

# PORTFOLIO COMMITTEE NO. 8 - CUSTOMER SERVICE

Thursday 5 September 2024

Examination of proposed expenditure for the portfolio area

## LOCAL GOVERNMENT

**CORRECTED**

The Committee met at 9:15.

### MEMBERS

The Hon. Emma Hurst (Chair)  
Ms Abigail Boyd  
The Hon. Mark Buttigieg  
Dr Amanda Cohn (Deputy Chair)  
The Hon. Scott Farlow  
Ms Sue Higginson  
The Hon. Aileen MacDonald  
The Hon. Cameron Murphy  
The Hon. Peter Primrose  
The Hon. John Ruddick

### PRESENT

**The Hon. Ron Hoenig**, *Minister for Local Government*

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**The CHAIR:** Welcome to the first hearing of the Portfolio Committee No. 8 - Customer Service inquiry into budget estimates for 2024-2025. 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 Emma Hurst. I am the Chair of the Committee. I welcome Minister Hoenig and accompanying officials to this hearing. Today the Committee will examine the proposed expenditure for the portfolio of Local Government.

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. Welcome and thank you all for making time to give evidence today.

**Mr DOUGLAS WALTHER**, Executive Director, Local Government, Office of Local Government, sworn and examined

**Mr BRETT WHITWORTH**, Deputy Secretary, Local Government, Office of Local Government, affirmed and examined

**Ms KIERSTEN FISHBURN**, Secretary, Department of Planning, Housing and Infrastructure, affirmed and examined

**Ms RACHEL CONNELL**, Deputy Secretary, Agriculture and Biosecurity, Department of Primary Industries and Regional Development, affirmed and examined

**Dr KIM FILMER**, Chief Animal Welfare Officer, Department of Primary Industries and Regional Development, affirmed and examined

**The CHAIR:** Before we start with questions from the crossbench, I believe, Minister, you had a short opening statement you wanted to make today?

**Mr RON HOENIG:** Yes, Madam Chair. I wanted to advise the Committee that Liverpool City Council has lodged an appeal to the Court of Appeal following a judgement given by Justice Robson at the Land and Environment Court on Monday. I am anticipating them seeking injunctions and urgent hearings at some stage today. I am a respondent to the appeal, as is Mr Whitworth, so it may well be necessary for me on short notice, at some stage, to seek leave of the Committee to give instructions to senior counsel. Mr Whitworth may well be required during the day to provide instruction to senior counsel. If that eventuates, I'm happy to make up the time at any time that is convenient to the Committee today or at any other time.

**The CHAIR:** Thank you for the heads-up on that.

**Dr AMANDA COHN:** Good morning, Minister. I thought I would start us off with a topic you'll probably expect from me, which is the de-amalgamations. During the debate on the Local Government Amendment (De-amalgamations) Bill 2024, Government members representing yourself stated that it was the view of the Government that an amendment to that bill to enable a community-led process for de-amalgamation in circumstances where the council itself doesn't support de-amalgamation wasn't required because that provision existed in section 215 of the Local Government Act. Has any community ever presented a proposal under section 215 of the Act that has been successful?

**Mr RON HOENIG:** I don't know the answer to that question. I collected petitions under section 215 in relation to the merger of Bayside Council. As I know, the member for Maroubra did because that was and continues to be an unusually unpopular amalgamation. I am under the understanding that some of the Labor Party candidates in one of the wards are also collecting petitions under section 215. Whether that has occurred in the past—I think the Demerge NSW Alliance did say to me that it's occurred before and the Office of Local Government had rejected it on the basis of an interpretation of section 215. We discussed this at the last estimates and I indicated that if that was the Office of Local Government's view—that is, the view that it required more people to make the submission—I don't necessarily agree with that.

**Dr AMANDA COHN:** The Act is very clear in terms of the number of people required. But it's not clear at all in terms of the content required in such a proposal. Now that the Act has been amended through your bill, in section 218CD, the requirement on a council to put forward a de-amalgamation case is very high. It requires a huge amount of preparation of a business case. The new process also gives you a huge amount of discretion as the Minister. I am hoping to clarify on behalf of the groups who are currently preparing proposals under section 215 what your expectations are for the content of those proposals and how community groups will prepare them.

**Mr RON HOENIG:** This is not meant to be disrespectful, Dr Cohn, but the views you had about the proposed amendments to section 218CC were supported in the Legislative Assembly by 90 votes to three. If you take the view that the Legislative Assembly, on a bipartisan basis, overwhelmingly supported an amendment to the Act, at some point, as a member of the House of review, you have to accept that is the will of the people.

**Dr AMANDA COHN:** I'm asking a very specific question about section 215. Both Government and Opposition members, when speaking on the bill, said that they didn't think the bill needed amendment because they thought section 215 would work. There was clearly a bipartisan expression that members of both major parties thought there should be a process for a community-led pathway. It is very unclear under the Act in section 215. You now have a significant amount of discretion. I am reiterating my question, which is what should community groups be including in these proposals, or are you going to be dismissing them out of hand?

**Mr RON HOENIG:** The Government policy on mergers and demergers that it took to the election was that it will not forcibly make any of those decisions and that those decisions will be left to communities to decide. If 50 or 100 people from Urana came in with a petition saying that they wanted to demerge, with nothing else, I'm not sure what I would do with that. I would probably send it back to them and ask for further information or something of that nature.

**Dr AMANDA COHN:** That's exactly what I'm asking you. What sort of information are you expecting from those groups?

**Mr RON HOENIG:** It would be information about, firstly, what the benefit would be of what they are proposing and what the disadvantage would be to the other council, because they are also impacted by it. It would include how the process would proceed and, effectively, what the general view of those people is. If it's not vexatious and it's not just a thought bubble, I would probably then send it to the Boundaries Commission to go to have a look at. If it's just a thought bubble or it's just because people are angry because of poor service standards, which is usually a result of the amalgamated councils, I would be fair in relation to my approach. I think your concern—probably rightly so—is about what happens in the future.

**Dr AMANDA COHN:** To be clear, I'm asking because I'm aware of at least two community groups that are preparing a proposal under section 215, and they have asked me to ask you what that needs to include for you to take it seriously.

**Mr RON HOENIG:** It would be something short of an implementation plan because they wouldn't have the capacity to prepare that. But it would be a reasonable outline or, alternatively, include serious issues that have been caused by the amalgamation that can only be addressed by the de-amalgamation. The problem that the community groups have is, other than—mind you, I've got to say, Cootamundra-Gundagai, the people of Gundagai were amazing in what they were able to produce. Community groups can't produce what an informed organisation can produce.

**Dr AMANDA COHN:** That's right. You've led into my next question very nicely with your reference to Cootamundra-Gundagai Regional Council, and we've discussed this previously. You are on the record with your stated intention to support that community with de-amalgamation. Why did you not exercise your ministerial discretion to postpone the election in Cootamundra-Gundagai?

**Mr RON HOENIG:** Because I took the view that taking away the people's right to make a decision in the current governance structure is a serious thing. Snowy Valleys wanted me to delay the election, and I have in front of me to decide whether I delay Liverpool. Delaying an election is a big call. You've got to give people their say. Maybe the previous mayor wanted a mandate. He called me a bastard at the last council meeting, so he might have needed a mandate to see whether his community agreed. I have in mind, if the Boundaries Commission approve the demerger, to utilise the democratically elected councillors as the interim council or the interim administrators to bed-in the demerger, and I wanted elected people to perform that function. That is a difficult function.

I don't want to appoint outside administrators because, in my view, administrators are never successful. I wanted the councillors themselves to have ownership. If they are the ones that are elected, I want to utilise them for the purposes of that. I've consulted pretty widely in respect to what my intention is. I've consulted with the member for Cootamundra, who agrees that's the right way to go. I just want them to divide up the assets of their councils, should it proceed, and I want democratically elected people to do it. I don't want administrators to do it; I don't want old councillors that don't have a mandate to do it, because we may be talking about quite some time before they are ready to go to election, by the time they divide up their assets and arrange for shared services.

**Dr AMANDA COHN:** That was going to be my follow-up question. I think there is certainly an expectation from members of the community that, having gone through such a prolonged process to get to this point, that the de-amalgamation would now be imminent. What is your expected time frame of that process, from here?

**Mr RON HOENIG:** I'm in the hands of the Boundaries Commission, who I've also appointed to a public inquiry. I'm actually in their hands. I know that they have met with a variety of people. I know they have the material. I know they've met with the member for Cootamundra in respect of it. So they are being very thorough, as they should be.

**The CHAIR:** Minister, you requested that the Animal Welfare Committee that I Chair conduct an inquiry into cat management, which is going to commence very soon. Can you confirm that the Government won't be making any changes regarding cat management strategies in New South Wales or bringing in any legislation in this space until the Inquiry has actually made those recommendations?

**Mr RON HOENIG:** I can say to you that we are going to release a discussion paper in respect of the Companion Animals Act. I know the pounds inquiry is pending, and the cat containment inquiry is pending. I don't want all that work just simply on hold to wait until the committees that you chair are undergoing a very helpful and important process.

**The CHAIR:** If there decisions are made before the recommendations are made, though, what would be the point of the inquiry if the decision is made before the evidence comes in?

**Mr RON HOENIG:** Ms Hurst, I would not propose in any way to make decisions about changes to the Companion Animals Act, without consulting everybody, and specifically consulting you in respect of them. Because whatever those changes are, we have to take an entire community with us. We have to achieve the objectives that many, including you, have been campaigning for, for a long period of time. I'm not going down the process, in terms of the legislation under my control, just simply to introduce a bill without consultation or that is not informed by the very inquiry that the committees you chair undertake. The issue becomes even more expansive now, following the Federal environment Minister's announcement of funds now for feral cats. I'm not sure of the full details in relation to that, but I certainly would like to access the availability of some of that funding to address some of the about feral cat questions that aren't relating to national parks, whereby the State may or may not have limited jurisdiction.

**The CHAIR:** You mentioned that you're going to be releasing a discussion paper. Can you tell me more about that?

**Mr RON HOENIG:** Not really. What stage are we up to with that?

**BRETT WHITWORTH:** Minister and Committee, we have a draft discussion paper for companion animals that is close to being finalised. It will provide prompts for community members—community members, stakeholders, councils—to identify issues with the Companion Animals Act and how it's operating. We use it as an opportunity to flag that there are a number of issues arising. As the Minister said, there is the cat containment issue, which is being investigated or will be investigated by the Animal Welfare Committee. There is the pounds issue, which is being investigated by this Committee. There is also a number of coronial inquires that we need to factor in. We need to mesh in with the animal welfare reforms that our colleagues in the Department of Primary Industries and Regional Development are undertaking as well. It provides a number of prompts and is a starting point so that we can build a conversation about the reform of the Companion Animals Act.

**The CHAIR:** Do we have a timeline on that?

**BRETT WHITWORTH:** Minister?

**Mr RON HOENIG:** I haven't seen the draft yet. I only know that one is being prepared.

**The CHAIR:** So we've got a bit of a process?

**Mr RON HOENIG:** Has my office got a draft?

**BRETT WHITWORTH:** Yes, there is a draft prepared.

**Mr RON HOENIG:** It hasn't been shown to me yet.

**The CHAIR:** Minister, I'll go back to what you were saying before. I did see the article in *The Sydney Morning Herald* about the Federal Minister's position on cats. Obviously there have been releases by the RSPCA and others around major concerns with that position, and potential animal cruelty, so I'm keen to get your thoughts. I assume that, as the Minister responsible for the Companion Animals Act, you'll be one of the key Ministers in managing any policies in New South Wales around that. I just want to, first of all, make sure that we work out what is best for New South Wales in this space, and the impact from you, as Minister, if we were to take on what's been recommended federally?

**Mr RON HOENIG:** All I know is what was announced in the newspaper. I certainly wasn't consulted about the announcement or what was proposed. You could infer from the newspaper article that they were probably talking about national parks. We've got something like 500,000 registered cats. I don't think that is a measurement of the total number of cats floating around our communities.

**The CHAIR:** We know that is a bit of a mess.

**Mr RON HOENIG:** The Companion Animals Act, as you know, only gives power to control cats if they are a nuisance. I can give you the statistic, but if I were to tell you that there has been, I think, 47—someone will correct me if I am wrong—nuisance orders on cats in five years, it's hardly a power that is widely used. I don't know how many feral cats we're talking about. I do know that cats are an A-class predator and if they are out, they can threaten—

**The CHAIR:** Can I just confirm, Minister, you obviously have companion cats who live with people and then you have homeless cats who live on the streets and then you have wild cats that live out in the bush.

**Mr RON HOENIG:** Yes.

**The CHAIR:** And there doesn't seem to be any kind of recognition or understanding that they are three different groups of cats. I am assuming you are saying that if a cat has been dumped or left behind, is living on the streets, that you are considering them to no longer be a companion cat. Is that what you are saying?

**Mr RON HOENIG:** Whether cats roaming the street are either homeless or whether or not they are feral cats, they shouldn't be roaming the streets ideally. They should be taken to a pound, they should be desexed and they should be rehomed, if possible. Cat containment and proceeding down that path then causes concern with volume if successful, but to me, surprisingly, the success of the rehoming organisations for somebody that had not operated in this space is quite remarkable. The percentages of reductions in euthanasia of animals over the past seven years or so has been hugely successful. All those that have been operating in this space seem to be able to overcome what I wouldn't have had the capacity to overcome. I am confident, providing there is money and strategy and the strategy is right and we get people's cooperation, that we can make some inroads in that space.

**The CHAIR:** Talking about those rescue organisations, in April this year multiple organisations—you can see all their logos here. Many of those rehoming groups wrote to you and explained that they are in a cost-of-living and rental crisis that is also then obviously causing a major rehoming crisis and that they are all overcapacity and extremely underfunded. This letter was essentially desperately asking you for some funding from the next round of funding to be able to continue to do that rehoming work. I assume you have seen this letter, or would you like me to hand up a copy of it?

**Mr RON HOENIG:** If you could, please.

**The CHAIR:** What action have you taken in response to receiving that letter?

**Mr RON HOENIG:** I imagine it would have ended up being considered by the ERC in the budget process because that's when it was targeted for.

**KIERSTEN FISHBURN:** I haven't seen that, Minister.

**Mr RON HOENIG:** Yes, I haven't seen it either.

**The CHAIR:** I'll come back with some further questions on that in the next round.

**Mr RON HOENIG:** Also, Madam Chair, Mr Whitworth just told me that in any event part of that tender process or grant process would be a DPI issue. I don't know whether you have asked Minister Moriarty about it.

**The CHAIR:** The last \$5 million came from the Office of Local Government, and generally because a lot of these rescue organisations are actually collecting animals from pounds, it has historically been considered an Office of Local Government issue rather than an animal welfare issue because it's not an animal cruelty issue. It's a rehoming issue.

**Mr RON HOENIG:** The Office of Local Government's function seems to be effectively being the acquitter of the grants as distinct from much else. In any event, I will take it on notice and I will chase down what has happened to it because I have a lot of faith in these organisations who perform fabulous functions and who are successful beyond what people would imagine them to be.

**The Hon. SCOTT FARLOW:** Minister, in July you announced an inquiry into Liverpool council before a section 430 investigation was completed. You stated that your intention was to suspend the council and postpone the elections while the inquiry was being conducted. Is that correct?

**Mr RON HOENIG:** That's correct.

**The Hon. SCOTT FARLOW:** The interim report was scant in detail and did not appear to be a thorough investigation with supporting information and evidence for the allegations made. Do you acknowledge that the investigation was not complete and would run alongside the inquiry?

**Mr RON HOENIG:** I do not agree with you about the description of the report itself. I think that sounds like a press release from Chris O'Keefe.

**The Hon. SCOTT FARLOW:** I don't think Chris O'Keefe does press releases. He might take yours; he might give them a run, I don't know.

**Mr RON HOENIG:** The inquiries in relation to Liverpool council commenced in 2022 under the former Government with complaints about the manner and type of appointment of—they call them COs but they are

statutory officers of the general manager. The preliminary inquiry was commenced by the OLG. After the election, that was continuing. I was then alerted later that year to the appointment of a director—a former member of this House who lost preselection that was given a job as a director for \$380,000 a year. Then I received from *The Australian* newspaper information that seven others who were either councillors, former councillors or staff members of a particular political party had been engaged not in accordance with certain processes at the council. So I then requested a preliminary investigation in respect of those matters by the Office of Local Government.

Then earlier this year as a result of a number of significant issues being brought to my attention—I think the chronology needs to be checked, but, firstly, the suspension of the general manager, the finding by the investigative body that the general manager did not require termination, the termination of the general manager in breach of the contract with the refusal to pay out the amount due and owing under the contract with other issues in relation to occupational health and safety provisions, and a range of other matters that had been brought to my attention—I requested the Office of Local Government undertake a section 430 investigation. They were conducting that section 430 investigation and then they reported to me and wanted me to urgently consider an urgent public inquiry.

I suppose the summary of that public inquiry was set out by Justice Robson as to a number of the findings that proposed that there be an urgent public inquiry. I determined that there should be a public inquiry under the Act. I gave consideration as to whether or not to defer the election and whether I should suspend the council. I had the power to do that immediately. In fact, that was probably my initial view. I reflected on that overnight because of the significance of that decision-making and I decided that I would give notice of it.

**The Hon. SCOTT FARLOW:** What were those dates, Minister, when you reflected overnight?

**Mr RON HOENIG:** It would have been the date before I made the decision. The report was provided to me in form the night before I made the decision. At that stage, I didn't have a briefing note or Mr Whitworth's briefing note.

**The Hon. SCOTT FARLOW:** When did you first receive the report?

**Mr RON HOENIG:** That day.

**The Hon. SCOTT FARLOW:** Which was?

**Mr RON HOENIG:** The day I read it and the date that I came to a preliminary view.

**The Hon. SCOTT FARLOW:** Can you take it on notice as to when you first received that report?

**Mr RON HOENIG:** I can, yes.

**The Hon. SCOTT FARLOW:** Mr Whitworth, can you assist?

**BRETT WHITWORTH:** No. I would like not to assist, actually, given that this is subject to an appeal in which both the Minister and I are named as respondents. That appeal has been lodged today. You are here asking us questions today and anything we say is going to be used as part of that. I would prefer to reserve my rights to say that this is part of a legal process and not make any further comment.

**The Hon. SCOTT FARLOW:** Has an appeal actually been lodged with the court at this stage?

**BRETT WHITWORTH:** Yes.

**Mr RON HOENIG:** Yes.

**The Hon. SCOTT FARLOW:** With respect to that, what I will do is I will cease my questioning on this at this stage. I will seek advice, Madam Chair, from the Clerk as to our ability to continue to pursue this matter and seek if we can do that after the break.

**The Hon. AILEEN MacDONALD:** I might follow on from Dr Cohn's questioning with regard to the Cootamundra-Gundagai merger. Former Mayor Sheahan has expressed frustration with the lack of communication and support from your office, stating that correspondence is rarely acknowledged or responded to. How do you justify this level of engagement? Further, what steps will you take to ensure better communication with the council and community stakeholders moving forward?

**Mr RON HOENIG:** I don't accept the premise of the question because that would not reflect the view of the majority of the council—who are basically members of your party, not mine—and certainly wouldn't reflect the view of either the people in Gundagai or the member for Cootamundra. It may reflect the former Mayor of Cootamundra-Gundagai, who is a member of my party and who referred to me in open council as a bastard. I do need to advise him—and I publicly do so—that not only have I been called worse but, at the time I was born, both my mother and father were married. I can prove it.

**The Hon. AILEEN MacDONALD:** You said that you're going ahead with the local government election. Knowing that it's going to cost ratepayers approximately \$220,000, how do you—

**Mr RON HOENIG:** Mrs MacDonald, elections are not cheap.

**The Hon. AILEEN MacDONALD:** I know that.

**Mr RON HOENIG:** We've got three by-elections in New South Wales. They are not cheap either.

**The Hon. AILEEN MacDONALD:** I haven't finished my question. Are there alternative approaches, then, that you could have taken to save taxpayers money and reduce the community's anxiety during this uncertain period?

**Mr RON HOENIG:** I don't agree with that characterisation. Interfering with the democratic process and not allowing a democratic process to occur is not what we are about. Either you respect the will of the people—can you imagine in New South Wales, when we are due to go to the 2027 election, that we decide that we are going to delay it for six months or so so that we can change the configuration of the two Houses or something? There would be outrage. We've got to treat local government and the democratic institution with a lot more respect than just saying that their elections can come and go or elections are expensive. Elections are expensive. Democracy is expensive. Dictatorship is cheaper. But nobody wants the latter.

**The Hon. AILEEN MacDONALD:** You say that Cootamundra can go ahead but you were considering Liverpool not going ahead with elections. How do you contrast that?

**Mr RON HOENIG:** I said I was considering whether or not to defer the election. I hadn't made my mind up as far as that was concerned. I think I said to Mr Farlow that I came to a preliminary view in relation to it after having read the interim report. I knew myself it was a pretty major step to defer an election. It's a very significant step. The reason I changed my mind is that I was probably reflecting to be consistent with the same views that I made in relation to Snowy Valleys and Cootamundra-Gundagai.

**The Hon. AILEEN MacDONALD:** Given that, can you now provide a detailed timeline of what steps have been completed and what remains with regard to the Cootamundra-Gundagai demerger process and how are you ensuring that that process is communicated to all stakeholders and not just the former mayor?

**Mr RON HOENIG:** I think the complaints from the stakeholders in Cootamundra-Gundagai were that the lack of communication wasn't coming from me but actually was coming from those who were then in charge of the council. I understood, following a number of discussions with the member for Cootamundra and her intervention in the proceedings and the involvement of the Boundaries Commission in discussion with stakeholders, that all those problems and hurdles have evaporated, other than that they would probably like the matter resolved as quickly as possible. When that occurs is out of my hands. As I said to you, I have a role for those democratically elected councillors that are elected on 14 September.

**BRETT WHITWORTH:** Sorry, Mrs MacDonald, if I can also make a comment, your question was along the lines of "there was no communication with Cootamundra-Gundagai".

**The Hon. AILEEN MacDONALD:** It was more clear.

**BRETT WHITWORTH:** I had regular meetings with the mayor and the general manager of Cootamundra-Gundagai. We discussed a lot of the procedural steps. I do think it's an unfair characterisation to say that they were unaware of what was happening. We worked very hard to ensure that there were regular communications.

**The Hon. AILEEN MacDONALD:** They've had staff resignations and financial pressure. Is there going to be any interim support offered to the council to stabilise its operation or is that outside the scope?

**Mr RON HOENIG:** If they do what they say they are able to do in this process, then they are going to do really well. Generally, the view is that these small councils were merged because they didn't have capacity, but those people who are determined to succeed in Gundagai are really impressive people. They haven't just been fighting a battle; they have actually been doing their work and homework. Even when you take the implementation plan, they say for their side that that is not the level of expenditure they think they will require.

They say they don't need the service standards that they were getting from—their people don't need the service standards they were getting from Cootamundra-Gundagai. They think they're going to be successful. That's their view. In the last conversation I had with them they said, "Minister, we promise not to let you down." I have faith in the Gundagai Council in Exile. Cootamundra have new leadership. I think the mayor is one of yours, actually. He's pretty determined to make it work. We'll wait for the Boundaries Commission. I'm quite confident.



In any event, I'm going to have them do the hard work, with the support of the Office of Local Government, in dividing up the assets if that's what the Boundaries Commission says.

**The Hon. AILEEN MacDONALD:** I might come back to Cootamundra. Overnight you released a discussion paper with regard to the code of conduct, and you had a media release. These issues have been known for years. Why are we still in the consultation phase, and when will the reforms be implemented?

**Mr RON HOENIG:** Sorry, I didn't hear the last part of the question.

**The Hon. AILEEN MacDONALD:** Why are we still in the consultation phase? I believe you know that for the last two budget estimates we've been asking about the code of conduct. You said that it was imminent and that the system is broken and needs to be fixed. Why we are still in the consultation phase?

**Mr RON HOENIG:** Firstly, I do have to say that the discussion paper, prepared by the Office of Local Government, I personally and genuinely believe is quite brilliant. It has captured the issues that have concerned me. The timing of it is convenient too, because the councillors are off campaigning and it will give the council administration an opportunity to focus on the principles that are contained within it. Also, it's important that, in order to change the culture, we take local government with us. It also contains something reasonably novel—it's not my idea; it's Mr Whitworth's—that I think will work quite well. Effectively I have wanted to, as I have moved around the State, consult the sector about these things so they don't appear out of nowhere.

The other thing you've got to remember is that the Office of Local Government is an office of about 60 people. It hasn't been properly funded, not only by the former Government but probably by the former three governments. It has gone from a department to an office, so their capacity to deal with matters in the way in which we want is limited. However, those issues have been addressed in this budget and the last budget. The Treasurer has allocated, I think, \$37 million to enable a restructure. They're in the process of doing that now. The other issue that's coupled with that, which I haven't released because I'm still working through it—I've got my copy, but I keep changing the words in it—is the code of meeting practice.

**The Hon. AILEEN MacDONALD:** I will come to that later. With the discussion paper, I believe it's feedback until 15 November. After that, would you be able to provide a binding timeline for when this framework will be fully operational?

**Mr RON HOENIG:** I probably can't at this stage, but I want to do so as quickly as possible. The fine-tuning of some of this needs to be put in place. The concept of, for example, disciplinary matters of a minor nature being dealt with by eminent mayors or former mayors and who that is, how they are appointed and how the sector itself has confidence in that process—I need to hear from them in respect of that.

**The Hon. AILEEN MacDONALD:** That was going to be my next question. With regard to creating that local government privileges committee, what accountability measures would you put in place to ensure these reforms will not just be—

**Mr RON HOENIG:** As you know and would accept, I have, as best as humanly possible since I've been Minister, run this portfolio on an apolitical basis to try to enable bipartisan reform. I've been happy to brief and keep informed local members and the shadow Minister for Local Government, who has been very helpful in a number of areas, so I can keep consistent policy in respect of stuff. But that's never been the case in the past. There's not much point having somebody who takes an apolitical view about the local government sector blow in through the place and then it returns to being a political vehicle again. I'm conscious of coming up with a system that, as best as possible, maintains some level of transparency.

**Dr AMANDA COHN:** I just have one last question about Cootamundra-Gundagai. I promise we'll move on to other issues. According to your own ministerial diary disclosures, your last meeting with them was in October last year. Have you had further meetings with them or, otherwise, how could you have consulted them about that decision not to postpone the election?

**Mr RON HOENIG:** If they're not meeting with me as part of a joint organisation or something—for example, the mayor of Cootamundra-Gundagai, I would have met him at a country Labor Party conference—they would be talking to my staff, meeting with my office or having discussions with the Office of Local Government. Also, I've been in regular contact with the member for Cootamundra, whose objective is the same as the council's.

**Dr AMANDA COHN:** I appreciate you might need to take it on notice. Your wording just then was that they "would have". Did the elected council of Cootamundra-Gundagai meet with your staff this year?

**Mr RON HOENIG:** I would have to take that on notice; I couldn't tell you offhand. But there's no doubt that Cootamundra-Gundagai and our interactions with them, if they haven't been with me personally, or with me personally and together with the member for Cootamundra, that would have been with either members of my staff

and them, or certainly the Office of the Local Government, Mr Whitworth and them. Cootamundra-Gundagai has taken a very substantial portion of all our time since the election.

**Dr AMANDA COHN:** I'm going to move on to this discussion paper that was released on councillor conduct and meeting practices, noting that it was only released this morning, which I have to assume was deliberate so that we couldn't read it in enough detail to ask questions about it.

**Mr RON HOENIG:** No. Dr Cohn, if you want me to come back and talk to you about it, I'm happy to do that at any time, in any place. I'm not short of words, talking about local government policy.

**Dr AMANDA COHN:** Notwithstanding my displeasure about the timing, there are some promising changes in this discussion paper. In particular, I noted the suggestion to end the outsourcing of code of conduct matters to private sector conduct reviewers and the introduction of a new framework.

**Mr RON HOENIG:** Yes, that has been a disgrace. Some of the handful of things that I have seen them do is a disgrace. One of them occurred to one of your councillors on Bayside Council. That's the most disgraceful conflict of interest finding I've ever seen.

**Dr AMANDA COHN:** Thank you, Minister. I agree with you.

**Mr RON HOENIG:** That person shouldn't be fit to involve themselves in that process ever again.

**Dr AMANDA COHN:** In the parliamentary inquiry into the financial sustainability of local government, I asked Mr Whitworth about the capacity and capability of the Office of Local Government to have a bigger role in code of conduct matters. We had a discussion and the answer—I'm paraphrasing, with apologies, Mr Whitworth—was that the Office of Local Government certainly has the technical expertise and the capability but not the capacity in terms of funding and resourcing. With the implementation of the new framework, as proposed by this discussion paper, will that be accompanied by a significant increase in resourcing to the Office of Local Government?

**Mr RON HOENIG:** I've just got \$37.6 million out of the last State budget to be able to restructure and retool the Office of Local Government to overcome decades of underfunding. After I advised Mr Whitworth, that was probably one of the rare times I've seen him smile since I've been in that portfolio.

**Dr AMANDA COHN:** So is it your intention that the changes proposed by this paper would be resourced out of that \$37.6 million already allocated?

**Mr RON HOENIG:** It is. The other thing I expect, too, is that the 4,000-odd code of conduct complaints over the last three years, for 128 councils, won't occur by the time—if we get this process right.

**Dr AMANDA COHN:** I also wanted to ask some questions about local government workforce and particularly early childhood educators. In the same inquiry, we've heard from pretty much every council in the State about the challenges with recruiting and retaining staff because they're paid less working in local government than they would in the private sector or working for the State Government. That's particularly true in early childhood education. Is there any work being done to address those staffing challenges, particularly in early childhood education?

**Mr RON HOENIG:** Right across the local government sector, there is an ageing workforce and a deskilled workforce. That has resulted in outsourcing of much of their services. Not as far as child care itself is concerned but more so about—we've just announced \$252 million to be allocated to apprenticeships and trainees to try and re-skill from the bottom level of young people, and that's to include childcare trainees. The issue you're talking about is beyond my expertise, really, because we don't license councils for child care. We would only oversight their income and expenditure of their childcare centres.

**Dr AMANDA COHN:** I've got a follow-up question. I appreciate it's likely to be taken on notice. I understand that educators who work in local government, in council-run early childhood education centres that receive subsidies from the Federal Government, will be eligible for the 15 per cent pay rise that's announced by the Federal Government. Do you have a sense of what proportion or how many council-run facilities that will actually impact in New South Wales?

**Mr RON HOENIG:** I don't know. Childcare workers are usually employed under a State award, aren't they, if they work for councils or they—

**BRETT WHITWORTH:** If the childcare worker is employed under the local government award—the Office of Local Government nor the Minister are not party to that award. The award is negotiated between the various unions and Local Government NSW. Whether there are changes to the award or whether there are

over-award payments, changes to the award would need to be something that is discussed with the parties to the award. Any over-award payments would be a matter for each individual council.

**Mr RON HOENIG:** Let me say that childcare workers have inherently been grossly underpaid for a long period of time and are incredibly and immensely skilled people as well. Quite incredible, what they know and can do.

**Dr AMANDA COHN:** Absolutely, Minister, I agree. That's why I'm asking some questions on their behalf. I want to just follow up on the apprentice and trainee positions that have been announced, and that is a very welcome initiative and much needed. How are those positions allocated between councils or between different professional groups?

**Mr RON HOENIG:** The OLG is working through that process now because I'm very anxious to have some of them roll out the door early, early next year. So they're working on that criteria because it has only just recently been announced. I've been in the process of meeting councils to encourage them to take them up because they're fully funded positions—and they have to be new positions.

**Dr AMANDA COHN:** Is there any oversight from you, in terms of how those are going to be allocated? Is it up to individual councils to choose between an electrician and an early childhood educator?

**Mr RON HOENIG:** It's up to individual councils. I really would like our regional councils, particularly rural ones, to be able to provide apprenticeships or traineeships for local young people so that they don't have to leave town, that they get skilled, that they see local government as a career prospect and that they stay. This has been the argument I've had with the Government—I've got to say I'm grateful for the support of Graeme Kelly and the USU—because, to re-skill, you've got to skill from the bottom, and you've got to create a career mechanism for people to come in. Local government was a career, and we've lost that. The only way to do it is start at the bottom.

**Dr AMANDA COHN:** What I'm hearing is that a lot of that work is still underway. What's the expected time frame for that detail on the apprenticeship and trainee program?

**Mr RON HOENIG:** It's going to have to be soon because I really have an anticipation that I want it rolled out within a few months. So they're in the process of doing that right now.

**Dr AMANDA COHN:** I had some further questions about how that \$37-odd million is going to be broken down, but I might save it for Mr Whitworth this afternoon.

**The CHAIR:** Minister, I'm just a bit concerned about what we were saying in the last session about where funding should potentially come from to assist rescue organisations—whether it's Department of Primary Industries or the Office of Local Government. I just wanted to highlight that every single organisation on that letter is a registered rehoming organisation. They're registered with the Office of Local Government. They're required to report to the Office of Local Government. Previous funding's been supplied by the Office of Local Government. They don't fall under the Prevention of Cruelty to Animals Act, which is DPI, because it's not a cruelty issue. So I'm just concerned. I know that, if I was speaking in PC 4, to Minister Moriarty, she would say that this is something for the Office of Local Government. I'm just worried that then it's going to get thrown into this empty space of throwing it back and forth between Ministers and nobody really wanting to work in this space. Now that you do have a copy of the letter—and I'm sorry to hear that you didn't have a copy before and it wasn't given to you—can I ask what you are going to do in response to the letter?

**Mr RON HOENIG:** I'll just pass over to Mr Whitworth. At the end of the day, the Office of Local Government seems to have been historically used for the purposes of administering grants determined by somebody else. And it's not just in relation to animal welfare. It's also been in relation to floods and disaster recovery and that shocking—what is it? That sustainability fund that you were the general—Stronger Communities Fund. So all that stuff seems to have been lumbered into Local Government. But I'll pass on to Mr Whitworth, who'll probably—

**The CHAIR:** No, Minister. My question is what are you going to do having received this letter? As I said, let's forget about the fact that Office of Local Government's given grants to this space before. If you're suggesting that Office of Local Government is not responsible for registered rehoming organisations, why are they registering with the Office of Local Government? Why are they reporting to the Office of Local Government if it's a responsibility of the DPI?

**Mr RON HOENIG:** Mr Whitworth, you might give the Committee why that's the case and what the history of it's been.

**BRETT WHITWORTH:** Certainly, and I might throw to Mr Walther in a second, but I think your question is asking why are we not funding rehoming organisations. Yes, we did have—

**The CHAIR:** No. My question is, if you're suggesting that—if these organisations shouldn't be writing to the Office of Local Government, Minister, requesting funding, and that should be going to Minister Moriarty instead, why is it that these organisations are reporting to the Office of Local Government, that they are registered rehoming groups with the Office of Local Government? How are they then a responsibility of the DPI?

**BRETT WHITWORTH:** I don't think that's probably the issue at hand. The Office of Local Government provided grants to those rehoming—

**The CHAIR:** I just want to put the grants aside for a second.

**BRETT WHITWORTH:** I'd like to give some context to an answer to a question, if that's okay. The Office of Local Government provided these rehoming organisations with grants. They were one-off, ad hoc grants that the Government had identified and, as the Minister said, were provided through the Office of Local Government. You are absolutely correct that rehoming organisations need to be registered under the Companion Animals Act. But you're trying to—

**The CHAIR:** But, Mr Whitworth, who, as a Minister, would these organisations write to if they were requesting further grants?

**BRETT WHITWORTH:** They would write, as they have, to the Premier, to the Treasurer. They have written to Minister Hoenig. But what they're effectively asking for is for the Government to make a policy decision through the budget to allocate them funds on an ongoing basis, so that's a new policy area. I'm happy to get Mr Walther to explain why we have the rehoming organisations registered under the Companion Animals Act, or if you want to take that up later this afternoon, but the question that you're asking is will the Government come up with a new policy agenda.

**The CHAIR:** No, I'm asking—because at the moment, these organisations are being thrown into thin air. My question's probably more directed to the Minister, and it would be more suitable for the Minister to actually answer these questions. If these organisations are registered with OLG and they're reporting to OLG, why would it be unusual or inappropriate for them to then write to that Minister and why would it go to the DPI instead? That was the suggestion that Minister Hoenig made. I am concerned, Minister—and I'm sure you can understand my concern—that it's that whole tick-tack where they're thrown between two offices. If I go to Minister Moriarty—and I'm obviously in that portfolio committee as well—she will tell me I should be putting these questions to you. There's this constant frustration because both Ministers are tossing it between each other.

**Mr RON HOENIG:** Can I say, Ms Hurst, your frustration is perfectly justified as well, because there's a rule-of-thumb division between the responsibility for enforcement of animal welfare and companion animals. We have a requirement for companion animals and registration, but we don't have an enforcement—but we do have an enforcement, because if someone's not registered or if someone doesn't enclose their dog, then we do have an enforcement. At some point your frustration has to lead to some results, and I think it's probably about time we try and work our way through that. But you're right.

**The CHAIR:** In previous budget estimates you agreed that you would advocate for funding to be allocated for these organisations. I've got some of the script here from previous budget estimates if you need it, but I'm sure you're aware that we've talked about this before. Did you actually make any submission to the ERC as part of the budget process looking at companion animal grant programs?

**Mr RON HOENIG:** I don't think so. We would not have. Or did we?

**BRETT WHITWORTH:** Sorry. Firstly, the ERC is a Cabinet process. Our role was to identify funding resources for the Office of Local Government, and, as I referred to before, this would be a new policy area for government.

**The CHAIR:** Minister, my question, then, to you is—we've talked in previous budget estimates. You've said that you will advocate for funding in the previous grants programs, but you're now telling me that you didn't make a submission to the ERC in regards to this. Can I ask you why not?

**Mr RON HOENIG:** Because they would not be funding submissions to the ERC that come out of funding of my portfolio. That doesn't mean to say that—

**The CHAIR:** Which portfolio would it be, Minister?

**Mr RON HOENIG:** Whose would it be?

**BRETT WHITWORTH:** The office of animal welfare and the Government commitment for an office of animal welfare—

**The CHAIR:** But that doesn't exist yet.

**BRETT WHITWORTH:** But it is still being developed.

**The CHAIR:** But we don't know when it will be developed.

**BRETT WHITWORTH:** That's your comment. That's not, I think, the evidence from Minister Moriarty or my colleagues in DPIRD.

**The CHAIR:** At the budget estimates, I asked her what the timeline was and she said she didn't know yet.

**KIERSTEN FISHBURN:** It's impossible for Mr Whitworth to comment on another Minister's portfolio.

**The CHAIR:** I know. Sorry, it wasn't actually a question for Mr Whitworth. I'm letting you know that we don't know what the timeline of when that's going to be in place. We have no idea. At the moment it doesn't exist.

**BRETT WHITWORTH:** But my point I was trying to make is that as that policy area develops, there has been discussion about how the various organisations involved in animal welfare—and I use that in its broadest possible term, because it involves companion animal issues; it involves the prevention of the cruelty of animals issues; we have a number of enforcement agencies; we have a number of non-government organisations that are involved. There is a high degree of interaction and overlap. That was going to be a discussion about how those non-government organisations are funded, as part of that reform process.

**The CHAIR:** But you don't have a timeline on that either?

**BRETT WHITWORTH:** It is a program that is being developed by Minister Moriarty and my DPIRD friends. I don't know whether Ms Connell wants to make a comment.

**RACHEL CONNELL:** No, I just refer the Committee to the Minister's evidence at Portfolio Committee No. 4 last week and note that the Government has committed to a significant range of measures and reviews in relation to animal welfare, which they're undertaking in a staged and measured way, and this is one of those. The Minister spoke to the approach and the progress last week. So, Chair, I refer you back to that evidence that the Minister gave.

**The CHAIR:** Before I go to the Opposition, I do have some advice in regards to what was requested earlier. I advise that all evidence received by the Legislative Council committee is protected by parliamentary privilege. This privilege is absolute and the House and its committees are not bound by rules of contempt of court or laws of defamation. In theory, this means that a committee can accept and publish information it receives in submissions that refer to matters before the courts or other executive appointed commissions or tribunals, and conduct public hearings when there may be relevant legal proceedings occurring at the same time.

However, the House and committees are generally sensitive to publishing or making reference to matters that are before the courts, where this could prejudice the proceedings or harm individuals. This is known as the sub judice convention. This is a convention the Legislative Council voluntarily adheres to, through practice and Presidents' rulings. There is no specific standing order or resolution which must be followed. Below are a number of considerations guiding the application of the sub judice convention.

The committee should assess whether there is a real danger of prejudice to legal proceedings by creating an atmosphere where a jury would be unable to deal fairly with the evidence put before it or possibly affecting the evidence a witness may give to the court. The danger of prejudice must be weighed against the public interest in matters under discussion. The danger of prejudice is considered greater when a matter is actually before a magistrate or a jury, or the matter is being heard in criminal rather than civil proceedings. In general, a committee should err in favour of further discussion, unless it is clear that to do otherwise would prejudice the legal proceedings. In addition, the committee should not automatically exclude discussion on matters of public interest which are already being freely ventilated in the media. With that in mind, the questions are allowed, but I warn the member to be mindful.

**Mr RON HOENIG:** Mr Farlow, I'm prepared—it's an appeal to the Court of Appeal which is really a legal question, as distinct from anything, so the normal sensitivities would not apply. I will give you whatever information you need publicly that does not breach either the Government's legal professional privilege or I judge is subject to some measure of confidentiality that maybe should not be disclosed. But probably legal professional privilege would be the only thing that I'd probably not tell you.

**The Hon. SCOTT FARLOW:** Thank you, Minister Hoenig. I appreciate that undertaking from you. We'll try and respect that in terms of my questioning as well.

**KIERSTEN FISHBURN:** Can I just also add as well—while I have a conflict of interest in relation to Liverpool, I will seek advice from my general counsel on anything which Mr Whitworth may or may not comment on.

**The Hon. SCOTT FARLOW:** We may seek to question Mr Whitworth this afternoon, then, if that's the case.

**KIERSTEN FISHBURN:** Thank you.

**The Hon. SCOTT FARLOW:** Minister, prior to the matter going before the court, your department ceased all action against council until the hearing was complete. Is that an admission that you acted without procedural fairness and with political bias before an investigation was completed?

**The Hon. CAMERON MURPHY:** Point of order: I think the questions are now steering into the issue that is going to be considered by the Court of Appeal. Given that the Minister, Mr Whitworth and maybe other officials are direct respondents in the matter, consideration ought to be given about whether it's going to be an issue for them in terms of their position in the appeal and the issue of whether the public interest, in asking these questions that way, is at risk or harm.

**The CHAIR:** I remind the member that it is problematic to foreshadow what will happen in the case.

**The Hon. SCOTT FARLOW:** This relates to a determination that has already been made.

**The CHAIR:** I might reserve where I stand on that and come back to it.

**The Hon. SCOTT FARLOW:** I'll move on with another question, then.

**Mr RON HOENIG:** Maybe if I provide you with some factual information that won't offend the Chair's ruling, then you'll have some of the information that you require. The advice that was provided to me during the course of the investigation raised very serious concerns that the issue of Liverpool went beyond the non-merit-based selection of staff. Those concerns included bullying and sexual harassment; alleged interference by elected officials in the development application process; breaches of the Work Health and Safety Act; alleged employment of related persons otherwise than on the basis of merit; the wasting of public money; the destruction of records; sexual discrimination; bypassing of procurement processes; and allegations of pressure to determine development applications, which resulted in the refusal of applications that may not otherwise have been refused.

Having been given what was described as an interim report, which recommended to me that I call an urgent public inquiry, that the 430 investigation continue and that I should give—I can't remember whether there were notice provisions in that report or not. I read the report. I understood what was alleged. I determined that a public inquiry is the appropriate place for those matters to be determined. I regarded the allegations to be of such seriousness, on a preliminary basis, that if I wanted to suspend the council and defer the election, I formulated reasons for so doing. The next day, I was given the benefit of a brief by Mr Whitworth that contained formal departmental advice. I reconsidered my decision in relation to postponing the election—or my preliminary view—based upon that and other issues. I decided that I would give the council notice of what I'm considering doing and give them the opportunity to respond.

I was conscious that, should I do that, the council would then use public moneys to challenge the Government's decision, but I thought taking away that right from them by suspending them straightaway would not have been fair. It's a major step to suspend a council and defer an election. I could've written the script as to what was going to happen. I knew what was likely to occur, and what occurred occurred. Having made the decision to call a public inquiry, and being satisfied that I could, I then announced it and made public the reasons for that decision. Had I made an announcement without making available the reasons for the decision, I would've been subject to a fair bit of criticism. In any event, I made the announcement and made the report available that I considered. In the litigation, a decision was made to concede procedural fairness in relation to the publication of the reasons for me taking those matters into consideration. However, if I can use the words of Justice Robson in respect of that decision, His Honour said:

I consider that the decision to publish the allegations contained in the Interim Report does not on its own suggest partiality on the part of the first respondent—

which is me—

in circumstances where the briefing note provided the reasons for publication. As such, a fair-minded observer (armed with the knowledge that they are otherwise assumed to have) would be aware that the decision to publish the Interim Report was made in the context of the Act and a system of responsible government that promotes accountability through transparency.

That, in fact, was his Honour's finding, and that was the basis that the report was released. To use his Honour's words, he said, "A system of responsible government that promotes accountability through transparency".

The issue was conceded. It made no difference. His Honour found that I could take the contents of the document into consideration. As you could appreciate, the allegations are extremely serious. Suffice it to say, they're probably the worst I have seen of any council. I can give the Committee this assurance: The decisions I made were probably the only decisions I could have made under the circumstances. They were made without a political view one way or the other. They were made isolating myself in the decision-making process. I wasn't infected by the discussion of anybody else. I didn't speak to any of my Cabinet colleagues before coming to the decision to call a public inquiry.

**The Hon. SCOTT FARLOW:** Did you speak to any of your parliamentary colleagues?

**Mr RON HOENIG:** No, not about the decision I had to make. From the time that I knew I was receiving the report to the time that I made the decision, I didn't speak to any parliamentary colleagues about that at all. You speak to parliamentary colleagues about it and every other council—93 members of the Legislative Assembly, 88 of them are complaining about their councils and want them sacked.

**The Hon. SCOTT FARLOW:** Who are the other five?

**Mr RON HOENIG:** I was very, very careful, Mr Farlow. I can give you that assurance. I can give your House and I can give my House that assurance.

**The Hon. SCOTT FARLOW:** With respect, were you aware that the report did not allow procedural fairness for those mentioned and named?

**Mr RON HOENIG:** No. In fact, the advice I got was to the contrary. I don't have administrative law skills—how I got through that subject, I don't know. In any event, I'm not sure that issue is clear, but a concession was made in the litigation in the pleadings so that that issue was not one that was actually litigated. These concessions get made as a matter of tactics in litigation.

**The Hon. SCOTT FARLOW:** You mentioned the benefit of the briefing note that was provided to you by Mr Whitworth. Were you aware that a briefing note that Mr Whitworth circulated at 11.27 a.m. on that day, before the final briefing that was prepared, stated that "there is no compelling evidence to suggest that councillors were explicitly involved in the poor governance and recruitment decisions being exercised by the council" and that "on this basis, OLG is not recommending the suspension of councillors to the Minister under section 438W of the Act"?

**Mr RON HOENIG:** No, I wasn't aware of that.

**The Hon. SCOTT FARLOW:** Was your office aware of that?

**Mr RON HOENIG:** I don't know. I'd have to find out.

**The Hon. SCOTT FARLOW:** Will you take that on notice?

**Mr RON HOENIG:** I can take that on notice. As I said, I isolated myself in the decision-making process. I am not sure I would have agreed with that, bearing in mind the contents of the report anyway, even if I'd known about it.

**The Hon. SCOTT FARLOW:** Did you have any conversations with Mr Whitworth on that day prior to receiving that briefing note?

**Mr RON HOENIG:** I can't recall. I may well have.

**The Hon. SCOTT FARLOW:** Could you take that on notice?

**Mr RON HOENIG:** I may well have because it was actually Mr Whitworth's view that persuaded me, ultimately, to formally decide to give notice.

**The Hon. SCOTT FARLOW:** Minister, with respect, that document, of course, was at 11.27 a.m. on that day. The briefing note was then revised by the time it was circulated at 5.17 p.m., Minister, despite that document being circulated at that time with the suggestion that no change was expected. Did you or your office have any conversations with Mr Whitworth that indicated to him that the recommendation should be changed?

**Mr RON HOENIG:** I certainly didn't. But had that been the Office of Local Government's view, frankly, I wouldn't have agreed with it anyway.

**The Hon. SCOTT FARLOW:** And it would have been open for you to have taken a contrary view to that briefing note?

**Mr RON HOENIG:** Yes. If you look at all of these matters that are being determined—for example, if you look at the Central Coast, which got sacked for financial decisions, no mayors of councils are involved in that

sort of stuff, but you ultimately hold the elected people accountable. That's not really a principle that I have known, in 30 years in local government, to be applied. Even if that was Mr Whitworth's recommendation to me, I wouldn't have agreed with that.

**The Hon. SCOTT FARLOW:** During the course of that day or prior to that, do you recall officials of the Office of Local Government or even your office ever raising with you that there would be a recommendation that there wasn't a suspension of councillors due to a lack of compelling evidence?

**Mr RON HOENIG:** No.

**The Hon. SCOTT FARLOW:** Nobody made that suggestion to you?

**Mr RON HOENIG:** No.

**The Hon. SCOTT FARLOW:** So, Minister, at no stage did you ask the Office of Local Government to change the advice it was giving to you in a briefing note?

**Mr RON HOENIG:** No, I wouldn't do that. That would not be something that I would do.

**The Hon. SCOTT FARLOW:** Surely you wouldn't? It would be in contravention of the ministerial code of conduct, wouldn't it?

**Mr RON HOENIG:** Yes, but the discretion is mine. The statutory power is mine. I can make a decision irrespective of their recommendation. I don't need a bureaucrat to cover for me in relation to making a decision that is at my discretion. If I make a decision at my discretion, I am accountable to Parliament for it and I accept the responsibility. I don't want bureaucrats changing their advice to me based on any preconceived view that I've got, otherwise it hardly makes for good determination of public policy.

**The Hon. SCOTT FARLOW:** Minister, indeed, it would have been open to you to have made that determination contrary to the advice of the Office of Local Government. That would have been something very open to you. But I guess the question we are ventilating is what changed within those six hours with the Office of Local Government's advice that came from a report that was undertaken.

**Mr RON HOENIG:** That I can't tell you. I would imagine that bureaucrats change their draft reports all the time. But I can give you the absolute assurance that not only did I know nothing about it but also I didn't influence it, nor would I ever on any matter seek to do so—and did not.

**The Hon. SCOTT FARLOW:** Do you undertake as well, Minister, that your office didn't have any discussions with Mr Whitworth about that?

**Mr RON HOENIG:** I will inquire because the office has discussions all the time with the Office of Local Government over a range of issues. But I do say, Mr Farlow, that the decisions about Liverpool council weren't difficult; they make themselves. The only difficult decisions were, with the election coming up, do you interfere with the democratic process or don't you, and whether you suspend them during the public inquiry or not. The decision to hold a public inquiry was a pretty easy decision. It made itself, really. It was made more difficult because of the timing of the election being so close to the election. The practical implementation was difficult but the decision made itself, really.

**The Hon. SCOTT FARLOW:** Minister, why wasn't a copy of the report tabled before the Parliament?

**Mr RON HOENIG:** Because the Parliament wasn't sitting and it's not a section 430 report, because it's an interim report, that's capable under the standing orders to be tabled out of session.

**The Hon. SCOTT FARLOW:** Minister, was it envisaged that the report would be tabled before the Parliament?

**Mr RON HOENIG:** Yes, I think their plan was to table it. I could have tabled it in Parliament if Parliament had been sitting. But tabling a report doesn't change the procedural fairness stature of the report either.

**The Hon. SCOTT FARLOW:** Was it ever attempted to be tabled before the Parliament?

**Mr RON HOENIG:** I don't know if it actually was or not, but they were certainly told by the Clerk when they made inquiries that it could not be done.

**The Hon. SCOTT FARLOW:** So the Clerk gave advice that it couldn't be tabled? That's the reason why it wasn't tabled.

**Mr RON HOENIG:** The Clerk gave advice to either the Office of Local Government or people in my office. I knew it couldn't be.



**The Hon. SCOTT FARLOW:** So you never signed a letter forwarding it to the Clerk, then?

**Mr RON HOENIG:** I don't think so. I would need to check though, Mr Farlow.

**The Hon. SCOTT FARLOW:** Could you take it on notice?

**Mr RON HOENIG:** I might have checked the standing orders before or after. It just depends on when I did that.

**The Hon. AILEEN MacDONALD:** I will follow up again with regard to council apprenticeships. Have the guidelines been prepared?

**Mr RON HOENIG:** No, I think they're working on them now.

**The Hon. AILEEN MacDONALD:** Shouldn't it have been the other way round? Do the guidelines and then do the—

**Mr RON HOENIG:** I don't know. I'm doing cartwheels that I got a quarter of a billion dollars out of the Treasurer for apprentices for local governments throughout the State. We are talking about 1,300 apprentices. It's terrific. Some councils in the Hunter are just incredible with what they are doing with apprentices. I don't want to take up your time, but if you'll forgive me, the Ministers' Awards for Women in Local Government were a couple of weeks ago and there was a young apprentice from Newcastle who won the Young Achiever's Award. She is a young lady who is an apprentice carpenter. I got a photo with her with the award.

When I visited Newcastle last week she was in her normal safety gear. Do you know what she said to me? She was so honoured to get that award she spent \$500 on a dress and shoes so she could come to Parliament to collect her award. She's working out whether she can afford to keep her dress or whether she can sell it. Those are the sorts of people you find in the local government sector. She's doing so well at the council. I'm going to privately send her a gift voucher for \$500 so she doesn't have to. I think that's just lovely.

**The Hon. AILEEN MacDONALD:** That is lovely, Minister. On that, are there any specific apprenticeships that we will be targeting?

**Mr RON HOENIG:** I want local governments to choose themselves because they know better. Let them choose, because I want rural and regional councils—particularly rural ones—to create career structures for their young people who stay in their town or region, who develop their skills in their town and region and then add to the economy and progress within it. At Brewarrina Shire Council they have an Indigenous general manager who started in year 10 as part of the mentoring program. These isolated success stories are remarkable. If you listen to Graeme Kelly, he wants this to be the first tranche of apprentices in local government. Whenever he says that to me the Treasurer has a fit. But I think they'll return to the economy tenfold.

**The Hon. AILEEN MacDONALD:** You said it's funded. Will there be any cost implications to councils?

**Mr RON HOENIG:** No. In fact, I think they're getting something like 15 per cent above what the cost is to cover administrative costs.

**The CHAIR:** It being 10.45 a.m., it's now time for Government questions. Are there any questions?

**The Hon. PETER PRIMROSE:** No, we're very satisfied with the Minister's responses.

**Mr RON HOENIG:** Are you? You're the only people who don't want to burn me in effigy.

**The CHAIR:** In that case, we're on a morning tea break.

**(Short adjournment)**

**The CHAIR:** Thank you and welcome back.

**Mr RON HOENIG:** I've reflected in the break over those issues in relation to funding of animal rehoming and the problems that have occurred for quite some time. There is a review of a range of legislation in relation to animal welfare issues. I will give you a commitment to try and endeavour to get the Government to provide a coordinated approach as part of those reforms to consider funding animal rehoming. Whichever portfolio that is, I give a commitment that the Government will consider coordinating its approach for how it goes about funding animal rehoming.

**The CHAIR:** I might come back to that. I'll throw now to Ms Sue Higginson.

**Ms SUE HIGGINSON:** Minister, has Hornsby Shire Council repaid the \$36 million that was recalled on 10 June for the pork-barrelling grant made by the previous Government in 2018? I note that the park it was apparently for has not been built.

**Mr RON HOENIG:** Westleigh Park, no, it hasn't been built. They haven't paid it back yet, but they will be paying it back.

**Ms SUE HIGGINSON:** Have you got that commitment that they will be?

**Mr RON HOENIG:** They'll have to. I don't think they have a choice.

**Ms SUE HIGGINSON:** They were given until 31 July, Minister. So they haven't paid it back yet?

**Mr RON HOENIG:** No, I'm just going to check my notes. I've got better words than you. "The most egregious example of pork-barrelling," I think the words were.

**Ms SUE HIGGINSON:** I would not disagree with that, Minister.

**Mr RON HOENIG:** On 7 June the Government asked the council to give back the \$36 million they hadn't spent. They were one of several councils that requested variations and extensions. It was \$40 million for Westleigh Park that they were given that they never asked for. It was granted in 2018, and was due to be fully expended—with extensions granted—by June 2022. The council reported that \$36 million of the original \$40 million grant for the Westleigh Park project remained uncommitted as of April 2024. The council has not made any substantial progress towards completion of the project and, after five years, were still seeking planning approval.

In March I determined to reject the variation request by Hornsby council as part of the Minister's consideration with concurrence of the Treasurer. When giving concurrence, the Treasurer noted the Government's position that the council would be able to retain the interest on unspent funds, allowing Hornsby to retain an estimated \$6 million in interest that they'd earned and had accrued to date, to be reallocated to council's general revenue. The Deputy Secretary wrote to Hornsby Shire Council requesting a return of the remaining capital funds not committed by 31 July 2024.

**Ms SUE HIGGINSON:** If they haven't done that, Minister, what do you intend to do? I understand the interest now is \$8 million. Will you be charging interest based on the time they are not refunding the money?

**Mr RON HOENIG:** I'll ask Mr Whitworth; he is probably a better debt collector than I am.

**BRETT WHITWORTH:** We wrote to Hornsby council. They have responded. They said they don't believe they need to repay the money. We have replied again to indicate that we believe they do need to pay the money. They must know that budget estimates is on because they've sent me a letter this morning saying, "We don't think we need to pay the money." I have been endeavouring to arrange a without-prejudice discussion with the council.

**Ms SUE HIGGINSON:** Is it your intention to pursue it through court? Will you go that far? Will there be recovery proceedings taken?

**BRETT WHITWORTH:** We have been allocated an amount of money that would enable us to take legal action, but obviously I don't want to foreshadow what may or may not happen, particularly if we are seeking to get the return of the money through negotiated means.

**Mr RON HOENIG:** I might have to check with the Hon. Cameron Murphy, but I think there might be a criminal offence committed, mightn't there?

**The Hon. CAMERON MURPHY:** Yes, there might be.

**The Hon. PETER PRIMROSE:** Without prejudice.

**Ms SUE HIGGINSON:** Minister, it is your intention and the Government's intention that that money will be repaid, and the Government will be defending that position at all costs? Well, at the costs allocated to defend that position?

**Mr RON HOENIG:** No stone will be unturned in making sure the money they should not have got in the first place is returned.

**Ms SUE HIGGINSON:** Are you aware there is another \$19.5 million, an election commitment grant, given to Hornsby council under the previous Government over four years? More than \$7 million of that hasn't been spent?

**Mr RON HOENIG:** No, I'm not aware of that. Are you aware of that?

**BRETT WHITWORTH:** I was of the understanding that there were two Stronger Communities fund grants. One was for the Hornsby quarry and one was for Westleigh Park. I understood that the Hornsby quarry component has a broader range of funding than just the Stronger Communities fund. I understand that the Stronger Communities fund had been fully expended. The project hasn't yet been completed but is very close to.

**Ms ABIGAIL BOYD:** I understand my colleague the Hon. Emma Hurst has already asked some questions about cats. I just wanted to ask you, we know that the most effective thing we can do to reduce the population of cats is to desex them.

**Mr RON HOENIG:** Yes.

**Ms ABIGAIL BOYD:** Will you commit or look into providing a statewide desexing program for cats?

**Mr RON HOENIG:** I don't know what that would look like in isolation of all the issues that we need to consider in relation to cat management and cat containment.

**Ms ABIGAIL BOYD:** It is complex.

**Mr RON HOENIG:** I've been reluctant to make a minor ad hoc change just to deal with, say, one issue. For example, making a decision about cat containment like Victoria. Victoria might have a cat containment law, but they don't enforce it. But everyone is happy that they've got this law. I could have made a quick amendment to the Companion Animals Act to give councils the power to seize cats in public places like they can for dogs. But if you go down those one-off places, everyone takes their foot off the accelerator.

**Ms ABIGAIL BOYD:** It can also have unintended consequences.

**Mr RON HOENIG:** What you say is right, but I don't know what that would look like in the circumstances of all the other reforms that have all got to come together.

**Ms ABIGAIL BOYD:** I guess we look at cats in three broad categories. I think you're right, it's complex. I think we spoke last time about the Greens cat containment plan that I've had on my website for some time. It talks about all of the different things we need to do for the three different populations of cats. But when it comes to community cats, which seem to be the most thorny issue, which are those that aren't owned directly by a person and aren't the ones that Tanya Plibersek is talking about in national parks. These are the ones that are fed by the community and roam around.

We know that the most effective thing we can do to reduce those populations is to desex them. At the moment, there are vets and rescue groups and others who would be willing to desex those cats, but they don't have the capacity to hold them. We know that trap, neuter and release is an incredibly effective way of reducing those communities over time, but at the moment the Companion Animals Act prevents that from happening. As an immediate step, would you consider allowing those sorts of groups to do that desexing work and not charge them for abandonment under the Companion Animals Act?

**Mr RON HOENIG:** I'll consider that. It's frustrating when you're doing overall reviews and you see a range of stuff that needs to be done in this area, and we are doing a genuine overall review. All these other issues end up sitting there for long periods of time, and you're in office for nearly 18 months and nothing seems to have happened and it's frustrating. But I also know that if I do things on a one-off basis, people tend to, as I said before, take their foot off the accelerator. I'll give it some consideration and just see.

**Ms ABIGAIL BOYD:** I'd appreciate that.

**Mr RON HOENIG:** I've just been advised that we are giving the Cat Protection Society a \$1.5 million grant for cat desexing for community cats.

**Ms ABIGAIL BOYD:** Which is great. I understand, though, that they are then sort of taking them in and needing to then have them adopted, as opposed to other rescue groups that are located in places like the Hunter—

**Mr RON HOENIG:** Yes, they're being rehomed.

**Ms ABIGAIL BOYD:** —that would be able to desex huge numbers but they don't have the capacity to rehome them.

**Mr RON HOENIG:** Do you then allow a desexed homeless cat or community cat to be let back out after you desex them or not?

**Ms ABIGAIL BOYD:** This is the issue, and over time the evidence shows those populations will decrease because they can't breed; whereas, if you take them out, then they breed to meet the resources available. It is complex.

**Mr RON HOENIG:** I understand your argument. As you know, once you go down these legislative paths and you start consulting everybody, I'm not sure what the result—anyway, I'm happy to look at it.

**The Hon. JOHN RUDDICK:** Minister, thanks for joining us. How many local councils in New South Wales have held debates and/or passed resolutions concerning the conflict between Israel and Hamas in Gaza?

**Mr RON HOENIG:** I couldn't tell you how many there were. There has obviously been a couple of very prominent ones that I've read in the media.

**The Hon. JOHN RUDDICK:** Is there any provision in the Local Government Act which defines the role of councils as becoming involved in foreign policy, and do you think that is an appropriate role for local councils?

**Mr RON HOENIG:** Firstly, you would take into consideration in any answer I give that I'm the only Jewish member of the New South Wales Parliament, so I'd hardly be perceived in some quarters as being—

**KIERSTEN FISHBURN:** Dr Cohn.

**Mr RON HOENIG:** In the Legislative Assembly, I should say, as being somebody that is seen to be independent, even though I am. I'm conscious that councillors are democratically elected, and they have available to them their implied right of freedom of political communication that is implied into the Commonwealth constitution. Their freedom of speech, providing it's not either hate speech or defamatory, which might infringe the law—they're entitled to that freedom of speech whether you agree or don't agree. Asking me whether or not they should be utilising that free speech that impedes the very community harmony that Australia has been so successful at, my view is that they probably shouldn't.

But I know at Canterbury-Bankstown they embarked upon one of those BDS inquiries, which the New South Wales Government does not support. Their debate, other than one councillor, was reasonably respectful, but police had to be called because of the behaviour within the chamber. A similar event was raised and the councillors had to leave with police protection in the Inner West Council. I caution councillors in local government and those who have been elected to be circumspect in exercising their freedom of speech because community harmony, with debates beyond our shores, is really quite vital to try and maintain, which has been under pressure.

**The Hon. JOHN RUDDICK:** I appreciate your comments about the Canterbury-Bankstown BDS motion and that you're critical of it. While criticism of Israel is not antisemitism, many hold that an inordinate focus on the world's only Jewish state is indeed antisemitism. In the past 12 months there have been six world conflicts where more than 10,000 people have died, but the only conflict that these councils seem to be concerned about is Israel. Is there a concern of antisemitism embedded in the conduct of some councils?

**Mr RON HOENIG:** I'm really the wrong person to ask in respect of those issues. Antisemitism has been a significant issue around the world now for some years, even prior to the Middle East conflict, and it has escalated. It needs to be rooted out wherever it exists in whichever way possible.

**The Hon. JOHN RUDDICK:** I do agree it is escalating, and I do agree it is insidious and it is an ancient hatred, but it does seem to be coming to the fore in many of our local councils—not many but in more than a few. What can you as the Minister do to help contain this and call it out amongst the local councils?

**Mr RON HOENIG:** If councillors are acting in a way and saying things that constitutes hate speech which infringes current laws, then there is ample opportunity for the police or the Director of Public Prosecutions to take proceedings in respect of it.

**The CHAIR:** Minister, at the beginning of this you said you would make a commitment that there would be a coordinated approach to this. Could you expand what you meant there? I was a bit lost, sorry.

**Mr RON HOENIG:** As part of the animal welfare reviews, I want to solve the issues, and I can't guarantee funding but I can give a commitment that in terms of funding of rehoming organisations, there is a coordinated grant process so that the issue that you have rightfully been complaining about can be addressed as part of the overall process. As I think I said to you before, I have to concede that the figures on the rehoming success have been enormously successful.

**The CHAIR:** I agree with you, and I know that we both agree that these groups are doing amazing work, but the reality is at the same time we have a rehoming crisis that has been reported a lot in the media. My concern is that today it has been suggested that there is no way these groups can possibly get any funding from government until a new office of animal welfare is set up. We don't know the time frame of when that office will be set up. We don't know if that office will even have the powers to do funding or distribute grants because we don't have that information yet.

Obviously, with the former Coalition Government there were avenues for these groups to call for funding and to write to the Government, and the Coalition Government was able to find an avenue to get grants to these groups. They've done grants for desexing; they've done grants for rehoming organisations. But now that Labor is in government, we're hearing that we have to wait until this office of animal welfare is set up, which we don't have a timeline for.

**Mr RON HOENIG:** It's not occurring in my portfolio, but Minister Moriarty has really been working pretty assiduously to try and coordinate all these matters and is certainly working with me on matters within my portfolio. I know it's frustrating, but it has been frustrating for more than a decade.

**The CHAIR:** No, it has only been frustrating in this term of government. As I said, when the Coalition was in government, there were avenues. The Coalition Government was able to find ways for these organisations to campaign for funding and to provide funding to them. It's a new problem now where we are being told that, until this mystery office of animal welfare is set up, these organisation who are currently at a crisis point have no Minister that they can go to and nowhere they can advocate or call for this funding.

**Mr RON HOENIG:** From what I can recall, the OLG administered a lot of it and a lot of the funding was one-off funding.

**The CHAIR:** They were one-offs, but there was an avenue. It wasn't perfect, but there was an avenue. I know my office worked very closely with the Minister for Local Government at the time and her staff and they were very keen to find avenues and ways forward through this. It seems now that all those doors are closed and, until there is this office of animal welfare, everyone is in limbo.

**Mr RON HOENIG:** Because, Ms Hurst, I suspect—I don't actually know—when there were one-off funds like that, somebody—say, the Cat Protection Society—jumps up and down and makes a lot of noise and there is an election coming and somebody finds \$1½ million to give them to deal with community cats. But it's only one-off funding. At some point the government of the day, whether it be us or whether it be the other government, ends up saying that all these one-off bits and pieces have got to stop and you've got to put together a coordinated approach. That's what we have proposed to do. I'm saying to you that you having raised with me today again the frustration and I will commit to getting the Government to consider trying to coordinate it to try and stop this one-off stuff occurring and try and give some sort of consistency. No community-based organisation or any organisation can operate effectively on the basis of just making a lot of noise and maybe or maybe not getting a one-off funding grant.

**The Hon. SCOTT FARLOW:** Minister, you previously stated that you read the interim investigation report on Liverpool council and decided a certain course of action. You then stated that you had the conversation with Mr Whitworth. When was that conversation?

**Mr RON HOENIG:** I'm not sure whether I had a conversation with Mr Whitworth or not, but I certainly had a briefing note from him.

**The Hon. SCOTT FARLOW:** You said that Mr Whitworth's discussion with you had changed your mind on the course of action.

**Mr RON HOENIG:** No, his briefing note changed my mind—either his briefing note or his discussion.

**The Hon. SCOTT FARLOW:** So there was no discussion before the briefing note?

**Mr RON HOENIG:** I can't recall whether or not the briefing note was—the briefing note was in a file together with some correspondence from other councillors, I think, from memory. The briefing note had an impact on my final decision.

**The Hon. SCOTT FARLOW:** So it was only the briefing note; it wasn't an independent conversation with Mr Whitworth or the like?

**Mr RON HOENIG:** I had already decided, based upon the seriousness of the issues, that there needed to be a public inquiry—that council had to face a public inquiry. I think that decision made itself, really. As I said to you before, the question is whether or not they should be suspended and the election deferred. That preliminary view I came to from reading the report changed after reading the briefing note. Whether I spoke to Mr Whitworth or not before I made the decision, I just can't recall.

**The Hon. SCOTT FARLOW:** And that was the briefing note which recommended the suspension of councillors and not the briefing note that didn't recommend the suspension of councillors; is that correct?

**Mr RON HOENIG:** It was the briefing note that recommended notice be given of deferring the election and suspending the councillors—notice of an intention, I think.

**The Hon. SCOTT FARLOW:** Are you aware at all, Minister, as to what happened within those six hours that made the OLG change their advice with respect to that briefing note?

**Mr RON HOENIG:** I made sure that I removed myself from any manner or way in which my decision could be influenced. I was pretty assiduous about that. I was pretty assiduous that, in my mind, at least, the issues and the council was treated as fairly as it possibly could be.

**The Hon. SCOTT FARLOW:** In the first briefing note that was prepared by OLG, there were five recommendations. And then, six hours later, there were eight recommendations.

**Mr RON HOENIG:** There is no point asking me about something I don't know anything about.

**The Hon. SCOTT FARLOW:** You know nothing as to what occurred within those six hours that presented three additional recommendations and a 180 on the report?

**Mr RON HOENIG:** No, I don't.

**The Hon. SCOTT FARLOW:** So there was no further compelling evidence that you are aware of, apart from the 4.30 report?

**Mr RON HOENIG:** In the file, there was the 4.30 report, there were some letters from either councillors or—I just can't recall now what else. There were some other matters in the file. As I said, I'd pretty well decided on the public inquiry. The only issue was whether or not the preliminary view is that they should be suspended and the election deferred and whether I should make that decision. I chose not to.

**The Hon. SCOTT FARLOW:** Minister, during that period did you receive any letters from members of Parliament at all with respect to Liverpool City Council?

**Mr RON HOENIG:** No, not in that period. But I had received letters from State and Federal members of Parliament. I probably received them from a number of places.

**The Hon. SCOTT FARLOW:** Were they included in that brief that was sent up to you and the associated documents you mentioned?

**Mr RON HOENIG:** I just don't recall. Whatever was provided to me, I think, has been tendered in proceedings. As you could appreciate, Mr Farlow, seldom a day goes by when a member of Parliament, either from Federal or State Parliament, is not writing and complaining about the council in their constituency.

**The Hon. SCOTT FARLOW:** Minister, you don't recall having any conversations?

**Mr RON HOENIG:** I don't recall getting any letters from you complaining about councils, Mr Farlow.

**The Hon. SCOTT FARLOW:** You only went through members of the LA and not the LC. Minister, you never had a conversation with Mr Whitworth that day?

**Mr RON HOENIG:** I can't recall.

**The Hon. SCOTT FARLOW:** You can't recall whether you did or not?

**Mr RON HOENIG:** I just can't recall.

**The Hon. SCOTT FARLOW:** Mr Whitworth, in communication, has indicated that you would be getting off the plane in Sydney at 2.30 that day of the interim report. So you weren't expecting anything from Mr Whitworth when you got off the plane?

**Mr RON HOENIG:** I wouldn't get anything anyway, usually, directly from Mr Whitworth; I'd get it via the ministerial office. But I've been whinging for six weeks that they haven't given me a day off, so it would not be surprising that I would be getting off a plane and they wouldn't allow me to go home uninterrupted.

**The Hon. SCOTT FARLOW:** Minister, I'm sure that you'll be able to get home soon. Before we finish on Liverpool, you indicated previously that, with respect to Liverpool council, you were considering potentially deferring the elections. The election is eight days away. When will you be making that determination?

**Mr RON HOENIG:** The council has got until, I think, four or five o'clock this afternoon to give reasons why it shouldn't. I'm aware of how close it is. The pre-poll opens on—

**The Hon. SCOTT FARLOW:** Saturday.

**Mr RON HOENIG:** On Saturday, yes. I'm aware of all the practical difficulties.

**The Hon. SCOTT FARLOW:** Are you aware of how much has been spent by the council so far in terms of the election?

**Mr RON HOENIG:** Yes, and how much they've spent on legal costs is probably about the same amount, by the sound of it.

**The Hon. SCOTT FARLOW:** If you were to cancel the elections, would you be looking to refund candidates for their electoral expenses?

**Mr RON HOENIG:** I haven't even contemplated doing that yet. As you can appreciate, lawyers have very little difficulty compartmentalising their mind and only deciding on things when they've got to decide them and not taking matters into consideration that they shouldn't take into consideration. Those decisions just don't arise, really.

**The Hon. SCOTT FARLOW:** Minister, are you aware that Blacktown council has entered into an agreement to sell key property including its administration centre, Bowman Hall, Leo Kelly Blacktown Arts Centre and half of the Flushcombe Road car park in Blacktown for \$43 million? This might have come to you from the member for Blacktown.

**Mr RON HOENIG:** I know the issue of Blacktown council has been exercising the mind of the member for Blacktown probably for some years. He has been complaining about it. But neither my office nor the Office of Local Government have got any records dealing with that matter raised by Councillor Camilleri in relation to the matter. He's the latest person to have generated a media story about it. I am aware that we are on the eve of the local government election—or, as some of us refer to it, local government silly season. One should congratulate Councillor Camilleri because he managed to get his forms out on time, which is an improvement on many of his colleagues.

I can say this: Under the Local Government Act, there's no requirement to tender the sale of operational land. That's at section 55 (3) (d). The decision to sell land must be made by council resolution and cannot be delegated. Direct negotiations on land sales should be conducted in accordance with probity principles of fairness, impartiality, accountability, transparency and value for money under ICAC's *Direct Negotiations: Guidelines for Managing Risks*. If a councillor has any concerns, they should be made to the appropriate bodies for consideration. I'll give you the background, if you like. I've got it here. Do you want me to read it?

**The Hon. SCOTT FARLOW:** I'm sure you do. I will ask you a question. That might lead to your background. Minister, has Blacktown council sought any advice or guidance in relation to the deal from the Office of Local Government on the sale of public assets and building community infrastructure as to whether it constitutes a public-private partnership at all?

**Mr RON HOENIG:** Council sold its administrative building, the former WSROC building, and the surrounding car park site of the Leo Kelly Blacktown Arts Centre. They're pulling that down, are they? It was named after Leo Kelly.

**The Hon. SCOTT FARLOW:** Yes, you'd remember Leo.

**Mr RON HOENIG:** Part of the Kmart car park of the Walker Corporation was sold to allow a staged development of office development, a private hospital and a medical research institute. Walker Corporation is the developer of the Blacktown Brain and Spinal Institute project, which commenced in 2019 and included extensive community consultation on the sale of council land in 2021. The council agreed to a straight sale and will not be part of or help to pay for the Walker development. The project is not a public-private partnership. The transaction arises from provisions in the contracts signed with the Blacktown Brain and Spinal Institute in 2021, which provides for a change in control of the group and the nomination of a party to the end purchaser of the land.

Council will build a new arts centre in the city, funded by a \$40 million grant from the Government announced in 2023. Council staff remain in the current office and are paying rent to Walker Corporation. The local member, Stephen Bali, has raised these issues with me previously and was advised that councils are not generally subject to intervention or direction when exercising discretionary powers such as those permitting the sale of land. Contractual arrangements between council and purchasers are matters for negotiation between parties. It's a matter for council to determine what is in the best interests of their community.

**The Hon. SCOTT FARLOW:** Minister, you outlined that the member for Blacktown raised this matter with you. What action have you taken as a result of the member for Blacktown's concerns?

**Mr RON HOENIG:** I wrote back to him and told him that I don't have the authority to intervene and it's a matter for council.

**The Hon. SCOTT FARLOW:** Minister, are you concerned that the council has sold significant land for \$43 million and now we're on the hook for at least \$100 million to \$350 million to be able to upgrade or replace those assets?

**Mr RON HOENIG:** The council are proceeding in their own commercial venture. It's a matter for them. They're confident. They're democratically accountable. We will know in eight days time whether the community approve of what they've done.

**The Hon. SCOTT FARLOW:** Minister, will you rule out any investigation into Blacktown City Council as a result of this sale?

**Mr RON HOENIG:** I have no cause to investigate at this stage.

**The Hon. SCOTT FARLOW:** So you don't believe there has been any breach at all in terms of the Local Government Act?

**Mr RON HOENIG:** No. In fact, the alleged breach by your councillor, Councillor Camilleri—complained about that. That breach is not a sustainable breach.

**The Hon. SCOTT FARLOW:** Minister, has Mr Bali raised any other complaints with you in respect of Blacktown City Council?

**Mr RON HOENIG:** Mr Bali, since he has no longer been the Mayor of Blacktown, has raised a number of concerns about Blacktown council with me. I don't think he has done that in my capacity as Minister for Local Government; I think he has done it as a fellow member of the Legislative Assembly. He certainly hasn't raised anything with me that warrants an investigation either by me or the Office of Local Government. But suffice it to say that Mr Bali was an extraordinarily successful and competent mayor—probably one of the best the Labor Party has produced—and he is frustrated at some of his achievements not operating in the way in which he envisaged. But as I have reminded my good friend Stephen Bali, and as Mr Primrose would know too, there's nothing more ex than an ex-mayor.

**The Hon. PETER PRIMROSE:** Absolutely.

**Mr RON HOENIG:** You just have to allow those who get elected after you to do that. It can be frustrating. I well and truly understand Mr Bali's frustration.

**The Hon. SCOTT FARLOW:** Minister, one of your concerns with respect to Liverpool City Council was in respect of the Civic Place administration building and the like. Isn't Blacktown similar in this regard, in terms of the concerns that have been ventilated by Mr Bali?

**Mr RON HOENIG:** No, I think the allegations in relation to Liverpool council was that there was something dodgy in relation to that. I can go and pull that out if you like. I think that's different. No-one is suggesting there's anything dodgy at Blacktown. I think people have different policy views.

**The Hon. SCOTT FARLOW:** With respect, Minister, is \$43 million a fair sum for that amount of land and property in Blacktown?

**Mr RON HOENIG:** I can't tell you that. I do say, though—Blacktown aside—often councils need a fair bit of external advice and probity advice on major projects because they are often unable to successfully match the contractual negotiations of the private sector. I'm led to believe that Blacktown has. Nobody has pointed out to me that there was any impropriety or anything that would justify an examination. You just have to have faith in your elected representatives in respect of that project. Anyway, they are about to be judged in eight or nine days time.

**The Hon. AILEEN MacDONALD:** Minister, I might go back to the code of conduct that you released overnight. You did highlight that the current system is often weaponised for political purposes. How, specifically, will the new framework prevent this misuse while still effectively dealing with genuine misconduct?

**Mr RON HOENIG:** The first thing is that they've used this word again in this material because it has been done by the OLG—and it is exceptionally good—but this business of bringing council into disrepute, I'm not happy with that word.

**The Hon. AILEEN MacDONALD:** Which word?

**Mr RON HOENIG:** I suppose the situation is this: The previous attempts at controlling the behaviour of councillors have resulted in infringing the right of freedom of political communication implied in the Commonwealth Constitution, in accordance with the principles established by the High Court—finalised by the High Court, to some respect—in *Unions NSW v New South Wales*. You cannot constrain someone's freedom of speech. You can't burden those freedoms. Yet most of the wording in the code, which has been continually expanded over a period of years, does just that. The code of conduct examiners have been finding people guilty of breaches of the code who have been exercising their freedom of speech—have been, constitutionally, doing that wrongly.



So the first principle is to understand that you have the right of freedom of political communication. There's a rule there that says you can't criticise your own council's decision. It's ridiculous. If you're in a minority, you've got a right to criticise the majority's decision. You've got a right to campaign against the majority's decision. You've got a right to criticise the majority's decision. Whether you do it in a council meeting, whether you do it in a letter to the editor, whether you do it on social media—it doesn't matter—you have that right. And the words of Justice Gleeson are really compelling. You can be wrongheaded, and you're still entitled to that right in a representative democracy—so I've got to instil it. I've got to instil that right back into councillors. The other thing is we can't have a code or a document prepared by bureaucrats that constrains democratically elected people's behaviour. That's a matter for Parliament, to judge the standard of behaviour of people; it's not a matter for bureaucrats. So I need to free that up.

I also need to fix up—and that's why I want people's views—these conflict of interest provisions. Matters of intentional breaches of pecuniary interests are serious matters where people should be disqualified from civic office. But these conflicts of interest because my son plays for a football club, or I play golf with a bloke down the road that's tendered for council services in a rural council—all that nonsense has just got to go. You elect people to council because they're, effectively, volunteers from the community. They're not full-time politicians, they're volunteers. You elect them from the community because they bring with them the community experience, they bring with them their community knowledge. They are associated with various community groups or sporting groups. You want that knowledge and involvement to impact upon council's decision-making process. At the moment, they say, "You got a conflict of interest. No, leave the room, or declare a non-pecuniary conflict of interest." That's got to stop.

That example I gave you, for that Greens Bayside councillor who was a member of a community group—where a code of conduct examiner made an adverse finding of pursuing an issue where she was no longer a member of the executive of a group that had challenged a council decision—was bizarre. She'd been elected on that platform. So many of these complaints are weaponised conflict of interest complaints. They've got to be clear and they've got to be concise. I've talked to the Chief Commissioner of ICAC about these things. He's not interested in these tiny little things. We're all interested in stamping out corruption and, on top of it, then, providing for transparency.

I've got recommendations, for example, for lobbying of councillors. When you talk about lobbying, you're usually talking about lobbying for planning matters by registered lobbyists. But all councillors, the 1,250 of them around the State, are lobbied all the time, and most of what they're lobbied about aren't planning matters. They might be about getting a discount for the local school to use the athletic field, or they might be to have the local rugby league club be able to have a long lease on a particular ground. Trying to impose bureaucratic standards on councillors because they're being lobbied, in the interests of transparency—these are difficult issues that need to be actually added into a regulatory approach, without a ridiculous impact on a regulatory approach. Even pecuniary interests—how far do you go with a pecuniary interest?

The other issue that I have to get to with the transparency is I've got to pierce the trusts. I can't have people operating on the basis of just declaring they're a beneficiary under a trust and not disclosing the potential income they can gain, say, under a discretionary trust for assets that are hidden. At the same time, I don't want to disclose the privacy people are entitled to, either. You're talking about really difficult concepts. The standard you apply to a councillor is not the standard you apply to us, because they're volunteers. I've got that issue, for example, with the Government policy on "Real estate agents and developers shouldn't be on councils." It was an election commitment we gave. Constitutionally, you can't stop it from being elected. I've been trying to work out a process of how to achieve it in the event somebody's elected. Every time I do a draft bill—and I've even tried to word the bill myself—the advice from Parliamentary Counsel or the General Counsel at the Cabinet Office is that it's still unconstitutional. And you've got to remember that it's a—

**The Hon. AILEEN MacDONALD:** I might stop you there, only because I'm going into other people's time.

**Ms ABIGAIL BOYD:** With the Pet Registry changes with the launch of that, which is great and very welcomed, I understand the rules around pet registration deadlines went from six months down to 12 weeks. In most cases that makes good sense, but when it comes to, for example, cat rescue groups, are there exceptions for them to avoid the penalties that come with trying to register a cat that's older than 12 weeks?

**Mr RON HOENIG:** That I don't know. I'll have to ask.

**BRETT WHITWORTH:** I'll ask Mr Walther to answer that.

**DOUGLAS WALTHER:** At the moment, legislatively, there aren't. However, especially on vet advice, it's been historic practice to take the recommendation of the vets. As part of the changes to the legislation, in the

discussion paper that was referenced earlier there are questions around the age of desexing question, especially in light of the views from a number of vets.

**Ms ABIGAIL BOYD:** Several local rescue groups and other concerned community members have approached my office saying that they're having to pay huge amounts now in order to do what we want them to do, which is to adopt these stray cats. Is that something you would look into, Minister—providing a much quicker exception for those people who are trying to do the right thing?

**Mr RON HOENIG:** I think we can look at it. I'm hoping that the Pet Registry is going to work, because it'll be a major ability for us to be able to know exactly what we're dealing with.

**Ms ABIGAIL BOYD:** We want to encourage that registration.

**Mr RON HOENIG:** Not only that, what troubles me is that in New South Wales we're the cheapest, in terms of our fees, of other States. The theory behind getting life registration is you want to encourage people to register, and you want to encourage people to desex so they don't have to pay for an annual fee. Then again, there's a shortage of money spent on things like pounds, which are often funded by—councils are actually funded by 80 per cent of the money that we take. Whenever I consider whether or not we should generate more revenue and say that it's nothing to register an animal, I'm conscious of the fact that—and if you own a pet and treat it properly, it costs you a lot of money in terms of not just food but vet fees and things of that nature, so marginal increases on registration fees shouldn't matter. But what about those people from lower socio-economic groups who might need a pet? Do I impose something on them or do I put a different standard on for pensioners? I'm in this sort of vexed—

**Ms ABIGAIL BOYD:** But I think it depends, right? At the moment it's 12 weeks from birth or from it being sold to you. I know from talking with you at previous estimates, and from answers we had given to us from supplementary questions, that there is a move to try to streamline that registration process from the point of sale, and that's really great. But when you have rescue organisations, which, as we've been discussing, are really poorly funded, being faced with—they've just found a one-year-old cat they want to adopt and take off the streets, but it's going to cost them \$96 a year to register it now because it's over, clearly that's unfair and was not intended by these changes. Is that something you would consider urgently addressing to allow them to register more of these?

**Mr RON HOENIG:** I think that's something we'd better look at, because you can't impose upon them that sort of fee, can you? We might have to have a look at that.

**Ms ABIGAIL BOYD:** That's great. In 2021 the Coalition Government had a free lifetime pet registration for people who adopt a dog or a cat from councils or an animal shelter or rehoming organisation. I don't know when that initiative ended, but I'm wondering if that's something you would consider bringing back.

**Mr RON HOENIG:** I'll find out. Did it end?

**DOUGLAS WALTHER:** I'm not sure. We'll have to take that one on notice. To the earlier question, my understanding—and I'll correct it on notice if I'm incorrect—is that rehoming organisations have a 12-month exemption for the un-desexed cats. But I'll confirm that for the afternoon session.

**KIERSTEN FISHBURN:** Yes, the staff have just confirmed that, Mr Walther.

**Ms ABIGAIL BOYD:** Again, I think we've talked about this previously, but Victoria invests quite a lot of money in their State-run Pets in Crisis program, which supports animal orgs and others to basically look after animals where you have a victim of domestic and family violence wanting to escape and they're worried about what's going to happen with their animal. I understand there's nothing like that in New South Wales as a formal program. Is that correct? Are we thinking of doing that?

**Mr RON HOENIG:** We've just invested some money in relation to domestic violence pets. Do you know what that is?

**BRETT WHITWORTH:** That's the Lucy's Project, where we gave—sorry, the number escapes me. I thought it was \$750,000, approximately, for that. As you said, happy to use the companion animal reform process.

**DOUGLAS WALTHER:** We also provided \$5.5 million to the Animal Welfare League for a domestic violence support program as well.

**Ms ABIGAIL BOYD:** I think we have spoken with both the RSPCA and the AWL about some of that. I think that pales in comparison to what they have in Victoria, though, which is effectively a crisis hotline which you can call and you don't fall through the gaps, where someone's taking of your animal for you. You've mentioned

Lucy's Project, which I know they've been advocating around this for a while. Are you giving them money for a statewide program?

**BRETT WHITWORTH:** That was part of those ad hoc one-off grants. They have a range of projects that they're pursuing with that funding.

**Ms ABIGAIL BOYD:** Perhaps you could come back to me on notice on that to let me know exactly how much funding is going where and how many beds we have for animals in different places. It would be useful to understand how that compares with Victoria.

**BRETT WHITWORTH:** Okay—if that's something within our remit, as well.

**KIERSTEN FISHBURN:** Can I just clarify as well, the free registration from pounds is still available to people, as it is for rehoming organisations.

**Ms ABIGAIL BOYD:** I'm going to finish with this one. It's a curly one, so brace yourselves. It is about goats. I have, in the last five years, encountered—and at one point I thought I was going mad—a number of companies or groups of people who have goats that they rent out to be able to basically put onto people's land to deforest it, to clear it of grass or whatever else. There has been a number of local councils that have been approached about this issue, where it's been felt that people keeping 100 goats on their property and lending them out to others was not in compliance with whatever rules. The councils have come back and said that there's no actual regulation or law that stops people from having, say, 100 goats. I wanted to raise this with you. Is this something that you have heard of at all? Whether you have it as a pet or a farming animal, apparently there are no rules or regulations around how many you can keep and in what state. Are you aware of this?

**Mr RON HOENIG:** No. I know there are plenty of goats on the way from Cobar to Broken Hill via Wilcannia, but I don't know.

**BRETT WHITWORTH:** So they're—

**DOUGLAS WALTHER:** Community goats.

**Mr RON HOENIG:** Mr Whitworth is the fount of all knowledge.

**BRETT WHITWORTH:** The Local Government (General) Regulation does have standards for the number of animals that can be kept. Rather than from an animal welfare or an companion animal's perspective, it's the number of horses, the number of—I don't want to give an on-the-fly perspective. I never thought I'd have to say this, but I don't know how to characterise a goat. Is it a horse or is it cattle?

**Ms ABIGAIL BOYD:** Is it a lawnmower?

**BRETT WHITWORTH:** If it does fall within the definition of a horse or cattle then there are certain provisions there about the density standards, the distance from various types of activities.

**Ms ABIGAIL BOYD:** Just because I'm running out of time, I wanted to give you an example of the Central Coast Council. We were contacted by people who had basically a huge amount of soil coming down into their yard off of a mountain, which had been cleared. They thought it was protected land, but it had been effectively cleared of grass and then all of the trees had fallen down because they had brought 100 goats onto their property. When they went to Central Coast Council, there was nothing the council could do about it. It just strikes me as something that seems to be falling between the gaps and I wanted to raise it.

**BRETT WHITWORTH:** Ms Boyd, sorry to interrupt. If it created pollution, then it's potentially a pollution issue.

**DOUGLAS WALTHER:** Under some LEPs, councils have their own requirements in terms of minimum lot size, distance from houses et cetera. I don't know, Dr Filmer, but under the DPI, under the LLS, the property would need a PIC. And there are the animal welfare considerations of making sure a property isn't too densely stocked.

**Ms ABIGAIL BOYD:** That's right, because they starve them to make them hungry.

**The CHAIR:** I have some follow-up questions in regard to domestic violence as well. I'm wondering if you're aware of any funding, Minister, provided to local councils specifically to provide any accommodation in council-run facilities for animals impacted by domestic and family violence.

**Mr RON HOENIG:** I don't know. Mr Whitworth?

**BRETT WHITWORTH:** I'm happy take that on notice, because there are several components to the different grants that exist. As Mr Walther said, the Animal Welfare League does have a component of its

\$5.5 million. Lucy's Project does have a component. My brain is tingling around there are other parts within government where they're focusing on the individual and recognising that part of the individual being removed from a place of harm also involves their pet. We'd like to take that on notice, please.

**The CHAIR:** Do you think that, with the new funding that OLG has received, this is an area where there might be some greater involvement, particularly around councils being able to house some of these animals?

**Mr RON HOENIG:** I don't know. I'd have to take that on notice. It's certainly a worthwhile suggestion.

**The CHAIR:** You need time to think about it?

**Mr RON HOENIG:** Yes.

**The CHAIR:** Are you open to meeting with Lucy's Project to talk about how something like that could work?

**Mr RON HOENIG:** Yes, I'm happy to do that.

**The CHAIR:** I know that there's a pound inquiry already underway and that you're still waiting for that report, but I've got a couple of questions that are slightly separate from that inquiry. It's something that has come to my office a fair bit. It's very difficult to find out exactly how much council is spending on maintaining and running their pound facility. I have been advised previously by OLG that they don't collect that particular information. Are you aware of this problem? Is it something that you would be willing to look into?

**Mr RON HOENIG:** I think the problem is wider than that. There is something fundamentally wrong with the financial standards that have been imposed upon councils, to such an extent that I don't think they're transparent to councillors, nor are they transparent to the public, nor, I suspect, are they transparent to the OLG. I think that's what has caused a lot of councils' financial sustainability problems throughout the State. For about a year or so, when I looked at questioning why you depreciate, I always looked at it a bit strangely. I have now found some support with some local government Ministers in other States. I have now found some support with the newly appointed general manager. It's a pretty difficult concept, but I think, at some point, once a council's financial accounting systems are done in a more transparent way, you'd be able to see precisely what those costs are because you'd have to extract them from each individual council, which means you'd probably need a GIPAA or a requirement for them to extract it.

**DOUGLAS WALTHER:** Just jumping in there, as part of the review we did into the companion animals funding arrangements, we did write to councils. Of the respondents, the average was about 85 per cent of the funds received—which is about \$8 million distributed to councils—goes to pound and enforcement. I don't have the exact breakdown in terms of what was pound and how much of it was enforcement, but we have started to ask those questions as part of that funding review.

**The CHAIR:** That's the money that's received in regards to the registration costs—

**DOUGLAS WALTHER:** Out of the companion animals fund, yes.

**The CHAIR:** I'll probably have some questions for you on that this afternoon, but thank you for raising that with me.

**Mr RON HOENIG:** That's up to about \$8.9 million that they're getting back now. I think that's the number.

**The CHAIR:** Minister, is it something that you're willing to look into—this idea of mandatory reporting around how much councils are actually spending on their pounds and animal care generally—so that we can actually see that?

**Mr RON HOENIG:** If I can reform the accounting systems, then we'll get to see—

**The CHAIR:** Will that be included?

**Mr RON HOENIG:** —how they're spending everything.

**The CHAIR:** I want to talk to you about parvo as well, which is a major problem within pounds. We know that it's not required for pounds to vaccinate dogs with parvo. There's a group called Warm Paws NSW that is fundraising money to be able to get vaccines. They're focused on high-risk pounds in New South Wales—so mostly regional, remote and rural pounds in New South Wales. Would you be willing to meet with Warm Paws to also talk about how we tackle this issue of parvo outbreaks in pounds and what the Government could be doing to support organisations like that?

**Mr RON HOENIG:** I'd be happy to. I'm happy to meet with anyone who can teach me something I don't know.

**The CHAIR:** Great. I'll create a list.

**Mr RON HOENIG:** I don't need to be told what I do know; I need to be told what I don't know.

**The CHAIR:** I also want to talk about Sydney Dogs and Cats Home again. We know that there was that one-off grant of \$12 million. That was intended to cover all of stage one works for the new shelter but, due to the delays and the increase in construction costs, that \$12 million is now only covering 60 per cent. I know that they're fundraising as madly as they can to raise that extra 40 per cent, but the current climate is not ideal for fundraising and they're really struggling with that. Has the Government given any consideration to covering even a small amount extra of that funding so that they can actually get these works underway so that we're not losing this major opportunity to build a great shelter?

**Mr RON HOENIG:** I'm not sure whether we've been asked. Have we been told they're short of money? Haven't we renegotiated the project to get them to come within budget?

**BRETT WHITWORTH:** Re-scoped. In fact, Sydney Dogs and Cats Home told us that their first stage would be \$12 million. When we asked Public Works, who were auspiced to undertake the project, they realised that the Sydney Dogs and Cats Home scope was actually \$17 million. I don't agree that it was because of delay and construction costs. It has been re-scoped—I suppose, what you'd call value engineered—so that we can get that first stage down within the \$12 million. Sydney Dogs and Cats Home has said that they will continue to raise funding for the remainder of the works. Some of that reduction in scope includes things like changing some of the materials and not clearing as much of the site as had originally been proposed.

**The CHAIR:** Sorry to interrupt you but, as you know, I was in the meeting with both of you where a lot of this was discussed. I appreciate you both coming to meet with Sydney Dogs and Cats Home. The ongoing issue is that—and they're very grateful for the \$12 million—they are struggling to raise the minimum amount that they need to get this work started. I'm asking you, Minister, are you willing to look at potentially finding a small amount of money to be able to make sure that we can get started on the work?

**BRETT WHITWORTH:** Sorry, Ms Hurst, you said that they can't start. We have the \$12 million that enables that work to start and have been participating—

**The CHAIR:** Sorry, I'll rephrase my question if you're concerned about the way I phrased the question. There isn't the money to be able to complete this project currently in place. With the \$12 million, they could start. But, at the moment, they're trying to fundraise for the gap and they haven't been able to get that gap filled with fundraised money. I'm asking, Minister, are you open to considering providing further funding? At the moment, as you'd appreciate—you were in that meeting with me—their concern is that if that money isn't fundraised, what happens?

**Mr RON HOENIG:** I can't give you a funding commitment because I don't have a bucket of money to allocate to them.

**The CHAIR:** Sure. Will you consider it? Will you take it to the Treasurer?

**Mr RON HOENIG:** I'd just say that other community groups are going to struggle. If you look at the GDP figures from yesterday—

**The CHAIR:** I'm sure that there are a lot of community groups that are struggling.

**Mr RON HOENIG:** Everybody is going to be struggling in the future.

**The CHAIR:** I'm asking you if you will consider it or talk to the Treasurer.

**Mr RON HOENIG:** I'm a great supporter of the Sydney Dogs and Cats Home. I've been to their ball in the past. I know they had internal problems a few years ago, but I'm a great supporter of them. I'm happy to advocate on their behalf.

**The CHAIR:** So you'll advocate to the Treasurer for further funding?

**Mr RON HOENIG:** I will.

**The CHAIR:** Thank you. I appreciate that, Minister.

**The Hon. AILEEN MacDONALD:** At the last budget estimates—and I know it was a Government election promise to implement a review into the financial model for local government—

**Mr RON HOENIG:** Financial?

**The Hon. AILEEN MacDONALD:** The financial model for local government. Initially, IPART was to conduct that review. At the last budget estimates you mentioned that it is now in play that the State Development Committee is doing the review. Why wasn't it originally given to the State Development Committee to do?

**Mr RON HOENIG:** I don't know. That's a matter for the vagaries of the New South Wales Legislative Council, isn't it? I don't know how that works.

**The Hon. SCOTT FARLOW:** It was your referral.

**The Hon. AILEEN MacDONALD:** It was a referral from you.

**Mr RON HOENIG:** It was my referral, was it?

**The Hon. SCOTT FARLOW:** Yes, we're doing your work. Why didn't you give it to us first, rather than IPART?

**Mr RON HOENIG:** In fact, I'm actually quite grateful that members of the Legislative Council are making themselves available for public hearings and doing those sorts of things. The Government doesn't like to make ad hoc decisions. It prefers the community to have its say and thinks the Legislative Council is eminently qualified to sit and listen to the public and make sensible recommendations.

**The Hon. AILEEN MacDONALD:** But in doing that, there was a delay because initially it went to IPART in January. By doing the referral—

**BRETT WHITWORTH:** Mrs MacDonald, my recollection of this—because this was ventilated quite extensively at the last budget estimates—is that the IPART time frame was going to be delivered over a period that was more than 12 months. In fact, it was probably 18. The Minister had asked the State Development Committee to deliver it quicker, given that, as everyone is saying, there is significant concern about the financial sustainability of councils.

**Mr RON HOENIG:** I will say that last year IPART, when it released its final report, did effectively what I wanted—getting the Government to agree to it was a different story. We changed the flexibility and gave councils the ability to rate peg and increase their income by 4.6 per cent to 8.2 per cent. That was a major benefit to them. Things like ESL increases were going to be passed through to them. That was a pretty significant change, bearing in mind that there is a cost-of-living crisis. There are still those who advocate—including the USU and Graeme Kelly—that there should be no rate pegging at all for councils and they should be free to set their own income. That's been the view of local government for the 46 years or so that rate pegging has been in existence. No government has been prepared to do it in the past and none is likely to in the future. But there must be ways in which we can provide a longer-term revenue stream for councils that provide some public protection for massive, arbitrary rate increases.

What has happened in the past couple of years—which has never happened before—is that you can go to IPART for a special rate variation. IPART became very flexible because of financial sustainability. You've got to consult your community. In the past couple of years communities have been up in arms about SRVs. That has never happened before and it's happening now. It all relates to the cost of living and people's availability of money and things of that nature. The Government is going to have to continue to have some oversight. In terms of how to do it, we're waiting for—

**The Hon. AILEEN MacDONALD:** The report and the recommendations.

**Mr RON HOENIG:** We're waiting for the report. Then there's a decision-making process. Then the Government needs to agree. It is not an easy solution at all. I will just say to you that in the intervening period, councils would be very happy with what IPART did last year. If you're a member of that committee and you listened to the chairman of IPART giving evidence, she is an extremely impressive individual.

**The Hon. AILEEN MacDONALD:** You mentioned the revenue-raising ability of councils. You've got smaller councils that have unique challenges because they have limited rate bases and higher per capita service delivery costs. In your response, how will you consider how different councils can meet those challenges?

**Mr RON HOENIG:** Councils have to, themselves, address a number of expenditure issues. I've talked to you about that before. One council that invited me to come and visit the other day has got a financial sustainability issue, but they're funding four museums. I said, "Mr Mayor, it's up to you whether you fund four museums. But if you're funding four museums, you can't fund something else." You get to the situation of Kiama council, where not only have they historically been funding aged care; they invested in aged care in 2017 and 2018, and nearly sent themselves insolvent and had to sell assets. You have got the Snowy Valleys Council, which was one of the first forced-merger disasters. They got themselves into trouble in relation to aged care. They need to do a reflection

of their expenditure and they need to determine whether or not the services they themselves are providing are services that the community wants them to fund. They can if they want.

**The Hon. AILEEN MacDONALD:** Surely that would be something that during election time—

**Mr RON HOENIG:** You can't do it during election time.

**The Hon. AILEEN MacDONALD:** I mean that the community would decide whether it wants those things through whether those councillors are re-elected.

**Mr RON HOENIG:** Yes, you're right.

**The Hon. AILEEN MacDONALD:** If I can just redirect you, does the Government believe there should be provision for councils in high-growth areas to receive additional financial support?

**Mr RON HOENIG:** Rate peg determinations now have a population factor taken into consideration in any event, which provides far more level of service and far more level of being able to access greater income based upon their population. Secondly, the other factor with councils in high-growth areas—in fact, most councils—is that if you have a look at how much they're getting out of the State and Feds and compare it to how much they're giving back to the State and Feds, they're well and truly in front in any event. You usually find that governments are pretty supportive and have been historically, although we would say that under the previous Government there was not enough funding for infrastructure in those high-growth areas. They seem to be the areas that demand a lot of New South Wales government capital expenditure.

**The Hon. AILEEN MacDONALD:** How will the response—going on what you've said about high-growth areas where they need infrastructure funding—address the growing need for that infrastructure funding when councils are experiencing significant development and population growth?

**Mr RON HOENIG:** That is probably a question you should address to the planning Minister. I'd be happy to answer it, but I don't think the planning Minister would without him vetting it first.

**The Hon. SCOTT FARLOW:** Minister, in your latest diary disclosure you only met with one councillor alone, and that was Bernard Purcell of Ryde council. I know you've met with many other councillors as part of delegations and all that. But there is only one individually declared councillor in your latest disclosure and that was Councillor Bernard Purcell from Ryde. Minister, did that meeting influence your decision to decline permitting the City of Ryde to issue a PAN for the purchase of TG Millner Field?

**Mr RON HOENIG:** No.

**The Hon. SCOTT FARLOW:** What was discussed at that meeting, then?

**Mr RON HOENIG:** Does the disclosure say what it was?

**The Hon. SCOTT FARLOW:** "Local government sector matters".

**Mr RON HOENIG:** My memory escapes me.

**The Hon. SCOTT FARLOW:** It was on 9 April.

**Mr RON HOENIG:** Is he a candidate for mayor, or something?

**The Hon. SCOTT FARLOW:** He is, yes, and a councillor on Ryde council.

**Mr RON HOENIG:** I think he was introducing himself and letting me know that he was a candidate for mayor. That's why I asked you the question about whether he was or not. That's what the meet and greet was about.

**The Hon. SCOTT FARLOW:** So no other issues about Ryde that were raised there, or that influenced your determinations?

**Mr RON HOENIG:** I don't know; it's pretty common, when you talk to anybody about Ryde, their \$100 million hole in the ground for their—

**The Hon. SCOTT FARLOW:** Labor's hole?

**Mr RON HOENIG:** For their civic centre, or—someone is giving me a note. If you're getting at TG Millner, the meeting seems to be after I'd made the decision about TG Millner. Is that what you are getting at?

**The Hon. SCOTT FARLOW:** Okay. So you'd made a decision, a determination, before that meeting on TG Millner?

**Mr RON HOENIG:** Yes. I think you've asked me about TG Millner before, haven't you?

**The Hon. SCOTT FARLOW:** I'm often interested in TG Millner.

**Mr RON HOENIG:** Have you?

**The Hon. SCOTT FARLOW:** Yes, indeed. I have asked you about TG Millner previously, and other meetings you've had about TG Millner, potentially. Thank you, Minister. With respect to that TG Millner decision, your decision is final now, with TG Millner? The State Government will not allow Ryde city council to proceed with purchasing TG Millner?

**Mr RON HOENIG:** If they can come back with a—I'll find this, because it's quite fascinating. As I indicated with Ryde, it was based upon their ability to fund it. Ryde council has a number of unresolved challenges, with real potential of endangering their ongoing financial viability. There have been known instances of governance and financial failures, including their self-reporting for accessing restricted funds. Their council flagship project, Ryde Central, has stalled as a hole in the ground. Given the valuation of the property when they made their PAN, as they call it, I asked the department in September 2023 to request and identify an appropriate funding source for acquiring the field. I got no response. I sent a follow-up letter in January of this year.

As at earlier this year, the council hasn't been able to demonstrate an adequate source of funding for the acquisition. So I made the decision, based on the merits of the council's application in alignment with the requirements of the Act. I can just say to you, Mr Farlow, a responsible government can't knowingly slug ratepayers of Ryde with a huge bill that council can't pay, especially in a cost of living crisis. Ryde council really need to focus on their immediate challenges and communicate a clear path for the community. If they can come up with the funds or source the funds, they can approach me again.

**The Hon. SCOTT FARLOW:** Okay. So under you, at this stage, no support for TG Millner? No tripartite deal, like Leichhardt Oval received?

**Mr RON HOENIG:** No. Whatever Leichhardt Oval got, which I am not in a position of judging, would be nowhere near enough to cover the costs of acquisition of TG Millner. You're talking about, on some arguments, more than \$100 million they could be liable for. You're talking about huge funds, I'm told—anecdotally, anyway.

**The Hon. AILEEN MacDONALD:** Minister, I want to turn to something in my area, the New England Weeds Authority.

**Mr RON HOENIG:** I'm sorry, I can't hear you.

**The Hon. AILEEN MacDONALD:** The New England Weeds Authority. It faces severe financial difficulties, including an inability to pay staff and creditors. What do you see as the specific failures in oversight that contributed to these issues? What role will the Office of Local Government play in monitoring and supporting the weeds authority's governance?

**Mr RON HOENIG:** The Audit Office raised with the Office of Local Government severe financial challenges, because the Audit Office was unable to obtain an audit because of the incomplete and misleading financial records. There was other matters relating to staff expenditure that was also referred to the Independent Commission Against Corruption. The financial mismanagement resulted in me dismissing the authority. I think the councils were relieved I did so, too.

**The Hon. AILEEN MacDONALD:** I think so.

**Mr RON HOENIG:** I appointed John Rayner, the former Sutherland council general manager, as the administrator. And I've just extended his term, haven't I?

**BRETT WHITWORTH:** You have, Minister.

**Mr RON HOENIG:** Yes, and I've extended his term. Mr Rayner has been asked to look into the financial and administrative challenges that the New England Weeds Authority is currently facing. He'll make suggestions on a way forward. Mr Rayner will continue to work with the authority and its four member councils and will provide a further report to me at the end of the current period of suspension in November 2024, in which time we will then assess the county council as to where to go from there.

**The Hon. AILEEN MacDONALD:** As you say, the administrator has been tasked with recommending a strategic improvement plan. What do you think are the specific components of the plan to ensure, say, both immediate relief and then long-term sustainability for the weeds authority?

**Mr RON HOENIG:** Maybe with the alleged corruption having stopped, that might cause an increase in their financial sustainability of the weeds authority.



**DOUGLAS WALTHER:** Mr Rayner is also working with the member councils, as well as DPIRD, to look at the options on how the services can be delivered, and looking for efficiencies where possible.

**The Hon. AILEEN MacDONALD:** So what measures are being implemented—because the weeds authority is important, and so is their management services—so that they are able to continue operating?

**BRETT WHITWORTH:** The weeds authority is an ongoing concern at the moment. Mr Rayner is looking to ensure that they can continue to be an ongoing concern but then also looking to see whether it can be wound up. The services that it provides can be provided through other means, and he is looking to do that.

**The Hon. AILEEN MacDONALD:** Like you said, the funding challenges—because they don't have the Weeds Action Program grant, which was delayed, and then they had the withdrawal of the \$700,000 loan from CBA.

**BRETT WHITWORTH:** Sorry, Ms MacDonald. I think that you would need to look with care at some of the information that was coming out of the weeds authority, given that, as the Minister said, there were referrals to a number of different agencies. The Audit Office provided probably one of the most scathing reports I've ever seen on the state of the books. Mr Rayner, in his first report, has also been similarly scathing. There has been substantial change in the staff structure. There are a number of people that previously worked for the weeds authority that no longer work at the weeds authority as a result of Mr Rayner's oversight.

**DOUGLAS WALTHER:** I should also add that the withdrawal of the \$700,000 loan is not necessarily a reason as to why—or a contributing factor to their financial problem. If anything, it was a consequence of their financial position, the fact they had to ask for that loan in the first place. It was cause for concern for us.

**The Hon. AILEEN MacDONALD:** My immediate concern, then, is what specific reforms will be implemented, not just for the New England Weeds Authority, but to prevent similar governance failures in other areas?

**BRETT WHITWORTH:** The New England Weeds Authority is quite a unique organisation, being a very, very small county council. But I think what it also shows is that the early warning signs have worked here. We were able to intervene before it became a non-ongoing concern.

**The CHAIR:** We now have Government question time.

**The Hon. CAMERON MURPHY:** No questions.

**The Hon. PETER PRIMROSE:** Absolutely no questions.

**The CHAIR:** Thank you, Minister, for attending the hearing this morning. We will now break for lunch. Minister, you are done with your questioning, so thank you. We'll see the rest of the group after the lunch break, at 2.00 p.m.

**(The Minister withdrew.)**

**(Luncheon adjournment)**

**Ms MELISSA GIBBS,** Director, Policy and Sector Development, Office of Local Government, affirmed and examined

**Mr BRAD WADE,** Director, Investigations, Office of Local Government, affirmed and examined

**Ms KARIN BISHOP,** Director, Sector Performance and Intervention, Office of Local Government, affirmed and examined

**Mr KEITH BAXTER,** Director, Emergency Recovery, Office of Local Government, affirmed and examined

**The CHAIR:** Welcome back.

**Dr AMANDA COHN:** My first question is probably for Mr Whitworth. I'm just interested in the budget allocation, that \$37-odd million to bolster the capacity of the Office of Local Government. Could you provide a breakdown of how that is being spent?

**BRETT WHITWORTH:** Sorry, you want the \$37 million?

**Dr AMANDA COHN:** Yes.

**BRETT WHITWORTH:** The \$37 million has been profiled, and when I say profiled, some of it is labour expense, some of it is operational. The labour expense is—and I need to think about this year by year because it is easier for me to do that. We received year by year \$4.5 million, of which we have profiled \$3 million for extra labour and \$1.5 million for operational, and we have received on top of that another \$4.5 million which has a similar profiling but there are some costs for corporate services and so on and overheads that we need to manage. As a result of that, I am able to expand the size of the Office of Local Government—not massively. It will also depend on the structure that we put in place in terms of, if I have more senior executive band people, obviously they will use more of the labour expense costs than if we stay with clerk grades.

I have not yet finalised a realignment of the Office of Local Government's functions or its functional structure. I am not going to take the additional money and put it there on the side. I am going to integrate it into the Office of Local Government functions. Examples of how we have started to spend the money—and you will see Mr Wade is here as one of the witnesses today, so Mr Wade is my new director of investigations. That is an example. I am now paying for Mr Walther as an executive director. I have increased and have identified a need to seek new staff in the performance team, which is the team looking at the assessment of council financial sustainability. I am looking to increase the number of people in the investigations team and continuing to employ people within the strategic policy unit. I don't want to go too much further because the process of announcing a new functional structure requires a human resources-based approach in terms of its communication. There will be some movement—

**Dr AMANDA COHN:** Understood. If I can maybe helpfully redirect you, I am not so much interested in the precise structure and the human resources perspective but more what the priorities are. I suppose you have outlined some of those. What I am hearing is investigations, financial performance and the strategic policy unit. I am interested in that general bolstering of capacity and resourcing and what your priorities are as to which functions are being strengthened.

**BRETT WHITWORTH:** What it will also allow me to do is to create a more dedicated area for companion animals as well. At the moment companion animals, even within OLG, is split across our programs team and our policy team, and we have the pet registration team. It is my intention to try and bring those functions together in a more meaningful way, so that is an example. I also have the additional funding for the apprentices and trainees and the management of the grant program, so that will be a priority as well. It is not one particular area but is about strengthening all of the areas, recognising that we have an ambitious policy agenda, recognising that we are seeking to become more data-driven and working with councils on their financial sustainability and understand their concerns much earlier on.

That means that I need more people to be able to, as we have said, read a council, so more than just reading their financial statements but reading how that council is operating from a performance perspective. We need more people in the investigation space. The discussion paper released this morning will, I hope, actually see a reduction in the workload of the investigations team. But, having said that, the investigations team is incredibly stretched at the moment and we hope to see a more focused way in which investigations are occurring. We're not investigating Facebook complaints; we're investigating things that we can actually investigate. We're investigating code of conduct breaches, pecuniary interest concerns and so forth.

**Dr AMANDA COHN:** I'll come back to the new code of conduct in another session. In terms of the increased resourcing, is it your understanding that is intended to be a permanent increase in resourcing? How many years ahead has this been planned for?

**BRETT WHITWORTH:** This is why I like to describe it in the two components of the \$4.5 million. We have received an additional \$4.5 million per year with CPI adjustments for ten years. That is the long-term forward estimate of the budget. We have received an additional \$4.5 million CPI adjusted on top of that for the next four years.

**Dr AMANDA COHN:** Just coming back to the apprentices and trainees, the Minister indicated this morning that that process is happening over the coming months, if I remember the words correctly.

**BRETT WHITWORTH:** I had a workshop earlier this week with a number of interested parties—so joint organisation executive officers, the representatives of the union, Local Government NSW, local government professionals—where we discussed the draft guidelines. I really want to try to get those draft guidelines to the Minister and out for approval before the end of this month so that we can give council surety that they can start employing—or knowing that they can start the recruitment process for additional trainees and apprentices, knowing that there will be money to fund that and also knowing that we will then have additional staff commencing for the 2025 academic year.

**Dr AMANDA COHN:** Is that a process where, for example, councils will need to apply to have positions funded or is it that there is a block amount available for particular councils or particular professionals that is guaranteed in a way?

**BRETT WHITWORTH:** We believe that it is more appropriate to seek the councils to make an application. That way they can come to us with what is best for them. We have needed to talk about it as being a competitive grants process so that we can ensure that we can allocate the funding in the most appropriate way. In saying that, I am not concerned whether council X wants to employ three carpenters and two planning cadets and a childcare trainee, and another council wants to just do all landscape gardeners.

If that's what works for them from their workforce capability perspective, then that's fine. What we will be concerned about is making sure that there is a relatively even spread. There will be some councils that will have greater capacity to employ trainees. It may be that those councils that don't have the capacity to employ trainees, cadets and apprentices are the councils we want to make sure can. There is a recognition of the disadvantage that some councils will face, and we want to factor that in. The guidelines will enable us to make those sorts of allocations.

**The CHAIR:** I might throw to Mr Walther. When you were talking before you said, I think, that 85 per cent of the funding that was received from the companion animals grant was going to the pounds. Do you know where the rest of that is going?

**DOUGLAS WALTHER:** Yes, I now have a more detailed breakdown. I've only got the numbers in total quantum of the 82 councils that responded to our survey. Of the 82 respondents, \$14.6 million went to pound services; \$14 million went to rangers; \$2.7 was administrative costs, such as registration and other front desk functions of council; \$1.6 million was in education; \$850,000 for registration expenses; and \$404,000 for microchipping.

**The CHAIR:** I also wanted to clarify, Ms Abigail Boyd was asking questions in regards to the registration of animals and I think it was mentioned that there is a 12-month extension for rehoming groups. Is that just for registered rehoming groups or is that for any rehoming organisation?

**DOUGLAS WALTHER:** For registered ones.

**The CHAIR:** What does that mean for the questions that Ms Boyd was proposing? We know that there is a significant number of groups that aren't actually registered with OLG that are still running rehoming work. I believe a lot of those organisations are the ones that are collecting community cats and attempting to rehome them. I think that all that work is then going to stop. Is that something that has been brought to the office's attention?

**DOUGLAS WALTHER:** Not as yet, but the Minister indicated this morning a willingness to look at some of those issues. I suspect that will be part of our riding instructions.

**The CHAIR:** Will that, do you think, go into the discussion paper or is that more finalised at this point?

**BRETT WHITWORTH:** One of the opportunities that we have with the discussion paper is that it's not yet finalised, and so there could well be people scribbling as we speak.

**The CHAIR:** Right. I better get on to other things, then. Who is the best person speak to in regards to the Pet Registry?

**BRETT WHITWORTH:** If you have a question, you could direct it to myself and then I will make sure that I allocate it to the correct person.

**The CHAIR:** We will do that. My office was advised that the rollout of the Pet Registry would only affect breeders and individuals; however, I was contacted once it was rolled out by a large number of independent rescue organisations who found themselves locked out of the old Pet Registry. That created a whole new crisis for them already. They weren't able to register any new cats or dogs or transfer ownership. The only way they could do that was filling in paperwork and providing it to councils, and that whole outdated regime. I am just wondering where we are up to on correcting that problem and when they will have access to the Pet Registry again.

**BRETT WHITWORTH:** I will ask Ms Bishop to talk to some of the details. I would also like to say that, if people are having concerns, they should contact us using the pet helpline and we will make sure that we work with those parties to ensure that we get the best solution that is available. The idea of expanding the Pet Registry to rehoming organisations has always been an ambition, but it's not within the first stage of the Pet Registry. But it has always been an ambition to create additional portals for vets, for councils and for rehoming organisations.

**The CHAIR:** My understanding is that that is quite far away, though. My immediate concern is that these groups have been locked out entirely and what it means for them.

**BRETT WHITWORTH:** When you say "locked out", they had previously had access to the Companion Animals Register and no longer have access to the register?

**The CHAIR:** That's correct, yes.

**BRETT WHITWORTH:** That would seem to be unusual.

**KARIN BISHOP:** I will double-check the arrangements. They should still have access to the CAR to be able to do the transitions. One of the challenges was that a lot of rehoming groups, because we haven't had organisational logins, have used individual logins and so you would have one staff member who owns 40 cats. There has been the individual transfer process that they have been able to use. It's not ideal because, obviously, we can't then clearly see what the numbers and the data with the rehoming organisations is. What we are hoping to do when we build the new portal for rehoming organisations is talk to them, understand what their needs are, try and avoid these ad hoc approaches where they have been able to use an individual login to get in, and try and create a system that will be a lot more coherent and clear and also improve that transparency and accountability around what is exactly happening and what they need from us.

**The CHAIR:** These organisations have obviously contacted OLG and I assume that you have been made aware of that. They have been told that this would be corrected in September. We are in September now. I understand what you are saying. Stepping back and logically looking at it, it's not an ideal situation if they are logging in independently. But, from my understanding from information I have got around the timeline, we are looking at months, maybe years. It's a big problem that they are now locked out of the Pet Registry entirely until that gets sorted. Can I get an update on this urgent situation now? These rescue groups can't possibly be going to council and doing paper forms for every animal.

**KARIN BISHOP:** Just to clarify, I've just had some information. Rescue groups never actually had access through the old online registry, so nothing has changed for them. They have been able to work through the CAR.

**The CHAIR:** To clarify, they were able to access it through the avenue that you were saying—registering as an independent person even though they were an organisation. It was a back road in. Now, since the new one has come out, they have been entirely locked out and so that back road in no longer has access, which means they have been cut out entirely.

**BRETT WHITWORTH:** When you say they have been cut out entirely, the individual can still register. What you are saying is that the organisation, as an entity, is unable to register.

**The CHAIR:** No, they can't get in at all.

**DOUGLAS WALTHER:** Stage one only provided access to those who were currently using a Service NSW login. Stage two will apply to all breeders and owners, and that's called Link My Pet. Yes, we had previously indicated that would be a September rollout. It's close, but some IT delays of government through the path transition has meant that that work program has been extended slightly.

**The CHAIR:** When that stage two happens, will these organisations be able to re-access it?

**DOUGLAS WALTHER:** In the same way that they did previously, i.e. having to be, almost, an individual owner on that system rather than the organisational login.

**KARIN BISHOP:** That back-door approach, as you say, which obviously is less than ideal, will be available if somebody goes in as an individual and sets themselves up as an owner and can then transfer.

**The CHAIR:** I know you said it was slightly delayed, but are we talking weeks or months?

**BRETT WHITWORTH:** We are working with our IT provider, which is the Department of Customer Service, to address this issue and to get a clear expectation around the deliverables and the time frames. It is one of the frustrating elements of an IT process using an agile delivery mechanism where it can be difficult to identify a time frame.

**The CHAIR:** Did you have something to add to that?

**KARIN BISHOP:** I was just going to add—because I have some notes here—that the issue around the zero registration fees was always done through paper because an individual can transfer the animal, but then we don't know that it has come from a rehoming organisation. There has always been that strong paper element to any kind of transfer.

**The CHAIR:** But I think that's only for registered rehoming organisations.

**KARIN BISHOP:** You're talking about the unregistered and the individual?

**The CHAIR:** Yes, they don't get that.

**KARIN BISHOP:** They wouldn't have got the exemption anyway.

**The CHAIR:** Yes, they don't get that exemption so they were able to use—I totally agree with you about the fact that it wasn't ideal how they were using the Pet Registry, but now that they have been cut out by accident it has created a whole lot of paperwork problems. That's a paperwork problem that registered rehoming groups hate as well, but it's something we've been trying to fix for them as well.

**KARIN BISHOP:** It has resulted in a bit more visibility for us as to the numbers of people, because councils collecting that paperwork will then be able to track individuals who are doing these large-scale transfers without us necessarily having been aware of it because they weren't in that accredited group.

**DOUGLAS WALTHER:** Prior to the rollout, we were trying to inform stakeholders to try to make sure they were using the Service NSW system. We've had 23,700 owners on the new system under stage one, but we recognise that those that weren't on that system are still waiting for stage two before they can get access.

**The CHAIR:** Do we have any further timeline? I say this every time we're in budget estimates, but there is a really urgent need for rescue organisations and registered rehoming organisations who are still having to hand-deliver paperwork to council. I know I have mentioned it before as well, but there's this whole time delay then. I've heard feedback that some councils will receive that paperwork and it could be 10 months before that paperwork is processed. Legally, that animal is still in the ownership of somebody else, so there's this huge problem with regard to rehoming. If people were doing things the way this is designed, they would still be at the rehoming facility for that 10 months waiting for that paperwork to get processed. Do we have any idea around a timeline for those next stages of the Pet Registry and making sure that registered rehoming organisations will have access?

**DOUGLAS WALTHER:** In terms of a timeline, it's a priority of government and a priority of ours to have it delivered as soon as possible. However, the delays are more technical in nature and we're working with DCS to get them resolved as quickly as possible.

**The Hon. SCOTT FARLOW:** Mr Whitworth, with respect to Liverpool City Council, have you sought advice?

**BRETT WHITWORTH:** I would like to just make two comments and then let you ask the questions. The first comment is that I want to have in my objection about questions regarding this for the reasons that I flagged this morning. I am second respondent, and I'm still concerned that any questions may prejudice any matter that is subject of an appeal. Secondly, there is an appeal at the moment, and it will be very challenging, based on legal advice, to answer any questions that you put to me. But nonetheless—

**KIERSTEN FISHBURN:** To confirm, that is the advice of our general counsel from the department as well.

**The Hon. SCOTT FARLOW:** Mr Whitworth, I will put the questions to you and you can determine whether you wish to answer them or the way in which you answer them. I would note as well that we do have the potential for supplementary budget estimates, which I imagine would be at the conclusion of any legal proceedings. Maybe the questions could be asked at that point.

**BRETT WHITWORTH:** I would be happy to provide responses after the appeal, when I am able to provide a view on the appeal and the way the appeal was conducted.

**The Hon. SCOTT FARLOW:** Mr Whitworth, I don't want to waste everyone's time here this afternoon by going through a range of questions, you effectively providing me that response and me not being able to do much more than that. If that is to be the case, I think we might have to investigate the supplementary budget estimates hearing to ventilate some of these questions, potentially.

**KIERSTEN FISHBURN:** Certainly, Mr Farlow. Thank you.

**The Hon. AILEEN MacDONALD:** With the working from home memo or directive that went out, has the Office of Local Government been impacted by this directive?

**KIERSTEN FISHBURN:** That's actually a question for me, as the administrative head of the department. The Office of Local Government is one of the agencies within my department. We will have a department-wide policy. What we are doing at the moment is currently undertaking a review of our workplaces so we understand where people are and how often they are there. We will be putting out a workplace survey after the PMES. I don't want my staff doing two surveys simultaneously; I'd rather they were doing actual work. We will be developing

a draft policy, which will go out for staff consultation post the September school holidays, when staff are available. We will take the feedback from that consultation and we'll get to a policy position.

**The Hon. AILEEN MacDONALD:** Do you know, at present, the number of staff who would be working from home?

**KIERSTEN FISHBURN:** I would have to take that on notice. It would be different from agency to agency as well. I couldn't give you a direct figure.

**BRETT WHITWORTH:** On the working from home process, we have identified for all of our staff the importance of having a workplace agreement that covers their ability to work from home, but it will vary depending on individual issues and circumstances. My workplace agreement says that I will work from home, if I'm lucky, one day a fortnight, but I had to work from home two days this week because I was sick one of those days and I still needed to work. It will vary depending on individual circumstances.

**KIERSTEN FISHBURN:** And the department's policy position will reflect that.

**The Hon. AILEEN MacDONALD:** Just on that, you said that you were looking at expanding the size of the OLG workforce there. Will the office at Nowra be big enough for that expansion or will you be looking at having to move offices?

**BRETT WHITWORTH:** One of the benefits of being able to work in a location-agnostic perspective with the technology that we have available within the Department of Planning, Housing and Infrastructure is that I don't need to be concerned about the office space in Nowra. In fact, the Office of Local Government has employees that cover almost all the major regional centres of New South Wales. They all get access to office facilities that are close by to them. The Nowra office does have the capacity, however, to expand.

**The Hon. AILEEN MacDONALD:** I asked the Minister another question with regard to the financial reform of councils. When do you expect that there will be financial reforms to councils? I know the inquiry hasn't finished yet, so perhaps it's a bit premature.

**BRETT WHITWORTH:** I do think it's premature. It's almost an existential question. I can't answer that until I know what reforms are being proposed by the inquiry and then which of those reforms the Government will accept and move to implement. There has been a lot of work done, and it continues to be done, on financial improvements within councils. We have been implementing a number of the Audit Office recommendations about the need for a stronger risk management approach to how we work with and assess and track councils' finances, which has enabled us to get early warning signs of a number of councils. We have actually gone and proactively talked to those councils with some remediation strategies.

Following discussions with the Audit Office on some of those issues that councils have raised around depreciation and the valuation of assets, we have been and will continue to look at that in terms of the update of the accounting code. There's quite a raft of things that we're already working towards. The Independent Pricing and Regulatory Tribunal has identified its new approach to the rate peg process. And again that's starting to flow through, I think, into the way councils are working, and we continue to advocate at the Commonwealth level for a fairer share for local government out of the Financial Assistance Grants.

**The Hon. AILEEN MacDONALD:** Thank you. I'll move on to code of conduct and the discussion paper. I know it's only just been released, but I've already had feedback from a councillor in Kiama, welcoming that you're doing this.

**KIERSTEN FISHBURN:** It's terrific news.

**The Hon. AILEEN MacDONALD:** It's 15 November that it closes off for feedback?

**BRETT WHITWORTH:** Yes.

**The Hon. AILEEN MacDONALD:** And what timeline from then, do you think, to actual implementation of the new code of conduct?

**BRETT WHITWORTH:** I wouldn't just limit my answer to the code of conduct, because the discussion paper talks about a number of different strategies. There will need to be legislative change to implement the reforms that are in the discussion paper, which means that there will need to be bills brought to Parliament and an implementation program. There are some elements of the discussion paper that can be done through regulatory approaches. The changes to the meeting code of practice that the Minister talked about can be done through an update of the meeting code and then a change and an updated regulation. We can start working on an updated form of the code of conduct.

We can be doing the engagement, at the back end, around the new process of the proposed privileges panel, the process of creating a referral through for tribunals to be the decision-maker around sanctions, which will relieve me of that uncomfortable burden. We will be able to do all that in the background. It's always hard to predict time frames when you've got a piece of legislation involved, but I would dare say there would be an ambition for legislation as soon as possible. It may be challenging, given the November time frame, to have legislation this calendar year, but definitely, early next calendar year, I would be expecting some sort of legislative change.

**The Hon. AILEEN MacDONALD:** So it could be staged, as you say, because some things you can do immediately; others will require changes.

**BRETT WHITWORTH:** Certainly will be. Yes.

**The Hon. AILEEN MacDONALD:** So the code of meeting practice could probably be something that could be staged, almost.

**BRETT WHITWORTH:** It could almost be staged as early as we possibly can. The Minister does have the power to update the meeting code of practice, effectively, at any time and to recommend to the Governor that that be adopted through regulation. That can be in almost any period of time. Some of the recommendations in the discussion paper are about the stronger powers for mayors to deal with disorderly behaviour within a council meeting. Some of those powers will require legislation, but there are other elements. The Minister talked about banning briefing sessions and so on. Those can be dealt with under an updated code and regulation almost immediately.

**The Hon. AILEEN MacDONALD:** And you also mentioned about engagement. Will there be some sort of training or awareness provided to councils so that they can implement without disruption and so it's a smooth transition?

**BRETT WHITWORTH:** Yes, certainly. We have a number of training mechanisms. There would be discrete training as a result of this, and probably like to look at, potentially, whether there be options for training for mayors and governance managers within councils, about the new meeting code of practice. We also have a process or a series of training sessions call Hit the Ground Running, which is, essentially, every Thursday afternoon for two hours or so, once the election has been resolved, between October and, effectively, into February, taking a period off for Christmas. We have those sessions where they deal with a wide range of issues, and councillor conduct, meeting code of practice certainly will be part of that.

**The Hon. AILEEN MacDONALD:** I just want to turn to RSPCA. Would that come under you?

**The CHAIR:** You could try Dr Filmer, who's here from DPI.

**The Hon. AILEEN MacDONALD:** At the moment, the RSPCA have indicated it will have to downsize its inspectorate if adequate funding is not received. Has the Government assessed the potential impacts of this downsizing on animal welfare in New South Wales? And what contingency plans are in place if the RSPCA cannot maintain its current level of service?

**RACHEL CONNELL:** Thank you, Ms MacDonald. I can deal with that question. We are in the process at the moment. We have a grant process open for the RSPCA and the Animal Welfare League, in relation to funding for enforcement activities under POCTAA. That grant process is live. It will close on 13 September, at which point we will assess the applications that are made against the grant guidelines, and that's a requirement of the law, in terms of making sure we assess applications received under a grant program in accordance with the grant guidelines. One of the issues that we'll be looking at is value for money as well.

**The Hon. AILEEN MacDONALD:** When's the cut-off date for the applications or the grant program?

**RACHEL CONNELL:** It is 13 September.

**The Hon. AILEEN MacDONALD:** If organisations apply, when would they expect to receive advice of whether they're successful or not in that funding?

**RACHEL CONNELL:** These questions were asked of Minister Moriarty in the Portfolio Committee No. 4 last week. So I'd refer you to her evidence, in terms of—as quickly as possible, but it's obviously also subject to the information that we receive in the application, which will have to be assessed against the criteria.

**The Hon. AILEEN MacDONALD:** If RSPCA is unable to fulfil its duties, is the Department of Primary Industries prepared? I should have asked PC 4 that question.

**RACHEL CONNELL:** That's right, and I guess it's, at this point, a hypothetical scenario. And we've got a process that's open.

**The Hon. AILEEN MacDONALD:** I might go to Sydney Dogs and Cats Home. Who would be responsible?

**BRETT WHITWORTH:** You could direct your questions through me.

**The Hon. AILEEN MacDONALD:** It's previously been described as a priority, yet there have been delays. What steps have been taken to make sure that the project is being held accountable for the delays and any potential cost overruns?

**BRETT WHITWORTH:** It's interesting that you ask about being held accountable for cost overruns, because that has been, effectively, the delay, to ensure that there are no cost overruns. We were presented with a project that could not be delivered within the \$12 million scope, as being that first stage. I think previous evidence that I've given to this inquiry and that the Office of Local Government has given to budget estimates has been our concern around ensuring that we had a suitable authority or agency to deliver the project. We have appointed Public Works advisory or the Public Works department to auspice the project. In doing that, they identified that there were problems with matching the cost to the scope of works.

There had been a lot of work done with Sydney Dogs and Cats' architect to understand where those costs came from, what the scope of works were, and they've managed to reduce them down so that there is a project that fits within the \$12 million scope, which still provides the appropriate functionality. There is a governance structure that has both a working group that's responsible for the conversations day to day and a project control group that I chair, to ensure that we're keeping to cost and to time. I am a little bit frustrated, but I understand that. And, in fact, we have received an invitation to a groundbreaking ceremony quite shortly. So we are getting close to being able to commence. We've also done as much as we can, knowing the subsequent stages were always going to be delivered by Sydney Dogs and Cats, to ensure that the design doesn't jeopardise their ability to do that.

**The Hon. AILEEN MacDONALD:** If you're going to a groundbreaking ceremony soon, when do you think construction will be completed?

**DOUGLAS WALTHER:** It's on track for delivery by July '25.

**The Hon. AILEEN MacDONALD:** Are there any contingencies in place if there are further delays?

**BRETT WHITWORTH:** Contingencies in the sense of?

**The Hon. AILEEN MacDONALD:** For Sydney cats—

**DOUGLAS WALTHER:** That work program does have some contingencies for usual construction delays such as weather and other things like that, but that date is based on where we are with the process at the moment, the tenders that were awarded recently and assuming construction starts on 23 September, as envisaged.

**The Hon. AILEEN MacDONALD:** You're communicating with the councils and keeping them up to date with all of this, I imagine?

**DOUGLAS WALTHER:** Sydney Dogs and Cats Home largely liaise with the councils that they provide the services to.

**BRETT WHITWORTH:** They have the contractual arrangements with those councils.

**The Hon. SCOTT FARLOW:** In the minute or so we've got remaining, I'm not going to start another big line of questioning. The housing and productivity contribution outlined \$1 million of funding for local governments over 10 years. Are there any mechanisms by which local governments can seek funding through that contribution yet?

**KIERSTEN FISHBURN:** That's actually a question for the Treasurer and the planning Minister.

**The Hon. SCOTT FARLOW:** So the Office of Local Government has no role in the design of that funding or the like?

**KIERSTEN FISHBURN:** No, OLG do not have a role in that.

**The Hon. SCOTT FARLOW:** I will have to start another line of questioning now, on something for two questions. Let's go to AI in assessing DAs and that \$5.6 million funding program which has been provided to successful councils. Has the Office of Local Government had any role in determining that with successful councils and working through the mechanism at all?

**KIERSTEN FISHBURN:** No. OLG were not involved in that. That was through the planning Minister and the planning sections in my department.



**The Hon. SCOTT FARLOW:** Okay, thank you.

**KIERSTEN FISHBURN:** That was easy. Thank you, Mr Farlow.

**Dr AMANDA COHN:** I'd like to come back to the code of conduct discussion paper, which I acknowledge has some really promising changes in it. I have a couple of questions about some of the suggested provisions and the work that's already gone into it. I have already received some queries about the recommendation that councillors be expected to stand when addressing a meeting, where they're able to. What consultation was undertaken with disability advocates in coming to this discussion paper?

**BRETT WHITWORTH:** There was no consultation with disability advocates, but I'm sure that—as I said, it's a discussion paper. We're very well aware that there are some people that are unable to stand or there are people that, if they can stand, they can't stand for very long. There are already a number of councils that have the provision within their meeting code of practice about standing, either for when the mayor comes in or when they are speaking. Those meeting codes also have sensible provisions that recognise that if you can't stand, you can't stand. I'm sure that we will ensure the same sorts of provisions apply. In fact, we could adopt the provisions of the Legislative Council and/or the Legislative Assembly. I note that, other than during committee sessions, both the Legislative Council and the Legislative Assembly—the intention and expectation is that members stand when they are addressing the House.

**Dr AMANDA COHN:** What consultation might you take moving forward with disability advocates as a part of this?

**BRETT WHITWORTH:** There's certainly ways to ensure that we can—I'm happy to take any advice from disability advocates; I'm always happy to do that. I also think the intent of the policy is to ensure that there's a degree of respect that is created for the chamber, there is a degree of respect that is created for the person that is speaking and there is a degree of respect that is created for the person that is chairing the meeting. If someone is unable to stand, despite the fact that they're chairing, or that they're unable to stand in order to present, then we need to ensure that they are given an appropriate mechanism to ensure that their respect is demonstrated, but without forcing them to do something that they are incapable of doing. I don't want this to run counter to the idea that we want to increase the diversity of our councillors. We spent a lot of time and effort to increase the diversity of councillors to ensure that our councils represent and reflect our community. Our community includes people that do not have the same level of mobility and accessibility as others, and we don't want to exclude them from any process.

**Dr AMANDA COHN:** You've led me beautifully into my next question, which is about the mooted privileges committee. I appreciate the intent of having councillor behaviour being judged by a group of peers. It's suggested that this is a panel composed of experienced mayors and ex-mayors. What steps can be taken to ensure the diversity of that group?

**BRETT WHITWORTH:** We'd be open to having recommendations and advice on that. There are any number of options that we could pursue. It could be a mechanism where people are voted on to the panel. It could be a mechanism where the Minister makes a decision based on nominations that are brought forward by councils. It could be a mechanism where Local Government NSW, as the peak group representing councillors, suggests a means by which people could be nominated and appointed. It could be any and all of those. What we do want to make sure of, though, is—and this is the experienced element of it. There are people that understand the nature of the political debate, the nature of the robustness of debate in a democracy and are able to discern the difference between that robust debate and someone that has gone too far. That will come from those people that have chaired meetings themselves and have been involved in democratic processes for some period of time.

**Dr AMANDA COHN:** At least two terms served on a council was the suggestion, I think, which seems reasonable on face value. Because this only came out today, I have not been able to consult widely on it yet. Certainly my own particular experience when I was elected to council as a 26-year-old woman of, for example, bullying by other councillors—when you looked around a room in an organisation like Local Government NSW back in 2016, frankly, it was very pale, stale and male. I'm not sure that I would have necessarily trusted a panel of random ex-mayors to understand the unique experiences of a young woman of misogyny in local government. So I hope there can be some provision for ensuring a diversity of views and experiences. I'm sure that people of colour, people with disability and people from First Nations groups would have similar concerns.

**BRETT WHITWORTH:** Yes.

**Dr AMANDA COHN:** My other question was about the code of conduct stats that were backward looking. In the introduction to this document you've listed the number of complaints and their outcomes through to the end of 2023. Have you got updated figures for 2024?

**BRETT WHITWORTH:** No, I don't. I have been asking and it is a—you would say to me, "Brett, why don't you have these figures? Surely it's easy to get." But it's also a question of how do you categorise and characterise them. What is a complaint? Anything we receive at [olg@olg](mailto:olg@olg) that says, "I'm unhappy about this councillor or this council," is deemed to be a complaint. Anything that we receive from councils through a properly created code of conduct assessment is a complaint. Anything that we receive that is a referral for a pecuniary interest is a complaint. It's how they get characterised. It is a source of much frustration for me. I'm very much of the adage that once I understand the data, I can control the issue. I have not been able to get full control of the data, despite many attempts. It is one of the reasons that I have funded a case management system, to get that case management system up and running to give me predictable and understandable data about the complaints.

**Dr AMANDA COHN:** I am keen to wrap my head around this. How is it possible that you have got stats through to the end of 2023 but not this year?

**BRETT WHITWORTH:** That actually entailed a single person who went though and said, "I think this is a complaint that way, this is a complaint that way and this is a complaint in that mechanism." They have been able to go back and count that. They have been able to extract that out of searches that were run on a records management system using search terms and the metadata in the titling of files.

**Dr AMANDA COHN:** It was a manual piece of work for the previous years.

**BRETT WHITWORTH:** Yes. It's quite a manual piece of work, and that person is not with us anymore.

**Dr AMANDA COHN:** My follow-up question is why was a decision made not to do that level of work for 2023-24?

**BRETT WHITWORTH:** It's not that it hasn't been made. I have asked for that information. It just has not been able to be done. I have not said that I'm stopping that, but it is a question of what is my priority: to deal with complaints and reduce what is effectively a large number of complaints, or to divert someone away to count how many complaints that we have, watching as the complaints keep rolling in. My choice has been that I want to get rid of the large number of complaints as much as possible. But I do want to circle back. As I said, I want this case management system so that it's more automated.

**Dr AMANDA COHN:** I'm sure I'm not the only person trying to have input to this process of a new system that would like to be informed by the data from the most recent year of complaints up to this point.

**BRETT WHITWORTH:** I would put myself into that category as well.

**The CHAIR:** I've got more questions on the Pet Registry. I was wondering how much funding has been allocated so far to the upgrade of the NSW Pet Registry since the program began.

**KARIN BISHOP:** That is \$21.6 million.

**The CHAIR:** Has all of that been spent?

**KARIN BISHOP:** No.

**The CHAIR:** So there's still some for the next stages?

**KARIN BISHOP:** That's correct.

**The CHAIR:** Are you expecting that we will need more money going forward to be able to fully roll out what people are hoping for, or is it within budget?

**BRETT WHITWORTH:** I think those are questions and issues that we're still working through. The delay in the finalisation is also a money cost as well. I don't think I could answer that question.

**The CHAIR:** So it's still sort of up in the air at this point. The agriculture Minister's office has advised me that the Government's new puppy farm bill will include an online registry that will then become part of the Pet Registry. Has that been discussed with the Department of Primary Industries and the Office of Local Government as to how that's going to work with the rollout of the Pet Registry?

**BRETT WHITWORTH:** I am of the understanding that there have been discussions about how those two things link together. Ms Connell or Dr Filmer, I don't know whether you want to add?

**RACHEL CONNELL:** Probably not at this stage, not in addition to the evidence that the Minister gave last week, which was that there are a number of issues that we're working through. It'll be a matter for the Government in relation to what the final version of the bill looks like.

**The CHAIR:** I wasn't asking so much about the bill. I understand that you can't really answer questions about how that bill will look. It's more about the Pet Registry section of it. I'm glad to hear that there have already

been discussions between the two offices into how that will work. Where will the funding for that come through? Is that an OLG funding issue or is that a DPI funding issue?

**BRETT WHITWORTH:** I think that the connection point between puppy farms and the Pet Registry is the breeders and the breeder identification number. That's the connection point, and there are already processes around the breeder identification numbers. I would like to take that on notice, but my feeling is that, because it's already part of the system, it's already—

**DOUGLAS WALTHER:** Yes, there won't be any additional funding required if the legislation results in a cap of total numbers per breeder. The breeder portal records the BIN, and that could be worked into that functionality. If the legislation has greater requirements of the Pet Registry, we would have to assess that.

**The CHAIR:** So you're expecting, at the moment, that it will kind of work in with what's already there for breeders?

**BRETT WHITWORTH:** Yes.

**The CHAIR:** Will there be a need for somebody who is working on that Pet Registry team to add other aspects for breeders or to do further consultations with breeders into how that will work in regards to litter numbers, tracking and those sorts of aspects?

**BRETT WHITWORTH:** Again, I think that goes to the nature of the puppy farms bill, the provisions in the puppy farms bill and how it builds on the breeder identification so that we know who the breeder is and understand where they are. It's not a bill that's coming out of the Office of Local Government, so on the mechanisms within that bill and the enforcement mechanisms—that's what you're really talking about—I feel like I need to defer to my colleagues.

**RACHEL CONNELL:** This is territory that we traversed last week in terms of what the enforcement arrangements would be in relation to the bill. As we gave evidence last week, the elements of the bill are still being worked through. It's a priority for the Minister in the next sittings. In terms of enforcement and compliance agencies in relation to the POCTAA, as you're aware, it's currently police, RSPCA and the Animal Welfare League.

**The CHAIR:** My understanding is that the enforcement side of the Pet Registry is the very last part of the Pet Registry. Is that still the case?

**BRETT WHITWORTH:** We have talked about council access to the Pet Registry for enforcement purposes being one of the portals that is at the back end of the delivery process.

**The CHAIR:** So that won't be needed for the puppy farm aspect?

**BRETT WHITWORTH:** My understanding is that the puppy farm provisions are talking about adding additional requirements onto a breeder that wouldn't be enforced through the Pet Registry.

**The CHAIR:** But it will be tracked through the Pet Registry?

**BRETT WHITWORTH:** I don't know. I think that's an assumption.

**The CHAIR:** What would the Pet Registry aspect of the puppy farms bill be? Isn't that exactly what we're talking about?

**BRETT WHITWORTH:** The breeder identification number, which pins you down to a particular breeder so that you understand who that breeder is by their breeder identification number. That is the mechanism that's used to undertake some enforcement mechanism. Again, it's not a bill that's originating out of the Office of Local Government.

**The CHAIR:** I also understand the complications that the bill is not finalised and so we can't discuss the bill itself. I'm just trying to understand the basic functionality of how that will fit into the Pet Registry. We've got this process of putting the Pet Registry together. My understanding is that the next team will be vets, then rescue groups and then enforcement agencies, and that will involve consultation and building new aspects of the Pet Registry to try to make it work for each of those groups. My concern is that there's this puppy farm bill with almost like an enforcement section of it tacked on somehow, but the enforcement consultation for how the Pet Registry will work for them won't happen until the very last stages. Is that still—

**BRETT WHITWORTH:** I think that's an assumption that the enforcement mechanisms under the puppy farms bill would be dependent on the Pet Registry. I don't believe that's the case.

**The CHAIR:** But the technicality of tracking down the breeders? It's not the enforcement section of it in regards to where cruelty would be reported, for example. But the whole purpose of having a tracking number is if

somebody has sold a sick puppy, someone is breeding too many animals or they have exceeded the number of litters, for example. It's the ability of the enforcement agencies to actually track down the breeders. At the moment they have no information. There is no point tracking the breeders if that information goes nowhere. It's just in the registry and no-one has access to it and enforcement agencies won't have access to it.

**BRETT WHITWORTH:** The breeder identification number exists now.

**The CHAIR:** Yes, but there is no tracking system within it, so the enforcement agencies aren't able to actually use it for enforcement purposes. The reason for the proposal—similar to the source number that I put into my legislation—is so that we have full oversight. I'm going a little bit into agriculture Minister territory here, but when I was talking to her, she was shocked that nobody knows where these breeders are, nobody knows how many animals these breeders have and nobody knows how many litters they are having. It is entirely deregulated. The whole idea of having this tracking number is so that it can in some way be enforced and overseen to a degree. I don't see how we can have that tracking within the pet registry if it's not going to go to enforcement agencies.

**BRETT WHITWORTH:** In other words, you see a risk to the enforcement mechanism. We'll have to continue to talk about that with our colleagues.

**The CHAIR:** What do you mean by risk?

**BRETT WHITWORTH:** You've just described a situation where—as you said—the Minister for Agriculture was shocked because people don't know where these breeders are and so on. The risk is that if the mechanism of puppy farm legislation works to say that as a breeder you are only able to have so many breeding animals and so many litters, et cetera, then you want to know who those breeders are, where they are and how many litters have been had. That's the risk that you've identified—information not being available to an enforcement agency that is enforcing the legislation that hasn't yet been written.

**The CHAIR:** I guess any tracking information, which we don't have at the moment. Somebody could have a litter in their backyard and sell them on Gumtree and it's completely unregulated. My understanding of the puppy farm bill is that it will create some sort of regulation. If we've got that mechanism coming through the pet registry, I'm just trying to work out what that information is being used for or who it's going to, if not the enforcement agencies.

**BRETT WHITWORTH:** I have asked those same questions myself. First of all you've got to create the information. You've got to know who is registered, what animals have been born and how they have been microchipped. That's why the important first step was to get the owners, breeders and vets involved. Then, once we've created the portals that people can understand and interrogate data, those portals hopefully should be able to be replicated out for new groups. That's why they're in that second stage. That's the logic. I fully accept your concern that it means that there is a risk that if that gets delayed there is a risk to the enforcement process. That's why we want to keep talking with our colleagues about how that will work.

**RACHEL CONNELL:** I might just add that we'll obviously take on board the concerns and questions you have expressed today in terms of the way the new framework is put in place and rolled out. There will obviously need to be a period of education targeting the new regulated community and a period of time in which the new framework commences and rolls out and the new enforcement arrangements are put in place. It's ultimately going to be a matter for Parliament in terms of the form of what is considered and passed.

**The Hon. SCOTT FARLOW:** Mr Whitworth, can you tell me if there are any ongoing reporting obligations for the City of Ryde?

**BRETT WHITWORTH:** Ongoing reporting obligations?

**The Hon. SCOTT FARLOW:** Yes. Are there?

**BRETT WHITWORTH:** We do not have a performance improvement order over the City of Ryde. I am being careful with my responses. I'm trying to trawl through my memory as to whether I have the power to ask for more information under section 734A of the Local Government Act. I don't believe that there are any outstanding responses. Obviously every council has an obligation to provide information to the Office of Local Government from time to time. I assume you're not talking about that.

**The Hon. SCOTT FARLOW:** No.

**BRETT WHITWORTH:** You are after any specific issues. I don't believe there are. We have asked for material and we have been provided with material. We're examining that material.

**The Hon. SCOTT FARLOW:** Does that material relate to the illegal transfer of funds from the external reserve accounts to the Ryde Civic Centre reserve account?

**BRETT WHITWORTH:** Respectfully, "illegal transfer" are your words; not mine. We have asked the council for a number of pieces of information relating to its financial processes around the civic—sorry, there are too many civics.

**The Hon. SCOTT FARLOW:** Civic centre.

**BRETT WHITWORTH:** The civic centre, yes. I nearly said civic place, and we don't want to go there. There is a carpark in Eastwood, as I understand it, a cold shell library at the Macquarie Centre and the TG Millner Field. There is a range of material that we have asked for information around and, more broadly, the council's financials and how it has operated. I have spoken quite frequently with the general manager about these issues. The Audit Office has had quite a detailed series of engagements with council around the viewpoints as to the development contributions. At the heart of it, it was a question around the use of development contributions from an account that has effectively wound up and the appropriate way in which you could pull those development contributions across. The council certainly did identify to us some concerns that money had potentially been earmarked to be spent for projects and was taken from accounts that were externally restricted. Thankfully the council had identified that before those funds were actually spent, and they transferred them back.

**The Hon. SCOTT FARLOW:** Do you have any other councils that are under similar reporting obligations or similar lines of investigation at all?

**BRETT WHITWORTH:** I have a number of councils. As I said earlier, our risk management approach means that we are identifying a number of councils and we are talking to them as early as we possibly can about their finances and their concerns. I don't really want to name and shame.

**The Hon. SCOTT FARLOW:** Could you give us a number at all?

**BRETT WHITWORTH:** It would probably be in the order of about 10. I'll give an about figure, rather than a precise figure.

**The Hon. SCOTT FARLOW:** That's fine. I'm happy to take it in the spirit that it's given.

**BRETT WHITWORTH:** As part of our risk management framework, we have a regular meeting called the emerging trends and issues meeting, where we look at councils' performance from a financial, governance and planning perspective. When I say planning, I don't mean land use or planning Act planning, but an integrated planning reporting planning perspective. There are probably about 25 councils on that list, but it does change from meeting to meeting.

**The Hon. SCOTT FARLOW:** What are the inputs, effectively, that you take in to make that determination as part of that framework?

**BRETT WHITWORTH:** There is information that we obtain from the quarterly business reporting statement that the council has provided. There is information that we obtain as a result of discussions around council decisions that may have a governance implication. That's harder to define as being a particular threshold, but when a council makes a resolution out of the blue to terminate its general manager, we will talk about that, as an example. When a council has challenges with a quorum, we'll talk about that. There is a range of things, but from a financial perspective, we do have a number of financial measures and benchmarks. We draw them from the quarterly business review statement, any issues that are flagged with us by the Audit Office or other integrity agencies and any concerns that we have as a result of our own analysis of the end-of-year financial reports of the councils.

**The Hon. SCOTT FARLOW:** Are there any other behavioural reporting obligations that the City of Ryde is under to continue to reporting regularly to the Office of Local Government?

**BRETT WHITWORTH:** I don't think that I said that they were under a reporting obligation.

**The Hon. SCOTT FARLOW:** Okay, sorry. But are there any reporting obligations when it comes to behavioural matters for the City of Ryde?

**BRETT WHITWORTH:** No, I don't believe I do have any—

**DOUGLAS WALTHER:** Only the reporting requirements as required under the code.

**BRETT WHITWORTH:** Yes.

**The Hon. SCOTT FARLOW:** Are you aware if SafeWork has investigated the City of Ryde?

**BRETT WHITWORTH:** I don't know that I've been informed formally, but it is possible that notification has come to the Office of Local Government.

**DOUGLAS WALTHER:** I should jump in on that one. We meet with SafeWork regularly in relation to a number of ongoing matters, but a part of our MOU is confidentially between us and SafeWork in terms of the matters under investigation.

**The Hon. SCOTT FARLOW:** So that's with respect to which council, not just the specific nature of the matters?

**DOUGLAS WALTHER:** Yes.

**The Hon. SCOTT FARLOW:** Okay. Are you aware of any allegations of wrongdoing by a male councillor assaulting a female councillor in the workplace at Ryde council at all?

**BRETT WHITWORTH:** Yes.

**The Hon. SCOTT FARLOW:** Have those investigations been concluded?

**BRETT WHITWORTH:** Firstly, I don't talk about investigations because there is an appropriate process. I think that it is unfortunate, the things that people report to media, and it's unfortunate the things that people report to media during a council election. I think it is unfortunate when people take action anywhere that would be criminally offensive or inappropriate. I think it's unfortunate when people try and take advantage of that.

**The Hon. SCOTT FARLOW:** Are you aware of any of the other additional investigative bodies that might be looking into this complaint?

**BRETT WHITWORTH:** Perhaps you could be clearer, Mr Farlow.

**The Hon. SCOTT FARLOW:** We've talked about SafeWork; are we talking about the police as well? Are we talking about any other investigations?

**BRETT WHITWORTH:** I think it would be up to those organisations to identify whether they are investigating or not.

**The Hon. SCOTT FARLOW:** I understand that the appeal hearing was scheduled for 2.30 p.m. with respect to the Liverpool council matter. Has there been any update as to the result or determination of that?

**BRETT WHITWORTH:** I've been locked in here, Mr Farlow.

**The Hon. SCOTT FARLOW:** I noticed you looking at your phone occasionally. I wasn't sure if there was anything you could provide the Committee, potentially.

**BRETT WHITWORTH:** No, I have no update. Sorry.

**The Hon. SCOTT FARLOW:** No update? Nothing has concluded?

**BRETT WHITWORTH:** No.

**The Hon. SCOTT FARLOW:** Has any agreement been made between the Office of Local Government and Liverpool City Council, to your understanding?

**BRETT WHITWORTH:** I don't know how I could answer that question differently to the one that I've previously answered. I have no update.

**The Hon. AILEEN MacDONALD:** I was wanting a little bit more detail about the apprenticeship program. Can you explain how it will be delivered? I did ask the Minister about guidelines. When will they be prepared?

**BRETT WHITWORTH:** I reference the earlier evidence I provided. The Office of Local Government had a workshop with a number of interested parties in the delivery of trainees and apprentices on Tuesday. That workshop was designed for the specific purpose of discussing the draft guidelines. I'm very keen to make sure that I have broad input into the draft guidelines before they are formally released. I am eager to have the guidelines out. They need to be approved by the Minister, because the way in which we give grants is to identify an appropriate funding amount, create a guideline and then use that guideline to ensure that we are allocating them out in an appropriate way. This is the process that is created under the *Grants Administration Guide*. The Office of Local Government is particularly scrupulous in this, given that these come from Operation Jersey, which was about the Stronger Communities Fund. I think I need to put that on record.

The draft guidelines discussed will enable councils to apply for funds to employ apprentices, trainees or cadets. The guidelines identify that they would be based on the Government providing council with funding for the salary, plus a percentage of on-costs, that would then enable the council to go and employ an apprentice, trainee or cadet. The intent would be that the council would seek to identify themselves, based on their own

workforce capability, planning for how many cadets, apprentices and trainees they would like and then apply for that.

We will use the guidelines and an assessment process to ensure that there is an allocation of those funds that ensures both equity in the availability but also ensures that the councils that need those resources most urgently to deliver programs will be able to receive funding. I don't want to see the larger councils crowd out the smaller councils, for example. We would then be talking about applying some of the disadvantage factors that we use in the financial assistance grants funding process.

The process from here would be, hopefully, guidelines out before the end of September. Councils have the ability to apply, knowing that once they've applied, they can also start contemplating and seeking expressions of interest from people who might want to come and work for them as an apprentice, trainee or cadet. Then we would be in a position to make funding decisions so that those new starters can start with the beginning of the 2025 academic year.

**The Hon. AILEEN MacDONALD:** You mentioned equity. How would you—metro versus regional councils, or is this still in the guidelines that you're drafting at the moment?

**BRETT WHITWORTH:** It is. I would hate to create a mechanism where we say, "We've got funding for 1,300 apprentices, there are 128 councils, so we just divide that." I don't think that's an appropriate or reasonable approach. It also doesn't allow councils to think creatively. If you take the Riverina as an example, the Riverina councils could look at having the Riverina county council or Goldenfields county council as being the employer of the trainee or the apprentice, but the work they do could be shared amongst a number of councils in that region. Similarly, we've talked about whether the joint organisations could do that. It might be a challenge, because we need to have the supervisor of an apprentice working in the same organisation that the apprentice is working in. But we want to make sure that we can accommodate that degree of flexibility, which is why I want councils to come to us and say, "This is what we think we can do and what we would like approval for funding to do."

I should also say that this is a \$250 million programme. It's effectively the first in a more ambitious program to increase the amount of trainees and apprentices in local government by 15 per cent. How we achieve that is going to be quite a challenge. It's going to only come about if we talk about more insourcing of council services and less outsourcing; if we talk about an approach where we are encouraging a transition of skills and expertise from the existing cohorts of experienced and professional staff into younger and newer staff, which also means a commitment by general managers to bring new staff on and to have a churn or turnover in their workforce.

**The Hon. AILEEN MacDONALD:** Are you identifying the types of apprenticeships, or can councils have flexibility in the type of apprentices? Then also on that, knowing that they probably have to go to TAFE, are you sort of talking with TAFE about the types of training that these apprentices will have to do?

**BRETT WHITWORTH:** Absolutely we are. I don't want to be the person that decides we need more carpenters and less landscape gardeners. It's up to the council to make the decision based on their workforce planning and their capability. We have also involved training services in our process. We have a project control group within the Office of Local Government, and I've invited training services representatives onto that group. The person that is actually managing the Government's 1,000 apprentices program has been quite invaluable in giving us advice. We've been talking to TAFE and talking to Education to make sure that we can work out ways to connect into their capacities and capabilities of their training network as well.

I think our challenge is not a numbers challenge; it's a geography challenge. It's a case that there may well be the desire to have mechanics in the South Coast but TAFE's training network doesn't necessarily have the training positions down there, but it does have them in Wollongong or in Canberra or in Queanbeyan, for example. We are doing all of those things. We have some funding to do work around both council capability but also the training network to link in. As I said before, we want to have more insourcing of council services. To have more insourcing, you have to have more trainees and apprentices, and you have to have a training network that can support that.

**The Hon. AILEEN MacDONALD:** Just on that, in rural areas particularly, and you mentioned the geographics of it, it's not always possible, so sometimes you do have to travel and spend overnight or a week when you're fulfilling your TAFE. Will there be in this funding a component for rural students that have to travel and spend money on accommodation?

**BRETT WHITWORTH:** We've been asked that question, and the working draft guidelines that we put out to the various stakeholders—I dare say they will give us some perspective and advice on that. My concern obviously is the more money you spend on costs, the less number of trainees and apprentices you can get. We are providing councils with 100 per cent funding of the salary and 15 per cent of the on-costs as the starting point.

Councils should also help us with ensuring that there are tools and supportive environments in which these trainees, apprentices and cadets can work.

**The Hon. AILEEN MacDONALD:** Some of it could be online unless it's like mechanics.

**BRETT WHITWORTH:** This is where we start talking about pathways between school and training. We could be talking about utilising—I think the terminology is—school-based training so that any of these sorts of mechanisms we're open to look at. I want to make sure that the guidelines can be flexible enough to accommodate that. But also we need to make decisions to let councils start making fundamental real-dollar decisions about hiring people so that they can start school, training, whatever, in January/February next year.

**The Hon. AILEEN MacDONALD:** You said guidelines you hope to have finalised by end of September. Was that right?

**BRETT WHITWORTH:** Finalised and approved and out, and councils able to start formulating their applications.

**The CHAIR:** It sounds like there won't be but I just wanted to confirm that you're not expecting there would be any delay on updating the Pet Registry further, given this new aspect of the puppy farm bill. Is there sort of going to be a revised timeline because of any changes, or are you expecting that it won't impact at all?

**DOUGLAS WALTHER:** That's somewhat of a hypothetical in that we're not quite sure what will come out. The work order and the process we're working through at the moment is what it is. However, if as a result of the legislation there are sort of additional requirements, the Pet Registry would have to assess that at the time.

**The CHAIR:** So it's just an unknown at this point?

**DOUGLAS WALTHER:** That element, yes.

**The CHAIR:** In regard to the Pet Registry as well, people came to my office and said that hundreds of cats that were sold by breeders and transferred to new owners in the Pet Registry had suddenly reverted back to being registered to the original breeders and other cats were suddenly marked as not desexed when they were previously desexed. I assume that's ironing out the kinks of the new program but I'm wondering if that issue has now been resolved and if there are any further updates on that one.

**KARIN BISHOP:** It's one of the challenges in rolling out new software. We did have a number of those issues in the first 24 to 48 hours, when the system was first set up. They were quickly identified. My dog when it transferred over came through as being not desexed and I got a note saying, "Your dog isn't," and I'm like, "What?" These were very quickly identified. We set up a very strong hyper-care process, which we had in place for two weeks after we first launched. Anyone who had any issues was able to either call in or let us know. But those particular two, where for some reason breeders whose animals hadn't been fully transferred or hadn't been properly transferred, when they came across, yes, they reverted back to the breeders. I'm aware of one incident where that happened, but I understand there may have been a few others. That issue around desexing too was a button in the CAR registry that hadn't actually been connected properly. Both of those issues, they were the two main ones that happened. They were both resolved within 48 hours.

**The CHAIR:** Can I just get a bit of an update around the next steps of the Pet Registry? Is it still the proposal to consult with vets next and then rescue groups and then enforcement? Where are we up to?

**KARIN BISHOP:** There's work going on around the technical build, obviously, but one thing we're really keen to do is get ahead of what we're going to need for the future project going forward. Certainly we will be consulting with vets as key stakeholder groups, but we also want to start those conversations with councils and with rehoming organisations. To your point, we've been consulting with breeders throughout the process as well and we will look to continue doing that. I think rather than sort of doing it in stages, we do want to look at ways that we can start to do it concurrently. We're finding out there's a lot of overlap between the different stakeholder groups. We want to make sure that, as we're doing this early design discovery phase, we're able to incorporate everybody's particular needs and wishes, and make sure that, when we design the software, it's the best purpose for everybody as we go. We are looking get those workshops happening ideally with those key groups before the end of the year.

**The CHAIR:** Great, fantastic, thank you. It's now 3.30 p.m. so we will break for a short afternoon tea break and be back in 15 minutes.

**(Short adjournment)**



**The CHAIR:** Welcome back, everyone. I'm going to start with some pound data questions. I will direct them to you, Mr Whitworth, to begin with. At the last budget estimates hearing in March I asked some questions about the 2022-23 pound statistics that were published on the OLG website. There were 10 councils that were listed as "no report" and hadn't provided any statistics about their pound facility. I know at the time Ms Bishop had said that OLG was taking action in relation to those councils. Are you able to give an update on what is happening there?

**KARIN BISHOP:** Yes, happy to do that. We took that on notice and we followed up with those 10 councils. We were concerned to find that some councils said, "We didn't know we had to report" or "Are you still chasing that stuff?" and that kind of thing, so we have really taken a much more proactive approach to pound data. As you would be aware, this year's closed on 31 August. We have got a decent amount of—unfortunately, sorry, I can't open my actual document here at the moment. Let me see.

**BRETT WHITWORTH:** That is 31 August, as in last week?

**KARIN BISHOP:** Yes, as in last week.

**The CHAIR:** A few days ago.

**KIERSTEN FISHBURN:** Five days ago.

**KARIN BISHOP:** For the annual pound data, 73 councils have submitted on time, 15 councils have started but have not completed, and 40 councils have not, at this point, commenced. We will be sending a reminder letter out this week for the pound data on that. It's something we're taking a much more proactive approach to now and looking at whether we need to do additional education on that.

**The CHAIR:** With the 2022-23 statistics, I note that those 10 councils are still "no report". Is it safe to assume that they still haven't provided that data since you followed it up?

**KARIN BISHOP:** I'll take that on notice and double-check.

**BRETT WHITWORTH:** I'm more than happy to make the commitment that, if they haven't provided, I'll personally write to them and encourage them to provide that data. In terms of the use of data and the publishing of data, we recently published the update of the council comparison data. It took quite a while for it to be compiled because we waited for councils to come in. As much as I don't like calling councils out for not meeting their compliance publicly, I feel like we've got to start doing that. Pounds is a good example.

**The CHAIR:** When can we expect to see the 2023-24 data published? I understand there are delays outside of your control, but do you have a rough timeline on that one?

**KARIN BISHOP:** No, as I say, it came in last week. We are still going through it. We would obviously like to chase up some of these outstanding ones because there are a significant number that we believe haven't commenced. I think normally we have it on the website around about the end of October, so we do take those couple of months just to go through it. We are also taking an extra approach to verifying it too. Where we get data now that looks a little unusual or we get too many councils saying zero, we will go back and try and verify that. It does take a little bit of time to go through that assessment, analysis and verification process, but it's usually on the website by the end of October.

**The CHAIR:** You said that some of these councils from the previous round had said that they didn't realise you were still collecting that data. Were there any other explanations given, particularly by some of the larger councils like Strathfield council, as to why they haven't necessarily provided this?

**BRETT WHITWORTH:** We're probably starting to speculate. I would prefer to take that one on notice.

**The CHAIR:** I'm happy for you to take it on notice. It was more about if they have given you an explanation as to why.

**BRETT WHITWORTH:** We are happy to provide a compilation of the responses that they have provided.

**The CHAIR:** This one is probably for Dr Filmer or Ms Connell. I am wondering how many pound facilities in New South Wales have been inspected by the enforcement agencies since March this year.

**KIM FILMER:** I've got the figures for the whole of the last financial year.

**The CHAIR:** I think I got the figures from you last estimates. That's why I wanted to get an update from the previous estimates, if that's possible.

**KIM FILMER:** Yes, actually, I do have that. I just have to read my notes. Your question was around the number of them? The Animal Welfare League since then has done one routine inspection of a council pound and there were no infringements and no cruelty found. The RSPCA has done one routine and one complaint-driven inspection. Neither of those had any infringements or animal cruelty involved either.

**The CHAIR:** So there has been no enforcement action taken against any pound facilities since March?

**KIM FILMER:** No.

**The CHAIR:** Mr Whitworth, Dr Cohn was asking you earlier about the distribution of some of the new funding that has gone through OLG. You mentioned that you wanted to get a dedicated area for companion animals because at the moment it's somewhat disjointed. I'm wondering if you can give any further information about that or the plans going forward.

**BRETT WHITWORTH:** I suppose it is part of the structural review that I want to undertake. It can be somewhat challenging when you have policy prerogatives and legal advice, particularly in terms of coronial inquiries and so on, and there is a disjunct between that, the pet helpline and then the development of the Pet Registry, which isn't to say that there aren't discussions and conversations. But it would be easier and neater to have a dedicated, "This is the companion animals team", with its own director and so on. That is an ambition, and I have talked to that staff about that, but I have not done a formal change management process as yet. As I said to Dr Cohn, we are still in that phase of working through the human resource implications and the method in which we portray that to staff. I hope that I haven't actually freaked any of my staff out by saying this as we speak. But I think they have heard me talk about wanting to get a more integrated way in which we deal with companion animals.

**The CHAIR:** In regards to the investment to employ additional apprentices and trainees in the local government sector, we've heard a lot in the pound inquiry about how councils are struggling to find and retain qualified animal care staff. Is this something that OLG is looking into to support councils to help address those shortages?

**BRETT WHITWORTH:** If a council wants to use apprentices, trainees and cadets and there is a suitable training program that would enable someone to come in, then I'm more than happy for the councils to put that into their application. As I said, I'm not trying to dictate what trainees, apprentices and cadets we need. We'd leave that to the councils to decide. I made the point that the additional work that we want to do is a workforce capability strategy for local government and some of those challenging areas, what we can do. We know that we have shortages of planners. We know that we have shortages of engineers, water technicians and, I dare say, pound technicians and so on. I'm more than happy to work out ways in which we can boost those parts of the workforce.

**DOUGLAS WALTHER:** Part of the survey I referenced earlier in relation to the companion animal grant payments was questions around numbers of staff per council dedicated to Companion Animals Act issues and companion animal issues. Of the 82 respondents, 60 per cent of council respondents had five or fewer staff dedicated to companion animals. The rationale to that question was looking at what is the need and, if there are going to be changes to the distribution of payments, what can we do to help with that issue.

**The CHAIR:** Without knowing what was in that survey, I wonder if there were any big takeaways from that survey that you pulled out of it that you think needs taking action.

**DOUGLAS WALTHER:** I think 50 per cent of metropolitan councils don't have a companion animal management strategy. That was one of those things that, I'll admit—especially when you compared it to the regional response—more of the regional councils did. I don't have the exact number, but I'm pretty sure it was over 75 per cent of regional councils that did, but only 50 per cent of metropolitan councils did. For me, that was one of those things that probably wasn't expected.

**The CHAIR:** Mr Whitworth, in estimates in March I asked you about the work you were doing to re-establish the Responsible Pet Ownership Reference Group and you weren't in a position to give an update at the time. Am I correct in saying that that has now been re-established?

**BRETT WHITWORTH:** No. Unfortunately I'm in the same position that I was in in March. I am unable to give you an update on it. We certainly are aware of its importance. It hasn't stopped us from using other methods of engaging with stakeholders across the network, but unfortunately we haven't been able to get to a point of re-establishing that group.

**The CHAIR:** Now that there is going to be a bit more funding for OLG—and I understand that obviously there is going to be a process of recruitment and various other aspects in regard to that funding—do you expect that, once that funding is in place, groups like this will be able to be—

**BRETT WHITWORTH:** I wouldn't characterise it as being a challenge from a secretariat perspective. There is a broader scale perspective in government that we have too many committees and there are too many different working groups and boards et cetera. I do see the trends in government peak and wane. I think we're at the point where we're being asked how many independent committees you can sustain. It's not a staffing issue; it's more a priority issue. We are managing without that group at the moment. We are managing by engaging more directly with stakeholders, rather than having a peak group that says, "We are the peak group to engage." There are pros and cons to having it formally established versus continuing as we are.

**The CHAIR:** So at the moment it's up in the air as to whether it will be re-established?

**BRETT WHITWORTH:** Yes.

**The CHAIR:** In previous budget estimates hearings I have asked quite a few times about what OLG is doing to support councils to reduce euthanasia rates. I know we have talked about resourcing concerns and the fact that OLG was already very stretched. With the new funding that's allocated, is that an area where OLG will look to provide some more support in working towards reducing euthanasia?

**BRETT WHITWORTH:** Our additional resourcing is not a magic pudding. The issues around reduction in euthanasia are probably partly around some of the things that Ms Boyd talked about before in terms of dealing with feral and semi-owned cats, which is a resource-intensive approach. There is better understanding of councils' obligations under section 64B of the Companion Animals Act; there is better understanding of what councils' obligations are in terms of their enforcement role. Some of those things we can address through a more targeted delivery of the pet registration funds, which was one of the reasons that we undertook that survey.

**The CHAIR:** How do you propose that those will reduce euthanasia rates in pounds?

**BRETT WHITWORTH:** I think the concern that we've had from a number of people is councils and council staff understanding what their obligations are. That's partly a training and educative program and it's partly an outreach program, making sure that people are aware of what they do when they get a seized animal in, or helping them to make sure that their processes and procedures are updated. For that sort of outreach work we can potentially use a different funding allocation under that pet registration money. But, as we said, we needed to consult with councils on that because at the moment we get an amount, 80 per cent goes to councils and 20 per cent comes to us, and the 80 per cent gets divided on the basis of the number of registrations they've received.

I think I've made the comment that certain rural councils get \$29 a quarter, which doesn't help them in any way, shape or form to come up with a new education program for how to deal with seized animals and the rehoming of animals and so on. If we could pool that, create a more effective set of education materials and come up with more effective education materials for enforcement officers, it would also help us to deal with dangerous dogs and restricted breeds et cetera.

**The CHAIR:** How do you think that educating workers in councils will reduce euthanasia? That's not something that has been flagged with my office or in the pound inquiry as a concern that has caused an increase in euthanasia or as something that would help to reduce it.

**BRETT WHITWORTH:** My interpretation of the concerns that have been put to me in various inquiries has been that councils are not aware of their obligations under section 64B to try to obtain a rehoming pathway for an animal. It would be about reinforcing that and making sure that staff are aware of that.

**The CHAIR:** We've spoken a few times at estimates about that companion animals fund—and you've just mentioned it again—and the view that this fund could be utilised in a different way. Did you have any update on the work that OLG is doing in that space or any changes that are being proposed?

**BRETT WHITWORTH:** Mr Walther can take that up.

**DOUGLAS WALTHER:** Following the survey, we did have some recommendations in the Holland matter from the coronial inquest. What we're doing as part of the discussion paper on the Act reform, as well as awaiting the other three coronial inquest recommendations—some of those recommendations that were already given do have cost implications for both OLG and councils. We're going to group those recommendations together and work out how to use the fund better to both respond to the survey results but also any requirements out of the coronial inquest.

**The CHAIR:** I also asked at the last estimates about the fact that registered rehoming organisations are required to report annually to OLG and whether OLG was using that data in terms of compiling anything around rehoming rates and things like that. I know at the time you said that that wasn't something that could be done. Is that something that will ever be reviewed, is that something that will ever be revisited or is that something that OLG isn't willing to consider?

**BRETT WHITWORTH:** I would like to think that we can ask those questions as part of that companion animals discussion paper that we're talking about—what is the role and function of the rehoming registration. I think that's something that we can certainly pick up in that sense. I'm happy to leave it at that unless Mr Walther has anything to add.

**DOUGLAS WALTHER:** As part of the pound data assessment that we undertake, it is looking at cross-referencing that those numbers do align when a council says, "This animal was received and then went across to this organisation," but at the moment that is the extent to which we use the data.

**The CHAIR:** The Office of Local Government has a webpage titled "Breeder responsibilities". I wonder if you know who is responsible for that page. Is that OLG or was it something that was worked on with DPI? I can find a copy of it if you need.

**BRETT WHITWORTH:** I'm looking at my staff, and they're all looking at their phones, trying to see which page it is that they're dealing with.

**The CHAIR:** I might just get you a copy of what we've printed.

**BRETT WHITWORTH:** "Breeder responsibilities"—I dare say we would have compiled that based on a combination of material that we would have from Department of Primary Industries. That's a Pet Registry website. And it's part of the update of the Pet Registry details. Karin, that means that I will ask you to discuss that.

**The CHAIR:** I've just got a question about it because the website has a section that lists the laws that cat and dog breeders must comply with, but one of the laws listed is the Prevention of Cruelty to Animals (General) Regulation 2006, which is actually no longer in force. That was replaced by the Prevention of Cruelty to Animals Regulation 2012. I'm just wondering how long ago that website was updated.

**KARIN BISHOP:** The website that we're referring to has actually been updated and rebuilt very recently, to support the launch of the new Pet Registry. I'll find out why we are still referencing an out-of-date regulation in that space. But I would expect it's just an inadvertent error.

**BRETT WHITWORTH:** One of the pieces of work that we've been doing is going through and flushing out and updating our website, as well. With such an amount of detail on there, there are a few references to out-of-date pieces of legislation and regulations, for example.

**The Hon. SCOTT FARLOW:** Mr Whitworth, prior, I asked you the question about Liverpool City Council's case. At 2.30 p.m., it was listed. In the break, have you got any updates that you could share with the Committee?

**BRETT WHITWORTH:** I did ring my general counsel, but she didn't answer. I don't know what that means, whether that's good portent or bad portent.

**The Hon. SCOTT FARLOW:** You have no updates? You're not aware if the matter's been discontinued at all?

**BRETT WHITWORTH:** I'm not aware. I don't know whether you've got an update from your source.

**KIERSTEN FISHBURN:** Mr Farlow, do you have any information you can provide to us?

**BRETT WHITWORTH:** You've got the inside running, Mr Farlow.

**The Hon. SCOTT FARLOW:** I hear rumours. That's why I thought I'd ask one of the people who were listed as a respondent in the case.

**BRETT WHITWORTH:** Yes, I know. I find this is a delicious irony, that I'm here, being held accountable in a public inquiry process, when that's what the whole court case is about.

**The Hon. SCOTT FARLOW:** There's nothing further that you can shed light on to the Committee at this stage?

**BRETT WHITWORTH:** Not that I can provide. But, again, I am here. I tried to call my general counsel, not been able to get hold of her. I have not been given a "yippee" or a thumbs up or a thumbs down. So I continue to stay on the arena.

**The CHAIR:** I just have one further question. And this is, I think, perhaps for Dr Filmer, or it might be for Ms Connell. We've discussed previously the Animal Welfare Code of Practice Breeding Dogs and Cats. The concern from across the industry and animal protection organisations is that this code is outdated. Has any further work been happening within the DPI to update this code alongside the work that's happening in respect to the bill on puppy farming?

**RACHEL CONNELL:** I can take that question, Chair. We understand some issues were raised in previous hearings about the intersection between the code and the regulation. And, as you'd be aware, the regulation is subject to staged appeal. So we're organising the process for the regulation to be published as a draft as part of the staged appeal process, with a view to it being remade by 1 February next year. That's an opportunity to look at some of those issues, but there's also consideration being given to the range of codes under the regulation. I think there are about nine or 10.

**The CHAIR:** Great. Thank you. Are there any Government questions?

**The Hon. MARK BUTTIGIEG:** No, there are not.

**The CHAIR:** In that case, thank you to everyone here today and for your attendance and for all your time giving answers. The Committee secretariat will be in touch in the near future, regarding any questions that were taken on notice and any supplementary questions. Thank you again. Enjoy your early mark.

**KIERSTEN FISHBURN:** Thank you very much, Chair, and thank you to the Committee for your courtesy to my staff.

**(The witnesses withdrew.)**

**The Committee proceeded to deliberate.**