

REPORT ON PROCEEDINGS BEFORE

PORTFOLIO COMMITTEE NO. 4 - REGIONAL NSW

**2023 INQUIRY INTO THE OPERATION OF THE APPROVED
CHARITABLE ORGANISATIONS UNDER THE PREVENTION OF
CRUELTY TO ANIMALS ACT 1979**

CORRECTED

At Macquarie Room, Parliament House, Sydney on Thursday 18 July 2024

The Committee met at 2:00 pm

PRESENT

The Hon. Mark Banasiak (Chair)

Ms Abigail Boyd

The Hon. Greg Donnelly

The Hon. Wes Fang

The Hon. Emma Hurst (Deputy Chair)

The Hon. Rachel Merton

The Hon. Peter Primrose

The Hon. Emily Suvaal

The CHAIR: Welcome to the third hearing of Portfolio Committee No. 4 – Regional NSW and its inquiry into the operations of the approved charitable organisations under the Prevention of Cruelty to Animals Act 1979. I acknowledge the Gadigal people of the Eora nation, the traditional custodians of the lands on which we meet today. I pay 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 respects to any Aboriginal and Torres Strait Islander people joining us today. My name is Mark Banasiak, and I am the Chair of the Committee.

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 the hearing, so 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, and I encourage Committee members and witnesses to be mindful of those procedures.

Dr PETER WRIGHT, President, RSPCA NSW, sworn and examined

Mr MARK STEELE, SC, Vice-President, RSPCA NSW, sworn and examined

Mr STEWART THOMPSON, Treasurer, RSPCA NSW, sworn and examined

Mr TROY WILKIE, Senior Government Relations Manager, RSPCA NSW, on former affirmation

The CHAIR: Welcome and thank you all for making time to give evidence. Would any of you like to make a short opening statement?

PETER WRIGHT: Yes, I would, thank you. Good afternoon, Chair and fellow Committee members. Thank you for the opportunity to address this inquiry. As you know, I am joined today by Mark Steele, vice-president and the chair of our governance committee; our treasurer, Stewart Thompson; and Troy Wilkie, our senior government relations manager. As president of RSPCA NSW and chair of the board, I can primarily assist the Committee with matters relating to the functioning of our board, Mr Steele with governance and policy matters, and Mr Thompson with treasury and financial matters. Mr Wilkie can assist with government relations matters, with evidence which has been given in previous hearings, questions on notice, and supplementary responses.

Over the past 12 months, we have experienced significant changes at RSPCA NSW, specifically in our inspectorate and, of course, the other services that support the inspectorate function. These support services include shelter services, veterinary services and back-office support to administer the historical uplift in the inspectorate. These changes have been driven by the significant expansion made possible and necessitated by the \$20.5 million in funding from the New South Wales Government for that purpose. This period of rapid growth has brought many challenges.

Change management is a challenge for any organisation, including RSPCA NSW. It has, for instance, required a cultural shift for our inspectors, who have historically been used to working independently. Historically, many of our inspectors, particularly those in regional areas, worked alone and with a significant degree of autonomy, responding to cases throughout their regions with limited on-the-ground oversight. With increased staff numbers, we've implemented more two-out operations and additional layers of management and oversight. This has been done in the interests of workplace health and safety and to strike a balance between performance management and support. We expect more two-out operations going forward.

These changes are essential for enhancing both worker safety and the effectiveness of our enforcement outcomes, ensuring thorough oversight of each case and every frontline inspector. We recognise that not all inspectors have experienced these changes positively. Some experience this change to less autonomy and greater oversight with feelings that they are being bullied or harassed. We are concerned that any team member might feel this way and are dedicated to addressing these concerns and supporting our inspectors through these changes. We have invested scarce resources in recruiting and training them, in some cases, over many years. We do not want to lose them, and we want them to feel respected and supported in their work.

Feelings by any staff member of being bullied are taken very seriously. We are committed to supporting our staff and preventing such feelings from persisting. As a board, we primarily do this by ensuring that best practice policies and processes are in place and are being implemented to address workplace grievances objectively and fairly. Our commitment is to respond to any bullying complaint, treat all colleagues with respect, and continuously work to enhance our workplace culture and inspector operations as a part of our ongoing improvement plans.

We are also firmly committed to a merit-based promotion system. We strive for perfection, though we understand this is a journey. Transparency is important to us. RSPCA NSW is subject to oversight from our members, the board, Federal and State regulations, the Department of Primary Industry, the Office of Local Government, parliamentary inquiries, the New South Wales courts and the public. All of these have access to our annual reports, financial statements and, now, our 34B reports. They are welcome to and do raise any concerns with us.

This Committee has been provided with oral and written responses to all questions raised during these hearings and in supplementary inquiries. These amounted to tens of thousands of words. We also have provided copies of our 34B reports for the last two financial years, our New South Wales Government budget submission, employee handbook and, confidentially, our inspectorate standard operating procedures. While we do not claim to be perfect, we strive to ensure that our governance and workplace management practices are robust and ensure best practice standards of operation and accountability.

Although some people who have been unsuccessful or overlooked for a promotion may not feel that the decisions were justified, we are confident that these decisions were made based on the best information available at the time and based on merit and the skill sets required to manage the culture change piece. Length of tenure at RSPCA NSW does not automatically equate to promotion. We will continue to ensure that staff understand why and how these decisions were made, fostering mutual understanding and harmonious collaboration.

Today we will endeavour to answer your questions to the best of our ability. However, it is important to note that the board oversees the organisation's government, strategy, risk and budgets; it does not manage day-to-day operations. We outlined this in correspondence when we were invited to the hearing today. Many of these operational matters, which have been the focus of the inquiry, are the direct responsibility of the CEO and senior management, not the board. We appreciate your ongoing support and scrutiny, which helps us improve and uphold our mission to protect and care for animals.

Finally, I must highlight a significant concern regarding the future funding for RSPCA NSW enforcement activities. The New South Wales Government has not advised us what funding will be provided for the fiscal years 2024-25 and beyond. This lack of clarity, almost three weeks into the financial year, poses a serious challenge for our planning and operations. RSPCA NSW has budgeted for 2024-25 based on our comprehensive submission to Government, which has also been provided to this Committee. However, without confirmation of ongoing sustainable funding from the Government, we face the prospect of having to significantly adjust our operations to align with what is financially sustainable. If we have to do this, it will impact on animal welfare across the State and our ability to enforce POCTAA.

The potential reduction in our environmental enforcement capacity would inevitably put additional pressure on other State agencies, including the Department of Primary Industries, New South Wales police and New South Wales council rangers. Unless we obtain a substantial level of funding, these agencies will find themselves having to handle potentially thousands of matters that RSPCA NSW currently manages but would no longer be able to resource. We fear that this shift will substantially burden these already stretched services and would lead to delays and gaps in law enforcement. We do not want this to happen. We remain committed to our mission and will continue to advocate for the necessary resources to fulfil our responsibilities effectively.

We believe that our funding submission presents excellent value for money compared to similar operations. We hope that the New South Wales Government will enable our enforcement of the animal cruelty laws of the State to continue uninterrupted, with sustainable funding over the forward estimates. RSPCA NSW is uniquely placed to deliver the best animal welfare enforcement in the country, and we will continue to strive towards that goal as part of our mission to prevent animal cruelty. Thank you for your time and consideration. We look forward to answering your questions.

The CHAIR: I might start off with a couple of questions for you. Can I ask about the tenure of each of the board members? How long has each of the board members been a member of the board? I will start with you, Mr Wright.

PETER WRIGHT: I've been a board member since 2002. That was subject to the old constitution. We redid the constitution in 2018, which actually limits board tenure to 12 years maximum, and then they've got to have a three-year break. Similarly, for positions within the board, there's a six-year limit on a position within the board.

The CHAIR: Does your 12 years start at 2018?

PETER WRIGHT: At 2018, and my position of six years as president will end this November at the AGM.

The CHAIR: Mr Steele?

MARK STEELE: I joined the board in July 2021.

STEWART THOMPSON: I joined the board on 8 June 2022.

The CHAIR: Do we know the start dates of the other board members that are here? I'm happy for you to take that on notice.

PETER WRIGHT: It would be much easier on notice.

The CHAIR: Sure. How many branches does RSPCA have? Also, how many members? Obviously, it's a member-based organisation. I'm curious as to the structure.

PETER WRIGHT: Do you know off the top of your head?

MARK STEELE: I believe we have seven branches and approximately 5,500 members. But if you want entirely accurate figures, we should take that on notice as well.

The CHAIR: I would prefer the accurate figures.

PETER WRIGHT: The other thing I would say is a lot of our branches, which were branches, have become supporter networks instead, just because of the ability to hold a president, a chair and a constitution within that. So we've reformulated some of those areas to simplify the structure.

The CHAIR: So there were problems in getting sufficient numbers?

PETER WRIGHT: Sufficient numbers to maintain that core.

TROY WILKIE: If you combine both groups, it's 21 branches and supporter groups that we've got across the State.

The CHAIR: But only seven branches.

TROY WILKIE: Seven remaining branches and the rest are supporter groups, yes.

The CHAIR: In terms of AGMs and other extraordinary general meetings, who has voting rights at these meetings? Is it the individual member or is it the branch? How does the voting structure work? Do branches, depending on their size, get X number of votes? There are obviously various ways to structure this sort of process. I'm curious as to how it works.

MARK STEELE: Voting is by the individual members, Mr Chair. The branches don't have votes as such.

The CHAIR: Do they have a right to send delegates to the AGM?

MARK STEELE: Yes, in the sense that any member can attend the AGM.

The CHAIR: But they don't have any special standing at the AGM as a branch delegate at all?

MARK STEELE: No.

The Hon. WES FANG: Can votes be done by proxy?

MARK STEELE: Yes.

The Hon. WES FANG: Who normally holds the proxy?

PETER WRIGHT: Whoever is nominated.

The Hon. WES FANG: You can nominate who holds your proxy?

PETER WRIGHT: Yes, you can.

MARK STEELE: Yes.

The Hon. WES FANG: Are you able to tell us how many votes were cast in the last AGM?

MARK STEELE: I think we're going to have to take that on notice, Mr Fang.

The CHAIR: Along that same line, can you perhaps take on notice how many members attended, say, the last two AGMs in terms of individual members and also how many branches were represented at the last two AGMs as well?

PETER WRIGHT: Yes.

MARK STEELE: I assume by "represented" you mean in person or remotely?

The CHAIR: Yes, I do. "Attend" as in the general sense.

The Hon. EMILY SUVAAL: The minutes of the meetings, if that's possible, as well.

The CHAIR: The last two?

The Hon. EMILY SUVAAL: Yes.

The CHAIR: If we could have copies of the last two AGMs.

PETER WRIGHT: Yes. We'll take that on notice.

The CHAIR: That's fine. Going through some answers to questions on notice—

MARK STEELE: Mr Chair, this may be helpful. We engage with our members other than just at the AGMs, both at board and management level. One of our general managers is responsible for interacting and overseeing the operations of all of our volunteers and branches around the State. We regularly meet with the branches and meet with volunteers and engage with them both through her and directly as directors.

The CHAIR: How often would you say you do that on an annual basis? You as the board directly, not necessarily the membership officer.

MARK STEELE: Taking myself, this year I attended the Volunteer of the Year Awards at Yagoona. That was bringing volunteers from all around the State and we chose a volunteer of the year. I went to the Million Paws Walk. I've visited branches. We're going to Armidale at the end of this month and we'll meet with branch members there. I would say at least half a dozen times a year for myself. I think the experience of other directors would be similar.

The CHAIR: Going back to the opening statement, Dr Wright, you talked about the difference between what the board is responsible for and what the CEO is responsible for. Am I correct in saying that you, as the board, are responsible for the hiring and engagement of the CEO? Is that correct?

PETER WRIGHT: Yes, that's correct.

The CHAIR: So any concerns about the CEO's performance would naturally have to go to you?

PETER WRIGHT: Yes.

The CHAIR: In, say, the last three years, how many concerns have come to you from staff regarding the CEO's performance, in any sense?

PETER WRIGHT: I'm unaware of any questions in that regard.

The CHAIR: You spoke about bullying and harassment, and obviously your concerns around that. How many times has the board received complaints from staff, directly to the board, about bullying and harassment?

PETER WRIGHT: I can't think of the board being directly addressed by anyone.

The Hon. WES FANG: Or members of the board.

The CHAIR: By "addressed" I mean in writing or in person or a phone conversation or email. You've received nothing around these concerns around bullying and harassment as a board?

PETER WRIGHT: No.

MARK STEELE: I don't think we'd expect to, Mr Chair. We have a grievance policy that allows members of staff or volunteers who have a grievance to raise it internally, and there's a process that's gone through to investigate and address that grievance.

The CHAIR: Has the CEO ever raised these allegations or concerns that we're hearing about now to the board as a matter of course, or is it just a matter of saying, "This is being investigated by SafeWork. We've been asked to do X, Y, Z"? That hasn't been raised with you in meetings?

MARK STEELE: I'm not sure when I first became aware of the concerns that have been raised with the Committee about grievances raised in the last six to 12 months, particularly from the inspectorate. I've certainly had discussions with the CEO about those, and also with our general manager responsible for the area, the chief inspector and our head of HR. So I know about them. When I first became aware of them and how I can't now recall. My background is partly as an employment lawyer, so I have naturally paid particular attention as a member of the board to those issues.

The CHAIR: On notice, can you check your diaries or any notes you may have made in terms of when you did become aware of these complaints around bullying and harassment and who those complaints came to or came from? That would be great.

MARK STEELE: Yes. You also mentioned SafeWork notices. In the nature of the way our board and its committees work, I would expect those to come to the attention in the first instance of our risk committee because it involves an element of risk. None of us are on that committee, so I don't know when they would have become first aware of it. But if we can take that on notice, I suspect it would have been raised at a meeting of that committee.

The CHAIR: One would hope that they would then report back to the broader board on any pertinent matters.

MARK STEELE: Every board meeting we get a report from each of the committee chairs and we get the minutes of the committee meetings in the board papers, so it can be checked.

The CHAIR: Hopefully that might help you check it easily as to when you might have become aware of it.

The Hon. WES FANG: Before I start questioning, this is the first of many documents I am going to table. I am going to pass this to the staff and see if they could circulate it. I have a copy for myself and nine other copies. There should be a copy for the Committee members and also for the witnesses. Before we get to the evidence that I am just tabling, I first want to establish what the board's understanding is of their governance function of RSPCA because there seems to be a little bit of confusion. I note that, Dr Wright, in your opening statement you've I think mentioned twice that there is a limited capacity the board has in relation to overseeing the operations of the RSPCA. You've indicated you delegate to the CEO the operations on a day-to-day basis and you're more of an oversight governance role. Is that the way that you see the board's oversight of the RSPCA?

MARK STEELE: I think, in an entirely conventional way for charities and corporations, the board is ultimately responsible for the operations of the organisation. The way a board, in my experience, normally discharges that obligation is to delegate within parameters, and we have delegations of authority that give authority to the CEO and others within the organisation to make executive decisions. Some of those delegations call for particular decisions to come to a committee and then to the board. That's the structure, and then we oversee the operations of the organisation through our committees and through board meetings that are held every two months, and we get reports from the CEO, committee chairs and other managers on the operations of the organisation. That's the formal structure.

The Hon. WES FANG: I understand that and I appreciate that. I'm just going to then dive in a little bit more. Do you view the RSPCA as more of a charitable organisation or do you see it as more of an animal welfare enforcement agency?

MARK STEELE: I don't think I'd distinguish in—when you say "more" one than the other, I think we're both.

The Hon. WES FANG: That was the answer I was hoping for, and I appreciate that. In that respect then, we received an email on 21 June from Mr Wilkie indicating that there was, I'll say, a question as to why we would be asking the board to appear. You would agree, though, that asking the governance entity for the RSPCA that handles both charitable and animal welfare enforcement actions within that body is not an unusual thing, given we have some concerns around the operation of the RSPCA.

MARK STEELE: I've seen that communication. Mr Fang, I'm not sure I would characterise it in quite the same way you just did. My recollection of it is that Mr Wilkie was concerned to understand what sort of matters the Committee wanted to hear from the board about, and I spoke to him—

The Hon. WES FANG: Does it matter?

MARK STEELE: I spoke to him before he sent that communication to make sure that we had the right board members here to address the questions that you wanted to ask, because we have 10 board members.

The Hon. WES FANG: We're a parliamentary inquiry that is oversighting the charitable organisations' enforcement of POCTAA. Should it matter?

MARK STEELE: You're not going to get an argument from me, Mr Fang, that the Committee is entitled to ask questions of the board, and that's why we're here.

The Hon. WES FANG: Right. So I'm now going to turn to the evidence that I've provided. You'll see on the second page I've highlighted, quite helpfully I would've thought, some of the evidence that was given at the first of the hearings that we had. It's questioning between myself and Mr Beerden. Gentlemen, I already knew the answer to the question I was asking, which was: Was SafeWork involved in actions with the RSPCA? Looking at the evidence that I've provided to you, you can see that Mr Beerden is clearly trying to mislead this Committee by indicating that there was some engagement with SafeWork and denying initially that they were improvement notices issued by SafeWork until I drew him up on that very question and forced an answer from him where he admitted that they were improvement notices from SafeWork. If he was so willing to try and mislead this Committee, has he advised the board that there were SafeWork improvement notices in relation to the organisation? If so, what was the board doing about it?

MARK STEELE: I'm afraid I reject the premise in your question, Mr Fang.

The Hon. WES FANG: You can reject it all you like, Mr Steele. It's in black and white.

MARK STEELE: Can I finish my answer?

The Hon. WES FANG: Sure.

MARK STEELE: I don't see here that Mr Beerden misled the Committee or denied that there were improvement notices.

The Hon. WES FANG: Let's just go through this.

MARK STEELE: What he said was "I can't remember exactly if they were improvement notices", but he recalled working with SafeWork over the last few months.

The Hon. WES FANG: You believe Mr Beerden's evidence that he couldn't remember if they were improvement notices. Mr Steele, you've said—

MARK STEELE: No, I'm—

The Hon. WES FANG: No, I haven't finished my question yet, Mr Steele. You've indicated to me that you are a lawyer that has workplace experience. If you have SafeWork improvement notices, what does that mean for an organisation?

MARK STEELE: It means that they have to improve their work practices in accordance with the notices.

The Hon. WES FANG: Right. It's not a trivial thing, is it, to have a SafeWork improvement notice?

MARK STEELE: I would never say it was trivial. I think you'd need to look at the exact content of the notice in order to judge how serious it was.

The Hon. WES FANG: Would you expect a senior manager of the RSPCA to be unsure if advice that has been provided from SafeWork NSW is an improvement notice or not?

MARK STEELE: I don't think that's a fair question, Mr Fang.

The Hon. WES FANG: Why?

MARK STEELE: Mr Beerden gave his answer, which is that he—

The Hon. WES FANG: He wasn't sure if they were safe—but he knew. He later admits that he knew that they were.

MARK STEELE: I'm sorry, I don't understand why my evidence about this is relevant to anything before the Committee. I have a view—

The Hon. WES FANG: I'll explain. I'll tell you exactly why I believe it's relevant, Mr Steele. We've got questions around how this organisation is operating. One of your senior managers comes to this Committee and tells us that he's not sure if they're SafeWork improvement notices or not despite the fact that he later, only a few lines down, admits that they are SafeWork improvement notices. I'm asking questions of the board whether you were advised that they were SafeWork improvement notices, what you did in relation to those SafeWork improvement notices and what your response is to a senior manager of your organisation coming to this Committee having been issued SafeWork improvement notices telling us that he's not sure if they are or not.

MARK STEELE: Sorry, there were many questions in what you just said, Mr Fang, and I'm confused.

The Hon. WES FANG: Let's break it down then.

The CHAIR: Let's start with the first one, shall we? Fire off the first one and let them answer that, and then fire off the second, third, fourth, fifth and sixth.

MARK STEELE: What was your first question?

The Hon. WES FANG: My first question is: How do you feel about a senior manager of the RSPCA telling this Committee whether he's unsure if the notices that he's been given from SafeWork are SafeWork improvement notices?

MARK STEELE: I don't accept that characterisation of what his evidence was.

The Hon. WES FANG: How would you characterise it, then?

MARK STEELE: I'd characterise by quoting it.

The Hon. WES FANG: By all means.

Ms ABIGAIL BOYD: Point of order: I'm loath to take a point of order but it's been going on a little while. Mr Fang does not stop to allow the witness to actually respond to the question. If we could just slow it down, it would be very helpful.

The Hon. WES FANG: We're limited with time.

The CHAIR: I uphold that point of order. Just allow a bit of breathing space: Answer, question, answer, question.

MARK STEELE: In my experience of seeing people give evidence—which I've seen a lot of, Mr Fang—when they're asked a question which they're not given notice of in advance, people's recollections usually start with trying to recall the best they can. Mr Beerden recalled that there had been interactions with SafeWork. He was unsure in the moment whether there were improvement notices. You pressed him on it and, on reflection, he remembered that there were improvement notices. I don't see anything there that is an intention to mislead. I don't understand why anybody would even seek to do such a thing; it's a matter of public record whether we have SafeWork improvement notices.

The Hon. WES FANG: Actually, no, it wasn't.

MARK STEELE: It would easily become one because you would ask the question and we would provide them. If you think the organisation was trying to conceal from the Committee—

The Hon. WES FANG: That's exactly what I think.

MARK STEELE: —that we'd received SafeWork improvement notices, I reject that utterly.

The Hon. WES FANG: When was the board made aware that there were SafeWork improvement notices? What were the actions of the board?

MARK STEELE: I've been asked that question already—or I answered, anyway, to say—

The CHAIR: I don't believe you answered it. You were asked it, but I don't think you were given the opportunity to answer it, so I'll give you the opportunity now.

MARK STEELE: I don't recall when the board became aware of these two SafeWork improvement notices.

The CHAIR: Can you take it on notice based on your board meeting minutes?

MARK STEELE: I will take it on notice. I suspect that the committee that would have become aware of them would have been the risk committee.

The Hon. WES FANG: Can I just confirm—did you say two notices?

MARK STEELE: That's my understanding from the written evidence I've seen given to the Committee.

The Hon. WES FANG: Okay. Can you confirm—

MARK STEELE: I can't confirm it.

The Hon. WES FANG: I believe there might be more, but it's interesting you say "two". If you wouldn't mind taking on notice the number of SafeWork improvement notices that you've been issued.

MARK STEELE: Over what time period, Mr Fang?

The Hon. WES FANG: Whenever. How many have you been issued? It's a very good question.

TROY WILKIE: We have answered in writing before that there were two. I forget whether it was 12 or 24 months, but there were two in particular that we've responded to in writing and in previous hearings.

The Hon. WES FANG: How many have there been in total to date?

TROY WILKIE: In the 150 years of our organisation?

The Hon. WES FANG: I'm not sure SafeWork NSW has been in the exact iteration that it's currently in.

The CHAIR: Perhaps give them a time frame, Mr Fang, to help them out.

The Hon. WES FANG: Maybe the last decade.

TROY WILKIE: I'll take it on notice.

The Hon. WES FANG: I want to dive now into another issue: conflicts of interest. How does the board manage employees' conflicts of interest?

MARK STEELE: The organisation manages conflicts of interest by having policies that require employees, volunteers, senior managers, executives and board members to disclose any actual or potential conflict of interest between their obligations to RSPCA NSW and obligations to anybody else or personal interests. That's the first step. If they're disclosed—as they should be, in writing—then they're addressed by the person's immediate manager. If that person is uncomfortable with them or feels concerned, then they're escalated up the chain of command, if I can put it that way, as far as is necessary to deal with it. Some might come to the governance committee, for example, in the first instance.

The Hon. WES FANG: So it's not your expectation then that—

MARK STEELE: Sorry, I haven't finished my answer. That's one way we deal with it: through the conflicts of interest provisions in the codes of conduct that govern all employees and board members. The other way we deal with it indirectly, I suppose, is we have a whistleblower policy—and a grievance policy—so if any employee is concerned that there's a conflict they see in the workplace that they don't think has been appropriately dealt with, then there is the avenue for them to raise it with whistleblower protection if they feel necessary.

The Hon. WES FANG: Is it your expectation that conflicts of interest should be notified to the board?

MARK STEELE: Every conflict of interest, no. Conflicts of interest on the part of directors would certainly be notified to the board. There's a provision for that. I would expect the board to become aware of or be notified of a conflict of interest only in circumstances where management saw fit to escalate it to the board because they were concerned about it in a way that they didn't think could be dealt with at management level.

The Hon. WES FANG: You wouldn't necessarily expect, say, a conflict of interest from a senior inspector, a team leader, a chief inspector that's raised with the CEO to automatically be addressed to the board for their consideration?

MARK STEELE: No, I would expect it to be dealt with by the person's manager and only escalated if there was some residual concern about it or there'd been some other misconduct associated with it that was serious—the sort of process that any manager would go through in deciding what to escalate up the chain and what could be satisfactorily dealt with.

The Hon. WES FANG: In relation to board members themselves, it's a similar process, is it?

MARK STEELE: I'm not sure what you mean by "similar process", Mr Fang. Board members are asked at every meeting to declare whether they have any interests. There's a standing register of conflicts and interests that are declared by board members so that there's complete transparency.

The Hon. WES FANG: If you make an annotation in the register as a board member—say you make a declaration up-front, "I'm a member of this committee that might have an association with the RSPCA"—that's filed, put away and not addressed again?

MARK STEELE: No, every board meeting people are asked to declare whether they have any interest in the business that's going to be dealt with at that board meeting.

The Hon. WES FANG: What if a board member generates an income from the RSPCA?

MARK STEELE: That would be an interest that would be declared, in my view.

STEWART THOMPSON: And potentially ultimately disclosed in the financial statements.

The CHAIR: Is it actually permitted? Can you be a board member and also derive an income from the RSPCA?

MARK STEELE: You can't derive an income as a director under any circumstances.

The CHAIR: I'm not talking about honorariums or that stuff; I'm saying, can I provide fee-for-service for the RSPCA, or be paid in any way as an employee for the RSPCA, and also sit on the board?

MARK STEELE: Yes, if it was disclosed and the person wasn't involved in the decision to engage them for the services in a way that might provide them with a conflict. They wouldn't be involved.

The CHAIR: Is there anyone on the board that currently has that predicament?

PETER WRIGHT: Yes, I do.

The Hon. WES FANG: Dr Wright, I was about to come to you. Can you provide this Committee an indication of—you're obviously a vet.

PETER WRIGHT: Yes, by trade.

The Hon. WES FANG: You have a veterinary practice in Goulburn, I believe.

PETER WRIGHT: Goulburn, yes.

The Hon. WES FANG: You've provided fee-for-service to the RSPCA, haven't you?

PETER WRIGHT: I have.

The Hon. WES FANG: How has that been declared?

PETER WRIGHT: It's on the list of conflicts of interest. It's declared to the board. It's also declared in the annual report every year. The engagement is not by—I don't instigate the engagement. It's because I provide veterinary services. That's the role in which I'm employed and it's not necessarily me that's been employed to do it.

The Hon. WES FANG: Who makes the decision to employ your services?

PETER WRIGHT: Depends—whom are you talking about in particular?

The Hon. WES FANG: Let's say, with the last time you provided services—when did you last provide services to the RSPCA?

PETER WRIGHT: Probably last week because we work in conjunction with the local pound and the local branch in Goulburn and we provide discounted desexing services. Consequently, part of that gets paid by the local government through their pound and part of it gets provided through the RSPCA, which supports their desexing program.

The Hon. WES FANG: More broadly, you would have RSPCA inspectors in your area?

PETER WRIGHT: Yes.

The Hon. WES FANG: I imagine that if they were to confiscate an animal that might need veterinary services, they would have a list of the veterinary providers within the Goulburn area that they could attend.

PETER WRIGHT: Yes.

The Hon. WES FANG: How many other services would be in the Goulburn area that they might be able to utilise?

PETER WRIGHT: There's our practice—or my practice, if you like—in Goulburn, and there are two other practices in Goulburn. There are practices at Crookwell, Marulan.

The Hon. WES FANG: What is the percentage of work that goes to your practice versus the other practices?

PETER WRIGHT: I would have no idea. You would have to ask the inspector or speak to them about that.

The Hon. WES FANG: Mr Wilkie, would you mind taking on notice for me for the last, say, five years, the percentage of work that has been generated in that area that has gone to other veterinary practices versus the one that is operated by Mr Wright, please?

TROY WILKIE: Certainly.

PETER WRIGHT: So that's just on inspectorate cases?

The Hon. WES FANG: Just all work in general. I am just curious as to, on a dollar amount, how much income is derived through your practice, through the RSPCA, versus other practices.

PETER WRIGHT: Because we have the pound contract, so that's completely independent and that's why we deal with the pound animals.

The Hon. WES FANG: I appreciate that. I'm talking about RSPCA. I'm also curious as to how RSPCA inspectors in the area might have been guided by senior management in relation to any issues and, because there is a clear conflict in relation to a selection of your practice versus the other practices in the area, how those are managed. I'm not clear that the declaration as it currently stands is appropriately managing the conflict.

TROY WILKIE: I am happy to take it on notice as well, if that assists.

The Hon. EMILY SUVAAL: Thanks so much for making the time to appear here today. I might start with a question to you, Dr Wright. In your opening statement, you mentioned the significant uplift that you've seen in the inspectorate and significant expansion and the rapid growth. Are you able to give us details of how many more activities RSPCA NSW undertook this year with that uplift, in comparison to last?

PETER WRIGHT: Not specific numbers. One of the important things that came about from the uplift in the government funding was there is a certain amount that went into equipment work, but the other thing was engaging more inspectors. One of the things we recognise is that the inspectors often are going one-off out in unknown places, and one of our big allocations under that money was to make it two-up so that the safety of the inspectors and so forth—because many of those people are out there alone by themselves and unknown people. So that's the focus.

The Hon. EMILY SUVAAL: What percentage of jobs now would you say are being attended as two-out with that uplift?

PETER WRIGHT: I would have to take that one on notice to give you an exact number.

The Hon. EMILY SUVAAL: Sure. That would be great.

PETER WRIGHT: But that's the thing. We attend something like 15,000 complaints a year. Obviously, there should be a good number starting. Of course, the other thing is because there is training time and employment time and the funds weren't located till late in the last financial year, we're actually only just starting to achieve that now. Now, of course, we are running out of funding to keep that going.

The Hon. EMILY SUVAAL: In terms of the funding you're receiving—this may be a question for the treasurer, so please feel free if it's more appropriate to direct to you. In terms of the inspectorate costs, are you aware of the increase in numbers of inspectors over the last financial year with that number in funding—increase in whole terms?

STEWART THOMPSON: I would have to take that on notice. I'm sorry.

MARK STEELE: I think it's a rough doubling.

The Hon. EMILY SUVAAL: A rough doubling?

MARK STEELE: I think the figures have been provided to the Committee in written answers.

TROY WILKIE: For inspectors, it went from 36 to 59 full-time equivalent—field inspectors—and then some additional brief checkers and additional lawyers. We went from a business-hours call centre to a 24/7 call centre. There have also been a lot more animals seized in the last 12 months. So a number of—

The Hon. EMILY SUVAAL: You said there's a 24/7 call centre that's now in operation?

TROY WILKIE: That's right.

MARK STEELE: We've also done a lot more proactive inspections. I'm aware of that.

The Hon. EMILY SUVAAL: In terms of the inspectorate costs, I'm interested in some sort of "back of the envelope" sums. How much is an average inspector? How much would that cost to employ?

TROY WILKIE: I think we'll take it on notice for exact figures. Obviously, there's from the chief down to a new start, team leaders and so forth. They've got different salaries. I can give you an average on notice.

The Hon. EMILY SUVAAL: I'm looking specifically to try to quantify the number in terms of the uplift, which I understand to be in the field of 18 inspectors, and then the amount of funding you have received and what the difference there is. For example, you received \$20 million from the New South Wales State Government for the inspectorate. You've hired 18—you say 23—additional inspectors. What's the average wage? What was the cost involved with those inspectors?

STEWART THOMPSON: And including any uplift in areas such as the call centre as well?

The Hon. EMILY SUVAAL: Yes, that would be great because we don't have a detailed breakdown of that funding and where it has gone in terms of the inspectorate. If it assists you, the RSPCA NSW inspectorate award figures show an inspector entering in on a level one, which a new inspector may, as a base rate—these were 2020 figures, so we'll add a bit more on for that—was \$62,534.27. So say, for argument's sake, it's now \$70,000. That goes up to level five. There is, of course, regional allowances. I was encouraging you to perhaps try to arrive at some figures as to how much has gone to actual inspectors on the ground and where else that money has gone. As it stands, we don't have that information as a committee. It would be very useful.

STEWART THOMPSON: We can take that on notice and provide you with that information.

MARK STEELE: Obviously every time you add an inspector, you have to train them and equip them. So there are add-on costs as well.

The Hon. EMILY SUVAAL: Yes, I'm aware of that.

TROY WILKIE: For "back of envelope" numbers, we actually spent more than the Government provided on the inspectorate in the last financial year. It was \$21.2 million that was spent on the inspectorate, which breaks down to about \$12 million in field operations, about \$900,000 for prosecutions, about \$1.9 million for the contact centre and about \$6.5 million for animal care and rehab.

The Hon. EMILY SUVAAL: What I'm specifically interested in is how many boots on the ground extra did you get last year with the \$20 million that you got.

TROY WILKIE: We got 21 additional inspectors on the ground.

STEWART THOMPSON: We will take on notice the collective cost.

The Hon. EMILY SUVAAL: That's how many you've got at the moment that are all out there and going about, hopefully with two of them out there at a time?

TROY WILKIE: Yes.

STEWART THOMPSON: Correct.

The Hon. EMILY SUVAAL: Because we have heard evidence that contradicts that directly, so it would be good to hear that.

The Hon. EMMA HURST: I throw this to anyone. I want to go back a little bit. I know we've talked a little bit about the board elections, but is there a board election at every AGM?

MARK STEELE: No.

PETER WRIGHT: Every two years.

The Hon. EMMA HURST: Every two years one of them occurs?

PETER WRIGHT: Yes, every even year.

MARK STEELE: The board is elected in rotation. The whole board doesn't get elected every two years. There are eight elected directors. Half of them are elected—

PETER WRIGHT: Every two years.

MARK STEELE: —elected or re-elected, or not re-elected, every two years.

The Hon. EMMA HURST: So if you're elected onto the board, you're there for four years and then you'd be up for the next—

PETER WRIGHT: Yes. And you've got a maximum term of 12 years.

MARK STEELE: And then we have directors who are appointed as well. I am one of those.

The Hon. EMMA HURST: Is that like a casual vacancy, do you mean?

MARK STEELE: No, it's designed to allow the board to supplement the skills of the board members where there's felt to be some need to do so.

The Hon. EMMA HURST: Who appoints that person?

MARK STEELE: The board appoints.

The Hon. EMMA HURST: The board in collaboration?

MARK STEELE: Yes.

The CHAIR: When is that position reviewed? Or is it never reviewed?

PETER WRIGHT: It is. From memory, you can be co-opted director for one or two years, and then obviously it's up to review when it comes around again. It's finding someone with a reasonable skill set to look after the risk committee, for instance. That's how that—

The Hon. EMMA HURST: What's the make-up of the current board? How many were elected by members and how many were appointed by the board?

PETER WRIGHT: There's eight elected.

MARK STEELE: We're 10 in total.

PETER WRIGHT: Two co-opts.

The Hon. EMMA HURST: Two appointed. Is that variable depending on the skill set and decisions of the board generally, or is there a rule around how many can be appointed?

PETER WRIGHT: Up to four can be appointed, but we actually obviously focus on—we don't want a cast of thousands, so we try to focus on those that fulfil the skills gap. Every couple of years, at least, we do a skills analysis to see where we are lacking skill sets on the board and if we need to appoint anyone to fill that gap.

The Hon. EMMA HURST: Has the board ever received complaints directly from RSPCA inspectors, say, over the last two years?

PETER WRIGHT: Not that I'm aware of.

The Hon. EMMA HURST: If the board did receive a complaint directly from an inspector, what would be the process of the board to deal with that complaint?

MARK STEELE: It would depend on the nature of the complaint, Madam Deputy Chair. If it was something that was appropriately dealt with through the grievance policy, I suspect we'd encourage them to use the grievance policy. If it was something in the nature of a whistleblower-type complaint, then that would be dealt with differently. And if an inspector had a reason for wanting to raise it with the board, any legitimate reason would be listened to and dealt with.

PETER WRIGHT: And obviously if necessary too, it would be done in camera so that there was no managerial influence, if you like, over the discussion.

The Hon. EMMA HURST: If there was a complaint about the CEO from any staff member that went directly to the board, would you consider that the responsibility of the board to investigate—a complaint about, say, the CEO?

PETER WRIGHT: Yes.

MARK STEELE: Yes.

The Hon. EMMA HURST: When the department of primary industries gave evidence at this inquiry about how complaints or issues involving the inspectorate could be investigated within the RSPCA, they said you've got the chief inspector, the CEO and the board that can take actions, both internally and externally, with reviews of those matters. I'm just wondering, in your opinion, what is the DPI's belief around the board's role in complaints regarding the inspectorate?

MARK STEELE: It's a bit hard for us to answer for the belief of the DPI, Madam Deputy Chair.

The Hon. EMMA HURST: Would you agree with that statement?

MARK STEELE: You're now talking about complaints about inspectors rather than complaints from inspectors. Have I misunderstood?

The Hon. EMMA HURST: Issues involving the inspectorate, so I think it was more broad. It could be complaints coming from the inspectorate; it could be complaints about the inspectorate. I'm just trying to understand whether you agree with the statement that was made by the DPI that there is a process in place within the RSPCA that the board can take action.

PETER WRIGHT: Yes, we're obviously the end point of any—the highest elevation. If there were concerns that could be raised, they could be raised with the board. But, as I said, I'm unaware of any.

MARK STEELE: I should say too, I do occasionally—because my email address as a professional is available to people. I don't want to encourage this, but I do receive, occasionally, direct communications from people who are aggrieved about something that the inspectorate has done or has not done. For me, I follow those up and satisfy myself that there isn't anything there that has been inappropriately dealt with. At least on one occasion I can think of I've communicated with the person who has the concern. So my practice as a director is I wouldn't ignore any communication—

The Hon. EMMA HURST: But would you then take that to the board meeting for consideration?

MARK STEELE: If my initial inquiries gave rise to concern on my part, then I would escalate that concern.

The Hon. EMMA HURST: Does the board regularly receive or get informed about work health and safety concerns? Is there a report process where that ends up in the board's minutes or meetings for consideration?

PETER WRIGHT: Those concerns are done through the risk committee, and the risk committee meets and reports to the board at every meeting.

The Hon. EMMA HURST: So that would be in the board minutes if there were concerns that had come from that committee?

PETER WRIGHT: Yes, so the minutes of the risk committee form part of the board minutes.

The Hon. EMMA HURST: That risk committee is made up of board members? It's like a subcommittee?

PETER WRIGHT: Board members and members of staff, obviously.

The Hon. EMMA HURST: We've heard some quite serious concerns raised within this inquiry around inspectors being sent out without baton and handcuff training, for example. Is this something that has been briefed to the board and considered within some of those board meetings or WH&S reports from that risk committee, given that they've come up quite regularly in this inquiry?

PETER WRIGHT: I don't know—

MARK STEELE: I know we've got a SafeWork notice. I know from reading the evidence before the Committee and the answers that have been given that we've received a SafeWork notice in relation to baton and handcuff training.

The Hon. EMMA HURST: Sorry, can I just clarify that you didn't know about that until you read the minutes of this inquiry?

MARK STEELE: I can't recall, Madam Deputy Chair. I'm not conscious of having been aware of it beforehand. But the RSPCA is a big organisation that has lots of moving parts. I would expect the part of the board that would become aware of that would be the risk committee.

The Hon. EMMA HURST: Could you take on notice, just checking over the last couple of years of board minutes, whether that had come to the board's attention previously and been raised by that risk committee?

PETER WRIGHT: Yes, more than happy with that, Deputy Chair.

The Hon. EMMA HURST: And just let us know either "Yes, it was raised on this date" or "No, on reviewing those board minutes it doesn't seem to have been raised with the board"?

PETER WRIGHT: Yes.

The Hon. EMMA HURST: That would be useful. Mr Wilkie, I'm not sure if you're the best one to answer this. It's in regard to some questions on notice. The RSPCA was asked if the Auditor-General and the Audit Office of New South Wales have the purview to audit and report on the RSPCA's activities. The reply we had was that the Committee contact the Auditor-General for an answer. Is the RSPCA not actually aware whether they're subject to review by the Auditor-General?

TROY WILKIE: I'll take that on notice if that's okay. Rules about what they do and don't look into would be something that they've got and we can access from them for you on notice.

The Hon. EMMA HURST: Is the board aware at all if the RSPCA generally is subject to review by the Auditor-General?

MARK STEELE: Not that I'm aware of.

PETER WRIGHT: Not that I'm aware of.

The Hon. EMMA HURST: Another question on notice was to provide a breakdown of the number of prosecutions in the last five years by the Sydney metro inspectors versus the regional and rural inspectors. In response to my question, the RSPCA didn't provide that information. Instead, they referred the committee to "the s34B report" and "records maintained by the New South Wales Local, District and Supreme courts", which is obviously not a particularly useful answer for this Committee. The section 34B report only indicates which court a prosecution was actually filed in; it doesn't actually indicate whether the work investigating and initiating that prosecution was done by a Sydney inspector or a regional or rural inspector. So I wanted to put that back on notice and ask if we could get some more details around that original question?

TROY WILKIE: Yes, certainly.

PETER WRIGHT: So that's with the regional prosecutions or large animal compared to small animal?

The Hon. EMMA HURST: No, not that level of detail, just literally Sydney metro inspectorate versus regional and rural inspectorate.

TROY WILKIE: I'm honestly not sure. I don't use the inspectorate system or have access to it, but I'm not sure if it actually does delineate between metro and regional. I think we'd have to go through and work out the location of the inspector, search their history of their inspections and then work out which ones were done in which areas, so it would be a laborious task.

The Hon. EMMA HURST: If it's particularly complicated, can I ask that the communication back to the Committee would be, for example, "Can we look over the last year or the last two years instead of the last five years", rather than sending us to the local courts to try to get the information.

TROY WILKIE: Yes, certainly. If there's a particular time period that's of ease, then we can at least answer that one.

The Hon. EMMA HURST: I think the Committee is happy to compromise if that information is going to be too complicated to assess.

TROY WILKIE: I'll find out.

The Hon. EMMA HURST: Ms Suvaal was asking some questions in regard to the wages of the inspectorate. Can I just get a better understanding? Because obviously the funding is for enforcement and wages is one aspect of that. What is the full breakdown of actually enforcing?

We've heard things around housing of animals, but can you explain what that means with regard to enforcement for somebody that has potentially never been in this space?

TROY WILKIE: Something which kind of surprised me when I first started at RSPCA a couple of years ago is that you have to actually hold the animal while the case is proceeding. Let's say the inspectors go and do a seizure of a property with 30 dogs. Of those dogs, you might have all 30 of them in a very bad way, and so that's going to have veterinary treatment and then ongoing rehabilitation. But, for as long as that case is proceeding, they have to get held, effectively, as property. So it wouldn't be until the case has concluded that they could either be going back to the person, if they are found innocent—but we've got a very, very high success rate, and they would then get titled to RSPCA, who would then be able to rehome them, if suitable.

A case can go on for a couple of years. You have really high levels of care being given to some of the most neglected and cruelly treated animals that you've ever heard of in all kinds of situations and often on very large volumes. That is very expensive, both in the vet treatment and the rehab and the care components of that. The rough figures I was going to before did point out that about \$6.4 million last financial year was on animal care costs out of the \$21.2 million. It's a really significant portion and it's not one which we can obfuscate, either. We legally have to hold and care for the animals. Ideally, we want to re-home all of them. That is not always possible, but you want to re-home absolutely as many as possible, and that is a really expensive task if they've been mistreated in all kinds of physical and psychological ways.

The Hon. EMMA HURST: I've got one more question for Dr Wright around remuneration received. Within those declarations, do you also declare the amount of remuneration that you receive from any work that you do on behalf of the RSPCA?

PETER WRIGHT: I haven't actually done it, but they're obviously—it could be easily found.

The Hon. EMMA HURST: Are you able to provide on notice for us the amount of remuneration that you have received from the RSPCA while also holding a position on the board?

PETER WRIGHT: Over what timeframe?

The Hon. EMMA HURST: You've been on the board for about 22 years. Is that right?

PETER WRIGHT: Yes.

The Hon. EMMA HURST: That would be useful.

PETER WRIGHT: That would be a challenge. I will see what I can do.

Ms ABIGAIL BOYD: I don't have a huge number of questions because a lot of them have been asked, which is great. Thank you for your attendance.

The Hon. WES FANG: I've got plenty.

Ms ABIGAIL BOYD: I know you do. My understanding is that you've had the same CEO in place for 17 years. Is that correct?

MARK STEELE: That doesn't sound wrong.

The Hon. WES FANG: It sounds wrong to me.

Ms ABIGAIL BOYD: Does it strike you as unusual to have a CEO of an organisation for such a long period of time?

PETER WRIGHT: I'll start. I am sure the other board members will have some comments as well. Steve has been with the organisation for a lot longer than even I have, so he's actually very familiar with all the processes and so forth. All through that, his tenure as both when he was—what did they used to call him? Deputy CEO, I think, at one stage. He has undergone periodic review, which is every 12 or 24 months. Sometimes they have been fully external, sometimes it would be purely internal, sometimes it has been done within the board level. So, there has been a varying amount of review of his position. At all times he has been found to be satisfactory, and where he was in terms of being a CEO and what he was doing 12 years ago compared to what he is doing now, they've evolved, as the organisation has evolved going through.

Ms ABIGAIL BOYD: Sure. Sorry, that sounds like a very defensive answer.

PETER WRIGHT: No, it's—

Ms ABIGAIL BOYD: Let me just clarify. I think we had this discussion when we were talking about Balding on the Racing NSW board. It's not about the merit of the individual. From an overall corporate governance perspective, it's seen as being bad practice to have a CEO in place for a period of time because of the unique culture that develops under that CEO, the accrued power that they achieve just by virtue of having been there for a long period of time and the fact that you miss out on getting fresh pairs of eyes in to have a look at things and do things differently. Why has the board decided not to open up a recruitment process to look for—I hear what you're saying about reviews, and that's great. But why, as an organisation of such standing, haven't you opened up that process to see if there are other applicants for the CEO position?

MARK STEELE: I'm not sure, Ms Boyd, that it's a principle of good corporate governance to change your CEO regularly.

Ms ABIGAIL BOYD: Oh, it is.

MARK STEELE: To take a CEO that is functioning extremely competently and an organisation that is, to my observation, well run and effective, and shake it up by changing the senior management, I would hesitate to do that as a board member.

Ms ABIGAIL BOYD: But what are you comparing their performance to?

MARK STEELE: Well, I see the—Mr Fang can't wait to get into this.

Ms ABIGAIL BOYD: I know.

The Hon. WES FANG: Champing at the bit.

MARK STEELE: I have contact, because I'm on the board of RSPCA Australia, with the other member societies around the federation. I see something through that role of their management, and we visit their operations from time to time as well. So, in part, an answer to your question is I compare it to the functioning and operations of the other member societies of the RSPCA.

Ms ABIGAIL BOYD: Okay, which is something. I heard Dr Wright compare his performance to his performance 12 years ago, and I can totally understand that someone who has been in that role that long—

MARK STEELE: I get feedback regularly as a director directly from staff and volunteers and managers—and I'm not just talking about senior level managers, but managers at all levels of the organisation—as to their job satisfaction and the way in which they feel they're being managed. I have never had any reservations, based on that, about the functioning of management of the RSPCA in New South Wales.

Ms ABIGAIL BOYD: Without opening up recruitment on a regular basis, I struggle to understand how you can compare what the alternative to that person could be. You're sort of underlining my point for me. We talk in corporate governance terms about that cult of the individual and how dangerous that is for an organisation in terms of the dampening effect that has over time on fresh ideas, on people standing up when they don't like something that they're seeing and everything else. Are you telling me you've never thought about having a different CEO? You're just going to wait until there's a bad performance, before you—

MARK STEELE: No, we think about succession, for example. As a matter of corporate risk, you need to think through what's going to happen if the CEO leaves.

The Hon. WES FANG: Just jump in, Mr Thompson. Don't put your hand up, just jump straight in. Throw us the answer.

STEWART THOMPSON: There's no answer, sorry. Are you finished?

The Hon. WES FANG: Just because he's an SC, doesn't mean you have to defer to him.

Ms ABIGAIL BOYD: All right. Order.

STEWART THOMPSON: Listen, the concept of good corporate governance—and where it is an interesting one and obviously subject to debate—and the principles applied to the corporate environment, particularly the public company environment, may be very different to the reality of a not-for-profit organisation. In my experience, in my career, I've dealt with both styles of organisation. One of the challenges that you always find in the not-for-profit environment is getting people that really understand the cause, because the cause is important. In the corporate environment it's about maximising your return to shareholders, and that's a very different principle.

I have had some exposure to RSPCA NSW through my professional relationships over probably 10 years, and my understanding is very clearly that the CEO's current role today, and the structure that sits beneath him, is very different to what it was 10 years ago. I suppose, as a board member today, the CEO's ability to build and change his role probably would have been one of the aspects which would allow the board comfort to delay, that that person has not outlived their useful life in terms of their skills and ability.

Ms ABIGAIL BOYD: Sure. We're not putting him out to pasture.

STEWART THOMPSON: No.

Ms ABIGAIL BOYD: How did you come to be on the board? Who approached you?

STEWART THOMPSON: I had a previous business relationship with Brian Pickup, who was the previous treasurer. He had reached an age where he had decided to scale back his operations—his professional activities. He approached the board to resign, and they requested a referral to someone that he knew that might be a suitable candidate to join the board. After a briefing with him—and then I met Peter Wright—I was able to look at the organisation in terms of both brand and financial stability and the like, given that my interest is in the financial side.

Ms ABIGAIL BOYD: Did you meet with Mr Coleman before accepting the job?

STEWART THOMPSON: I met with Mr Coleman, and I also met with the CFO, Julian, as part of the process of acceptance, yes.

Ms ABIGAIL BOYD: Can I ask you, Mr Steele, how you came to be a board member?

MARK STEELE: I blame my wife, Ms Boyd. My wife and I have for a long time been interested in animal welfare, and she has been engaged with the RSPCA NSW for more years than I have. She helped with the education team; she's helped with fundraising. On the occasion when this Legislative Council had an inquiry into whether it was appropriate for the inspectorate function to continue to be part of charitable organisations—what was that, four or five years ago?—my wife became aware that that was coming up and it was an important matter for the RSPCA. Knowing my skills, she volunteered me to help with the preparation of submissions and evidence for that inquiry, which I did. I was not on the board; I did all that work pro bono. In the course of doing it, I learned a lot about RSPCA NSW and I met a lot of the people from RSPCA NSW. I continued to do pro bono work for them thereafter, and at some point I was invited to join the board.

The Hon. EMILY SUVAAL: Can I clarify—is your wife also a member of the board?

MARK STEELE: She is, yes.

Ms ABIGAIL BOYD: Who invited you to join the board?

MARK STEELE: I think it was Dr Wright.

PETER WRIGHT: It was, indeed.

MARK STEELE: He asked me whether I'd be interested and then the board, I suppose, formally speaking, met in my absence and in my wife's absence and appointed me, provisionally, under the constitution.

Ms ABIGAIL BOYD: One of the reasons that I've focused on the length of tenure of the CEO, and pointed it out as being relatively unusual and a red flag in organisations where that has been the case, is that the academic literature and best-practice guidelines point to the dangers of a CEO effectively managing the board, rather than the other way around. Obviously, we need the board to be incredibly independent. But when you're so reliant on somebody who is so embedded in the organisation, as your CEO, it can put at risk that sort of good governance structure. Do you believe that, as a board, you are adequately able to oversee the work of your CEO?

MARK STEELE: Yes. I don't feel managed. I think I'd know if I was being, and I'm not. There's something I wanted to add as well, Ms Boyd. One of the points that our treasurer made is that not-for-profits don't function in quite the same way, in many ways, as business corporations. One thing that occurred to me in the context of that is that one thing Steve's tenure brings to us which is of considerable value is that he has built up relationships over time with donors and supporters and people who we know have left us or are leaving us money in their wills. He works hard, from my observation, to maintain relationships with those people, which over time have become personal relationships. He commonly calls on people who we know are major benefactors or have left us major bequests in their wills to make sure they feel engaged and embraced by the organisation.

Ms ABIGAIL BOYD: Again, you're underlining my point for me. This is how we end up with so much power in one individual, and this has been the downfall of many a not-for-profit organisation. I've flagged it to you now, and I'll leave it with you.

MARK STEELE: I would shudder to think that those relationships would be lost, but we manage our CEO. That doesn't give him power over us.

Ms ABIGAIL BOYD: At all—you don't think that that's any kind of implicit power? It doesn't need to be nefarious power; just the fact that somebody is so valuable is a key personnel risk.

MARK STEELE: Yes, any invaluable employee is invaluable.

STEWART THOMPSON: I think that's one of the reasons why we have focused, as a board—certainly since I've joined the board, there have been a lot of discussions about succession and making sure. I said earlier I've got some understanding of the operations of RSPCA, probably over the last decade, through my other business relationships. My understanding is that the management team that sits within the organisation today, compared with what it was 10 years ago, is substantially different. Certainly as a board, since I've joined, we discuss regularly our need to make sure we've got succession because of what you call the risk that there might be of reliance on one individual within the organisation.

The CHAIR: I just have two quick questions.

The Hon. WES FANG: You said one.

The CHAIR: I changed my mind—Chair's prerogative. On notice, perhaps, how many of the board members have come up through what I would call the traditional sense of joining your board, through the branch structure or the individual membership structure? How many have come up through that sort of process, where they've been put forward by their branch as a good candidate for the board and then been nominated and accepted? I don't expect you to recall now, if you don't, but perhaps on notice. Of the current board, how many have come up in that traditional sense?

The Hon. WES FANG: Can I rephrase the question?

The CHAIR: I was happy with mine.

The Hon. WES FANG: How many people have been elected to the board that haven't been approached or nominated by somebody that's previously been on the board or by the CEO?

The CHAIR: Yes, I accept that rephrasing.

PETER WRIGHT: I'll take it on notice.

The CHAIR: Mr Wilkie, you've been sitting there patiently. As senior government relations manager, obviously that means you liaise with the Government, but I imagine that extends to the Opposition and crossbench.

TROY WILKIE: Yes.

The CHAIR: With this inquiry, have you or any other employees of RSPCA that have appeared before this Committee engaged with Committee members outside of the conventional sense of engagement with the Committee—that is, through the Committee secretariat? Have you sought to see, speak to or communicate with any Committee member or any member of Parliament regarding this inquiry, outside of the normal process of going through the Committee secretariat?

TROY WILKIE: I think I've spoken to most of the members of the Committee outside of—

The CHAIR: About this specific inquiry, not just generally speaking.

TROY WILKIE: The inquiry has come up in conversation with multiple members of Parliament, both of this Committee and otherwise.

The CHAIR: Have you or any other people who have appeared before this Committee sought information about how the Committee is deliberating or what questions may be asked through the process—

The Hon. WES FANG: Or which witnesses are appearing.

The CHAIR: —or sought to get information in advance of appearing before this Committee or having to answer questions? Not just you.

TROY WILKIE: Again, I've asked of members of the Committee and other members of Parliament if there are any particular concerns they've got, both before and after hearings that have taken place.

The CHAIR: Have any of the other members that have appeared done similar things? For example, have any of your employees given Committee members a set of Dorothy Dixier questions to ask back to you?

TROY WILKIE: I don't have any employees.

The CHAIR: Well, RSPCA.

The Hon. WES FANG: Have you given anybody on this Committee questions to ask you? You're under oath, I remind you.

TROY WILKIE: I'm aware of that. I can think of multiple people where I've suggested things that you would hope come up, or asked what things are going to come up.

The Hon. WES FANG: Do you have a disappearing WhatsApp message set up with anybody on this Committee that you might send messages to them on?

TROY WILKIE: I think I've got most of this Committee's phone numbers and have messaged.

The Hon. WES FANG: That is not the question I asked. Have you got a disappearing WhatsApp message with somebody on this Committee that you would send messages to them on during a hearing?

TROY WILKIE: I don't think I've messaged anyone during a hearing.

The Hon. WES FANG: You have not messaged anyone on this Committee during a hearing using disappearing WhatsApp messages.

TROY WILKIE: Not that I recall.

The Hon. WES FANG: Not that you recall. I will ask you to be very clear about that. Have you sent disappearing WhatsApp messages to anybody on this Committee during the conduct of the hearing?

TROY WILKIE: Not that I recall.

The CHAIR: Have any other employees that have appeared before this Committee sought to give Dorothy Dixier questions or seek information during an inquiry hearing?

TROY WILKIE: Not that I'm aware of.

The CHAIR: Can you take it on notice and ask them? Obviously, I cannot ask them because they are not here.

TROY WILKIE: Yes.

The CHAIR: Can you ask all the ones that have appeared if they have they been seeking information from the Committee as the inquiry hearing is actually ongoing?

TROY WILKIE: Sure.

The Hon. EMILY SUVAAL: My question is to Dr Peter Wright. Apologies; I should have asked this before and neglected to. In terms of the two-out numbers that you referred to in your earlier answer, would it be reasonable to require the RSPCA to provide their two-out figures as KPIs?

PETER WRIGHT: Yes. I'm sure. I will take it on notice to find out what the figures are. They're obviously transitioning into that role at the moment. I am more than happy to find where we are at, at the moment.

The Hon. WES FANG: Before I go to the other questions that I had, I am going to ask you one last time, Mr Wilkie. Noting that you are under oath, and you acknowledge that you are under oath and that you would be breaching the Parliamentary Evidence Act if you are lying and that you would be committing perjury, have you sent disappearing WhatsApp messages to anybody on this Committee during the Committee's hearings, asking for the question to be asked?

TROY WILKIE: Not that I recall.

The Hon. WES FANG: Not that you recall. Are you sure?

TROY WILKIE: Yes.

Ms ABIGAIL BOYD: Do you mean just current members, like these members, or do you mean other people?

The Hon. WES FANG: The members that are on this Committee during any of the hearings we have had during the inquiries that are occurring.

The Hon. PETER PRIMROSE: Let's not leave this hanging. Have you ever sent any disappearing or non-disappearing WhatsApp or any other social media message to me as a member of this Committee, at any time, about any matter to do with this Committee?

TROY WILKIE: Not that I recall, no.

The Hon. PETER PRIMROSE: I can tell you that you have not, because I certainly would recall. But, to the best of your knowledge, you have not.

TROY WILKIE: That's right.

Ms ABIGAIL BOYD: Have you ever sent me one, because I did not get it?

TROY WILKIE: Don't feel left out. It's not a favouritism, I promise.

The Hon. WES FANG: I am going to seek some advice from the Clerks. I will ask you for this or for the aerial culling of brumbies inquiry: Have you done it for either one of those?

TROY WILKIE: Not that I recall.

The Hon. WES FANG: Not that you recall. So your answer that you gave previously also stands for the aerial culling of brumbies inquiry?

TROY WILKIE: Yes.

The Hon. WES FANG: I just want to turn now, Dr Wright, to the grievance policy that you spoke about earlier—or, rather, Mr Steele—

MARK STEELE: I think it was me.

The Hon. WES FANG: —that staff can engage in. Mr Beerden gave us some evidence in the first of the inquiries. He said that there had been 36 complaints in total in the previous 12 months at the time that he gave the evidence. Do you know how many of those were upheld?

MARK STEELE: I've read the evidence, Mr Fang, which was that four were substantiated—four occasions. I don't know whether I can put it that way—complaints. I'm not saying that is four complainants. I am not at all clear about that, but there were four substantiated matters.

The Hon. WES FANG: Out of 36, so it is just a tick over 10 per cent of the complaints that were made were—

MARK STEELE: I'm not sure that's a useful parameter, but—

The Hon. WES FANG: It is when I am looking at what the likelihood is that your staff might use the grievance policy, given that, say, one in 10, give or take a few, is upheld.

MARK STEELE: As I understand it, Mr Fang, from my discussions with the head of HR about this, one complainant might make 15 complaints about 15 different occasions, two of which might be upheld. But I don't think that's a useful measure of whether the process is working effectively.

The Hon. WES FANG: Let's look at the 36 then. It may be that it is 36 different people with one complaint each or it may be three people with 12.

MARK STEELE: I think there was more information given in the evidence than that. I'd have to refresh my recollection, but I don't think it's 36 people making one complaint.

The Hon. WES FANG: No. In relation to that then, as a board, do you receive a breakdown of the complaints that are made, the number of people that are making complaints, the investigation process that occurs, what is upheld and what action is taken?

MARK STEELE: At that level of detail, no—

The Hon. WES FANG: Do you think you should?

MARK STEELE: —unless we inquire, which I have done.

The Hon. WES FANG: It was said—

MARK STEELE: Do you want me to answer whether I think we should?

The Hon. WES FANG: Yes.

MARK STEELE: I think workplaces like ours—we have 560 employees and we have 3,000 volunteers who are also covered by the grievance policy. The idea that the board should become aware of every single grievance and the investigation that was made into it and how it was resolved is too much, Mr Fang. I would expect, as a board member, if the pattern of grievances and the way they were resolved indicated some systemic issue with either the policy or with workplace satisfaction, that would be brought to the attention of the board and we would address it, which is why, when these complaints came up in this context, as a director, I went out of my way to inquire whether there was any basis for concern for me as a director or at the board that there was a systemic issue of workplace culture at RSPCA NSW.

I made inquiries about that, not just of the CEO but across management. I looked at the figures for staff turnover and the figures for grievances. I looked at the workplace satisfaction surveys that had been conducted, and I called on my own knowledge of engaging with workplace participants and I satisfied myself that there was no evidence of a systemic, toxic workplace culture at RSPCA NSW. I found that there were a large number of grievances reported—a historically large number of grievances—by the inspectorate in the last six months or so. That is what I found. I inquired and, if you're interested, I can tell you what I concluded. But I inquired into what might be causing that and whether I, as a director, and the board should be concerned that there was something about the workplace culture in the inspectorate that we needed to be concerned about.

The Hon. WES FANG: Are you aware that—

The CHAIR: Apparently it is this inquiry that is causing it all.

The Hon. WES FANG: Yes, that was one of the answers that was given.

MARK STEELE: Sorry, I didn't hear you, Mr Chair.

The CHAIR: I said, apparently, according to answers given by your organisation, it is this inquiry that is causing all these workplace issues.

MARK STEELE: Sorry, you didn't ask me a question.

The Hon. WES FANG: I am going to table one other piece of evidence, if I could. Are you aware that there was a meeting that was held with the inspectorate staff and management on 30 May 2024, just over a month and a half ago?

MARK STEELE: At that level of specificity, no.

The Hon. WES FANG: It related to concerns that staff had. I'm just talking about this in broad terms. A number of issues were raised in relation to reporting that's occurred, the way that staff are feeling that they've been treated by management and evidence that was given in inquiries before the Legislative Council committees, both the inquiry into aerial culling and this inquiry into POCTAA. So you've been given no briefing about that meeting at all?

MARK STEELE: I'm confused now, Mr Fang. You're telling me to assume that there was a meeting on 30 May between who and who?

The Hon. WES FANG: Between inspectorate staff and management of RSPCA.

MARK STEELE: I'd expect there would be meetings like that every day at that level of generality. If you want to be more specific, I can—

The CHAIR: I'd encourage you to because we're right on time.

The Hon. WES FANG: All right. Can we go a bit over?

The CHAIR: A couple of minutes, but you're pushing it.

The Hon. WES FANG: You might want to take this on notice. Let me raise with you in general terms that it was suggested at that meeting, in my understanding, with multiple attendees that Mr Coleman had given evidence to the Committee in order to—I will paraphrase here—shut me up in relation to some of the questions I was asking related to the inspection of the Downside property in Wagga. I've given to you, in highlight notes, the answers that were given in relation to the inspection of the coolroom. It is my belief that Mr Coleman has deliberately perjured himself in relation to these answers. As a board, how would you feel if your CEO is proven to have perjured himself at an inquiry by giving false answers to this Committee?

MARK STEELE: I'd obviously be concerned, Mr Fang. Perjury is a serious matter.

The Hon. WES FANG: What action would you take?

MARK STEELE: What action would I take? Am I assuming a conviction for perjury or an allegation of perjury? What are you asking me to assume? I don't understand.

The Hon. WES FANG: Let's go with an allegation for the moment. Would you take any action at all?

MARK STEELE: An allegation by whom?

The Hon. WES FANG: By me.

MARK STEELE: Based on what's written here?

The Hon. WES FANG: Yes.

MARK STEELE: What action would I take?

The Hon. WES FANG: Yes.

MARK STEELE: I would review with the CEO the answers that he gave to see if there was any basis, as it appeared to me, that the answers were deliberately false.

The Hon. WES FANG: Given that we are short of time, I will ask you if you could take on notice, and reply to us within 21 days, the response of the CEO before I ask him to be recalled.

MARK STEELE: I'm sorry. I need to be very clear about this, because this is a very serious allegation.

The Hon. WES FANG: I appreciate that.

MARK STEELE: What is it that you're asking me to do?

The CHAIR: Can I help, Mr Steele?

MARK STEELE: Yes.

The CHAIR: The answer that he gave on this date, on 23 May, where he said that in hindsight they should've actually entered the coolroom and inspected it—we are of the understanding that that is contrary to information that he's given to the inspectorate staff at a meeting on 30 May, where he said that he only said this to shut Mr Fang up. That would then imply that this is a false and misleading statement to the Committee because it was only said to shut Mr Fang up, not necessarily a true answer to the question.

MARK STEELE: I'm not cavilling with what you're saying, Mr Chair. I'm just trying to understand it. This is a statement of opinion, so the allegation is that the opinion was not genuinely held?

The CHAIR: Yes.

MARK STEELE: All right. I will make inquiries about that, but I'm not an investigator on behalf of the Committee.

The CHAIR: We don't expect you to be that.

The Hon. WES FANG: No. You offered.

MARK STEELE: You asked me what I would do and I said that's what I would do as a responsible director. I didn't say that I was—

The Hon. WES FANG: I know, and I'm making the allegation now. I said what would happen if I made the allegation. You said what you would do. I'm asking you to do it.

MARK STEELE: Well, I will do that. But am I being asked for anything else?

The Hon. WES FANG: No, just 21 days.

The CHAIR: Just take on notice as to what the—

MARK STEELE: The 21 days is you want me to report back to the Committee on the results of my—

The CHAIR: Yes.

MARK STEELE: I'm not sure this is a proper—this isn't a question.

The Hon. WES FANG: You offered it.

MARK STEELE: I beg to differ, Mr Fang. You're asking me to make an investigation and report back to the Committee on the results of my investigation. I'm not sure that's within the powers of this Committee.

The CHAIR: We've raised the concern that Mr Coleman may have given false and misleading evidence. We're asking you to seek a response from Mr Coleman on that accusation that we are now putting, whether you personally —

MARK STEELE: And report back to you.

PETER WRIGHT: Or through the board.

The CHAIR: Or through the board, yes.

MARK STEELE: I will make inquiries as a director, but that is all I will do. If this Committee wants to make serious allegations of perjury against somebody then this is not the way to do it, in my view.

The CHAIR: We are merely seeking information. He can come back with a clarification.

MARK STEELE: You say that, but I think, in fact, what is happening is a serious allegation is being made in a way that does not accord Mr Coleman natural justice.

The CHAIR: We're providing him an opportunity to seek that and come back with a clarification as to how this evidence is not contrary to what he said at a meeting on 30 May.

MARK STEELE: We'll take this discussion on notice, Mr Chair, and we'll give you a response, but it may not be the results of my inquiries.

The CHAIR: Yes, that's fine. That concludes our time. You have taken some substantial stuff on notice. We thank you for your time today. The secretariat will be in touch in terms of the list of questions you have taken on notice with a time frame to get back to us. Thank you very much for your time.

(The witnesses withdrew.)

The Committee adjourned at 15:35.