our current approach for inspectors is that when they attend an organisation that has more than 200 employees, they will always undertake a Psychological Health and Safety Strategy compliance check. We'll continue to improve compliance in larger organisations and support small and medium organisations with those programs that are supported by that funding.

Ms ABIGAIL BOYD: There's a note in the strategy that you sort of learn and progress as you go—so, as you're getting more information about particularly risky industries or sectors, further resources might be rolled out. Have you got any of that feedback in yet? Have there been any targets towards particular industries or areas where the trends are showing that we need to be doing more?

TRENT CURTIN: Yes, the strategy particularly calls out focus on public administration and safety, health care and social assistance, and education and training sectors. Whilst psychological health and safety needs to be picked up across all industries and all sectors, they're the areas we're targeting in the first instance to try to provide additional support and to make sure we see increased compliance in those particular areas.

Ms ABIGAIL BOYD: So it's a bit too early to see how we're going with that, and obviously the plan is in until 2026. In terms of tangible outcomes, do you have a target rate of stabilising the rate of psychological injuries, or is there something that we are then monitoring that against?

TRENT CURTIN: We're monitoring a few things at the same time. One of the things we're monitoring is the number of requests for service we're receiving, and workplace incidents. As awareness increases and people reach out to us, as an opportunity to support better compliance, we're seeing an increase in those requests for service and workplace incidents. Last year we had an increase of 31 per cent of requests for service for psychological health and safety matters and an increase of 25 per cent of workplace incidents. So there's greater awareness in the workforce, and there are people calling for SafeWork to come in and provide support in those situations.

Ms ABIGAIL BOYD: Are you able to tell us, then, the top 10 industries in terms of requests for service? Is there anything that has come back so far?

TRENT CURTIN: I'd have to take that on notice. The strategy calls out making sure that we are increasing compliance consistently. Where we've visited a workplace, we want to make sure that for 80 per cent of those workplaces, we revisit—that there's sustained compliance. It's not about just being compliant on a one-off occasion; it's about sustaining that and making sure we're increasing inspector compliance. That shift towards inspector focus by 25 per cent by 2026—we want to make sure that we've got these 125,000 workplaces that are

mentally healthy under that supported funding arrangement. We have not done a review of the program as yet, but we're seeing some significant increase in activity there.

Ms ABIGAIL BOYD: The 25 per cent you just mentioned is the increased planned inspector compliance visits—is that the figure?

TRENT CURTIN: It's a 25 per cent increase of the number of compliance inspections done by SafeWork inspectors from the 2023 figure to 2026.

Ms ABIGAIL BOYD: What is staffing looking like at the moment in SafeWork? I know a little while ago we had a lot of positions needing to be filled. What is the current status?

TRENT CURTIN: As part of our restructure, we reprioritised resources towards frontline inspectors. We changed from 370 inspector positions to 418. We reconfigured many of those positions out towards frontline inspectors. We do have vacancies at the moment as a result of that restructuring process, and we've got a recruitment plan in place to start to fill those as quickly as possible.

Ms ABIGAIL BOYD: In terms of that request for service statistics, are you able to tell us what the top five worst performing government agencies are in terms of numbers of requests for service? Do you keep that data?

TRENT CURTIN: I'd have to take it on notice.

Ms ABIGAIL BOYD: And—apologies, because I don't know if I asked you for this already—also an age breakdown, just to get a bit more data around who is putting in requests for service and what that is looking like in relation to different age groups?

TRENT CURTIN: I'll take it on notice. I'm not sure we've got that information, but I'll take it on notice and we'll come back to you.

Ms ABIGAIL BOYD: Can I ask about the changes being proposed to SafeWork under the bill making it a standalone regulator? I see that there is reference to appointing a commissioner, and there's also the advisory council. What does that mean for the rest of SafeWork in terms of the organisational structure? Will everything else still sit within? Will people still be employed within DCS, or will it be something that moves over to being within the commissioner's purview after that?

GRAEME HEAD: SafeWork is currently just a division of DCS. Under these arrangements, it becomes an executive agency in its own right. The secretary is not the head of that agency. The commissioner will be the head of that agency. It's a public service appointment that the Minister appoints because it's an agency head position. It will still be able—as any executive agency can—to enter into arrangements with the department for corporate support, if it so wishes, et cetera, but it will be an entity in its own right reporting directly to the Minister, not reporting to the secretary.

Ms ABIGAIL BOYD: Technically, workers will have their employer changed as part of that process; they will be transferred across to the commissioner.

GRAEME HEAD: That is generally correct. There are provisions in the GSE Act related to senior executive arrangements where all departmental secretaries still have a role in respect of certain provisions, but by and large everything moves across.

Ms ABIGAIL BOYD: That's good to know. In terms of physical location and everything else, is the idea that they stay where they are? It's just the lines of responsibility changing?

GRAEME HEAD: I think at the moment the focus is on the separation of SafeWork out of the department. That will be quite a lot for a new organisation. Although it's not a greenfield site, as such, there are existing functions. Having set up several agencies, it's still a big thing to be operating in your own right. At the moment I think the intention is that people will largely be in the locations they are, given that SafeWork has staff across the State and in Sydney. It has quite a few people in McKell and people in Parramatta. Ultimately, it'll be a matter for the agency going forward in terms of its accommodation arrangements, in consultation with the Minister and Property NSW.

Ms ABIGAIL BOYD: I know there have been previous reviews and recommendations made about this, but in terms of more significant cultural change within the organisation, what measures are being put in place and how are they tracking?

GRAEME HEAD: You might want to talk about SafeWork, but I think generally in DCS at the moment, there is quite a lot of work going on to support the various entities that were disaggregated from the Better Regulation Division. There's some work that I and the rest of the departmental executive are leading around culture

change, but also responding to issues that people have raised around internal communication et cetera. Then there's a specific set of issues, I think, that Mr Curtin is leading in relation to getting SafeWork ready for the future.

TRENT CURTIN: Yes. We've done a range of things over the last year to prepare SafeWork staff for this move to standalone, but to make sure that we meaningfully resolve the concerns that were raised in the Audit Office performance report and the McDougall independent review to ensure that SafeWork is a strong and robust regulator for the future and that the staff are supported in the right ways with the right culture and the right capabilities to do the important function that they perform on a day-to-day basis. We've put in place a transformation team that has been working through a range of opportunities across the organisation to improve culture and capability. We have developed a people and culture action plan that rolls through a few areas, including getting SafeWork staff ready for the transition to standalone, but also making sure that staff are supported with the right development and capabilities. We've been running a leadership program. Sixty staff have been through an Elevate Leadership program, and 100 plan to go this year.

One of the key things that we have implemented is to make sure that staff are aligned to the purpose and the priorities of the organisation. For the first time in a while, we've published a five-year outcomes-based strategy, which is underpinned and supported by an annual regulatory statement. The annual regulatory statement sets out the five organisational regulatory priorities for this financial year, and it has a range of actions that we're taking to resolve the McDougall independent review report and also the Audit Office outcomes, and a range of other internal process changes to make sure we're prepared for the future. We have managed to resolve nine out of the 10 Audit Office performance recommendations, which is a great success for the work that the team has been doing on that, and we're moving through the McDougall recommendations at the moment. Importantly, rather than just resolving those recommendations, we're working really hard to make sure that they're embedded and systemic across the organisation.

As part of the reform, as well as increasing the number of frontline staff, we've implemented a couple of new functions to make sure we can improve and support our frontline inspectors with consistency of practice and an operational assurance function. The operational assurance function will serve the role of moving across the organisation from the contact centre through triage, through frontline inspectorate, IDMP and all of the processes to serve as a kind of internal assurance process to make sure we can improve our consistency of practice.

As part of the 48 roles that were implemented as our restructure, we reintroduced a supervisory line, which is the team coordinator role. Many of our managers had widely dispersed teams and also large spans of control with a large number of teams, which is very difficult for them to supervise them on a day-to-day basis. The team coordinator is about quality assurance, consistency of practice and health and wellbeing for the staff so that we can improve the consistency of practice across the organisation. Whilst we've been increasing the frontline inspectorate, we've also been increasing the governance and assurance approach for SafeWork as we prepare for independence. Some of the new mechanisms, like the advisory council and reporting to Parliament, will increase transparency and accountability for the organisation, together with a whole range of stakeholder improvements we've been doing to make sure we're open and transparent about our priorities, and how we're going to perform against those priorities will be a significant shift for SafeWork as we move to an independent agency.

Ms ABIGAIL BOYD: Thank you. That is very useful. I don't know if this is for you, Mr Draper, or for Mr Head—or maybe it's neither of you. Obviously, Mr Farquharson is the interim CEO for icare, but in terms of the recruitment process, has a new—

SONYA CAMPBELL: That would be me, Ms Boyd.

Ms ABIGAIL BOYD: There you go. Thank you, Ms Campbell. I understand that there was a contract award notice published that's got a \$200,000 fee to find the new CEO. Can you tell us a bit more about that process, how many candidates there were and where we're at?

SONYA CAMPBELL: I'm afraid all I can tell you about the process is that it's managed by the icare board. Those would be costs that were borne within icare. Obviously, there were some changes to the legislation late last year, as you'd be aware, that then removed the CEO role from the board itself. The Treasury secretary has now taken up an ex officio role on the icare board to enable some greater visibility and the Minister provided concurrence for the icare CEO appointment.

Ms ABIGAIL BOYD: When does the new CEO start?

SONYA CAMPBELL: She will start, it was announced—

STUART FARQUHARSON: On 31 March.

SONYA CAMPBELL: Thank you. Mr Farquharson would know.

STUART FARQUHARSON: I'm paying attention.

Ms ABIGAIL BOYD: I will leave it there and come back later.

The Hon. DAMIEN TUDEHOPE: Ms Rizzo, you were going to see if you could find some material for

me.

MARINA RIZZO: I will have to take it on notice, Mr Tudehope.

The Hon. DAMIEN TUDEHOPE: That's okay. That includes the additional grounds that the 424 application was being run—

MARINA RIZZO: In January, yes.

The Hon. DAMIEN TUDEHOPE: Do you know that, Ms Dobbins?

SAMARA DOBBINS: Not off the top of my head, I'm so sorry. I would just say, though, that because the protected industrial action was withdrawn, the matter was never heard.

The Hon. DAMIEN TUDEHOPE: Once having commenced, it was open for the Government not to accept the conditions from the union and proceed with the action, was it not?

SAMARA DOBBINS: Sorry, can you ask the question—

The Hon. DAMIEN TUDEHOPE: It was open to the Government not to have accepted the position being put by the union, to compromise for the purposes of withdrawing the 424 application. It was open to them.

SIMON DRAPER: I don't think, in a practical sense, that's the case, Mr Tudehope, because when you make an application for a 424 to the commission, there needs to be some action on foot that you're asking to be terminated. If the unions have withdrawn all the action and given a very broad and strong undertaking to not re-initiate the action, the application has no basis.

The Hon. DAMIEN TUDEHOPE: I just wonder—

SIMON DRAPER: And there's a threshold issue in a 424 application that there actually is industrial action underway.

The Hon. DAMIEN TUDEHOPE: I might have to come back to you in relation to that. I accept that that analysis is probably right. Before, we were having some discussion about whether the offer, which was circularised to the 5,000 employees, was a final offer.

SAMARA DOBBINS: It wasn't a formal offer. It was, as Ms Rizzo described, a for-information update from the rail agencies to the staff. But it wasn't in the format of a formal or final offer.

The Hon. DAMIEN TUDEHOPE: Would it surprise you to know that that's exactly the way that the Minister described it?

SAMARA DOBBINS: I don't recall that, but certainly in the—

The Hon. DAMIEN TUDEHOPE: The Minister described it as the final offer. This is what she said: "This is a final offer from the Government. It is fully costed and paid for. But let's be clear here: It is give and take." That sounds to me like a final offer which was being put to the membership.

SIMON DRAPER: That a question you probably should have put to the Minister.

The CHAIR: Sorry, Mr Tudehope, who said that?

The Hon. DAMIEN TUDEHOPE: The former Minister for Transport.

The CHAIR: I don't think it's fair for Mr Dobbins to comment on—

The Hon. DAMIEN TUDEHOPE: But would you agree with me that that could be characterised as a final offer?

SAMARA DOBBINS: I can't comment on the former Minister's statement. All I know is it wasn't a formal offer to the staff. It was advised to the staff as the terms of an offer that had been put in conciliation.

The Hon. DAMIEN TUDEHOPE: Ms Rizzo, returning to you, in respect of the two withdrawn 424 applications, are you able to tell me what the cost of those was?

MARINA RIZZO: I'm not, unfortunately. No.

The Hon. DAMIEN TUDEHOPE: Can you take that on notice?

MARINA RIZZO: Yes.

The Hon. DAMIEN TUDEHOPE: Ms Rizzo, how many strikes has the Minns Labor Government sought to prevent or halt through applications to the IRC?

MARINA RIZZO: I would have to take that on notice as well. I wouldn't be able to give you a number that was accurate right now.

The Hon. DAMIEN TUDEHOPE: Could you give me a more than—

MARINA RIZZO: I couldn't do it. I would have to take that on notice.

The Hon. DAMIEN TUDEHOPE: How many of those applications have been successful? Would you know that?

MARINA RIZZO: The vast majority.

The Hon. DAMIEN TUDEHOPE: Have been successful? And the costs of those applications?

MARINA RIZZO: I'm sorry, I'd have to take that on notice as well.

The Hon. DAMIEN TUDEHOPE: Were there costs awards made in those applications against the individual unions?

MARINA RIZZO: No, it's a no-cost jurisdiction.

The Hon. DAMIEN TUDEHOPE: In circumstances where there are breaches of orders made by the Industrial Relations Commission, have any actions been taken in relation to those breaches?

MARINA RIZZO: Yes. With respect to alleged breaches by the Nurses and Midwives' Association, there are proceedings that are currently on foot before the Industrial Court.

The Hon. DAMIEN TUDEHOPE: And there are penalties being sought in relation to those breaches?

MARINA RIZZO: Yes, I believe so.

The Hon. DAMIEN TUDEHOPE: In respect of those penalties and past penalties, does the Government seek to prosecute the collection of those penalties from the unions involved?

MARINA RIZZO: We would have to wait and see what the outcome is. I would not want to speculate, but I would assume so.

The Hon. DAMIEN TUDEHOPE: In your experience, on how many occasions has the Government recovered penalties from unions who have had penalties imposed upon them for breaches of orders of the Industrial Relations Commission?

MARINA RIZZO: I would have to take that on notice, Mr Tudehope.

The Hon. DAMIEN TUDEHOPE: What is the largest penalty that you can recall has been imposed?

MARINA RIZZO: I'm sorry, I can't.

The Hon. DAMIEN TUDEHOPE: Again, you'd take that on notice?

MARINA RIZZO: Yes, I'll take that on notice.

The Hon. DAMIEN TUDEHOPE: I asked a series of questions earlier about consultation with the unions as a component of the obligations of government in dealing with the impacts on employees. I indicated to the Minister that there were at least three that I was aware of. Are you aware of any additional proceedings which have been commenced for failure to consult?

MARINA RIZZO: No, I'm not aware of any.

The Hon. DAMIEN TUDEHOPE: When I was questioning the Minister, were you aware of the application by the PSA in relation to Fisheries employees?

MARINA RIZZO: I wasn't, no—not until I heard about it this morning.

The Hon. DAMIEN TUDEHOPE: Were you aware of the application made by the PSA in relation to the EPA employees?

MARINA RIZZO: I wasn't aware, no.

The Hon. DAMIEN TUDEHOPE: In respect of the application being made by the Nurses and Midwives, were you aware of that?

MARINA RIZZO: Yes, I was aware of that one.

The Hon. DAMIEN TUDEHOPE: Is that currently on foot?

MARINA RIZZO: No, it has been withdrawn. The dispute with respect to the nurses was resolved.

The Hon. DAMIEN TUDEHOPE: How was it resolved?

MARINA RIZZO: I'd have to refer to my notes, if that's okay. I can take it on notice, but it was resolved.

SAMARA DOBBINS: The application was withdrawn, is my recollection.

MARINA RIZZO: That's right. There were no functions that were sought to be added to nurses' responsibilities as a result of the psychiatrists.

The Hon. DAMIEN TUDEHOPE: I just want to ask some questions about mutual gains bargaining. In total, how many sessions would you consider to be a formal instance of mutual gains bargaining which has been held?

SAMARA DOBBINS: Across the entire sector?

The Hon. DAMIEN TUDEHOPE: Yes.

SAMARA DOBBINS: I don't think we've got that information in front of us. In several matters, there have been multiple mutual gains bargaining sessions.

The Hon. DAMIEN TUDEHOPE: Are they formal mutual gains bargaining sessions?

SAMARA DOBBINS: Yes, they constitute mutual gains bargaining under the Act.

The Hon. DAMIEN TUDEHOPE: Have there been any third-party suppliers of services to conduct those mutual gains bargaining sessions?

SAMARA DOBBINS: In some instances, yes.

The Hon. DAMIEN TUDEHOPE: On how many occasions has that occurred?

SAMARA DOBBINS: I'm just seeing if I've got that in my notes. I'm sorry, I'll have to take that on notice. I've got a list of the agencies and State owned corporations that have undertaken mutual gains bargaining. I do know that, with the staff specialists award, there was a third-party consultant engaged to undertake that, but I don't know the number, I'm sorry.

The Hon. DAMIEN TUDEHOPE: Are you aware of what payments have been made to third-party suppliers in relation to mutual gains bargaining?

SAMARA DOBBINS: No, but I can take that on notice. It's my understanding that, where a mutual gains bargaining expert is engaged, that's paid for by the agency.

The Hon. DAMIEN TUDEHOPE: Are you aware of who is providing third-party mutual gains bargaining services?

SAMARA DOBBINS: Ms Rizzo is aware of the provider in the staff specialists area. I can't remember off the top of my head.

MARINA RIZZO: Clive Thompson.

The Hon. DAMIEN TUDEHOPE: Are there any other firms which have been provided as facilitators of mutual gains bargaining other than Clive Thompson?

MARINA RIZZO: Not that I'm aware.

SAMARA DOBBINS: Not that I'm aware either.

The Hon. DAMIEN TUDEHOPE: Are you able to provide to the Committee the costs which have been paid to Clive Thompson in relation to the services which he provides?

SAMARA DOBBINS: I'll have to ask our Health colleagues, but I'll endeavour to take that on notice.

The Hon. DAMIEN TUDEHOPE: I understand that there is also training available for agencies and unions for the purposes of engaging in mutual gains bargaining.

SAMARA DOBBINS: That's right.

The Hon. DAMIEN TUDEHOPE: How many unions have engaged in the training programs?

SAMARA DOBBINS: There have been 12 mutual gains bargaining sessions, during which time a total of 152 public sector industrial relations practitioners and 49 union representatives attended those sessions.

The Hon. DAMIEN TUDEHOPE: They are training sessions?

SAMARA DOBBINS: Yes. They're training sessions on what mutual gains bargaining is, facilitated from the Resolution Institute via an organisation called CoSolve.

The Hon. DAMIEN TUDEHOPE: The other aspect of the mutual gains bargaining is a facilitation of sessions, and I think I have asked and you've taken on notice how many facilitation sessions.

SAMARA DOBBINS: Yes. There's training—if I can put it this way—on what mutual gains bargaining is in the general, and then there are specific providers of mutual gains bargaining. And we're aware that that's occurred in the staff specialists space.

The Hon. DAMIEN TUDEHOPE: Can I put it to you that, notwithstanding the amount of training which has been provided, there hasn't been a great take-up of the use of facilitators for mutual gains bargaining?

SAMARA DOBBINS: Not a great take-up of facilitators, but you don't need a facilitator to undertake mutual gains bargaining. The parties can do that between themselves without the use of a facilitator, which is what happened, for example, between New South Wales police and the Police Association.

The Hon. DAMIEN TUDEHOPE: Would it surprise you that, generally, unions have been a bit disenchanted with the training program which has been provided and have not accepted the opportunity of taking up the use of facilitators?

SAMARA DOBBINS: We did hear some feedback from the early rounds of the training that the unions had some issues with it, and the training was improved and enhanced as a result of that feedback.

The Hon. DAMIEN TUDEHOPE: I think I asked you previously, Ms Rizzo, the identity of the person who deposed the affidavits in respect of the 424 applications. Have you been able to establish what—

MARINA RIZZO: I'll have to take that on notice as well. I haven't been able to ascertain with any certainty. I'd have to go back and have a look.

The Hon. DAMIEN TUDEHOPE: Can I ask you then, when you are doing that, can you provide me with the details of all persons who provided depositions or statements of evidence in both the 424 application prior to Christmas and the 424 application after Christmas?

MARINA RIZZO: Yes.

The CHAIR: Thank you to all our witnesses and the agencies you represent. The secretariat will be in contact with any questions you took on notice or documents that you offered to provide at a later date. On behalf of the people of New South Wales, thank you very much for your attendance and for the work you do.

(The witnesses withdrew.)

The Committee proceeded to deliberate.