

PORTFOLIO COMMITTEE NO. 1 – PREMIER AND FINANCE

Friday, 29 October 2021

Examination of proposed expenditure for the portfolio area

FINANCE AND SMALL BUSINESS

CORRECTED

The Committee met at 14:00.

MEMBERS

The Hon. Tara Moriarty (Chair)

Ms Abigail Boyd
The Hon. Ben Franklin
The Hon. Taylor Martin
The Hon. Daniel Mookhey
The Hon. Peter Poulos
The Hon. Penny Sharpe
Mr David Shoebridge

PRESENT

The Hon. Damien Tudehope, *Minister for Finance and Small Business*

* Please note:

[inaudible] is used when audio words cannot be deciphered.

[audio malfunction] is used when words are lost due to a technical malfunction.

[disorder] is used when members or witnesses speak over one another.

CORRECTIONS TO TRANSCRIPT OF COMMITTEE PROCEEDINGS

Corrections should be marked on a photocopy of the proof and forwarded to:

**Budget Estimates secretariat
Room 812
Parliament House
Macquarie Street
SYDNEY NSW 2000**

The CHAIR: Welcome to the public hearing for the inquiry into budget estimates 2021-2022. Before I commence I would like to acknowledge the Gadigal people, who are the traditional custodians of this land. I would also like to pay respects to Elders past, present and emerging of the Eora nation and extend that respect to other Aboriginals present. I welcome Minister Tudehope and accompanying officials to this hearing. Today the Committee will examine the proposed expenditure for the portfolio of Finance and Small Business.

Before we commence I would like to make some brief comments about the procedures for today's hearing. Today's proceedings are being broadcast live from Parliament's website, and a transcript will be placed on the Committee's website once it becomes available. In accordance with the broadcasting guidelines, media representatives are reminded that they must take responsibility for what they publish about the Committee's proceedings. All witnesses in budget estimates have a right to procedural fairness according to the procedural fairness resolution adopted by the House in 2018. There may be some questions that a witness could only answer if they had more time or with certain documents to hand. In those circumstances, witnesses are advised that they can take a question on notice and provide an answer within 21 days. If witnesses wish to hand up documents, they should do so through the Committee staff.

Minister, I remind you and the officers accompanying you that you are free to pass notes and refer directly to your advisers seated at the table behind you. In terms of audibility of the hearing, we have witnesses in person and via videoconference. I ask Committee members to clearly identify who questions are directed to, and I ask everyone appearing remotely to please state their name when they begin speaking. Could everyone please mute their microphones when they are not speaking. I remind everyone to switch their mobile phones to silent for the duration of the hearing. All witnesses will be sworn prior to giving evidence. Minister, I remind you that you do not need to be sworn as you have already sworn an oath to your office as a member of Parliament.

MICHAEL GADIEL, Executive Director, Economic Strategy, NSW Treasury, affirmed and examined

CHRIS LAMONT, Small Business Commissioner, sworn and examined

SCOTT JOHNSTON, Chief Commissioner of State Revenue and Commissioner of Fines Administration, Revenue NSW, before the Committee via videoconference, affirmed and examined

CULLEN SMYTHE, Commissioner of State Revenue, Revenue NSW, before the Committee via videoconference, sworn and examined

PHILIP GARDNER, Deputy Secretary, Commercial and Procurement, NSW Treasury, before the Committee via videoconference, affirmed and examined

The CHAIR: Today's hearing will be conducted from 2.00 p.m. to 5.15 p.m. with the Minister and departmental witnesses, with questions from Opposition and crossbench members only. If required, an additional 15 minutes is allocated at the end of the session for Government questions. As there is no provision for witnesses to make an opening statement before the Committee commences questioning, we will begin with questions from the Opposition.

The Hon. DANIEL MOOKHEY: Greetings to you, Minister. Thank you for joining us this afternoon. Equally, can I say at the outset, greetings to your officials. Can I just provide the Opposition's thanks to the respective officials at the Small Business Commissioner's office, the Treasury and Revenue NSW who I understand have helped manage a lot of assistance to businesses in the past 16 weeks. To your staff, we want to place on the record our appreciation for their efforts. On that, Minister, do you agree with me that the 16-week lockdown had a devastating impact on the State's small and medium enterprises?

The Hon. DAMIEN TUDEHOPE: It is hard not to agree, Daniel.

The Hon. DANIEL MOOKHEY: Do you agree with me that the effects were particularly acute in regional New South Wales compared to their expectations as to what otherwise would have happened?

The Hon. DAMIEN TUDEHOPE: There are a lot of qualifiers in relation to that. I have to say that the pandemic has been felt across the State in a very significant way. It may have had different impacts on different areas, but I would be loath to say it was more impactful in one area than another. I recognise that it does have impacts on regional areas.

The Hon. DANIEL MOOKHEY: But we do agree that for the local government areas of concern, it had a disproportionate and heavy impact on them and the small and medium enterprises in those LGAs of concern?

The Hon. DAMIEN TUDEHOPE: I certainly think that the public health orders so far as they were directed at local government areas of concern clearly impacted on those local government areas more significantly. There were terms of those public health orders that did not apply to other areas, which certainly would have had a significant impact on those areas.

The Hon. DANIEL MOOKHEY: Indeed. Are you aware of the analysis that has been produced by Accenture and others that says that in those LGAs of concern those small businesses suffered downturns akin to 70 per cent of their revenue?

The Hon. DAMIEN TUDEHOPE: I do not necessarily have access to the Accenture material—

The Hon. DANIEL MOOKHEY: But you saw those reports.

The Hon. DAMIEN TUDEHOPE: I have not seen the reports.

The Hon. DANIEL MOOKHEY: Has Treasury or anyone else given you any advice as to what the specific impacts on small business in LGAs of concern were?

The Hon. DAMIEN TUDEHOPE: I get regular updates from the Small Business Commissioner in terms of impacts on small business. To the extent that you are asking me does he identify it, I think potentially the Small Business Commissioner is regularly conducting surveys of impacts.

The Hon. DANIEL MOOKHEY: We will get to that. You might wish to answer this particular question: What additional initiatives is the Government considering to help these small and medium enterprises across New South Wales, but specifically in the LGAs of concern, to get back on their feet?

The Hon. DAMIEN TUDEHOPE: You asked me that same question in the House.

The Hon. DANIEL MOOKHEY: Fair warning, therefore, has been given to you, Minister.

The Hon. DAMIEN TUDEHOPE: Fair warning. I do not deviate necessarily from the answer that I gave in the House. Certainly, the attitude of the Government to assisting businesses in the impacted areas is enhanced by the WestInvest investment, which is going to be a series of investments in opportunities for infrastructure development in western Sydney. But let me just say this in relation to—

The Hon. DANIEL MOOKHEY: Just to channel the answer, Minister, the question was—

The Hon. DAMIEN TUDEHOPE: Let me finish. Just let me finish, Daniel.

The Hon. DANIEL MOOKHEY: The question was about—

The Hon. DAMIEN TUDEHOPE: Let me finish.

The CHAIR: We will allow you to answer the question, but we need one person at a time because Hansard cannot capture when two people are speaking.

The Hon. DAMIEN TUDEHOPE: It is an important question, and you should hear me out on this. It is part of the answer which I gave in the House. This is a government which never tires of providing assistance to small business. Whether it is through voucher systems that we have identified or infrastructure development that we have identified, all of that is an opportunity for an investment in small business. You might say there was a particular LGA which missed out or whatever, but your analysis fails to take into account that every strategy of this Government is directed at providing support for small businesses.

The Hon. DANIEL MOOKHEY: Minister, I appreciate that, but you are responding to a question I have not asked—

The Hon. DAMIEN TUDEHOPE: I know what you asked.

The Hon. DANIEL MOOKHEY: —and a statement that I have not made. Literally the question I asked you was: Are you considering any specific additional initiatives to small and medium enterprises in LGAs of concern? I am inferring from your answer that there is none being contemplated specifically for those LGAs of concern.

The Hon. DAMIEN TUDEHOPE: No, that is a wrong inference. That is a wrong inference.

The Hon. PENNY SHARPE: Take us through it, Minister.

The Hon. DANIEL MOOKHEY: Can you just tell us then, if it is incorrect, what additional programs of support for the small and medium enterprises in LGAs of concern is the Government currently considering?

The Hon. DAMIEN TUDEHOPE: I answered that by virtue of the fact that I have indicated that the Government is committed to infrastructure investment by way of WestInvest. I have indicated to you that all initiatives taken by the Government are in fact investment in small businesses wherever you are.

The Hon. PENNY SHARPE: Minister, you are aware that WestInvest does not cover all local government areas of concern?

The Hon. DAMIEN TUDEHOPE: It may not cover all local government areas of concern. I agree with that. Which ones do you want to identify?

The Hon. DANIEL MOOKHEY: Here are two.

The Hon. PENNY SHARPE: Bayside. There is one.

The Hon. DANIEL MOOKHEY: There is one.

The Hon. DAMIEN TUDEHOPE: Bayside. Good.

The Hon. DANIEL MOOKHEY: Georges River is the other one that we would be very interested in. Those two especially out of the three that have been excluded—it would be really interesting. Same question for them. Let's just talk about those specific two LGAs. Given that they cannot access WestInvest, what additional initiatives for those small and medium enterprises in those two particular LGAs is the Government now considering?

The Hon. DAMIEN TUDEHOPE: What I would say to you is the primary responsibility of government is to identify whole-of-State analysis of how we can assist small businesses. Part of the issue which you have is this: The lifting of restrictions of itself, the stimulus to the economy generally, is an opportunity for opening up the whole of businesses throughout New South Wales and Sydney and those impacted areas in particular. What the line of questioning seeks to develop is that there are not identifiable programs to assist a particular business. What I would suggest to you is—

The Hon. DANIEL MOOKHEY: No, Minister. They are not identifying any. They giving you the invitation to—

The Hon. BEN FRANKLIN: Let him finish the sentence, Daniel.

The Hon. DANIEL MOOKHEY: I accept that the Minister needs to finish his sentence but the Minister actually has to answer the question that he is asked, not the question he anticipates I am asking.

The Hon. PENNY SHARPE: Or wish we were asking.

The Hon. DANIEL MOOKHEY: Or wish I was asking. The question that I was asking specifically, just to return you to some direct relevance, Minister, is are you considering any additional initiatives for those two LGAs?

The Hon. DAMIEN TUDEHOPE: To which I would answer—as I did before, previously—that we never stop considering initiatives.

The Hon. DANIEL MOOKHEY: Great, thank you. I appreciate your answer. Let us turn to what you said about WestInvest. How much WestInvest money will be spent with small and medium enterprises?

The Hon. DAMIEN TUDEHOPE: I am not directly responsible for making those decisions.

The Hon. DANIEL MOOKHEY: But are you indirectly—

The Hon. DAMIEN TUDEHOPE: And I am sure you will ask Minister Ayres in relation to that, which you already have, I think.

The Hon. DANIEL MOOKHEY: Well, I did. Minister Ayres says he is not responsible for WestInvest either. So it is a bit of a mystery as to who precisely is the Minister with carriage. But you are the one who nominated WestInvest as a small and medium enterprise recovery strategy. Hence, I am asking you. How much of the \$5 billion is reserved to be spent with small and medium enterprises?

The Hon. DAMIEN TUDEHOPE: It is a fallacious question in many respects and you should know that, Daniel.

The Hon. DANIEL MOOKHEY: Minister, you are not entitled to debate the question.

The Hon. PENNY SHARPE: You are not allowed to debate the question.

The Hon. DANIEL MOOKHEY: You are not entitled to debate the question. On notice I will accept all character criticisms.

The Hon. DAMIEN TUDEHOPE: In that case, the premise of the question—

The CHAIR: This is very early on in proceedings. I get that Finance is very robust.

The Hon. BEN FRANKLIN: Point of order—

The CHAIR: I can anticipate the point of order. It is very early.

The Hon. PENNY SHARPE: The Minister is not allowed to debate the question.

The CHAIR: Which is what I was about to say.

The Hon. DAMIEN TUDEHOPE: I reject the premise of the question.

The CHAIR: Sorry, Minister, you can reject the premise as part of your answer but you cannot debate the question. We really need one person to speak at a time.

The Hon. DANIEL MOOKHEY: Just to be clear, Minister, you are rejecting the premise of a question which arises from your answer that says you are spending WestInvest to help small businesses. Literally the only question I am asking is—

The Hon. DAMIEN TUDEHOPE: [Disorder]

The Hon. DANIEL MOOKHEY: Let me finish.

The Hon. DAMIEN TUDEHOPE: But do not misrepresent me.

The CHAIR: Seriously, we have a few hours to go. We need to have just one person speaking at a time.

The Hon. DAMIEN TUDEHOPE: Do not misrepresent me, because that is not what I said. Do not misrepresent.

The Hon. DANIEL MOOKHEY: I will ask you this: Of the \$5 billion, how much of it is to be earmarked to be spent with small and medium-sized enterprises?

The Hon. DAMIEN TUDEHOPE: Can I suggest to you that, if you properly interpret the investment of money in infrastructure in western Sydney, all of it is an investment in small business.

The Hon. DANIEL MOOKHEY: Yes, but how much of this will be—

The Hon. DAMIEN TUDEHOPE: No, that is the answer. All of it is an investment in small business.

The Hon. DANIEL MOOKHEY: I appreciate that answer, and here is my follow-up question, Minister. If all of it is there for small business, how much of it must be procured from small and medium enterprises?

The Hon. DAMIEN TUDEHOPE: Do you want clarify what the question means?

The Hon. DANIEL MOOKHEY: You are the Minister who covers procurement policy, yes?

The Hon. DAMIEN TUDEHOPE: Yes.

The Hon. DANIEL MOOKHEY: You have in previous programs identified certain targets for procurement of, for example, bushfire funds and other recovery funds that have to be spent with small and medium enterprises. Do you recall?

The Hon. DAMIEN TUDEHOPE: Absolutely.

The Hon. DANIEL MOOKHEY: Do you recall me asking you questions about whether or not you were meeting those targets?

The Hon. DAMIEN TUDEHOPE: In respect of bushfire grants?

The Hon. DANIEL MOOKHEY: On earlier programs.

The Hon. DAMIEN TUDEHOPE: Yes.

The Hon. DANIEL MOOKHEY: Therefore, has a procurement target for WestInvest been set for small and medium enterprises?

The Hon. DAMIEN TUDEHOPE: Mr Gardner might have an answer to that. Certainly, in terms of the delivery of that policy, I do not specifically say that there is—

The Hon. DANIEL MOOKHEY: Perhaps we can hear from Mr Gardner about whether a specific target has been set.

Mr GARDNER: Mr Mookhey, I have not been involved in the development or speccing for WestInvest, so I would have to refer that to other Treasury colleagues.

The Hon. DANIEL MOOKHEY: I appreciate that, Mr Gardner. I accept you were not and we have had it identified by the deputy secretary who is, so that is a very fair answer. Minister, you are the small business Minister. Have you said to the Treasurer that we should be reserving a certain proportion of this to be procured with small and medium enterprises?

The Hon. DAMIEN TUDEHOPE: The general position, which you consistently fail to acknowledge, is that every investment in infrastructure by this Government is an investment in small business.

The Hon. DANIEL MOOKHEY: Minister, that was not my question. My question was have you had a conversation with the Treasurer and said to him that we need to reserve a certain proportion of this money to be procured from small and medium enterprises?

The Hon. DAMIEN TUDEHOPE: You may have missed the fact that we have made announcements about Dine & Discover vouchers and dine and rediscover vouchers—

The Hon. PENNY SHARPE: That is not the question, Minister. You have got 15 minutes at the end to tell us this.

The Hon. DANIEL MOOKHEY: Minister, are you suggesting that Dine & Discover is being funded from WestInvest?

The Hon. DAMIEN TUDEHOPE: I am not saying that but what I am saying—

The Hon. BEN FRANKLIN: Point of order—

The CHAIR: I am going to—

The Hon. BEN FRANKLIN: Could I take the point of order first? I understand that you are no doubt about to—

The CHAIR: You can take the point of order.

The Hon. BEN FRANKLIN: My point of order is this, and I am simply backing you up, Madam Chair: This is not working. There has to be a question and then an answer. It is not working otherwise and it is not working for Hansard. It is really difficult for them and they have had a tough enough year already. So for them I ask can we slow it down a little? That is my point of order, Madam Chair.

The CHAIR: I uphold the point of order and the enthusiasm with which it was made. Please, we will have a question followed by an answer. Minister, that includes you. You have to hear the question. We are going to have robust proceedings here, clearly. That is okay, but it will be a question followed by an answer followed by a question et cetera.

The Hon. DAMIEN TUDEHOPE: Madam Chair, I am sure it works both ways.

The Hon. DANIEL MOOKHEY: Therefore, here is my question. I look forward to your answer, Minister. Have you had a conversation with the Treasury secretary or the Treasurer, or anyone really at all, about reserving some of the WestInvest money to be procured directly from small and medium enterprises?

The Hon. DAMIEN TUDEHOPE: And I repeat my answer to you, which you fail to understand or accept, and consistently fail to understand or accept, that all money invested by way of the WestInvest strategy ipso facto supports small business.

The Hon. DANIEL MOOKHEY: How many small businesses have closed in the lockdown LGAs during the 16 weeks? Have we got any indication or data from either the Small Business Commission or the Treasury?

The Hon. DAMIEN TUDEHOPE: I will perhaps ask the Small Business Commissioner if he has that data.

Mr LAMONT: Mr Mookhey, I do not have those figures. I would hesitate to provide an answer because it would be delayed anyway and there is a bit of a delay in terms of the insolvency data that is produced. We have been quite buoyed by the fact that insolvencies have been relatively low to date. We keep an eye on that figure but they have been relatively low.

The Hon. DANIEL MOOKHEY: I appreciate that, Commissioner. Do you have expectations as to what you are expecting and when you expect the peak to be?

Mr LAMONT: I would not want to give you a projection on that. It is a space that I am unfamiliar with, but we will keep a close eye on it.

The Hon. DANIEL MOOKHEY: That is helpful. But perhaps Treasury can give us some insight on that—either to you Mr Gadiel or to Mr Gardner, through you, Minister, of course. Has Treasury prepared any expectations as to how many small businesses it expects to close as a result of the 16-week health-required shutdown?

Mr GADIEL: There is not any contemporaneous published data on business closures, especially not by LGA. We have relied on real-time data through the lockdown, such as mobility data and credit card data. It certainly shows that activity is down in those lockdown LGAs.

The Hon. DANIEL MOOKHEY: By how much?

Mr GADIEL: I cannot tell you right now.

The Hon. DANIEL MOOKHEY: Do you have expectations, or has Treasury ever prepared any advice or expectations, as to what it expects?

Mr GADIEL: What I can tell you is that there has been an overweight amount of applications for the business support from the lockdown LGAs. For the micro-business grant, I can tell you that the top three LGAs for applications were all lockdown LGAs and I can also tell you that of the top three for JobSaver applications, one of those was one of the lockdown LGAs. So, based on the data we have, it is clear that those have been impacted more than the other parts of the State, and that comes as no surprise given the more intense movement restrictions that applied in those areas.

The Hon. DANIEL MOOKHEY: Mr Gadiel, that is very helpful. I think, perhaps, later in the session we might return for some more specific data on all the grants programs. Because, again, it is always a very helpful

update that Treasury provides in these estimates sessions. But before we do that, Minister, do you accept that the rollout of assistance had its issues?

The Hon. DAMIEN TUDEHOPE: Absolutely. I was out there in the public arena saying that I was unhappy about it.

The Hon. DANIEL MOOKHEY: Indeed, you were and it was helpful that you did. Equally, it has been described by others and I think you may have made a reference to the fact that it was a bit of a debacle. Do you agree?

The Hon. DAMIEN TUDEHOPE: Well, I do not know if I used the word "debacle" but I expected the money into businesses' accounts more quickly than it was getting there. I have to say that there was a very significant response.

The Hon. DANIEL MOOKHEY: Was the original eligibility criteria correct, in retrospect?

The Hon. DAMIEN TUDEHOPE: I think probably yes. To the extent that it required or involved some manual assessment, I think that was part of where the delivery was a problem.

The Hon. DANIEL MOOKHEY: Do you think the evidentiary standards that were imposed on businesses were too onerous, in retrospect?

The Hon. DAMIEN TUDEHOPE: Well, it is always a difficult thing, Mr Mookhey. On the one hand, you have got to always make sure that you are trying to prevent fraud and the waste of taxpayer money. On the other hand, you are caught in this—

The Hon. DANIEL MOOKHEY: Look, I just want to be clear, Minister, I agree with you and I am not critical of the fact—

The Hon. DAMIEN TUDEHOPE: I am sure you are not.

The Hon. DANIEL MOOKHEY: —that the support had to go out the door quickly. I am just asking you, insofar as we all agree that it was a bit of a debacle—or could have been done better, depending on which perspective, whether I am putting it or you are putting it—did you get to the bottom of what caused it?

The Hon. DAMIEN TUDEHOPE: By and large, I think it was probably a combination of an IT issue, a manpower issue—making sure that we were able to stand up a system which was able to process applications. Often we were asking for supporting documentation in respect of establishing the downturn in a particular business. Sometimes that required the cooperation of accountants and the like. So there was a significant impost on business. I think we threw a lot more manpower at it. I think we, in many respects, processed the applications more quickly and, you know, on the one hand we may have been over cautious. At the outset, I think we in fact fell on the side of wanting to make sure that we got money into businesses' accounts and that was always my priority.

The Hon. DANIEL MOOKHEY: But when were you first warned—

The Hon. DAMIEN TUDEHOPE: I beg your pardon.

The Hon. DANIEL MOOKHEY: When were you first warned that the money was not being distributed?

The Hon. DAMIEN TUDEHOPE: I think that there was—within the first seven days or so there—no, I probably need to think about that.

The Hon. DANIEL MOOKHEY: Well, if you said within the first seven days—

The Hon. DAMIEN TUDEHOPE: No, I said I would need to think about that.

The Hon. DANIEL MOOKHEY: In the first week, are we therefore inferring, you were told?

The Hon. DAMIEN TUDEHOPE: I certainly was becoming aware of some public concerns in relation to how the money was getting out.

The Hon. DANIEL MOOKHEY: No official told you? You were actually relying on media reports to tell you that there was a problem?

The Hon. DAMIEN TUDEHOPE: No. We were certainly receiving information from Service NSW.

The Hon. DANIEL MOOKHEY: So then why, if you were told within the first seven days or thereabouts from both public reports and private officials, was there such an issue in terms of getting it fixed?

The Hon. DAMIEN TUDEHOPE: Well, we didn't—I don't think there—

The Hon. DANIEL MOOKHEY: You don't think there was?

The Hon. DAMIEN TUDEHOPE: I think we got it fixed very quickly. Just remember in this, we had nearly \$9 billion go out in support to businesses and we have done that over a four-month period. We have supported business to the extent of nine—now just get your head around that for half a moment.

The Hon. DANIEL MOOKHEY: I appreciate that. But, Minister, businesses have gone out—

The Hon. PENNY SHARPE: Some businesses waited for 10 weeks.

The Hon. DAMIEN TUDEHOPE: And it is a serious—

The Hon. DANIEL MOOKHEY: There is no need to make a political point.

The Hon. DAMIEN TUDEHOPE: Can you just let me finish this? Just let me finish.

The Hon. DANIEL MOOKHEY: No. Because when—

The CHAIR: Okay. Really, please, we need one person to speak at a time.

The Hon. DAMIEN TUDEHOPE: Correct.

The Hon. DANIEL MOOKHEY: Minister, you can put on notice the character assessment you would like to provide me. But my actual question is: Why did it take you so long to move then if you were told within the first seven days that there was a problem?

The Hon. DAMIEN TUDEHOPE: Well, absolutely I reject it.

The CHAIR: Crossbench. Ms Boyd?

Ms ABIGAIL BOYD: Thank you, Chair.

The Hon. BEN FRANKLIN: The polite and wonderfully calm Ms Boyd.

The Hon. DAMIEN TUDEHOPE: I am sure this will be—

Ms ABIGAIL BOYD: I am always calm—particularly with you, Minister.

The Hon. DAMIEN TUDEHOPE: Thank you, Ms Boyd.

Ms ABIGAIL BOYD: I want to ask about the HomeBuilder grants that are being administered by Revenue NSW. How many applications has Revenue NSW received for the HomeBuilder grant scheme and how many have been approved?

The Hon. DAMIEN TUDEHOPE: If you are asking me for a specific number—

Ms ABIGAIL BOYD: Yes, please.

The Hon. DAMIEN TUDEHOPE: I would have to just ask—that is not a number I have in front of me. Scott Johnston or Cullen Smythe, do you have that number?

Mr JOHNSTON: Yes, Minister. This is Scott Johnston speaking. So the question to the number of applications received was 26,054 and—I am sorry, Ms Boyd, the second question?

Ms ABIGAIL BOYD: How many of them were approved?

Mr JOHNSTON: So, HomeBuilder, we receive applications and when they get to a progression through their build they are then paid. We have paid 11,667. We have 949 that we are assessing and 2,505 have been assessed but require further information. Only 672 of the 26,000 were disallowed through assessment.

Ms ABIGAIL BOYD: Okay.

Mr JOHNSTON: And we have extra—and there is a large number that has not been completed by the customer of 10,261, which particularly speaks to that point that they are not at a point to submit all their information.

Ms ABIGAIL BOYD: Thank you. That is very useful. Minister, my office has been contacted by constituents that are trying to get help with the grant after Revenue NSW rejected their appeal for assessment under extenuating circumstances. These two constituents were building their first home. They entered into a contract in December 2020 with a builder. They had their building plans approved and met all of the eligibility requirements. They proceeded to start building their home but, unfortunately, they got messed around by their building contractor.

The Hon. DAMIEN TUDEHOPE: Yes, that is often the case.

Ms ABIGAIL BOYD: Yes. It was quite a difficult situation. They had to make the decision to cancel the contract with that builder.

The Hon. DAMIEN TUDEHOPE: I think you wrote to me about this, did you?

Ms ABIGAIL BOYD: That is right. Then they entered into a new contract, and because they entered into that new contract after December 2020 they then were not eligible for the HomeBuilder grant, even though they had been. I understand that under the official scheme rules and the agreement that was signed between the New South Wales Government and the Commonwealth that there is a very strict definition and no discretion. But what can be done for these people? They are \$25,000—in fact, more, because they are not eligible for the First Home Owner Grant either, so they are roughly \$35,000 out-of-pocket.

The Hon. DAMIEN TUDEHOPE: I get the specific example which you have put to me. I think you answer, a bit, your own question in the sense of this is not a scheme which we created. This is a Commonwealth scheme which we administer and so Revenue NSW has to apply it pretty well without discretion, as you have identified. There are circumstances where I have written to Federal Ministers about that, but the New South Wales Government does not have any discretion relating to the facts and circumstances that you have identified. It would be potentially a new scheme that you would be asking to implement. But the HomeBuilder grant is a Commonwealth scheme and I do not have any discretion in respect of the administration of that scheme.

Ms ABIGAIL BOYD: I understand exactly that point, Minister. I imagine though that it is quite unusual to enter into a scheme with the Commonwealth Government where there is absolutely no discretion in situations such as this. Can you explain why the New South Wales Government signed on to such a strict set of criteria?

The Hon. DAMIEN TUDEHOPE: I cannot give you that; the Treasurer may be able to. I am not involved in the negotiations relating to the delivery of those schemes. I get the problems that you have identified, where people do write to you with those difficulties and anomalies. In a perfect world, I would be saying that there should be an opportunity for discretion. Whether that would exist in Revenue or whether it would have to be referred back to the Commonwealth would be a moot point since it is their money, effectively, that we are spending. If there was a discretion, it would not vest in the commissioner; it would probably have to vest in the Commonwealth.

Ms ABIGAIL BOYD: This couple have also seen the cost of their build grow by more than \$50,000 because of increasing construction costs, so they are in quite a lot of financial stress now. They clearly began this on the basis that they would be eligible for the scheme. I am sure you understand just how desperate this situation is.

The Hon. DAMIEN TUDEHOPE: I do get it.

Ms ABIGAIL BOYD: Will you write to your Commonwealth counterpart and see if there is anything that can be done for those people?

The Hon. DAMIEN TUDEHOPE: Ms Boyd, I am always happy to take on board those sorts of circumstances. I cannot guarantee you the result which you would like, but I am more than happy to take a specific case on and make representations to the Commonwealth in relation to it.

Ms ABIGAIL BOYD: Thank you. Will you do that if I send you all the information?

The Hon. DAMIEN TUDEHOPE: Sure.

Ms ABIGAIL BOYD: Thank you, that is very useful. See how easy and calm this is?

The Hon. BEN FRANKLIN: It is lovely.

Ms ABIGAIL BOYD: It is lovely.

The Hon. BEN FRANKLIN: See how there are no points of order?

Ms ABIGAIL BOYD: Another issue that has been drawn to my attention because of a constituent concern is in relation to the concession from transfer duties when transferring a property from a self-managed super fund [SMSF] to the members of the fund as a benefit. Under the current legislation, you can transfer a property to the SMSF with only a nominal transfer duty fee. I think it is \$500. But if you then try to transfer it back then you are stung with the entire cost as though you were transferring it to a wholly unrelated person. I understand that Victoria, South Australia, Queensland, Western Australia and the Northern Territory all have exemptions or concessional rates in those exact circumstances. It is quite an impost on self-funded retirees. This is surely just an oversight in our New South Wales legislation.

The Hon. DAMIEN TUDEHOPE: It may be something that I am looking at. Mr Smythe, is that something that we are looking at?

Mr SMYTHE: Minister, we are constantly reviewing the exemptions and the various charging provisions within our legislation. There are a couple of interesting factors that attach to transfers between entities. The legislation that we currently have is set up in such a way that transfers between related parties or related entities are exceptionally limited. That is on purpose, principally to avoid any tax avoidance. We are aware of the issues related to super fund transfers, and that is something that we are considering at the moment.

Ms ABIGAIL BOYD: So you are considering changing the legislation?

Mr SMYTHE: I need to consider a couple of different factors in order to put it forward to the Minister.

Ms ABIGAIL BOYD: Thank you. Minister, obviously subject to receiving the advice, is that something that you would be interested in taking forward?

The Hon. DAMIEN TUDEHOPE: I would be happy to. Mr Smythe always gives me very good advice, but the issue which he does advise in relation to making sure that we cover off anti-avoidance provisions is something that I am sure that he will turn his mind to.

Ms ABIGAIL BOYD: Thank you. The other States seem to have got their heads around it and been able to provide that exemption for self-funded retirees, so that would be very helpful if you could, Minister. That is all I have. Mr Shoebridge will be coming in later.

The CHAIR: The Opposition.

The Hon. DAMIEN TUDEHOPE: Is this the Daniel Mookhey show, is it?

The Hon. DANIEL MOOKHEY: It is just you and me on a Friday afternoon. We should sell tickets, Minister. What else would people rather be watching right now?

The Hon. DAMIEN TUDEHOPE: Sure.

The Hon. DANIEL MOOKHEY: Minister, let us return to your bungled rollout.

The Hon. DAMIEN TUDEHOPE: Well—

The Hon. DANIEL MOOKHEY: When you changed the criteria, especially for the COVID-19 business grants, what opportunity was provided for those who were originally excluded to reapply?

The Hon. DAMIEN TUDEHOPE: For the COVID business grants?

The Hon. DANIEL MOOKHEY: Yes. Let us be general. Whenever the criteria changed in respect to any of the grants programs, what opportunity was provided to the businesses that were originally excluded to reapply?

The Hon. DAMIEN TUDEHOPE: I will ask Mr Gadiel.

Mr GADIEL: Where the grants guidelines were amended and that amendment resulted in an expansion of eligibility, businesses were allowed to reapply.

The Hon. DANIEL MOOKHEY: Yes, but how was it communicated to them?

The Hon. PENNY SHARPE: How did you tell them?

Mr GADIEL: It was communicated through Service NSW.

The Hon. PENNY SHARPE: What, on the website?

Mr GADIEL: My understanding is that those businesses were—there were emails that went out, and I understand that it also went out through updates to the guidelines. Also, those businesses were—I think a lot of them contacted Service NSW. I understand Service NSW then came back to them and informed them that they could apply. That is my understanding.

The Hon. DANIEL MOOKHEY: How many businesses are we talking about that were originally excluded and were then informed that they might be eligible?

Mr GADIEL: That is probably a question best directed to the Minister for Customer Service, because that is an operational issue. We, as Treasury, were the policy owner. From a policy owner perspective, we set the policy in a way that ensured that businesses were able to apply and renew their application if they were previously turned down. That was the policy. How that was implemented was up to Service NSW.

The Hon. DANIEL MOOKHEY: Sure. I think my colleagues did actually ask such a question and I think it might be the case that we were directed here, which is always a wonderful part of budget estimates. I am enjoying it. On notice, how many businesses were informed about their right to reapply? How many of them did reapply? How many of them were then successful? Will you provide that on notice, Minister?

The Hon. DAMIEN TUDEHOPE: As part of getting \$9 billion out the door, I am happy to.

The Hon. DANIEL MOOKHEY: Let us turn to the JobSaver aspect, Minister. Do you agree with me that JobSaver was a pivotal program in preserving both jobs and businesses in New South Wales?

The Hon. DAMIEN TUDEHOPE: I am sure you will agree with me that it was.

The Hon. DANIEL MOOKHEY: Do you agree that the Government put it in place after its request to the Commonwealth Government for JobKeeper was not agreed to?

The Hon. DAMIEN TUDEHOPE: I am aware that there was a significant discussion between the Treasurer and his counterpart, and potentially the Prime Minister and the Premier at the time, in relation to—

The Hon. DANIEL MOOKHEY: No need to be cautious here, Minister. The now Premier has made it clear that the Federal Government refused to put JobKeeper in, and then JobSaver was put in place. Is that correct?

The Hon. DAMIEN TUDEHOPE: Correct.

The Hon. DANIEL MOOKHEY: Great. Were any conversations had by you with any Federal counterpart about continuing JobSaver beyond 30 November?

The Hon. DAMIEN TUDEHOPE: Not specifically, but certainly I am aware that Treasury were involved in all those discussions. It did not devolve to me.

The Hon. DANIEL MOOKHEY: Did Treasury ever provide you with advice that said that retaining JobSaver beyond 30 November would assist in accelerating the economic recovery and the small business recovery?

The Hon. DAMIEN TUDEHOPE: Did I make that representation or did someone put that to me?

The Hon. DANIEL MOOKHEY: Now that you mention it, let us ask both. Did anyone from Treasury—or now that you have given me the opportunity to re-ask it, did anyone else from your departments or any officials—ever advise you that retaining JobSaver beyond 30 November would assist in the New South Wales economic recovery or the recovery of New South Wales small businesses?

The Hon. DAMIEN TUDEHOPE: I will ask Mr Gadiel to address those negotiations.

Mr GADIEL: We have got to be careful in terms of talking about advice but, more broadly, where we are coming from is we want the economy to reopen and we want businesses to restart. We generally saw continuing JobSaver beyond the point at which restrictions are removed as counterproductive. But we did advise that it was worth retaining the infrastructure of the program in case there was a requirement for further restrictions down the track, since we had the policy built. I do not think Treasury saw it as being advantageous to maintain JobSaver beyond the tapering date of 30 November, as per the announcement.

The Hon. DANIEL MOOKHEY: That is very useful. Thank you, Mr Gadiel. Was your advice to retain the infrastructure of the program accepted by government?

Mr GADIEL: Yes. The program is obviously still there with Service and it is still being administered. The payments will cease after 30 November under current policy, but there is the option there of restarting it—let's hope not.

The Hon. DANIEL MOOKHEY: Minister, what is the test to restart the JobSaver program in any form after 30 November?

The Hon. DAMIEN TUDEHOPE: I assume the obvious test would be the extent to which there would be any further lockdown, but I do not think those policy positions have been adopted yet.

The Hon. DANIEL MOOKHEY: To be fair, I accept that you will have to—should there be a presumption of a statewide lockdown, then of course.

The Hon. DAMIEN TUDEHOPE: Yes.

The Hon. DANIEL MOOKHEY: But what I am talking about specifically is, if we find ourselves in a circumstance where any LGA is locked down specifically or any subset of an LGA is locked down specifically, is that the trigger for that particular—

The Hon. DAMIEN TUDEHOPE: That is a hypothetical.

The Hon. DANIEL MOOKHEY: It is an important one, Minister.

The Hon. DAMIEN TUDEHOPE: That is a hypothetical and what I would be suggesting to you is that we would have to assess that circumstance when it arose. What I think you have just taken from Treasury is that the structure for delivering it is still available in the event that we need to and I think—

The Hon. DANIEL MOOKHEY: Minister, I am really not trying to create any disputation around this point. I am just trying to understand. Is there actually a policy in place? If it is still under development, then so be it. But at some point people are going to want to understand that—if we find ourselves in a circumstance where a part of the State has to lock down again, are the economic structures and support in place?

The Hon. DAMIEN TUDEHOPE: One thing you can be assured of, Mr Mookhey, is this: This is a government which is not shy of supporting businesses in circumstances—

The Hon. DANIEL MOOKHEY: Indeed.

The Hon. DAMIEN TUDEHOPE: —where we have to make difficult decisions which impact on those businesses. The last 24 months have shown us, and shown hopefully you, that this is a government which will bend over backwards to make sure that we do our part in respect of supporting businesses.

The Hon. DANIEL MOOKHEY: I respect that, Minister. But my actual question is: Is there a policy in place and, if not, when will there be one and when will it be communicated to the public?

The Hon. DAMIEN TUDEHOPE: The development of a policy in relation—has any work been done, Mr Gadiel?

Mr GADIEL: There is no policy in place as far as I am aware of. That would be put together when and if required but, given that the infrastructure is in place, that could be done relatively quickly.

The Hon. DANIEL MOOKHEY: Fair enough. Thank you. I have one question beyond that.

The Hon. DAMIEN TUDEHOPE: I think that expresses it exactly the same way as I was trying to express it, Mr Mookhey.

The Hon. PENNY SHARPE: But better.

The Hon. DAMIEN TUDEHOPE: Correct. No need to be abusive.

The Hon. DANIEL MOOKHEY: Fair enough. Let us return to the issue of fraud. Of course, just to be clear here, when the Government rolled this out quickly it had the Opposition's support. In fact, we called for it. So we accept that the emphasis was on the need for speed to get the money out, but it was flagged that there would be audits taking place after JobSaver ends. Really simple question: Can you describe what is the audit process, when is it going to start, how is it going to be organised and when will it be finished?

The Hon. DAMIEN TUDEHOPE: Really important questions. I think there is an expectation that we do have a process to identify fraud. Perhaps, Mr Johnston, you would like to outline the manner in which Revenue has been charged in respect of identifying these issues and what we are doing about recovering potential overpayments of JobSaver money or payments which should not have been made in the first place.

Mr JOHNSTON: Yes. Thank you, Minister. Firstly, I would like to differentiate compliance and fraud. Our colleagues at Service NSW are leading the effort and the engagement with police around fraud. But anything that we identify in Revenue through our compliance function that might intimate fraud—we will pass and work with Service on that. But to the bigger question, I think your positioning, Mr Mookhey, as in what are we doing—we had a fundamental moment where the Federal Government changed its legislation to enable greater data-sharing between the ATO and Revenue NSW for the purpose of our compliance efforts around COVID grants. So we have been receiving data from them over the past few weeks and analysing the submissions that businesses have provided to us through the microbusiness—but particularly JobSaver grant—and the business grant that was before JobSaver so that we can identify those areas where there is highest risk and have conversations with these businesses to identify whether there was an issue and, if there was, progress that through to collecting back any overpayment that might have been made.

The Hon. DANIEL MOOKHEY: That is helpful. But the specific question is: Is there going to be a specific or dedicated compliance program or is this going to be part of Revenue NSW's general compliance activity?

Mr JOHNSTON: No. This will be a specific effort that will be led by Revenue NSW to focus on this grants program.

The Hon. DANIEL MOOKHEY: Great. I presume it started the date that the programs notionally started, but when do you expect the audit that the Minister has flagged to be completed?

Mr JOHNSTON: It will—it is continuing. I think we will be following this through much of next year to a degree because a lot of these issues take time to resolve.

The Hon. DANIEL MOOKHEY: Of course.

Mr JOHNSTON: We are also still at a point where we are waiting for the payments to end. One of the key features of JobSaver was the maintenance of headcount and we need to assess pre and after the grants process to determine how successful that was and where there might be issues. So to a point, unfortunately it is not complete. It is bit too early to have a great sense of—

The Hon. DANIEL MOOKHEY: I appreciate that, Chief Commissioner.

Mr JOHNSTON: But possibly our next opportunity—we will have made great success in progressing.

The Hon. DANIEL MOOKHEY: Yes and I appreciate that. You do identify that the two features of JobSaver that I think we probably are going to be checking is whether or not businesses incurred the revenue downturn that would have entitled them to the payment—that is fair? That is one of the things that you will be testing?

Mr JOHNSTON: Correct.

The Hon. DANIEL MOOKHEY: And then equally whether or not those who did and were eligible maintained the headcount as required—correct?

Mr JOHNSTON: That is what we will be doing, yes.

The Hon. DANIEL MOOKHEY: Is there any other aspect to the JobSaver program that you are going to be specifically checking on?

Mr JOHNSTON: We have got access to a range of data sources to assess the validity of applications, including those that are already payroll tax customers—

The Hon. DANIEL MOOKHEY: Yes, I am not disputing your ability to obtain information to undertake the compliance activity. But in terms of what you are actually checking, you are checking whether or not the businesses suffered the revenue downturn that they said they did and equally that they maintained the headcount as promised—correct?

Mr JOHNSTON: That is correct.

The Hon. DANIEL MOOKHEY: Is there any other eligibility criteria for which you will be specifically checking?

Mr JOHNSTON: We will be working through the full guidelines to assess that their application was true and accurate. This is where us working clustered with Service as well around payments information to assess whether there is any indication of fraud—in partnership with Service NSW we will be doing that. In fact, Service NSW was highly successful in the application process in identifying many cases of this—

The Hon. DANIEL MOOKHEY: This is what I wanted to then ask you about. What is the result of your compliance program so far?

Mr JOHNSTON: Have we—

The Hon. DANIEL MOOKHEY: As in, how many JobSaver recipients have you found that were paid benefits when they were not entitled to it?

Mr JOHNSTON: It is too early to make an assertion whether that is the case. We are still working through payments to these businesses. What I can say at this point is that we are analysing and getting our information together because it is important that—we are not the ATO in having this information from the outset. What we provided in the guidelines was that people attested to the situation that they reported and now we are

validating that. What we have done is stopped many payments that would have progressed through where we found inaccuracies through the assessment process and that has prevented—

The Hon. DANIEL MOOKHEY: Do you have the numbers?

Mr JOHNSTON: I would have to take that on notice, Mr Mookhey, if I could. I will probably be able to find that before the end of this session.

The Hon. DANIEL MOOKHEY: If you could find that by then, that would be helpful. How many incidences of fraud has Revenue NSW come across?

Mr JOHNSTON: I would have to refer that to Service NSW because they are managing that and because the majority would be through their workings. And we have worked incredibly tightly with them on this process and had our specific roles clear.

The Hon. DAMIEN TUDEHOPE: Mr Gadiel may be able to give you more information on that.

Mr GADIEL: I can tell you that so far for the COVID-19 business grants, there are 166 applications that have identified as being fraudulent. For the microbusiness grant, there are 172 in that category, and for JobSaver, it is 104.

The Hon. DANIEL MOOKHEY: When you say "fraudulent", what definition of "fraud" are you using for the purpose of those numbers?

Mr GADIEL: Fraud implies a deliberate intent rather than—

The Hon. DANIEL MOOKHEY: Inadvertent.

Mr GADIEL: —it being inadvertent, yes.

The Hon. DAMIEN TUDEHOPE: Minister, are you aware that one of the issues that surfaced with JobSaver was significant amounts of public money going to companies that in turn increased their profits over the time?

The Hon. DAMIEN TUDEHOPE: Sorry, I beg your pardon.

The Hon. DANIEL MOOKHEY: Are you aware that one of the issues arising from JobKeeper was significant sums of public money paid to companies and/or businesses that increased their profit throughout that period?

The Hon. DAMIEN TUDEHOPE: Correct.

The Hon. DANIEL MOOKHEY: Do you have the same concern in respect to JobSaver?

The Hon. DAMIEN TUDEHOPE: I think we have much stronger clawback arrangements.

The Hon. DANIEL MOOKHEY: What are the clawback arrangements that you are referring to?

The Hon. DAMIEN TUDEHOPE: I assume it is that if people are not entitled to it, then it has got to be repaid.

The Hon. DANIEL MOOKHEY: When you say you "assume", what do you mean by that?

Mr GADIEL: They have been structured as "act of grace payments", which gives the Government a stronger legal basis upon which to recover payments.

The Hon. DANIEL MOOKHEY: Do you have to sue them?

Mr GADIEL: I would probably go to Mr Johnston for this.

Mr JOHNSTON: This grant has been set up so we have a State debt recovery order arrangement so that Revenue NSW can pursue any of those debts that are owed to the State. That is a key difference, I think, from my understanding to JobKeeper. If I could, I would also suggest that another key difference is we were asking for periods of turnover that had happened for the grants to be within the guidelines as opposed to predicting what your future turnover might be, which gives myself and my team more confidence around compliance. The types of issues that you are referring to would be minimised significantly.

The Hon. DANIEL MOOKHEY: The principal recovery mechanism is a State debt recovery order. Is that correct?

Mr JOHNSTON: Yes.

The Hon. DANIEL MOOKHEY: And you have discretion to issue that yourself, don't you?

Mr JOHNSTON: Within Revenue NSW, yes.

The Hon. DANIEL MOOKHEY: You are the respective commissioners; it is going to happen in your names. Yes, you?

Mr JOHNSTON: Yes, that is correct.

The Hon. DANIEL MOOKHEY: Sorry, you said that you "assume". Have you got legal advice that makes it clear that that is a mechanism that you can use?

Mr SMYTHE: Yes. Referring back to the comments made by Mr Gadiel, the ability to call back funds that have been paid under an act of grace under the Government Sector Finance Act where conditions have not been complied with are quite strong, and we will use [inaudible] the State Debt Recovery Act to do that.

The Hon. DANIEL MOOKHEY: I have no doubt that New South Wales' two best debt collectors are right here, right now. Good luck. Minister, we had significant businesses like, for example, Harvey Norman, Nick Scali, Adairs, NIB group, Carsales and Tabcorp claim JobKeeper and then find themselves making bigger profits. Are you planning any form of public disclosure about the top businesses closer to the \$200 million threshold and their results to allow the public to properly assess the efficacy of this program?

The Hon. DAMIEN TUDEHOPE: I do not think it is a specific policy to disclose people who have applied—

The Hon. DANIEL MOOKHEY: Okay, but do we have analysis? Correct me if I am wrong here, Mr Gadiel, but it was eligible for businesses with a turnover after \$250 million, wasn't it?

Mr GADIEL: \$250 million was the cut-off for the main JobSaver program, although there was a category between \$250 million and \$1 billion turnover for the tourism, recreational and hospitality sectors.

The Hon. DANIEL MOOKHEY: So \$250 million to \$1 billion for the tourism, recreation and hospitality, correct?

Mr GADIEL: Correct.

The Hon. DANIEL MOOKHEY: Turnover?

Mr GADIEL: Turnover.

The Hon. DANIEL MOOKHEY: In New South Wales or national?

Mr GADIEL: National and international. If they are part of a broader international group, then it would also incorporate their international revenues.

The Hon. DANIEL MOOKHEY: I think the crossbench time has expired.

The CHAIR: The Opposition.

The Hon. DAMIEN TUDEHOPE: Keep going, unless you want a break.

The Hon. DANIEL MOOKHEY: I will just keep going. Sorry, Mr Gadiel, before the crossbench's time had expired, I did not hear your answer—it was quite disorderly. It was \$250 million to \$1 billion and then you were talking about companies' international affiliations.

Mr GADIEL: It is their annual aggregate turnover, which includes international affiliates that are part of the group of companies.

The Hon. DANIEL MOOKHEY: International affiliates that are a part of a group of companies.

Mr GADIEL: Yes, it is an ATO definition and it incorporates both domestic and international revenues.

The Hon. DANIEL MOOKHEY: Just to be clear, this was only available to companies who are domiciled in Australia.

Mr GADIEL: Correct, but they may well be subsidiaries of international groups, and if that was the case, then their international revenues would also be counted as part of that turnover test. Can I clarify though, that is only for the purposes of falling into the eligibility category. When we go to the calculation of downturn, we only include the New South Wales revenues.

The Hon. DANIEL MOOKHEY: Got it. To be able to put in an application, you have to meet the first set of criteria.

Mr GADIEL: Yes.

The Hon. DANIEL MOOKHEY: But in order to then access a payment, you need to meet the other criteria.

Mr GADIEL: Yes—sorry, I have misled you a little bit. It is the national entity that is used for the downturn, but it is ungrouped. If it is part of a group of firms, we just look at that specific firm but we look at its national revenue, and the requirement is that that national revenue declined by 30 per cent.

The Hon. DANIEL MOOKHEY: That sounds pretty straight forward.

Mr GADIEL: Yes, and the reason why we have gone for that is because those are the things that firms report to the tax office so we can go back and check.

The Hon. DANIEL MOOKHEY: Fair enough. Let us just go through this step by step. How many entities with turnover between \$250 million and \$1 billion got payments?

Mr GADIEL: It is a very small number and it is in my notes. I am happy to provide it at the end.

The Hon. DANIEL MOOKHEY: You look it up while I ask some other questions.

Mr GADIEL: Yes.

The Hon. DANIEL MOOKHEY: This is a standard protocol I have with the people from Revenue NSW in these proceedings—we give them the look-up time. While you are there, is it the responsibility of Revenue NSW, Service NSW, Treasury or all of the above to maintain the statistics that would allow for a distributional analysis? Minister, maybe the chief commissioner might be able to assist us while Mr Gadiel is looking it up.

Mr GADIEL: I have the number in front of me now.

The Hon. DANIEL MOOKHEY: Great! Back to you then.

Mr GADIEL: For those large businesses with a turnover between \$250 million and \$1 billion, I can tell you that the number paid was seven.

The Hon. DANIEL MOOKHEY: Seven of them. What industries were they from as you classify?

Mr GADIEL: I do have that also but in a different part of my notes.

The Hon. DANIEL MOOKHEY: Do not worry, Mr Gadiel, I know the feeling of having to go back and forward between notes.

Mr GADIEL: Sorry, I do not have that immediately in front of me.

The Hon. DANIEL MOOKHEY: They were either from hospitality—

Mr GADIEL: They were tourism and hospitality. They are the industries that are highly exposed and have been subject to orders of one form or another for 18 months. The view was—

The Hon. DANIEL MOOKHEY: Are they natural persons or are they corporate persons?

Mr GADIEL: They are businesses.

The Hon. DANIEL MOOKHEY: Yes, okay. Are they airlines?

Mr GADIEL: No, not airlines.

The Hon. DANIEL MOOKHEY: Are they casinos?

Mr GADIEL: It is tourism, hospitality and recreation, and so things like pubs, clubs, restaurant chains and things like that.

The Hon. DANIEL MOOKHEY: Of the seven.

Mr GADIEL: I cannot tell you specifically of the seven, but I can speak generally towards the eligibility. I do not know if we have the data. Given that it is so few, I think we are going to run into confidentiality issues. Normally, with less than 10 in a cell, we will have trouble giving specific information unless there is a policy decision.

The Hon. DANIEL MOOKHEY: Mr Gadiel, it is almost like you have got Mr Johnston's script here—

Mr GADIEL: Yes.

The Hon. DANIEL MOOKHEY: —and the script from Revenue NSW about statutory secrecy.

Mr GADIEL: I can talk to the Australia and New Zealand Standard Industrial Classification categories which are eligible.

The Hon. DANIEL MOOKHEY: If there are seven of them, there are not that many businesses that are in hospitality and tourism that have revenue turnover of \$250 million to \$1 billion.

Mr GADIEL: I think we worked out that there were a couple of hundred in New South Wales.

The Hon. DANIEL MOOKHEY: That were eligible?

Mr GADIEL: Yes, that could theoretically be eligible.

The Hon. DANIEL MOOKHEY: Okay, of a couple of hundred, it is not a low rate of take-up. Are there any specific compliance parameters going to be attached to those larger enterprises or not? Or are they going to be treated the same way as a mum-and-pop shop on a corner?

Mr GADIEL: Revenue NSW reviews the application—and Mr Johnston has hand up, so I will pass to him.

Mr JOHNSTON: Businesses of this size, we typically know them very well because they would be [inaudible]. I think there is a high degree of regard and confidence around the compliance efforts that we will be able to do for those businesses. [Inaudible] have more information about [inaudible].

The Hon. DANIEL MOOKHEY: Sure. I do not want to repeat for the fiftieth time, Mr Johnston, our battle about statutory secrecy provisions as it applies to evidence given to the Committee, so let us just talk around it and we can pursue this elsewhere. Do you have any information about the nature of the seven businesses as to whether they arise from hospitality, tourism—sorry, what was the other category?

The Hon. PENNY SHARPE: Entertainment.

The Hon. DANIEL MOOKHEY: Are we talking about a pub group? Are we talking about a casino? What are we talking about in terms of the nature of the seven businesses?

Mr GADIEL: I think pub groups featured heavily.

The Hon. DANIEL MOOKHEY: Okay, pub groups. To the extent to which—

Mr JOHNSTON: [Disorder].

The Hon. DANIEL MOOKHEY: So of the seven, we can expect there was a disproportionate—and there is nothing critical. I am not critical of them; if they are eligible, they are allowed to apply. But it is the case that we have pub groups amongst the seven?

Mr GADIEL: I cannot remember specifically what they were, but I have seen the list and I think there were at least several pub groups in there. That comes as no surprise, given pubs were completely shut down—

The Hon. DANIEL MOOKHEY: Of course.

Mr GADIEL: —and have been subject to patronage restrictions throughout.

The Hon. DANIEL MOOKHEY: No-one disputes their eligibility or the fact that it had a huge impact on those industries and those jobs of lots of people who work in them. So I am not at all critical; I am just trying to ascertain, therefore, what is the nature of the businesses that we are talking about. We are talking about pubs. Any other information you can provide us with on the nature of those seven businesses?

Mr GADIEL: Not right now for me. Mr Johnston?

Mr JOHNSTON: I am also, Mr Mookhey, as you would not be surprised, concerned about [disorder].

The Hon. DANIEL MOOKHEY: I can give you your script for you. Don't worry, Chief Commissioner.

The Hon. DAMIEN TUDEHOPE: He could probably give you the questions.

Mr JOHNSTON: I think maybe an appropriate path would be for me to take that on notice and provide some information that might be broadly speaking to the industry types but might be helpful for you.

The Hon. DANIEL MOOKHEY: Sure. Can we get a quantum as to how much these seven received?

Mr JOHNSTON: I will take that on notice [disorder].

Mr GADIEL: I have that.

The Hon. DANIEL MOOKHEY: What was the cap? What was the maximum that they could receive?

Mr GADIEL: There were two caps. There was the tier 1 cap. So for businesses with a turnover of between \$250 million and \$500 million, the maximum payment was \$300,000 per week. For tier 2, where the businesses had a turnover of between \$500 million and \$1 billion, they needed to have a turnover decline of at least 70 per cent and the cap was \$500,000 per week.

The Hon. DANIEL MOOKHEY: Okay. So the maximum is \$500,000, is it, for—well, it is more than 16 weeks because they are still eligible. Is that correct?

Mr GADIEL: So I can tell you that so far paid for this group, the total is \$12 million.

The Hon. DANIEL MOOKHEY: So \$12 million to the seven enterprises?

Mr GADIEL: Yes.

The Hon. DANIEL MOOKHEY: Fair enough. Thank you. How much has then been spent on JobSaver by New South Wales?

Mr GADIEL: JobSaver by—is that including the Commonwealth contribution or excluding it?

The Hon. DANIEL MOOKHEY: No, excluding.

Mr GADIEL: I can tell you that for—let's have a look, hang on. For JobSaver, it is around \$6 billion. Half of that would be the Commonwealth.

The Hon. DANIEL MOOKHEY: So \$3 billion or thereabouts.

Mr GADIEL: Yes.

The Hon. DANIEL MOOKHEY: That is how much that it was modelled for or how much has been paid?

Mr GADIEL: That is how much has been paid.

The Hon. DANIEL MOOKHEY: So far we are at \$3 billion-ish for New South Wales? Is that fair?

Mr GADIEL: Yes.

The Hon. DANIEL MOOKHEY: Okay. Fair enough. Thank you. How much of JobSaver has been paid to small businesses with turnover of less than \$1 million, and how many small businesses? Do you have that data? What data do you have about the distribution of JobSaver—that is probably the first question I should ask?

Mr GADIEL: We do not have data on turnover because that was not a question we needed to ask the business. We needed to check if they were within the range. We asked them for their payroll, but we did not ask them for their turnover. So we do not have that.

The Hon. DANIEL MOOKHEY: That is fair. Then have you got any analysis that would allow us to indicate the distribution by decile according to—or decile analysis of the distribution, for example, by payroll?

Mr GADIEL: We have not got that.

The Hon. DANIEL MOOKHEY: What do you have?

Mr GADIEL: We have got the holistic figures.

The Hon. DANIEL MOOKHEY: Do you just want to give them to me?

Mr GADIEL: So how much was paid, the number of businesses that have received the support. We will do more analysis over time, but at the moment that is what we have.

The Hon. DANIEL MOOKHEY: Okay. Why don't you give me that?

Mr GADIEL: As I said to you before, \$6 billion was paid—\$5 billion of that is metro; \$1 billion of that is regional. We have approved—so that covers around 206,000 businesses.

The Hon. DANIEL MOOKHEY: Sorry, how many?

Mr GADIEL: Sorry?

The Hon. DANIEL MOOKHEY: How many was that?

Mr GADIEL: That was 206,000 businesses, approximately, of which 168,000 are roughly metro and a further 38,000 are regional. So that is 82 per cent going to the metro and 18 per cent going to the regions.

The Hon. DANIEL MOOKHEY: Metro, is that Sydney—

Mr GADIEL: That is the Greater Sydney region, including Shellharbour and Blue Mountains and Central Coast.

The Hon. PENNY SHARPE: But not Newcastle or Wollongong?

Mr GADIEL: Not Newcastle, no. We have a further 2,400 applications approved but not yet paid, and we have got around 2,700 applications in progress for JobSaver.

The Hon. DANIEL MOOKHEY: Fair enough.

The Hon. DAMIEN TUDEHOPE: It is 207, isn't it?

Mr GADIEL: Yes, 2,700 in progress.

The Hon. DANIEL MOOKHEY: Thank you. Of the 206,000 businesses, do you have that broken down—either with you now or on notice—by LGA?

Mr GADIEL: Yes, we do have LGA splits.

The Hon. DANIEL MOOKHEY: Can you either table that split or provide it to us on notice, for New South Wales LGAs?

Mr GADIEL: I have one copy here, so I might hang on to that, but I am happy to provide that on notice.

The Hon. DANIEL MOOKHEY: If you did want to table it, we can make copies, but we are in your hands here, Mr Gadiel.

The Hon. DAMIEN TUDEHOPE: Can I just have a look?

The Hon. DANIEL MOOKHEY: Yes, you better check. Can you give us the top 10 LGAs?

Mr GADIEL: My list here—

The Hon. DANIEL MOOKHEY: Just the top 10 LGAs and how many businesses are in the LGA would be great. The Minister has the list.

The Hon. DAMIEN TUDEHOPE: I have got the list.

The Hon. PENNY SHARPE: Are you going to read us the list?

The Hon. DAMIEN TUDEHOPE: Do you want me to?

The Hon. PENNY SHARPE: Yes, please.

The Hon. DANIEL MOOKHEY: Have you seen that list before, Minister?

The Hon. PENNY SHARPE: He is going to table it.

The Hon. DAMIEN TUDEHOPE: I think the proposal was we would table it.

The Hon. DANIEL MOOKHEY: Are you going to table it now?

Mr GADIEL: Unsurprisingly, Sydney is the top—17,000. Next one down is Canterbury-Bankstown with around 13,000—or 12,600. Then northern beaches that are around 10,000, and it goes down from there. There is a lot around the 7,000 mark—Central Coast, Blacktown, Parramatta, Cumberland, Sutherland shire—and then it goes on from there. Happy to table that.

The Hon. DANIEL MOOKHEY: Thank you. That would be great if we could table that and get copies, that would be fabulous. That is JobSaver. Can you give us—

The Hon. DAMIEN TUDEHOPE: I think that document contains the micro economic grants as well.

The Hon. DANIEL MOOKHEY: I am really in your hands as to how you would like to make this efficient for you, Minister and/or Mr Gadiel. But given now we want to ask you similar questions about the business grants, payroll tax support—

The Hon. DAMIEN TUDEHOPE: Well, maybe it is better that we do take those on notice.

The Hon. DANIEL MOOKHEY: Why don't we just do the business grants?

The CHAIR: It will get copied and brought back to you. If those notes are required for you to answer the next lot of questions, we can manage that. I think that is what Mr Mookhey is putting.

The Hon. DANIEL MOOKHEY: I am interested in getting—well, let us start with the macro numbers on the COVID grants, if you do not mind. Can you give us the same number as to how much has been paid out?

Mr GADIEL: Yes. So the COVID business grant?

The Hon. DANIEL MOOKHEY: Yes, please.

Mr GADIEL: A total of 201,235 have been received.

The Hon. DANIEL MOOKHEY: Applications?

Mr GADIEL: Applications.

The Hon. DANIEL MOOKHEY: Sorry, can you repeat that number, please.

Mr GADIEL: That was 201,235.

The Hon. DANIEL MOOKHEY: Yes.

Mr GADIEL: For metro, 169,546.

The Hon. DANIEL MOOKHEY: Yes, metro.

Mr GADIEL: Regional, 31,225. That is an 84/16 per cent split between regional and metro, so we are seeing around three-quarters—around 80 per cent going into the Greater Sydney region, which comes as no surprise given the differential movement restrictions in Greater Sydney compared to the rest of the State, particularly at that time.

The Hon. DANIEL MOOKHEY: Yes.

Mr GADIEL: The number paid out was 186,622. The metro was 158,076; regional was 28,112.

The Hon. DANIEL MOOKHEY: Yes.

Mr GADIEL: The split here is slightly different. It is 85 per cent metro, 15 per cent regional.

The Hon. DANIEL MOOKHEY: And we are using the same definition of metro as before?

Mr GADIEL: Yes.

The Hon. DANIEL MOOKHEY: Yes. How much money has been paid out?

Mr GADIEL: The amount paid out was \$2.34 billion.

The Hon. DANIEL MOOKHEY: Do you have the same information on LGAs? Can you give us top three?

Mr GADIEL: Yes, it is in the tabled paper.

The Hon. DANIEL MOOKHEY: It is in there? It is coming. Thank you very much. Do we have similar figures—Minister, tell me if this is not you—for the COVID disaster payments to individuals? Is that administered by Revenue NSW?

Mr GADIEL: The COVID disaster payments are administered by Services Australia.

The Hon. DANIEL MOOKHEY: That is all right, we will go there. In terms of payroll tax, let us talk about the payroll discount aspect of it. Do we have the numbers of reductions, waivers—I am reading from your thing—a 50 per cent reduction in eligibility criteria, payroll tax deferrals. Can we have the number of deferrals?

Mr JOHNSTON: Yes, I can give you that, Mr Mookhey. As at 30 September, 24,973 customers have benefitted from the reduction.

The Hon. DANIEL MOOKHEY: Sorry, can you repeat that? Your audio is a bit—

Mr JOHNSTON: Sorry, 24,973 customers have benefitted from the reduction, to a total value of \$374.8 million.

The Hon. DANIEL MOOKHEY: Given that there are circa 52,000 payroll tax customers, as you put them—or citizens as I call them—in New South Wales, we have got close to half.

Mr JOHNSTON: That is correct, but there is criteria for that payment and I expect we will see more and more.

The Hon. DANIEL MOOKHEY: You anticipate. Do you have a projection?

Mr JOHNSTON: I have not currently because it is dictated by the turnover decline. Significantly subscribed would be my sense currently.

The Hon. DANIEL MOOKHEY: Yes, I would probably agree with you. Is this on a 12-month repayment plan?

Mr JOHNSTON: Yes. As at 30 September we have 1,404 customers on payment arrangements—

The Hon. DANIEL MOOKHEY: How long is the payroll tax deferral?

Mr JOHNSTON: —which is about [inaudible].

The Hon. DANIEL MOOKHEY: How long did those 24,000 businesses who have got deferrals get the deferral for?

Mr JOHNSTON: They have 12 months. There is a 12-month deferral.

The Hon. DANIEL MOOKHEY: Of what? The annual assessment or the monthly assessment?

Mr JOHNSTON: There is a number of measures [inaudible]. All payroll tax customers have the option of deferring lodgement and payment for the 2020-21 annual reconciliation until 14 January next year, plus then they also have the option of including any outstanding amounts from the previous financial year and/or the July to December 2021 monthly periods in a 12-month interest-free instalment plan.

The Hon. DANIEL MOOKHEY: On notice any additional detail you wish to provide, Chief Commissioner, would you?

Mr JOHNSTON: Yes, Mr Mookhey.

The Hon. DANIEL MOOKHEY: Thank you very much. Can we have the land tax numbers, Chief Commissioner? I want to be very specific. Some of this is follow-up from last year's announcement on the \$220 million of waiver for the commercial sector from land tax, do you recall?

Mr JOHNSTON: Yes.

The Hon. DANIEL MOOKHEY: Do we know how many land tax concession applications were received for the first eligibility period of 1 April 2020 to 30 September 2020?

Mr JOHNSTON: We had three phases in the 2021 year where we had 17,259 applications for 26,947 properties.

The Hon. DANIEL MOOKHEY: Sorry, can you repeat those two numbers please?

Mr JOHNSTON: Sure. It is 17,259 applications for 26,947 properties. I could give you a commercial/residential split if you would like that.

The Hon. DANIEL MOOKHEY: Well, Mr Johnston, if you are going to offer it, I am going to take it.

Mr JOHNSTON: So 17,852 commercial properties provided rent reductions to the value of \$6.4 billion and 9,095 residential properties provided rent reductions to the value of \$303 million.

The Hon. DANIEL MOOKHEY: What is the value of the land tax concessions that we have given?

Mr JOHNSTON: Mr Mookhey, the relief granted is \$223.8 million in land tax relief [disorder].

The Hon. DANIEL MOOKHEY: Over what period of time?

Mr JOHNSTON: That was for the period of application. There were various phases in the previous financial year, but cumulatively it is \$223.8 million.

The Hon. DANIEL MOOKHEY: And that is for the last financial year, so the financial year that ended 2020-21?

Mr JOHNSTON: Correct.

The Hon. DANIEL MOOKHEY: Okay, and that \$223.8 million covers both residential and commercial, correct?

Mr JOHNSTON: Yes, and I can help you with that as well, Mr Mookhey: 15,592 commercial properties at a value of \$207.5 million in land tax relief and 7,954 residential properties at a value of \$60.4 million in land tax relief.

The Hon. DANIEL MOOKHEY: Minister, you know there are questions now coming your way, don't you?

The Hon. DAMIEN TUDEHOPE: I am waiting.

The Hon. DANIEL MOOKHEY: Yes, good. Well, you promised \$440 million; you paid \$223 million. You missed the mark a bit, didn't you?

The Hon. DAMIEN TUDEHOPE: Well, it depends on how you look at it. Sometimes when people do not apply for money to go out the door then that is money available to be able to spend on other opportunities to support businesses, Mr Mookhey.

The Hon. DANIEL MOOKHEY: Pray tell, that \$200 million that you did not spend—

The Hon. DAMIEN TUDEHOPE: It is all gone. You can rest assured that when you spend \$9 billion it gets soaked up pretty quickly.

The Hon. DANIEL MOOKHEY: You see the issue is that there were 7,500 or thereabouts—

The Hon. DAMIEN TUDEHOPE: Residential.

The Hon. DANIEL MOOKHEY: —residential properties, which we can imply therefore 7,500 renters got support through this program. Are you aware that we have over a million renters in New South Wales?

The Hon. DAMIEN TUDEHOPE: You are telling me. I will accept your figure.

The Hon. DANIEL MOOKHEY: Good, thank you. So basically nothing was really given to renters last year. Correct?

The Hon. DAMIEN TUDEHOPE: That is not necessarily true.

The Hon. DANIEL MOOKHEY: Seven thousand of them would not say it is true.

The Hon. DAMIEN TUDEHOPE: What it indicates is that there has been a low take-up rate of a concession which was made available by the Government. That is what it indicates. It does not indicate that we have not provided support for renters.

The Hon. DANIEL MOOKHEY: Okay, fair enough. You defend the program.

The Hon. DAMIEN TUDEHOPE: I defend the program.

The Hon. DANIEL MOOKHEY: Would you do it any differently in retrospect?

The Hon. DAMIEN TUDEHOPE: You cannot force people to make applications for grants.

The Hon. DANIEL MOOKHEY: It is basically their fault, is it?

The Hon. DAMIEN TUDEHOPE: I do not attribute blame, I just say that you cannot force people to take up grants. It was part of a package of opportunity which is available to businesses. To the extent that we got that money out the door, there were potentially businesses who should apply for grants who did not, for whatever reason—that is a matter for them. But really it has got to be considered in the context of the total package available. When you talk about rent relief being offered by landlords, that is part of a package pursuant to the national code where we have provided significant relief to tenants in respect of their obligations.

The Hon. PENNY SHARPE: Minister, didn't you delay the reintroduction of the national code?

The Hon. DAMIEN TUDEHOPE: Delay it?

The Hon. PENNY SHARPE: Yes.

The Hon. DANIEL MOOKHEY: You were the last State to put it in place, weren't you?

The Hon. DAMIEN TUDEHOPE: Sorry?

The Hon. DANIEL MOOKHEY: New South Wales was the last State to proclaim the national code, wasn't it?

The Hon. DAMIEN TUDEHOPE: In which particular pandemic or phase of the pandemic?

The Hon. DANIEL MOOKHEY: The current pandemic, which took place—I am talking specifically about last year, 2020. You were the last to put the code in place. Correct?

The Hon. DAMIEN TUDEHOPE: Because we in fact took the view that most businesses were being supported by their landlords, but to the extent that it was necessary and we deemed it necessary to apply the code again, and the evidence available to us—and I think the commissioner will bear me out on this—is that—

The Hon. DANIEL MOOKHEY: He had better.

The Hon. DAMIEN TUDEHOPE: He had better, yes. But he will bear me out on this, that by and large, businesses were negotiating and dealing with their landlords to the extent that we initially thought this was a pandemic which could be confined in a period of time.

The Hon. DANIEL MOOKHEY: Basically, you got it wrong for the right reasons is your argument.

The Hon. DAMIEN TUDEHOPE: I do not think anyone got it right, Mr Mookhey, in terms of how long we thought this pandemic would—

The Hon. DANIEL MOOKHEY: To be fair, other States did provide direct relief to tenants because of this particular issue and your Government did not. You would have been better off if you did, wouldn't you?

The Hon. DAMIEN TUDEHOPE: It does not mean that we did not. It means that we had in place a significant opportunity of landlords negotiating directly with their tenants.

The Hon. DANIEL MOOKHEY: Let us come forward in time. We accept that last year's program did not work. Let us talk about this year.

The Hon. DAMIEN TUDEHOPE: I do not accept that.

The Hon. DANIEL MOOKHEY: Fair enough. You do not accept it.

The Hon. DAMIEN TUDEHOPE: Don't say it if you know I am not going to accept it.

The Hon. DANIEL MOOKHEY: You keep defending it.

The Hon. PENNY SHARPE: The program does not work if no-one uses it, Minister.

The Hon. DANIEL MOOKHEY: It is like a hospital; we built it, but it has got no patients.

The Hon. PENNY SHARPE: Is it one of those hospitals with no patients?

The Hon. BEN FRANKLIN: Labor knows all about them.

The Hon. DAMIEN TUDEHOPE: We got \$260-odd million—

The Hon. PENNY SHARPE: Let's not talk about regional New South Wales, shall we?

The Hon. DANIEL MOOKHEY: Can we just go forward in time. I am eager to get the Small Business Commissioner in here to talk about tenants and the code, which is an important issue. Before we do that, how many of the monthly grants of up to \$3,000 for small commercial landlords that face financial hardship have been paid?

The Hon. DAMIEN TUDEHOPE: I do not think the program has—

Mr GADIEL: The program is still open. Applications close on 31 December, so it is too early to say that it is under-subscribed to.

The Hon. DANIEL MOOKHEY: No, I am not suggesting it is.

Mr GADIEL: What we found last time was that the application generally did not go in until the landlord and the tenant had negotiated a rental abatement agreement. Those agreements often come late in the process, and then the application for the tax concession follows after that. Frequently, those applications can be back-end loaded.

The Hon. DANIEL MOOKHEY: What are your expectations of take-up? What is the budget?

Mr GADIEL: We have not revised our expectations at this point because we just do not know enough about what the take-up is likely to be.

The Hon. DAMIEN TUDEHOPE: It is something different that we have done that other States were not doing.

The Hon. DANIEL MOOKHEY: To be fair, you had the money left over.

The Hon. DAMIEN TUDEHOPE: No.

Mr GADIEL: It might be worth pointing out that the global budget was an estimate. If we do not reach that number, that may be a fault with our upfront estimate and not necessarily with the program. The data that we were working with in order to establish that estimate was quite weak.

The Hon. DANIEL MOOKHEY: I accept that. Can we get an update—we had last year's financial figures on land tax relief. There was a land tax relief period for 16 weeks, wasn't there?

The Hon. DAMIEN TUDEHOPE: Yes.

The Hon. DANIEL MOOKHEY: How many people?

Mr JOHNSTON: The question being how many have applied for the 2021-22 program?

The Hon. DANIEL MOOKHEY: Yes.

Mr JOHNSTON: The current number that I have is 2,952 applications for 3,116 properties. The splits for this one, like I gave previously, is 2,599 commercial properties provided rent reductions to the value of \$199.5 million and 517 residential properties provided rent reductions to the value of \$28.8 million. We have currently granted 17.4 million in land tax relief for 440 properties, which the breakup would be 759 commercial properties receiving 16.8 million in land tax relief and 121 residential properties to the value of 0.6 million in land tax relief.

The Hon. DANIEL MOOKHEY: Are you processing the remaining applications? Are they unprocessed?

Mr JOHNSTON: It is live. We are continuing to work through this. I would expect, like last year's iteration, we will receive many more applications closer to the finalisation date.

The Hon. DANIEL MOOKHEY: Which is when?

Mr JOHNSTON: It is the end of the year.

The Hon. DAMIEN TUDEHOPE: Thirty-one December.

The Hon. DANIEL MOOKHEY: How many have been rejected so far?

Mr JOHNSTON: I do not have that on me, Mr Mookhey. I will see if I can get that quickly.

The Hon. DANIEL MOOKHEY: Do you mind, Minister, if we start talking now to the Small Business Commissioner about his mediation service and how that is going?

The Hon. DAMIEN TUDEHOPE: I would be delighted.

The Hon. DANIEL MOOKHEY: I am sure. He is going to bail you out. Small Business Commissioner, can you give us an update as to how your mediation service is currently working?

Mr LAMONT: Yes. We have 42 external panel members, who provide mediation services across the State. Numbers since 1 January, we have had 1,681 applications to the end of September. In terms of set-down mediations, 479. So a little less than the same point last year but tracking very strongly compared to previous years.

The Hon. DANIEL MOOKHEY: Is the nature of the disputes that they are asking you to mediate to do with disputes—

Mr LAMONT: They are primarily landlord-tenant disputes and, obviously, negotiations around rent reduction and/or rent deferral.

The Hon. DANIEL MOOKHEY: Do you have views as to resolution rates?

Mr LAMONT: Ninety per cent that come to us are recognising that a lot of landlords and tenants do agreements privately. Of those that come to us, 90 per cent are settling before the need of court and 86 per cent are settling at or before mediation.

The Hon. DANIEL MOOKHEY: Good. How much have you collected in mediation fees?

Mr LAMONT: Collected 539,000 from 1 January to 30 September this year.

The Hon. DANIEL MOOKHEY: Minister, was any thought given to waiving that during the COVID period?

The Hon. DAMIEN TUDEHOPE: Opening?

The Hon. DANIEL MOOKHEY: Waiving the mediation fees.

Mr LAMONT: I can add that a lot more small business tenants are actually using the \$1,500 voucher for government fees and services. We try to promote that as a way of reducing the cost of mediation.

The Hon. DANIEL MOOKHEY: But that comes at the expense of other government fees and charges that could be used.

Mr LAMONT: Potentially, yes. That is right, Mr Mookhey.

The Hon. DANIEL MOOKHEY: Hence, my question, Minister. Was any thought given to waiving that fee for that service, given it is a relatively insignificant amount?

The Hon. DAMIEN TUDEHOPE: I think that observation is a really important one. There is a significant benefit obtained by the tenant of achieving a mediation result. It is a good use of that money, is what my response would be.

The Hon. DANIEL MOOKHEY: But for a small business that is fighting for its life, perhaps free mediation for a lockdown period is something the Government could have considered. Was it considered?

The Hon. DAMIEN TUDEHOPE: I have to say that the mediation service, which we have significantly funded as part of this package, is a very successful package that has benefited most of the small businesses that have applied. They have got a significant benefit out of the mediation service which is available.

The Hon. DANIEL MOOKHEY: So you are saying it is a good return on investment for them to pay that fee?

The Hon. DAMIEN TUDEHOPE: And a good use of a government grant.

The Hon. DANIEL MOOKHEY: You keep defending that.

The Hon. DAMIEN TUDEHOPE: I will keep defending it because we have just increased that.

The Hon. DANIEL MOOKHEY: Have you reached a determination on Kate Carnell's recommendation for there to be an introduction of binding mediation and arbitration through the Office of the NSW Small Business Commissioner insofar as the statutory review provided an insight as to whether or not the Government should give Mr Lamont powers to arbitrate and make binding determinations? What is the Government's policy response to that question?

The Hon. DAMIEN TUDEHOPE: I will let Mr—

The Hon. DANIEL MOOKHEY: No, it is a policy question. It is to you. He cannot answer for government policy—only you can.

The Hon. BEN FRANKLIN: Come on, Daniel.

The Hon. DANIEL MOOKHEY: It is true. Is it government policy to make it binding arbitration or not?

The Hon. DAMIEN TUDEHOPE: I am aware of the suggestion.

The Hon. PENNY SHARPE: Yes, no, we are thinking about it?

The Hon. DAMIEN TUDEHOPE: I think mediation is an appropriate process to go through.

The Hon. DANIEL MOOKHEY: I asked you this two years ago.

The Hon. BEN FRANKLIN: You were doing so well, Daniel.

The Hon. DANIEL MOOKHEY: I have got to keep it interesting for people.

The Hon. BEN FRANKLIN: We are almost at a break.

The Hon. DAMIEN TUDEHOPE: In terms of the policy position in relation to mediation of disputes between landlords and tenants, I generally think that we have a successful mediation program available. It works well. Making it compulsory is not necessarily something that I have promoted.

The Hon. DANIEL MOOKHEY: I accept that.

The Hon. DAMIEN TUDEHOPE: The commissioner may have a different view.

The Hon. DANIEL MOOKHEY: To be fair, the question was not about tenancy disputes. It was about giving the commissioner, under his Act, the powers to make binding arbitration and mediation on many disputes, which would include franchise disputes and many others. You accept that was the recommendation?

The Hon. DAMIEN TUDEHOPE: I do.

The Hon. DANIEL MOOKHEY: Hence, I am asking you, as a policy response from the Government, given that this statutory review was given to you years ago, has the Government finalised its position on such suggestions?

The Hon. DAMIEN TUDEHOPE: It is not a position that I currently hold.

The CHAIR: On that note, it is time for us to have a break.

(Short adjournment)

The CHAIR: Welcome back.

The Hon. DAMIEN TUDEHOPE: Before the short adjournment I recall the question being asked by the Hon. Daniel Mookhey was in relation to the hardship fund for landlords. Am I correct in identifying that?

The Hon. DANIEL MOOKHEY: Sure. Keep going.

The Hon. DAMIEN TUDEHOPE: It may or may not need further clarification but the answer given was in respect of land tax relief offered to landlords who had provided assistance to their tenants.

The Hon. DANIEL MOOKHEY: Yes.

The Hon. DAMIEN TUDEHOPE: I think you prefaced the question by asking in respect of applications under the hardship fund because you may recall that the Government, as part of the package, provided to landlords an opportunity to make application to a hardship fund in circumstances where they had provided relief to their tenants and they could make application to that fund. I am not sure that the answer in relation to land tax relief also was meant to encompass applications to the hardship fund.

The Hon. DANIEL MOOKHEY: No, it was just a general update on land tax, but thank you for clarifying.

The Hon. DAMIEN TUDEHOPE: They are two separate forms of relief: One is a hardship fund, the other is a land tax relief.

The CHAIR: We will resume questions from the Opposition.

The Hon. DANIEL MOOKHEY: Let us talk about some of the other aspects of COVID enforcement. Do we have the total number of infringement notices that were issued for breaches of the COVID-19 public health orders between 1 July 2021 and 11 October 2021 and the revenue that Revenue NSW has collected?

The Hon. DAMIEN TUDEHOPE: Is that a question about COVID public health orders?

The Hon. DANIEL MOOKHEY: Infringements of the public health orders that Revenue NSW is now collecting. Do we have the number of public health order infringement notices that were issued?

The Hon. DAMIEN TUDEHOPE: We do have the number, but I suppose the policy position which underpins the number is that we are committed to collecting money which is due and payable pursuant to—

The Hon. DANIEL MOOKHEY: Yes, I have no doubt the policy of the Government is to collect money—

The Hon. DAMIEN TUDEHOPE: It is always good to preface the answer and the numbers on the basis of the efficacy of the public health orders and why they are in place. I will pass to Mr Johnston to identify the recovery process in relation to public health order breaches.

The Hon. DANIEL MOOKHEY: That is good. I am interested in the recovery process for those things, but I am also interested in the number.

The Hon. DAMIEN TUDEHOPE: The number that has been issued.

Mr JOHNSTON: Mr Mookhey, from 25 June this year to 17 October there were 49,962 fines issued.

The Hon. DANIEL MOOKHEY: Sorry, your audio is a bit unclear again. 25 June to 19 October?

Mr JOHNSTON: The seventeenth.

The Hon. DANIEL MOOKHEY: How many?

Mr JOHNSTON: It was 49,962.

The Hon. DANIEL MOOKHEY: How many of those were for people who were residents of LGAs of concern? Do you have that broken down or do you have it broken down by LGA?

Mr JOHNSTON: I would have to take that on notice, Mr Mookhey, but I would be able to provide that.

The Hon. DANIEL MOOKHEY: Thank you very much, chief commissioner. Do you know the total value of the 49,000 infringement notices?

Mr JOHNSTON: The total value is \$45,504,900.

The Hon. DANIEL MOOKHEY: Sorry, can you repeat that?

Mr JOHNSTON: It was \$45,504,900.

The Hon. DANIEL MOOKHEY: Thank you. Has that all been collected or are you in the process of collecting it?

Mr JOHNSTON: No, we are in the process of collecting it.

The Hon. DANIEL MOOKHEY: Do you have that broken down by LGA or can you get that broken down by LGA?

Mr JOHNSTON: I can do that, Mr Mookhey, yes. I will take that on notice; I do not have it with me.

The Hon. DANIEL MOOKHEY: Thank you very much. Do you know how many people the 49,000 infringement notices were issued to?

Mr JOHNSTON: I will come back to you on that specific number. It would be similar, but there will be some multiples.

The Hon. DANIEL MOOKHEY: Do you know how many of them were businesses?

Mr JOHNSTON: Fines issued to businesses were 436.

The Hon. DANIEL MOOKHEY: There were 436 fines to businesses?

Mr JOHNSTON: Yes.

The Hon. DANIEL MOOKHEY: Do you have the value of the infringement notices issued to those businesses?

Mr JOHNSTON: It was \$2.16 million.

The Hon. DANIEL MOOKHEY: Is that part of the \$45 million that you referred to before?

Mr JOHNSTON: Yes, that would be.

The Hon. DANIEL MOOKHEY: Can you tell me how many hardship applications you have received?

Mr JOHNSTON: Sorry, I will take that on notice as well.

The Hon. DANIEL MOOKHEY: Minister, for a variety of the grant programs, businesses or applicants who were found to be ineligible, some of them were capable of recourse to the hardship assessment, correct?

The Hon. DAMIEN TUDEHOPE: Yes.

The Hon. DANIEL MOOKHEY: Who made that assessment?

The Hon. DAMIEN TUDEHOPE: Who makes it?

The Hon. DANIEL MOOKHEY: Yes.

The Hon. DAMIEN TUDEHOPE: I think the chief commissioner is responsible for that.

The Hon. DANIEL MOOKHEY: It was a bit ambiguous in the public communication. I was not sure if there was a reference to the hardship board that exists in terms of which hardship to provide additional assistance to, for example, for micro-businesses or others who did not meet the eligibility criteria. Who actually processed hardship applications?

The Hon. DAMIEN TUDEHOPE: Revenue is processing those hardship applications or is charged with responsibility of processing those applications.

The Hon. DANIEL MOOKHEY: Do you have the number of applications were received for grants programs that were denied under their main criteria?

Mr JOHNSTON: I can give the number of applications that were received. They have not necessarily all been previously denied though. I would have to—

The Hon. DANIEL MOOKHEY: Sure.

Mr GADIEL: It is 142.

The Hon. DANIEL MOOKHEY: Thank you, Mr Gadiel. What were they for, which programs— JobSaver, the micro, the code grants—

Mr GADIEL: I do not know right now. We can take that on notice.

The Hon. DANIEL MOOKHEY: Thank you very much. Do you know the outcomes of those 142 hardship applications?

Mr JOHNSTON: If I can get myself mobile, I will be able to.

The Hon. DANIEL MOOKHEY: We might pause then and allow Mr Shoebridge to ask his questions.

Mr DAVID SHOEBRIDGE: Minister, officials, nice to see you all. Minister, as finance Minister, what are your portfolio responsibilities in relation to cemetery management?

The Hon. DAMIEN TUDEHOPE: I do not think cemeteries fall under any of the allocation of Acts for which I am responsible.

Mr DAVID SHOEBRIDGE: Can you indicate what your involvement has been on the issue of cemeteries in the last few months in government?

The Hon. DAMIEN TUDEHOPE: You asked me a question about this, Mr Shoebridge, in the Chamber. I gave you a response in the Chamber that the issue relating to cemeteries is a matter which is currently before Cabinet and I will not be answering questions in relation to matters which are currently before the Cabinet.

Mr DAVID SHOEBRIDGE: In relation to cemetery management, I am told that members of the Greek, Muslim and Christian Orthodox communities have sought to have meetings with you—

The Hon. DAMIEN TUDEHOPE: With me?

Mr DAVID SHOEBRIDGE: —especially given their requirements for burial enactments, interments. Have they?

The Hon. DAMIEN TUDEHOPE: To the best of my knowledge the answer to that is no.

Mr DAVID SHOEBRIDGE: Are you willing to meet with them?

The Hon. DAMIEN TUDEHOPE: You asked me a question in relation to whether it is in my responsibility. I do not shy away from having meetings with people who want to make applications to me or representations to me, but the Minister responsible for this is Minister Pavey. I would have thought that the appropriate person to be having meetings with in respect of cemeteries and cemetery policy would be the responsible Minister.

Mr DAVID SHOEBRIDGE: Yes, but the concern is, Minister, that you or members of your office have directed senior NSW Treasury officials to model additional options from those put forward by the portfolio Minister in relation to Crown cemetery reform, which are based upon the continuing involvement of the Catholic Archdiocese and people want to speak with you about that. That is not unreasonable, is it?

The Hon. DAMIEN TUDEHOPE: I have told you already—and please do not try and cross-examine me about a matter which is before Cabinet—I am not going to engage in a discussion about confidential Cabinet matters and the outcome of those matters. It is entirely inappropriate to use this as a forum to try and explore a Cabinet decision and the process of a Cabinet decision relating to cemeteries.

Mr DAVID SHOEBRIDGE: Minister, it would be, potentially, except for the fact you are stepping well outside your ministerial responsibilities.

The Hon. DAMIEN TUDEHOPE: Well, you say that, Mr Shoebridge. You say that.

Mr DAVID SHOEBRIDGE: You are.

The Hon. DAMIEN TUDEHOPE: You say that.

Mr DAVID SHOEBRIDGE: You are stepping well outside your ministerial responsibilities by putting matters into Cabinet—

The Hon. BEN FRANKLIN: Point of order: Madam Chair, I know that there is a lot of leniency given to the broad range of topics that are discussed in budget estimates—and Mr Mookhey, for example, has pushed the envelope a little today, but I have not jumped in at all because they were reasonable questions—but this is now going way beyond. It is obviously something that is before Cabinet to start with, which is the first point. The second point is he is asking for matters of opinion. His fundamental question was: Would he meet with people? The Minister has answered that question already; he has made it clear that he is not going to answer further because it is currently before the Cabinet. I ask that you ask the member to continue to move on, and rule this line of questioning out of order.

Mr DAVID SHOEBRIDGE: To the point of order: It is clearly within the terms of reference. I am, if nothing else, exploring what is before Cabinet that we cannot talk about. It is clearly within the terms of reference.

The CHAIR: The questions are not out of order. The Minister is entitled to answer them as he sees fit and is doing so.

Mr DAVID SHOEBRIDGE: Minister, had you completed your answer?

The Hon. DAMIEN TUDEHOPE: I reinforce the point that this is not my portfolio responsibility.

Mr DAVID SHOEBRIDGE: Then, Minister, I ask again: Why was it that you brought to Cabinet, with only a few days' notice, a proposal in relation to cemeteries, which gave an ongoing role for the Catholic Archdiocese? If it is not in your portfolio, what were you doing even bringing it to Cabinet?

The Hon. DAMIEN TUDEHOPE: You say that, Mr Shoebridge. It is a matter before Cabinet. I am not going to engage in a conversation with you about a matter which is before Cabinet. I have input on most matters which appear before Cabinet and I am not going to engage in a conversation with you about what I did or did not do in relation to cemeteries before the Cabinet, and you know it.

Mr DAVID SHOEBRIDGE: Minister, were you a board member of the Catholic Cemeteries Board Ltd?

The Hon. DAMIEN TUDEHOPE: I have disclosed that continuously, including in the House in an answer to you. The answer is yes.

Mr DAVID SHOEBRIDGE: And when were you a board member of the Catholic Cemeteries Board Ltd, which, as we both know, is the appointed reserve manager of the Crown trust, being the Catholic Metropolitan Cemeteries Trust?

The Hon. DAMIEN TUDEHOPE: To the best of my recollection, I resigned that position when I took on the role of chief of staff to the Attorney General in 2011.¹

Mr DAVID SHOEBRIDGE: And have you disclosed that as a potential conflict of interest or conflict of interest in all or any deliberations involving either the Cabinet or the Expenditure Review Committee of Cabinet when the issue of cemetery reform has arisen?

The Hon. DAMIEN TUDEHOPE: Yes.

Mr DAVID SHOEBRIDGE: Minister, is it true that the option that you brought that you sought Treasury officials to develop was actually in breach of the ICAC direct dealing guidelines and is estimated to cost New South Wales taxpayers at least \$500 million in lost value? Is that true?

The Hon. DAMIEN TUDEHOPE: Mr Shoebridge, you can give speeches in this forum if you want to in relation to that issue; I will not be commenting about any issues which are before the Cabinet. If you want to make a speech here in this forum about what I have or have not done in relation to cemeteries, keep on going, but I am not going to be engaging in that conversation with you.

The Hon. BEN FRANKLIN: You are wasting the time of senior public servants. It is outrageous. They actually have a job to do, you know—the job that Daniel was trying to cross-examine.

Mr DAVID SHOEBRIDGE: I am going to take a point of order on Mr Franklin.

The CHAIR: Let us continue with the questions.

¹ In [correspondence](#) to the committee dated 25 November 2021, The Hon. Damien Tudehope MP, clarified his evidence to "Minister Tudehope joined the Board on 9 July 2014 and resigned from the Board on 27 February 2015, prior to being elected to Parliament on March 28 2015".

Mr DAVID SHOEBRIDGE: Minister, in August of last year you would be aware that the State Government rejected the Catholic Cemetery Board Ltd's proposal to transfer public cemetery land to another archdiocese-owned company. You would be aware that that was rejected in August of last year.

The Hon. DAMIEN TUDEHOPE: Mr Shoebridge, that is a matter for the portfolio Minister and I suggest you ask those questions to the portfolio Minister responsible.

The Hon. PETER POULOS: Indeed.

Mr DAVID SHOEBRIDGE: Minister, you know, don't you, that under that deal that would have meant the Catholic Cemetery Board Ltd and Catholic Cemeteries and Crematoria would have taken control of this city's cemeteries on a 99-year lease together with \$130 million in perpetual funds? That was the proposal, wasn't it, Minister?

The Hon. DAMIEN TUDEHOPE: Mr Shoebridge, you and I well know my position in front of this estimates committee is: You can make the speeches; I will not be commenting on matters which are currently before Cabinet.

Mr DAVID SHOEBRIDGE: Minister, are you aware of the fact that that proposal, which was designed to benefit non-government entities—

The Hon. BEN FRANKLIN: This is all just grandstanding.

Mr DAVID SHOEBRIDGE: —the Catholic Cemeteries Board Ltd and Catholic Cemeteries and Crematoria—

The Hon. BEN FRANKLIN: It is all just for your little social media grab; it is not actually about trying to find real information.

Mr DAVID SHOEBRIDGE: I will start again.

The Hon. BEN FRANKLIN: It is pathetic, David. You are above this.

The CHAIR: Order!

The Hon. PENNY SHARPE: Point of order: You have been very well behaved, Ben.

The CHAIR: Mr Franklin, Mr Shoebridge has the call. He can ask these questions and the Minister will answer as he sees fit. Let us just get through the rest of the afternoon. Mr Shoebridge has the call.

Mr DAVID SHOEBRIDGE: Minister, are you aware of the fact that the proposal that was brought by the Catholic Cemetery Board Ltd that would have benefited the Catholic Archdiocese and entities associated with it, that the costs of developing that proposal were met from the Catholic Metropolitan Cemeteries Trust public funds? Are you aware of that fact?

The Hon. DAMIEN TUDEHOPE: Mr Shoebridge, I am not the portfolio Minister in respect of cemeteries. Questions relating to cemeteries should be directed to the portfolio Minister.

Mr DAVID SHOEBRIDGE: But, Minister, you indicated in your answers to the House that you have significant expertise in relation to cemeteries. I am assuming therefore that you would have been aware of the fact that the \$1 million or so cost of developing that proposal for the benefit of the Catholic Archdiocese—

The Hon. DAMIEN TUDEHOPE: Well, quite frankly—

Mr DAVID SHOEBRIDGE: —was actually met from public funds and came out of the Catholic Metropolitan Cemeteries Trust funds. I am assuming you would have been aware of that fact and troubled by it.

The Hon. DAMIEN TUDEHOPE: Mr Shoebridge, I have already told you and answered your question in relation to this. I am not the portfolio Minister responsible for cemeteries. To the extent that you are making assertions in relation to another Minister's portfolio, I suggest that you use your time more effectively by reserving those questions for the portfolio Minister.

Mr DAVID SHOEBRIDGE: Minister, the reason I am asking you these questions is because you have taken it upon yourself to directly involve yourself in this by bringing the matter to Cabinet in a proposal to Cabinet directly involving and benefiting the Catholic Archdiocese. That is why I am asking you. And if we cannot cover that in budget estimates, what can we do? That has been your work. You have been doing that job as a Minister and now you are refusing to answer questions about it.

The Hon. DAMIEN TUDEHOPE: Can I suggest to you that all this does is display the Catholic bigotry which you have. In fact, this is a line of questioning, Mr Shoebridge, which is consistent with the absolute bigotry which you have consistently displayed not only in the Parliament but everywhere else in this State. If you want to continue your role as the high priest of Catholic bigotry, continue doing it. I have always acted with the utmost propriety in relation to my involvement in that issue in Cabinet discussions. I will not be disclosing Cabinet issues in relation to this issue. I suggest to you that you move on and ask me questions about my portfolio responsibility and not continue this whole line of questioning which is underpinned by your reliance on Catholic bigotry and the way that you express it not only in the House but in this line of questioning.

Mr DAVID SHOEBRIDGE: Minister, you are suggesting—

The Hon. DAMIEN TUDEHOPE: I am suggesting that this is bigotry.

Mr DAVID SHOEBRIDGE: Let me finish the question. You are suggesting that me asking you questions about whether \$1 million of public money was taken from the Catholic Metropolitan Cemeteries Trust and used to develop a proposal to—

The Hon. DAMIEN TUDEHOPE: And I have answered that question.

Mr DAVID SHOEBRIDGE: Let me finish, Minister. It was used to develop a proposal to benefit the Catholic Cemeteries Board and the Catholic Archdiocese of Sydney. You are suggesting that that question about integrity of public money is Catholic bigotry. Is that really your position as a Minister of the Crown?

The Hon. DAMIEN TUDEHOPE: I am suggesting to you that—

Mr DAVID SHOEBRIDGE: Is that really your position? You equate integrity—

The CHAIR: Mr Shoebridge, you have to let him answer the question.

The Hon. BEN FRANKLIN: Seriously, you are just going to keep yelling over him are you, David? That is your strategy?

The CHAIR: The question has been asked. You need to let him answer the question.

The Hon. DAMIEN TUDEHOPE: I am suggesting to you that you are motivated by bigotry, David.

Mr DAVID SHOEBRIDGE: I am suggesting to you that you bringing that proposal to remove substantial value from the public and hand it over to entities controlled by the Catholic archdiocese is motivated by your willingness to benefit the archdiocese at the expense of the public.

The Hon. DAMIEN TUDEHOPE: You say that, David—

Mr DAVID SHOEBRIDGE: I am giving you the opportunity to deny that now.

The Hon. BEN FRANKLIN: Are you?

The Hon. DAMIEN TUDEHOPE: You say that, and I have consistently said to you that I will not be commenting in this forum about issues which are currently before Cabinet. If you have an issue in relation to a particular management of a cemetery, you should be asking the portfolio Minister.

Mr DAVID SHOEBRIDGE: I have an issue with matters that potentially are going to cost the people of New South Wales half a billion dollars or more being rushed through Cabinet with 48 hours' notice from a Minister who has no apparent portfolio responsibility for it.

The Hon. DAMIEN TUDEHOPE: Ask the portfolio Minister about that.

Mr DAVID SHOEBRIDGE: You are refusing to explain yourself, Minister.

The Hon. DAMIEN TUDEHOPE: Ask the portfolio Minister about it. The fact that you are asking me about it—

Mr DAVID SHOEBRIDGE: I am asking you about it because you brought it to Cabinet. You refuse to deny it. You know full well you did it.

The Hon. DAMIEN TUDEHOPE: And I refuse to accept it. I have consistently told you that I will not discuss in this forum matters which are currently before Cabinet. I have told you that in the Chamber.

Mr DAVID SHOEBRIDGE: Have you brought matters to Cabinet outside of your portfolio in relation to cemeteries?

The Hon. DAMIEN TUDEHOPE: I will not be discussing in this forum matters which are currently before Cabinet.

The Hon. DANIEL MOOKHEY: Minister, let me ask you a question about a specific concern.

The Hon. DAMIEN TUDEHOPE: About my portfolio? That would be good.

The Hon. DANIEL MOOKHEY: I am conscious I might, with your permission, Minister—

The Hon. BEN FRANKLIN: I never thought Daniel was going to be the calm one.

The Hon. DANIEL MOOKHEY: I was the calm one. Minister, I am going to ask, perhaps, the final questions to the Small Business Commissioner and/or Mr Gardner and you can then decide if you would like to continue their attendance or not. It is up to you. It is your discretion. Is that fair, Minister?

The Hon. DAMIEN TUDEHOPE: Fair.

The Hon. DANIEL MOOKHEY: Minister, you are aware that the application of the toll on the M5 East has created a rat run around the surrounding streets of St George, particularly around the Bexley Town Centre. The Bexley Chamber of Commerce reported an increase in noise from trucks and the loss of shopfront parking due to clearways applied in February 2020 and, of course, they have been dealing with the COVID-19 downturn. The Bexley Chamber of Commerce has written to the Small Business Commission after being referred by your office. I am wondering if you or the small business commissioner can give us an update as to what assistance has been provided to those Bexley small businesses that are dealing with the rat runs, especially those arising from trucks that are not using the M5 East as a result of prohibitive tolls.

The Hon. DAMIEN TUDEHOPE: That is a multifaceted question. A lot of it, again, is outside of my portfolio responsibility, but I do not shy away from this fact—

The Hon. DANIEL MOOKHEY: Minister, on the portfolio responsibility, it actually is not, because you referred them to the Small Business Commission.

The Hon. DAMIEN TUDEHOPE: Sure.

The Hon. DANIEL MOOKHEY: They are a chamber of commerce that represents small businesses. Let us just accept they are within your portfolio responsibilities and give me the update.

The Hon. DAMIEN TUDEHOPE: We have a responsibility to develop a road system which relieves congestion in this State. When we came to office in 2011, the greatest complaint which I heard from constituents in respect of the impact on their day-to-day lives was sitting in traffic. What we have in fact done, in many respects, is deliver the infrastructure which the many previous governments failed to deliver over a long period.

The Hon. DANIEL MOOKHEY: I appreciate that. Can we just get to the Bexley assistance? These small businesses are—

The Hon. DAMIEN TUDEHOPE: What we have done, in fact, which benefits a whole host of small businesses both in the delivery of the infrastructure and in the existence of a complete overhaul of the WestConnex, is given a significant benefit to businesses by shortening the amount of time that people are spending in traffic. To your specific point, in relation to tolls, you would be aware that we have increased the rebate available to small businesses in relation to government charges to be able to include tolls. What we anticipate is that lots of businesses which have been using that rat run—

The Hon. DANIEL MOOKHEY: This is three and a half minutes into a question that was really about what is going on with the Bexley small business chamber's appeal to the Small Business Commission in respect to this issue. Your point is well made. I may disagree with it, but you have made it well. Can we hear from Mr Lamont?

The Hon. DAMIEN TUDEHOPE: It is underpinned by an opportunity for businesses to be able to use toll relief.

The Hon. DANIEL MOOKHEY: Minister, take the hint. I am trying to allow Mr Lamont to get his afternoon back.

The Hon. DAMIEN TUDEHOPE: He is getting it back now.

The Hon. DANIEL MOOKHEY: Perhaps you can allow him to give me this update, I can ask him a few more questions and you can decide whether he needs to stay.

Mr LAMONT: Mr Mookhey, my office has facilitated discussion between Transport for NSW, the Bexley chamber and, I think, businesses who may or may not belong to the Bexley chamber. I understand that the discussions to date have discussed the plans for the infrastructure concerned. There was, to my understanding, to

be an ongoing dialogue. I would need to provide a further update as to what has happened since the last meeting, but we have facilitated discussions between Transport, the chamber and some of the impacted businesses.

The Hon. DANIEL MOOKHEY: Thank you for the efficiency of your response there. Whilst you are here, Minister, can you tell us when exactly the New South Wales Government will complete its review of the Faster Payment Terms Policy?

The Hon. DAMIEN TUDEHOPE: I beg your pardon?

The Hon. DANIEL MOOKHEY: When will the Government complete the review into the Faster Payment Terms Policy?

The Hon. DAMIEN TUDEHOPE: I will perhaps pass to Mr Gardner in relation to that. I think that is imminent.

The Hon. DANIEL MOOKHEY: Before we get to Mr Gardner, I might ask you the next question which I was going to ask you. Who exactly is doing this review?

The Hon. DAMIEN TUDEHOPE: I will pass to Mr Gardner.

The Hon. DANIEL MOOKHEY: And what exactly are the terms of reference of the review?

The Hon. DAMIEN TUDEHOPE: I will pass to Mr Gardner.

The Hon. DANIEL MOOKHEY: Do you not know?

The Hon. DAMIEN TUDEHOPE: If you want me to talk about faster payments—

The Hon. DANIEL MOOKHEY: You are aware that your government committed to a review?

The Hon. DAMIEN TUDEHOPE: Absolutely.

The Hon. DANIEL MOOKHEY: Where did the Government make that commitment?

The Hon. DAMIEN TUDEHOPE: I do not specifically know the document.

The Hon. DANIEL MOOKHEY: When did the Government make that commitment?

The Hon. BEN FRANKLIN: The Minister has every right to pass to one of his public servants.

The Hon. DANIEL MOOKHEY: I am going to hear from Mr Gardner, but I am asking some questions first.

The Hon. DAMIEN TUDEHOPE: I will pass to Mr Gardner, but I would like to talk about faster payments.

The Hon. DANIEL MOOKHEY: No.

The Hon. DAMIEN TUDEHOPE: You have asked your questions. I will give you the answer.

The Hon. DANIEL MOOKHEY: Minister, you are too fast to want to get into this.

Mr DAVID SHOEBRIDGE: It is faster payments.

The Hon. DANIEL MOOKHEY: Indeed. You are aware that your government committed to this last week, yes?

The Hon. DAMIEN TUDEHOPE: To?

The Hon. DANIEL MOOKHEY: A review of the Faster Payment Terms Policy. Are you aware of that?

The Hon. DAMIEN TUDEHOPE: No, I was not specifically aware.

The Hon. DANIEL MOOKHEY: Can I read to you the economic strategy document that was released last week? Let me read it to you, and it might give you some context. Your government said last week, in the economic recovery strategy document:

To make it easier for small businesses to operate, the NSW Government is committed to a review of the current 'Faster Payment Terms' policy which ensures that payments by government to small business suppliers is as fast as possible.

Now of course we support the Faster Payments Policy. It is a good policy. We think you should go harder, but—

The Hon. DAMIEN TUDEHOPE: What, more than five days?

The Hon. DANIEL MOOKHEY: Yes. Were you not aware that your Government had made that commitment until I just read it to you?

The Hon. DAMIEN TUDEHOPE: No, I was aware of it.

The Hon. DANIEL MOOKHEY: When did you become aware of it, Minister?

The Hon. DAMIEN TUDEHOPE: I was aware of the discussions around it last week.

The Hon. DANIEL MOOKHEY: Were you involved in the discussions?

The Hon. DAMIEN TUDEHOPE: The short answer to that is no, but an essential component of the way that government does business is that we have consistently sought to embrace Faster Payments in terms of the way that we deliver outcomes for small businesses. I think we ought to embrace that as a policy position—

The Hon. DANIEL MOOKHEY: I just did embrace that as a policy position.

The Hon. DAMIEN TUDEHOPE: Absolutely. So the—

The Hon. DANIEL MOOKHEY: But I am asking, if your government commenced a review of it—

The Hon. DAMIEN TUDEHOPE: The question is how—and it is always open for us to do better. One of the initiatives that we have taken is requiring those contractors who do business with the Government, as a term of their contract, to warrant that they will be using Faster Payment Terms in respect of their subcontractors. That is an extension of the existing procurement policy that the Government has adopted and is currently rolling out. Going from a period where we initially started with a 21-day Faster Payment Terms, we have now got that down to a five-day Faster Payment Terms and we are now extending it further to having the Government requiring its contractors to also embrace Faster Payment Terms.

The Hon. DANIEL MOOKHEY: But just to be clear, are you not trialling that with subcontractors or are you embracing it?

The Hon. DAMIEN TUDEHOPE: Trialling it.

The Hon. DANIEL MOOKHEY: When is the trial wrapping up?

The Hon. DAMIEN TUDEHOPE: It has. In fact, perhaps Mr Gardner—

The Hon. DANIEL MOOKHEY: I wasn't asking—

The Hon. DAMIEN TUDEHOPE: I would like Mr Gardner to give that detail.

The Hon. DANIEL MOOKHEY: I am about to give it. I was about to give it but I was also going to ask whether or not Mr Lamont is involved with this.

Mr LAMONT: No. The policy started off with the commission. There have been some changes to the operation of the current program that were made earlier this year. Mr Mookhey, at the last estimates session I advised that there 9,995 small businesses registered for Faster Payments. We have changed the array that businesses can register, so we have included the supply hub businesses that have registered that are small businesses. So we have now got 20,375 businesses. That is a significant change to how the policy was operating previously.

The Hon. DANIEL MOOKHEY: That is good.

Mr LAMONT: It has moved to outside the commission for the review. So Mr Gardner I think can provide further information.

The Hon. DANIEL MOOKHEY: Just before we do hear from him, another question I was going to ask you, Commissioner, was: When were you first advised that the New South Wales Government was doing this review?

Mr LAMONT: I was involved in discussions probably for the last two months about the potential for a review of Faster Payments.

The Hon. DANIEL MOOKHEY: Were you aware that it was being included in the strategy that was announced last week?

Mr LAMONT: Yes.

The Hon. DANIEL MOOKHEY: Thank you. We can hear from Mr Gardner now.

Mr GARDNER: The Faster Payments Policy is a policy of the Small Business Commission so we have very little if any involvement in that. But the policy that we have involvement in—I think you are questioning around it purely at a trialling—is the shorter payment terms policy, which the Minister referred to as the one that requires suppliers indirectly through their subcontracting enterprises to pay in as short as period as possible. That pilot was run in the first half of this year. We actually have implemented the policy as of 1 July this year so it is a requirement of [disorder].

The Hon. DANIEL MOOKHEY: Okay. But that was a separate policy from the one that the Minister was referring to?

Mr GARDNER: Yes, that is a separate policy.

The Hon. DANIEL MOOKHEY: Okay. Look, don't take this the wrong way Mr Gardner, but—

Mr DAVID SHOEBRIDGE: That is a bad start to any question.

The Hon. DANIEL MOOKHEY: —it was slightly anti-climatic. I was really looking forward to you being able to provide these details about the review that the Government announced last week without telling the small business Minister. Now we are back to you, given that Mr Gardner was not involved, Minister. It is a separate policy than the one you just referred to. It is Faster Payment Terms. Your Government committed to it. Do you know who is doing this review?

The Hon. DAMIEN TUDEHOPE: Who is doing the review?

Mr LAMONT: The policy transferred from my office to buy.nsw, the supplier, so I suspect they are involved in the review.

The Hon. DANIEL MOOKHEY: Who is buy.nsw again? Is that Mr Gardner's group?

Mr GARDNER: No, that is the Department of Customer Service.

Mr DAVID SHOEBRIDGE: Victor.

The Hon. DANIEL MOOKHEY: Victor is doing this review, is he?

Mr DAVID SHOEBRIDGE: I think this is a question that has been taken on notice.

The Hon. DANIEL MOOKHEY: No, they haven't actually taken this on notice. And I am not going to let the Minister off so easily, because he is the small business Minister. You are the procurement Minister and it is your policy. You are seriously telling me—

The Hon. PENNY SHARPE: That Victor has got it.

The Hon. DANIEL MOOKHEY: —that you do not know who is doing this review that your government announced last week and nominated this as part of the economic recovery strategy? Seriously, no-one told you?

The Hon. DAMIEN TUDEHOPE: Are you seriously asking me this?

The Hon. PENNY SHARPE: Yes.

The Hon. DANIEL MOOKHEY: Did the email end up in your junk filter?

The Hon. DAMIEN TUDEHOPE: Listen, just ask questions nicely, alright?

The Hon. DANIEL MOOKHEY: I am asking you the question.

The Hon. DAMIEN TUDEHOPE: And don't include the pejoratives.

The Hon. DANIEL MOOKHEY: I won't if you won't. Minister, let's just do this. Who is reviewing this policy?

The Hon. DAMIEN TUDEHOPE: To the extent that it is being, there is a combination between Faster Payment Terms and buy.nsw, because the way the scheme operates is that for a business to be entitled to the benefits of the Faster Payments scheme they need to be registered with buy.nsw as a registered business with buy.nsw. Now, buy.nsw is a Service NSW initiative to make sure that businesses are registered for the purposes of doing business with the New South Wales State Government.

The Hon. DANIEL MOOKHEY: I appreciate that but the Faster Payment Terms Policy is your—you are the Minister responsible for that policy, are you not—the Faster Payments Policy, yes?

The Hon. DAMIEN TUDEHOPE: The Faster Payments Policy insofar as that it is a component of the Small Business Strategy it is part of my responsibility, but in terms of the oversight, the delivery of it—

The Hon. DANIEL MOOKHEY: Do you know if buy.nsw is doing the review or is that your speculation?

The Hon. DAMIEN TUDEHOPE: It would be my speculation but because of the synergy which exists between buy.nsw and the delivery of the Faster Payment Terms Policy, I would expect that buy.nsw would be doing an analysis of the extent to which people who are entitled to faster payments are receiving them.

The Hon. DANIEL MOOKHEY: Can I invite you to take on notice the following questions: Who is doing the review? Is it an independent review? What are the review's terms of reference? When is the review meant to be finished? And to whom will the report of the review be given?

The Hon. DAMIEN TUDEHOPE: I am happy to take those questions on notice.

The Hon. DANIEL MOOKHEY: Thank you.

The Hon. DAMIEN TUDEHOPE: I think what you ought to be doing is embracing the policy, Daniel.

The Hon. DANIEL MOOKHEY: I am trying to. You are the one who is reviewing it. I am trying to figure out what exactly it is I am embracing.

The Hon. DAMIEN TUDEHOPE: We are on the same page.

The Hon. DANIEL MOOKHEY: Let's turn to the next one. When is the Event Saver Fund going to be established?

The Hon. DAMIEN TUDEHOPE: I must say—

The Hon. DANIEL MOOKHEY: Is the Small Business Commissioner involved in this? No? The Small Business Commissioner is not involved.

The Hon. DAMIEN TUDEHOPE: No, it is a Treasury initiative, I thought.

The Hon. DANIEL MOOKHEY: It is and it affects a lot of small businesses.

The Hon. DAMIEN TUDEHOPE: It does and I accept that it is a good program, but I think it is probably a combination of Minister Ayres and Treasury.

The Hon. DANIEL MOOKHEY: Okay. Because, look, to be fair, we have asked this of other Ministers and we are struggling to identify the Minister with carriage of this particular fund.

The Hon. DAMIEN TUDEHOPE: Let me take that on notice as well.

The Hon. DANIEL MOOKHEY: To the best of your knowledge, you are not the Minister?

The Hon. DAMIEN TUDEHOPE: No.

The Hon. DANIEL MOOKHEY: Okay. Fair enough. I will not push you too much further on that particular point. You are the shareholding Minister for the Transport Asset Holding Entity?

The Hon. DAMIEN TUDEHOPE: Yes.

The Hon. DANIEL MOOKHEY: You are one of the two?

The Hon. DAMIEN TUDEHOPE: One of two.

The Hon. DANIEL MOOKHEY: What is your involvement as a shareholding Minister?

The Hon. DAMIEN TUDEHOPE: Let me read it to you. I am surprised that you have asked me that question but I am delighted in one sense, because—

The Hon. PENNY SHARPE: You are not really surprised, Minister.

The Hon. DAMIEN TUDEHOPE: No, I am not surprised. The responsibilities of the shareholding Minister are well set out in the Act. If you look at them, my responsibility is to review six-monthly business performance reports or receive them, I have meetings with chairs and CEOs, I review the statements of corporate intent, and I—

The Hon. DANIEL MOOKHEY: Or otherwise known as the shareholder agreement?

The Hon. DAMIEN TUDEHOPE: Yes.

The Hon. DANIEL MOOKHEY: And you sign that statement of corporate intent/shareholder agreement?

The Hon. DAMIEN TUDEHOPE: Correct.

The Hon. DANIEL MOOKHEY: Do you recall signing last year's one?

The Hon. DAMIEN TUDEHOPE: In fact I think I do recall signing it, because I had a meeting, I recall, with the Chair at the time.

The Hon. DANIEL MOOKHEY: Do you want to put the name on the record? You recall having a meeting with the chair, whose name was?

The Hon. DAMIEN TUDEHOPE: Bruce Morgan.

The Hon. DANIEL MOOKHEY: Great. And you recall signing that statement of corporate intent?

The Hon. DAMIEN TUDEHOPE: To the best of my recollection, yes.

The Hon. DANIEL MOOKHEY: Did you receive any advice about that statement of corporate of intent prior to you signing it?

The Hon. DAMIEN TUDEHOPE: I do recall—I would have to check my records, but I am pretty sure that Treasury did provide an advice in relation to it.

The Hon. DANIEL MOOKHEY: Yes, and as part of that shareholder agreement, amongst other things, are you required to specify either explicitly or implicitly the rate of return on invested assets for that State-owned corporation?

The Hon. DAMIEN TUDEHOPE: That is one of the things that we would expect to appear in a statement of corporate intent.

The Hon. DANIEL MOOKHEY: Do Treasury give you advice as to the rate of return that they expect to earn for the before profit Transport Asset Holding Entity?

The Hon. DAMIEN TUDEHOPE: I think if there was a proposal that it would be deferred for a period of time, if my memory serves me correctly.

The Hon. DANIEL MOOKHEY: For what period of time?

The Hon. DAMIEN TUDEHOPE: Four years, I thought.

The Hon. DANIEL MOOKHEY: What actually are we talking about? Are we talking about deferral of a return on assets?

The Hon. DAMIEN TUDEHOPE: I would have to check that, and I would check it by reference to the statement of corporate intent and the advice that I would have received from Treasury at the time.

The Hon. DANIEL MOOKHEY: Did you inquire into whether or not the advice that Treasury had given you as shareholding Minister of what the appropriate rate of return should be was accurate and appropriate?

The Hon. DAMIEN TUDEHOPE: One of the things that I think I would have expected Treasury to have done is provide that sort of advice.

The Hon. DANIEL MOOKHEY: Sorry, Minister, I forgot. I am not necessarily intending to ask any further questions of Mr Lamont, so it is your discretion. I am just giving you an option. Do you recall what precisely Treasury recommended should be the rate of return?

The Hon. DAMIEN TUDEHOPE: As I sit here right now I do not remember.

The Hon. DANIEL MOOKHEY: Did they advise you that you should agree to a 1 per cent to 3 per cent rate of return on the equity contribution of taxpayers to the Transport Asset Holding Entity?

The Hon. DAMIEN TUDEHOPE: If that appears in the statement of corporate intent.

The Hon. DANIEL MOOKHEY: It does not, hence I am asking you the question.

The Hon. DAMIEN TUDEHOPE: Well, if it does not, it does not.

The Hon. DANIEL MOOKHEY: No, that is not the question. The question is—

The Hon. DAMIEN TUDEHOPE: Do I recall the terms of the Treasury—

The Hon. DANIEL MOOKHEY: Did the advice that they gave you specify—

The Hon. DAMIEN TUDEHOPE: I do not recall.

The Hon. DANIEL MOOKHEY: Will you take that on notice?

The Hon. DAMIEN TUDEHOPE: As to—

The Hon. DANIEL MOOKHEY: Whether or not Treasury advised you to agree to a rate of return of 1 per cent to 3 per cent.

The Hon. DAMIEN TUDEHOPE: I will take that on notice.

The Hon. DANIEL MOOKHEY: Thank you. Do you know what the average is for all State-owned corporations for which you actually hold an agreement?

The Hon. DAMIEN TUDEHOPE: No.

The Hon. DANIEL MOOKHEY: Is it 6 per cent to 7 per cent?

The Hon. DAMIEN TUDEHOPE: You are telling me. I do not know.

The Hon. DANIEL MOOKHEY: I am not telling you, I am asking you.

The Hon. DAMIEN TUDEHOPE: Having just answered your previous question—

The Hon. DANIEL MOOKHEY: I am not telling you, I am asking you. Is it 6 to 7 per cent?

The Hon. DAMIEN TUDEHOPE: The answer is I do not know.

The Hon. DANIEL MOOKHEY: Can you take that on notice?

The Hon. DAMIEN TUDEHOPE: I am happy to.

The Hon. DANIEL MOOKHEY: Thank you. Is it the case that Treasury recommended that you agree to a rate of return that was half of other State-owned corporations for which you have a shareholding agreement?

The Hon. DAMIEN TUDEHOPE: Are you putting that to me or are you asking me?

The Hon. DANIEL MOOKHEY: I am putting it to you. Did Treasury advise you to agree to a rate of return from the Transport Asset Holding Entity that was half of what other State-owned corporations have?

The Hon. DAMIEN TUDEHOPE: By virtue of the fact that I said I am taking the previous question on notice, it gives some sort of—

The Hon. DANIEL MOOKHEY: Can you take that on notice?

The Hon. DAMIEN TUDEHOPE: It was an unnecessary question because if I could not answer the previous one—

The Hon. PENNY SHARPE: Stop debating the question, Minister.

The Hon. DAMIEN TUDEHOPE: If I could not answer the previous question I cannot answer that one.

The Hon. DANIEL MOOKHEY: You cannot answer that one unless I ask you it and you can take it on notice once it is asked, so I am glad we have established that. I asked you and you took it on notice, let us just move on, why don't we?

The Hon. DAMIEN TUDEHOPE: Yes, righto, let us move on.

The Hon. DANIEL MOOKHEY: That is good. What inquiries did you make? Did you make any inquiries about what the appropriate rate of return should be from the Transport Asset Holding Entity over what period of time?

The Hon. DAMIEN TUDEHOPE: I can say this. I think that there is a statement by the Treasury secretary in relation to TAHE, which gives me some confidence in relation to how it operates as an entity. One of the really impressive things about this organisation is the quality of the people that are involved in the running of that organisation, and I made reference earlier to Bruce Morgan. I have to say, Bruce Morgan probably is one of the pre-eminent Chairs that we have—

The Hon. DANIEL MOOKHEY: Who is the CEO of the Transport Asset Holding Entity?

The Hon. DAMIEN TUDEHOPE: Benedicte Colin.

The Hon. DANIEL MOOKHEY: And were you involved in her appointment?

The Hon. DAMIEN TUDEHOPE: I was.

The Hon. DANIEL MOOKHEY: What was your involvement?

The Hon. DAMIEN TUDEHOPE: I have met with her, I have interviewed her and I have reviewed the documentation in support of her appointment.

The Hon. DANIEL MOOKHEY: So you interviewed her?

The Hon. DAMIEN TUDEHOPE: I did not interview her for the job, no.

The Hon. DANIEL MOOKHEY: Okay, sorry, I thought you said that.

The Hon. DAMIEN TUDEHOPE: No, no. I had met with her.

The Hon. DANIEL MOOKHEY: Returning to the shareholder agreement, do you know how much dividends TAHE is expected to pay?

The Hon. DAMIEN TUDEHOPE: I have this recollection—and I will take it on notice—that it was deferred for a period of time.

The Hon. DANIEL MOOKHEY: You are correct: It is zero for the next three years.

The Hon. DAMIEN TUDEHOPE: Yes.

The Hon. DANIEL MOOKHEY: Why is this organisation not paying us any dividends?

The Hon. DAMIEN TUDEHOPE: I think there is a period of time when it, as an organisation, will bed itself down before it can make a return to government. But that—

The Hon. DANIEL MOOKHEY: Does this organisation control—

The Hon. DAMIEN TUDEHOPE: I think the true answer to that question is that Treasury would have provided advice about the manner in which the organisation ought be treated for the purposes of assessing whether it ought be making a return.

The Hon. DANIEL MOOKHEY: Yes, I am sure they have, but—

The Hon. DAMIEN TUDEHOPE: I do not personally make that assessment.

The Hon. DANIEL MOOKHEY: No, but you are—Minister, you act on advice, do you not?

The Hon. DAMIEN TUDEHOPE: I do.

The Hon. DANIEL MOOKHEY: But you act—you are the shareholding Minister. You are one of two.

The Hon. DAMIEN TUDEHOPE: Correct, I am one of two.

The Hon. DANIEL MOOKHEY: So you are our shareholder, correct?

The Hon. DAMIEN TUDEHOPE: I am the shareholding Minister for the State-owned corporation known as TAHE, yes.

The Hon. DANIEL MOOKHEY: Thank you. So you gave your agreement to this organisation—

The Hon. DAMIEN TUDEHOPE: Deferring.

The Hon. DANIEL MOOKHEY: —to pay no dividends for the next three years, correct?

The Hon. DAMIEN TUDEHOPE: Yes.

The Hon. DANIEL MOOKHEY: But did you do that on the basis of Treasury advice? Is that what you are trying to say?

The Hon. DAMIEN TUDEHOPE: At last you have come to the point.

The Hon. DANIEL MOOKHEY: Yes. You agree?

The Hon. PENNY SHARPE: You still have not answered the question, Minister.

The Hon. DAMIEN TUDEHOPE: The answer is I agree with you.

The Hon. DANIEL MOOKHEY: So are you aware that this organisation has control of 15 per cent of New South Wales' net assets?

The Hon. DAMIEN TUDEHOPE: I do not know where you get that figure from, but—

The Hon. DANIEL MOOKHEY: Well, I will put it to you: Does this organisation have control of 15 per cent of New South Wales' net worth?

The Hon. DAMIEN TUDEHOPE: No-one has ever put that to me that that is the value of the asset holding of TAHE.

The Hon. DANIEL MOOKHEY: You are aware that they have \$40 billion worth of assets?

The Hon. DAMIEN TUDEHOPE: I am unaware of how that valuation point has been arrived at. Clearly, all the—

The Hon. DANIEL MOOKHEY: You are aware that that is listed in the annual report that you—

The Hon. DAMIEN TUDEHOPE: —rail asset rolling stock, the railway real property—

The Hon. DANIEL MOOKHEY: Minister, it is patently available.

The Hon. PETER POULOS: Point of order: The Minister is constantly interrupted. He starts to respond and he is not able to complete his response. Can we just pause and enable him to do that?

The CHAIR: To be fair, I think it is both ways. I remind everyone here that we need one person to speak at a time—a question followed by an answer—particularly for Hansard but also so that we can just get this done.

The Hon. DANIEL MOOKHEY: Let me just restate the question.

The Hon. DAMIEN TUDEHOPE: Madam Chair, with respect, I have to say that there is a manner in which people do ask questions which does not allow for the appropriate delivery of an answer. But, in any event—

The CHAIR: I will ensure that you are able to deliver your answer but you cannot take a point of order. The questions will come from the Committee to you and you can answer the questions.

The Hon. DAMIEN TUDEHOPE: I just make the observation.

The Hon. PENNY SHARPE: And you cannot canvass the Chair's ruling either.

The Hon. PETER POULOS: Further to the point of order: He has not completed his answer.

The Hon. DANIEL MOOKHEY: Let me just restate the question for you. Are you aware that the Transport Asset Holding Entity annual reports disclose that this is an organisation that controls, at that time, \$38 billion worth of assets?

The Hon. DAMIEN TUDEHOPE: Yes. If that is what the annual report says that is a very good indication of what it holds.

The Hon. DANIEL MOOKHEY: Are you aware, therefore, that it is an organisation that is the size of Telstra in terms of the assets that it controls?

The Hon. DAMIEN TUDEHOPE: You make that statement. Okay, that is fine.

The Hon. DANIEL MOOKHEY: But then why is it not paying its dividends for the next three years? Why did you agree to that?

The Hon. DAMIEN TUDEHOPE: What I would say to you is that I think that in terms of the position that I would take in respect of the deferral of a payment of dividends, that is a matter which would be assessed by Treasury. It would be on the basis of a submission made by the board of that organisation. I am disposed to accept the advice which Treasury provides and which the board makes application for in relation to its representations to Treasury.

The Hon. DANIEL MOOKHEY: Have you agreed to any other exemptions for the Transport Asset Holding Entity in respect to any tax that you are responsible for collecting?

The Hon. DAMIEN TUDEHOPE: That is a really broad question. If you have a specific question about a particular tax put that to me.

The Hon. DANIEL MOOKHEY: I will. Do you recall providing an exemption?

The Hon. DAMIEN TUDEHOPE: Put a specific question about a specific tax. That gives me an opportunity to answer it properly.

The Hon. DANIEL MOOKHEY: Are you aware that as a State-owned corporation, TAHE is responsive to the commercial policy framework set by Treasury?

The Hon. DAMIEN TUDEHOPE: Yes.

The Hon. DANIEL MOOKHEY: And are you aware that under that policy, TAHE has the right to seek exemptions from certain requirements?

The Hon. DAMIEN TUDEHOPE: It would.

The Hon. DANIEL MOOKHEY: Are you aware that TAHE made an application to seek an exemption from land tax?

The Hon. DAMIEN TUDEHOPE: The short answer to that is no.

The Hon. DANIEL MOOKHEY: Mr Gardner might be in a position to assist here.

Mr GADIEL: It is the Treasurer that is responsible for the administration of tax policy.

The Hon. DANIEL MOOKHEY: Mr Gardner is responsible for State-owned corporations, is he not?

Mr GARDNER: I am, but I was unaware of that request.

The Hon. DANIEL MOOKHEY: Okay. Are you aware that that request was agreed to by the Government?

The Hon. DAMIEN TUDEHOPE: If Mr Gardner is unaware of it, I certainly am unaware of it. I do not recall seeing anything in terms of an application for an exemption from payment of land tax.

The Hon. DANIEL MOOKHEY: Do you recall receiving a brief from Treasury that you signed on 29 June 2020 in which TAHE sought exemptions from the commercial policy framework?

The Hon. DAMIEN TUDEHOPE: I get lots of briefs, Mr Mookhey.

The Hon. DANIEL MOOKHEY: So you do not recall?

The Hon. DAMIEN TUDEHOPE: To ask me if I recall a specific brief about a specific policy position, that is an unreasonable position. If you want to put a copy of a brief in front of me that I have signed, do that and I will confirm or deny it.

The Hon. DANIEL MOOKHEY: Careful what you wish for because it is entirely possible that we will.

The Hon. DAMIEN TUDEHOPE: That is the appropriate way to do it, not to try and—

The Hon. DANIEL MOOKHEY: TAHE has said at the inquiry of the Public Accountability Committee that it sought and received an exemption from certain parts of the Treasury commercial policy framework, which included an exemption from land tax.

The Hon. DAMIEN TUDEHOPE: You have got that evidence already.

The Hon. DANIEL MOOKHEY: Well, you are the one who gave the consent, hence I am here asking you.

The Hon. DAMIEN TUDEHOPE: I have no recollection—

The Hon. DANIEL MOOKHEY: To be fair, the other shareholding Minister who at the time was Treasurer Perrottet, also gave his consent.

The Hon. DAMIEN TUDEHOPE: Yes.

The Hon. DANIEL MOOKHEY: Do you know what the value of that concession was?

The Hon. DAMIEN TUDEHOPE: It may well have been included in the brief; I do not know the answer to that as I sit here now.

The Hon. DANIEL MOOKHEY: You might need to take this on notice. Is it a \$162 million exemption from land tax?

The Hon. DAMIEN TUDEHOPE: I will take it on notice.

The Hon. DANIEL MOOKHEY: Thank you. Does Mr Gardner have any insight into this?

Mr GARDNER: I have no insight into this, Mr Mookhey.

The Hon. DANIEL MOOKHEY: Is it the case that TAHE made that application as a continuance of an exemption that was given to RailCorp?

The Hon. DAMIEN TUDEHOPE: That would be an entirely reasonable expectation if there already was a continuing exemption given to RailCorp and the asset had been transferred to TAHE. That would be an explanation.

The Hon. DANIEL MOOKHEY: That was their explanation.

The Hon. DAMIEN TUDEHOPE: You have conducted an inquiry in relation to this. You have had Treasury officials; you have had TAHE people. Have you asked them these questions?

The Hon. DANIEL MOOKHEY: I am asking the Minister—

The Hon. DAMIEN TUDEHOPE: Have you asked them these questions?

The Hon. DANIEL MOOKHEY: I have, actually. I am asking the Minister who is responsible for (a) land tax and (b) the Transport Asset Holding Entity as a shareholder agreement. You have got both responsibilities. I could be mean and ask you how you are balancing that conflict of interest but I am not going to.

The Hon. DAMIEN TUDEHOPE: Good.

The Hon. DANIEL MOOKHEY: Let me just continue with the questions.

The Hon. DAMIEN TUDEHOPE: It was a continuing exemption as you rightly identify.

The Hon. DANIEL MOOKHEY: Clearly you may not have as much awareness as I do.

The Hon. DAMIEN TUDEHOPE: Yes.

The Hon. DANIEL MOOKHEY: The question though is this: You are aware that RailCorp was not a State-owned corporation?

The Hon. DAMIEN TUDEHOPE: Yes.

The Hon. DANIEL MOOKHEY: You are aware therefore that RailCorp had no responsibility of providing a profit result to taxpayers?

The Hon. DAMIEN TUDEHOPE: Well, the nature of State-owned corporations is that they do have obligations to—

The Hon. DANIEL MOOKHEY: Indeed, so therefore—

The Hon. DAMIEN TUDEHOPE: That is the nature of it.

The Hon. DANIEL MOOKHEY: And that is why it is different, about you providing the same concession to the Transport Asset Holding Entity than RailCorp. Were you ever advised about whether or not it was appropriate to grant that exemption to a corporation whose responsibility is to return a profit to taxpayers?

The Hon. DAMIEN TUDEHOPE: I am sure that there would have been advice provided by Treasury in relation to that aspect.

The Hon. DANIEL MOOKHEY: From who in Treasury?

The Hon. DAMIEN TUDEHOPE: As I said to you, I do not recall. Mr Gardner does not know. There would have been a Treasury advice or a brief, as you identified, which would have come to me.

The Hon. DANIEL MOOKHEY: Okay. Are you aware that under the tax equivalency regime that Treasury applies for for-profit corporations, it cannot treat them any separately to any corporation in the private sector? Are you aware of that?

The Hon. DAMIEN TUDEHOPE: Specifically in those terms, yes, I understand that.

The Hon. DANIEL MOOKHEY: That is designed to keep competitive neutrality between government-owned enterprises and privately owned enterprises. Are you aware of that?

The Hon. DAMIEN TUDEHOPE: Yes.

The Hon. DANIEL MOOKHEY: That has been a policy that has been in place in New South Wales—

The Hon. DAMIEN TUDEHOPE: That is the nature of State-owned corporations.

The Hon. DANIEL MOOKHEY: It is also a policy that has been in place since the 1995 national competition agreement.

The Hon. DAMIEN TUDEHOPE: Yes.

The Hon. DANIEL MOOKHEY: So, is it appropriate to provide this exemption to a for-profit government business enterprise and does that breach the policy around tax equivalency as it applies between private and government business enterprises?

The Hon. DAMIEN TUDEHOPE: I think that is an appropriate question for me to take on notice and get advice in relation to because I do not have the advice in front of me. You obviously have a view, Mr Mookhey, I am sure—

The Hon. DANIEL MOOKHEY: I have inquiries, to be fair. I am actually open to an argument on this point.

The Hon. DAMIEN TUDEHOPE: Let us not have an argument. I have to say that the nature of this organisation, I am satisfied, is that it is an organisation which will, in fact, be effective for the purposes of owning and delivering outcomes for rail assets.

The Hon. PENNY SHARPE: I have got some questions, Minister. I thought you would be thrilled.

The Hon. DAMIEN TUDEHOPE: I am.

The Hon. PENNY SHARPE: Minister, I want to talk to you about small businesses and in particular, small businesses in the taxi industry. The 2015 re-regulation of point to point transfer sector obviously has led to significant changes in relation to the value of taxi licence plates. Do you believe the New South Wales Government should provide taxi licence plate holders full compensation for the loss in value of their taxi plates?

The Hon. DAMIEN TUDEHOPE: Well, it is probably a better question for Transport to administer that policy, but—

The Hon. PENNY SHARPE: I am asking you as the small business Minister.

The Hon. DAMIEN TUDEHOPE: I get that, and I get the assumption that you rely on, that taxi owners are small businesses. The question about what is full compensation, how do you assess compensation is a difficult policy position. That is why Transport have responsibility for it, because they collect that fund and are obliged to distribute that fund as a compensation for the advent of disruptive industries. To the extent that I am the small business Minister, I have significant interest in ensuring that taxi drivers who have been impacted by the disruption to the industry caused by Uber are properly acknowledged and properly catered for. One of the things in relation to the taxi industry which I think we do not give nearly enough credit for is the way that it has responded to the advent of Uber and the way that there has been this liberalisation of transport services. The extent to which taxis have now got involved in the food delivery business and I will give you this example.

The Hon. PENNY SHARPE: Minister, I am going to let you go for a little while, but not too long.

The Hon. PETER POULOS: But I am interested.

The Hon. PENNY SHARPE: You can ask questions in half an hour, Mr Poulos.

The Hon. DAMIEN TUDEHOPE: I can remember many years ago when you got into a taxi and it would have a radio and the customer relationship was not what I would have called the forefront of the service which they provided. I caught a cab recently. The cab was beautifully appointed. There was a bottle of water for me.

The Hon. DANIEL MOOKHEY: That was your ministerial car.

The Hon. PENNY SHARPE: Was that not your driver?

The Hon. DANIEL MOOKHEY: That was your driver.

The Hon. DAMIEN TUDEHOPE: No. When the taxi driver dropped me off, he asked me, "Can I come back and pick you up?" I have to tell you that the nature of this is that we have changed the cab industry significantly over a period of time. It is a small business. It has pivoted well to deal with the competition in that industry.

The Hon. PENNY SHARPE: But there has been massive loss in the value of their taxi plates, of which they are less than thrilled.

The Hon. DAMIEN TUDEHOPE: And I agree with that. I have to say that to the extent that I am an advocate for making sure that taxi drivers get a fair deal, they have my support.

The Hon. PENNY SHARPE: Have you spoken to the transport Minister about this issue?

The Hon. DAMIEN TUDEHOPE: Not recently. I have met with the Taxi Council.

The Hon. PENNY SHARPE: No, have you raised it with the transport Minister? You just pointed to him.

The Hon. DAMIEN TUDEHOPE: Specifically I do not recall a specific representation I have had.

The Hon. PENNY SHARPE: Minister, do you support the ongoing retention of the point to point transport levy as a revenue stream to finance the package of compensation to taxi operators?

The Hon. DAMIEN TUDEHOPE: To the extent that it is a tool which can provide compensation to the taxi industry, I think it is a policy consideration worth supporting. I am not responsible for articulating the policy on behalf of Transport for NSW.

The Hon. PENNY SHARPE: I am well aware of that Minister, but I am asking you as the small business Minister whether you have a view.

The Hon. DAMIEN TUDEHOPE: I might have a personal view in relation to it—

The Hon. DANIEL MOOKHEY: What is a personal view?

The Hon. DAMIEN TUDEHOPE: —where I would be happy to support it because taxi drivers do have my support in terms of the businesses that they run.

The Hon. PENNY SHARPE: Minister, there has been some suggestion that the compensation to taxi licence holders could be categorised as capital payment rather than a revenue payment. Do you have a view about that?

The Hon. DAMIEN TUDEHOPE: They are generally matters of tax advice. I do not have a view. That is the short answer.

The Hon. PENNY SHARPE: Thank you, Minister.

The Hon. DANIEL MOOKHEY: Minister, I want to get an update as to where we actually are. This might be for Mr Gardner. I think last time I had this, Mr Gardner was in a position to provide this information, but you should feel free to have a stab at it, if you wish.

The Hon. DAMIEN TUDEHOPE: Well, to the extent that it involves articulating great government policy, I am always happy to have a stab, Dan.

The Hon. DANIEL MOOKHEY: Even when it does not involve articulating government policy.

The Hon. PENNY SHARPE: And your hospital pass to elsewhere, yes, we have noticed.

The Hon. DANIEL MOOKHEY: You are happy to take a stab, I am sure. Minister, I want an update on the Faster Payments Policy by cluster as to where we are tracking in terms of the targets. I want to know where we are up to in terms of the target for invoices paid within five days.

The Hon. DAMIEN TUDEHOPE: I think we do have some of that information here.

The Hon. DANIEL MOOKHEY: I am shocked. I know Mr Gardner comes prepared and he had this information last time. So if he has it or otherwise, if someone else has it, I am happy with whoever has it.

The Hon. DAMIEN TUDEHOPE: I am getting it from all directions.

The Hon. DANIEL MOOKHEY: The Minister has got it. Can we table it or not?

The Hon. DAMIEN TUDEHOPE: I will just read it out to you so that I can take up some of your time.

The Hon. DANIEL MOOKHEY: Can we get the Customer Service number please—Customer Service cluster invoices paid within five days?

The Hon. DAMIEN TUDEHOPE: The very top one, 98.5 per cent are paid within 20 days; paid within five days, 96.7 per cent.

The Hon. DANIEL MOOKHEY: Education?

The Hon. DAMIEN TUDEHOPE: Paid within five business days, 96.3.

The Hon. DANIEL MOOKHEY: Sorry, are we talking about on the credit card or are we talking about the other invoices? Which category are we talking about?

The Hon. DAMIEN TUDEHOPE: I am just talking about paid within five business days, 96.3.

The Hon. DANIEL MOOKHEY: Mr Gardner used to have these numbers broken down by Pcard—

The Hon. DAMIEN TUDEHOPE: I have got Pcard as well if you want.

The Hon. DANIEL MOOKHEY: —and non-Pcard. But you used to have them as two separate categories.

Mr GARDNER: I think you may be recalling something else, Mr Mookhey. This has never been an area where I have had any—

The Hon. DANIEL MOOKHEY: It would have been Ms Wilkie who had that information. No disrespect to Ms Wilkie; she was very good at it. Do you have that broken down by—what is the percentage that is paid by Pcard?

The Hon. DAMIEN TUDEHOPE: Let me just say this to you: whether it is paid by Pcard or whether it is paid by the agency directly, it is paid within that period of time.

The Hon. DANIEL MOOKHEY: Minister, you have a target to increase the number that is paid by Pcard, that is why I am asking you. It is your policy, right?

The Hon. DAMIEN TUDEHOPE: The amount that is paid by Pcard—someone ought to identify this for you.

The Hon. DANIEL MOOKHEY: That is what we were suggesting. Can we hand it back to the professionals, Minister?

The Hon. DAMIEN TUDEHOPE: Okay. I am happy to hand it back to the professionals.

The Hon. DANIEL MOOKHEY: Thank you. Welcome back, Mr Gadiel. Would you like to table it, Mr Gadiel, and make this a lot faster for everybody?

Mr GADIEL: I am happy to read it out.

The Hon. DAMIEN TUDEHOPE: It is a good document.

The Hon. PENNY SHARPE: Well, you should share it with us, Minister.

The Hon. DAMIEN TUDEHOPE: No, he will read it.

The Hon. DANIEL MOOKHEY: Can you table it or provide it to us on notice?

Mr GADIEL: We can provide the data on notice if that is—

The Hon. DANIEL MOOKHEY: No, we will read it now.

Mr GADIEL: Pcard usage, is that what you are looking for?

The Hon. DANIEL MOOKHEY: Let us go through it step by step. Let us go through the overall within five days by cluster, which the Minister was helpfully starting—96.7 for Customer Service; 96.3 for Education. Where are we at Health?

Mr GADIEL: For Health we are at 79.1 and Pcard usage is at 46.8.

The Hon. DANIEL MOOKHEY: And for Planning and Industry?

Mr GADIEL: Planning and Industry is at 98 per cent, and Pcard usage is at 97.2 per cent.

The Hon. DANIEL MOOKHEY: And where are we at for Premier and Cabinet?

Mr GADIEL: The Premier and Cabinet is 97.1 per cent, and Pcard usage is at 96.5 per cent. Stronger Communities?

The Hon. DANIEL MOOKHEY: Yes.

Mr GADIEL: It is at 94.6 per cent, and Pcard usage is at 92.1 per cent. Transport?

The Hon. DANIEL MOOKHEY: Yes.

Mr GADIEL: It is 99.2 per cent, and Pcard usage is at 98.3 per cent.

The Hon. DANIEL MOOKHEY: And Treasury?

Mr GADIEL: Treasury, paid within five business days is at 99 per cent, and Pcard usage is at 98.5 per cent. So you are missing two numbers: the first two, and that was the Pcard usage, so going back to customer, Pcard usage is at 96.4 per cent and Education, Pcard usage is at 94.8 per cent.

The Hon. DANIEL MOOKHEY: Got it, thank you.

Mr GADIEL: I can give you the total.

The Hon. DANIEL MOOKHEY: Yes.

Mr GADIEL: The total across clusters, paid within five days is 96.4 per cent, and Pcard usage is at 93.9 per cent.

The Hon. DANIEL MOOKHEY: Can I just be clear? What invoice level are we talking about with all those numbers? What is the criteria that we are using? Is that for all invoices?

Mr GADIEL: I believe it is, yes, for all invoices that are within this after payments—

The Hon. DANIEL MOOKHEY: Forgive me, I am going off memory here, Minister and/or Mr Gadiel, my recall is that Health had it at 73 per cent last time we asked these questions. That really is off my memory. It is now up to 79. Health has been the laggard. I think the reason it was given prior was because of the local health district structure that was in place, which makes it a little bit more complicated for Health. What specific engagement have you and/or Treasury had with Health about this, accepting of course the fact that Health obviously has had a lot to do in the last year?

The Hon. DAMIEN TUDEHOPE: Mr Gardner, have you got any input in relation to that issue?

Mr GARDNER: No, I do not.

The Hon. DANIEL MOOKHEY: It is usually Ms Wilkie, I think.

Mr LAMONT: Mr Mookhey, I recall the number of 75.7 at the last session of Health.

The Hon. DANIEL MOOKHEY: It was not too bad.

Mr LAMONT: And we discussed at the last estimates session me writing to agencies, which I have done, and we had a number of responses including from Health. So it is pleasing to see the number has picked up. There was also an issue, as you say, around the local health agencies not reporting in the same way in terms of faster payments. These numbers, as I understand, still exclude—so the number could be even higher from Health—

The Hon. DANIEL MOOKHEY: Or lower, to be fair.

Mr LAMONT: That is right. But there has been a substantial increase in the pick-up in the five-day payment terms.

The Hon. DANIEL MOOKHEY: Again, I accept that Health is complicated, but they also have a lot of suppliers. It is a huge part of how we supply, and both the Minister and I have been ambushed at public events by health businesses—

The Hon. DAMIEN TUDEHOPE: Correct. I remember one.

The Hon. DANIEL MOOKHEY: Yes, same. Hence, I am asking what are we doing—given that a lot of those businesses have used their balance sheets and credit facilities to support the State's health response, what program have we got to get Health up, given that there is a 20-point spread between them and everybody else?

Mr LAMONT: My office will continue to meet with Health. I said we have written to them, we have met with them; we will continue to monitor the numbers, Mr Mookhey. As you say, it is a key issue—payment terms is a key issue for small business, so we will keep monitoring these numbers and work with these agencies and remind them of the commitment to this policy.

The Hon. DANIEL MOOKHEY: I certainly do not doubt your commitment or efforts, Mr Lamont, in this respect, but I feel like this requires the intervention of the Minister here. Minister, have you had any conversations with your Health counterparts about this?

The Hon. DAMIEN TUDEHOPE: No, but on the basis of the discussions today I undertake to do so.

The Hon. DANIEL MOOKHEY: And you know I will hold you to that.

The Hon. DAMIEN TUDEHOPE: I know you will.

The Hon. DANIEL MOOKHEY: Because both of us will get ambushed again.

The Hon. DAMIEN TUDEHOPE: I think we are back in March next year and you can ask me again in relation to that.

The Hon. DANIEL MOOKHEY: It might be sooner. Are we back in March next year?

The Hon. DAMIEN TUDEHOPE: We are, we are back in March.

The Hon. DANIEL MOOKHEY: You are going to be here? Confident?

The Hon. DAMIEN TUDEHOPE: I am sorry, I have not told her yet. Penny knows.

The Hon. PENNY SHARPE: Excellent. Noted.

The Hon. DANIEL MOOKHEY: I want to ask you some questions about the State Revenue Legislation Further Amendment Bill 2019, which I know is dear to the heart of Revenue NSW. Did Revenue NSW advise individuals that a discretionary trust may be liable for surcharge land and purchaser duties without an amendment to their trustees?

The Hon. DAMIEN TUDEHOPE: Did they advise—

The Hon. DANIEL MOOKHEY: Individuals that discretionary trusts—

The Hon. DAMIEN TUDEHOPE: Did they advise or—

The Hon. DANIEL MOOKHEY: Let me finish the question. I feel like, Minister, you might need to refer this to Revenue NSW.

The Hon. DAMIEN TUDEHOPE: I am interested.

The Hon. PENNY SHARPE: He will give it a go.

The Hon. DANIEL MOOKHEY: Have a stab. Did Revenue NSW advise individuals that discretionary trusts may be liable for surcharge land and purchaser duties without an amendment to their trustees?

The Hon. DAMIEN TUDEHOPE: I am pretty sure not, but I will now pass to Revenue NSW to ask whether they were in fact providing that advice and I could be corrected. Mr Smythe, was that advice provided?

Mr SMYTHE: There was a great deal of consultation over an extended period of time principally through a large number of representative groups—the Law Society, [inaudible] Institute—combined with liaison meetings with the Institute of Chartered Accountants and Certified Practising Accountants and various others. There was information on our website. Whether or not every individual was made aware of the implications of the legislation I could not possibly say.

The Hon. DAMIEN TUDEHOPE: Mr Smythe, I think the question is—can I make sure that I understand? Was advice given by Revenue NSW that individuals may not be liable?

The Hon. DANIEL MOOKHEY: I will repeat the question. Did Revenue NSW advise individuals that discretionary trusts may be liable for surcharge land and purchaser duties without an amendment to their trustees? I think you understand that piece of legislation contained a period in which—

The Hon. DAMIEN TUDEHOPE: In fact, I thought everyone was advised about the necessity of amending their trustees, but to the extent that I am hearing—

Mr SMYTHE: Sorry, Minister. We wrote to all discretionary trusts which we were aware of and that we could identify that might be liable.

The Hon. DANIEL MOOKHEY: And did you track how many of them in fact did amend their deeds to avoid the surcharge duty? We are talking, let us be specific here, about Australian residents.

Mr JOHNSTON: I think we are going to have to take that on notice but we do have that information where people made amendments.

The Hon. DANIEL MOOKHEY: Great. Did Revenue NSW have an approval process for discretionary trusts?

The Hon. DAMIEN TUDEHOPE: Revenue even gave pro formas about how the deeds ought be implemented.

The Hon. DANIEL MOOKHEY: Yes, this is what I am asking about. It is not critical. I am just trying to get the update.

The Hon. DAMIEN TUDEHOPE: There was a process of it. Mr Smythe, I might be again wrong, but I thought you extended the period for trusts to make the amendment because there were some industry bodies that were saying they had not had enough time and you actually extended it.

Mr SMYTHE: That is correct, Minister. There was also a delay between when the legislation was introduced and when it was finally [disorder]—

The Hon. DANIEL MOOKHEY: Yes, we had to amend it. How many trusts are now liable for surcharge land duty as a result of them not amending their trust deeds?

Mr SMYTHE: I think that might be what we need to take on notice, Mr Mookhey. One of the difficulties is that the surcharge provisions apply only to residential properties, not all confiscated properties.

The Hon. DANIEL MOOKHEY: Yes, that is true. Do you have the information or you will take that on notice?

Mr SMYTHE: I will take that on notice.

The Hon. DANIEL MOOKHEY: Great. Can we talk now about how many amounts have been collected from extra surcharge duty? I think at the time we were expecting \$30 million-odd to be coming in.

The Hon. DAMIEN TUDEHOPE: I had a figure of about \$90 million, was it?

The Hon. DANIEL MOOKHEY: I think that specific change was \$30 million, but to be fair, it is your legislation.

Mr SMYTHE: You might recall there are two classes of surcharge that apply, one is surcharge land tax and the other is surcharge purchaser duty or surcharge stamp duty. I have numbers broken down by year up to 30 September 2021.

The Hon. DANIEL MOOKHEY: You can give it to us on notice if you want. I know this is of real interest to everybody here. I will save my excitement for 21 days on these numbers so that is easy for everybody. Minister, that would be good. I think there are only two matters that I have left and then I am done. I wanted to get an update as to where we are in terms of the electric vehicle [EV] fleet numbers by department and target?

The Hon. DAMIEN TUDEHOPE: Great policy.

The Hon. DANIEL MOOKHEY: Of course. Can we just let Mr Gardner give us the numbers, Minister?

The Hon. PENNY SHARPE: Mr Gardner can tell us how good it is, Minister.

The Hon. DAMIEN TUDEHOPE: You probably should ask Mr Poulos. I am sure he is across all that detail. Mr Gardner, do you want to talk about electric vehicles?

Mr GARDNER: I can. I am just pulling up my dashboard. We have about 3,000 electric vehicles across the fleet now. I just need to pull up something to actually get the fleet by agency. By EV, it can be true battery electric vehicles or hybrids. So the number I give you is a combination of battery electric vehicles and hybrid vehicles.

The Hon. DANIEL MOOKHEY: But I think previously you had been able to break it down by both categories, were you not?

Mr GARDNER: Yes, I would probably be able to give you a pure EV breakdown as well. There are 3,051 EVs/hybrids across the fleet, of which 1,400—these are rough numbers—are with Health, 660 with Stronger Communities, 325 with Education, 227 with Transport, 102 with Planning and Industry, 97 with Customer Service. There are 47 with Regional and 15 with Premier and Cabinet. I am just seeing if there is a number on pure.

The Hon. DANIEL MOOKHEY: Did you give the Treasury number there, Mr Gardner?

Mr GARDNER: The Treasury number on hybrids is zero.

The Hon. DANIEL MOOKHEY: Where are all your hybrids?

The Hon. DAMIEN TUDEHOPE: The Treasurer drives an electric vehicle.

Mr GARDNER: I think we only have one vehicle actually.

The Hon. DAMIEN TUDEHOPE: Yes, the Treasurer drives it.

The Hon. DANIEL MOOKHEY: The Treasurer does.

The Hon. PENNY SHARPE: The new Treasurer, not the old Treasurer.

The Hon. DAMIEN TUDEHOPE: The new Treasurer, yes.

The Hon. PENNY SHARPE: Just to be clear.

The Hon. DANIEL MOOKHEY: So the new Treasurer ain't driving a hybrid.

The Hon. DAMIEN TUDEHOPE: No, I think it is electric.

Mr GARDNER: The new Treasurer apparently, well I have seen the press, has a dual battery electric vehicle.

The Hon. PENNY SHARPE: Yes, the new Treasurer, not the Premier.

The Hon. DANIEL MOOKHEY: He owns it. You do not own it, do you?

Mr GARDNER: I cannot assure that piece of information.

The Hon. DANIEL MOOKHEY: Have we bought an EV for the new Treasurer—that is the first question—or is he using his own?

Mr GARDNER: I am not aware that we have bought any vehicles for the Treasurer. I can take that on notice.

The Hon. DANIEL MOOKHEY: What are the targets for next year, which you may wish to put on notice. How many are we requiring for the next three years?

Mr GARDNER: We do not have specific targets for each of the next three years. We have got an interim target of 50 per cent of our vehicle procurement in the light and commercial vehicles by 2026 and then 100 per cent by 2031.

The Hon. DANIEL MOOKHEY: Okay. Do you wish to wax lyrical now about your EV policy, Minister or can we move on?

The Hon. DAMIEN TUDEHOPE: I just know that you are loving it. So the EV policy is—

The Hon. DANIEL MOOKHEY: I said I would give you the opportunity. Can we get an update as to where we are in terms of the Indigenous procurement data by department?

Mr GARDNER: We can do that.

The Hon. DAMIEN TUDEHOPE: They are all good news figures, let me tell you.

The Hon. DANIEL MOOKHEY: It has taken a while.

The Hon. DAMIEN TUDEHOPE: But accept that they are good news figures.

The Hon. DANIEL MOOKHEY: Let us just get the figures and then you and I can have our fight about them.

The Hon. DAMIEN TUDEHOPE: There are really important steps which have been taken in relation to—

The Hon. DANIEL MOOKHEY: Yes, after we lowered the target. Let's go.

The Hon. DAMIEN TUDEHOPE: No, no, no. We will come to it. Let's go, Mr Gardner.

Mr GARDNER: You will recall the targets were allocated per cluster from 1 January 2021.

The Hon. DANIEL MOOKHEY: Correct.

Mr GARDNER: And we have had a target for the first six months of the year at the whole-of-government level of \$59.337 million.

The Hon. DANIEL MOOKHEY: Which is, just to be clear, not 3 per cent of the total spend. Correct?

Mr GARDNER: No, that is 1 per cent of addressable spend.

The Hon. DANIEL MOOKHEY: Yes, thank you. How are we going?

Mr GARDNER: The number that was achieved was \$100.426 million. I will have to get the agency breakdowns for you—that has got to go through a Government Cabinet process in the next two or three weeks, I think, and then we will be publishing those on an agency-specific basis.

The Hon. DANIEL MOOKHEY: Thank you. Can you take that on notice because I think we will probably get them within 21 days then?

Mr GARDNER: We will take that on notice.

The Hon. DAMIEN TUDEHOPE: I think it is—

The Hon. DANIEL MOOKHEY: Maybe take 30 days on that one. Minister, you revised down a target from 3 per cent of addressable spend to 1 per cent of addressable spend. Are you going to now uplift the target back to the 3 per cent you never reached?

The Hon. DAMIEN TUDEHOPE: I am glad you appreciate the fact that the Government has, in fact, made significant gains in relation to this policy. I think one of the important things that we have done is made individual agencies responsible for meeting their targets rather than having the overall government procurement spend we have, as Mr Gardner correctly identified, from 1 January this year, was it?

Mr GARDNER: That is correct.

The Hon. DAMIEN TUDEHOPE: It is now included, is it?

Mr GARDNER: There was never a 3 per cent target in terms of dollar value. There is a 3 per cent target on the number of contracts. Similarly I can give the statistics around that as well, which has been exceeded over that time frame.

The Hon. DAMIEN TUDEHOPE: That is a difference, is it not?

The Hon. DANIEL MOOKHEY: I am glad Mr Gardner came to your rescue, Minister.

The Hon. DAMIEN TUDEHOPE: No, he came to your rescue because you, in fact, got it wrong.

The Hon. DANIEL MOOKHEY: If we can compete, if both sides of politics can compete about how we can support Indigenous businesses, it is a good form of competition.

The Hon. DAMIEN TUDEHOPE: Absolutely.

The Hon. DANIEL MOOKHEY: Let me go on to perhaps what could be the final question, depending on how you wish to answer it—actually no, the final two questions. Mr Gadiel, I do not think we got the statistics on the same level on the micro-business grants. If you have got them, that would be good and then I will ask my final question to the Minister.

Mr GARDNER: Was this in relation to the hardship review panel?

The Hon. DAMIEN TUDEHOPE: No. This is the micro grants, the \$75,000—

Mr GADIEL: Specifically, what were you looking for?

The Hon. DANIEL MOOKHEY: Just the number of applicants, the amount disbursed, the general figures across the grants program.

Mr GADIEL: For the micro-business grant there have been 82,199 applications received as of 26 October. Of that, 63,836 are metro; 18,293 are regional—so that is a 78/22 per cent split, broadly consistent. So paid, we have a total of 59,325 grants. Metro we have 46,454—78 per cent of the total; regional 12,827—22 per cent of the total.

The Hon. DANIEL MOOKHEY: And value figure?

Mr GADIEL: Value figure, total paid out so far, is \$620 million: metro \$490 million, or 85 per cent; regional \$130 million, or 15 per cent.

The Hon. DANIEL MOOKHEY: And do you have LGAs, which you can table if you so wish?

Mr GADIEL: Yes, I have got the LGA splits here. I think it was contained within the document that I previously tabled at the coffee stage. So you would have that, or you will.

The Hon. DAMIEN TUDEHOPE: And you would have to appreciate, Mr Mookhey, that of course that was a grant which no other jurisdiction in Australia made available to businesses and—

The Hon. DANIEL MOOKHEY: I do appreciate that, Minister, and you have to appreciate that that is a grant that we also called for. So, good for us.

The Hon. DAMIEN TUDEHOPE: It is good that you call for it after we deliver it, but anyway.

The CHAIR: We are so close. There are five minutes.

The Hon. DANIEL MOOKHEY: Let us not be unduly provocative here and historically wrong. Can we get to what I think will be my final question? How are we going in terms of you keeping your election promise to reduce the number of senior executives across the public sector?

The Hon. DAMIEN TUDEHOPE: COVID, of course—perhaps I ought to refer to Mr Gardner in relation to that, but I think COVID certainly created a circumstance which put a bit of a dent in it. Mr Gardner, have you got information?

Mr GARDNER: I do not have a whole-of-government senior executive statistic, Minister. But, Mr Mookhey, while I have the microphone, we have 46 battery electric vehicles across the government fleet. I cannot give you a breakdown by agency.

The Hon. DANIEL MOOKHEY: Thank you. Sorry, Minister, had you concluded your answer?

The Hon. DAMIEN TUDEHOPE: I have concluded.

The Hon. DANIEL MOOKHEY: Are you doing anything to keep that promise or not?

The Hon. DAMIEN TUDEHOPE: I keep all my promises.

The Hon. DANIEL MOOKHEY: That is it from me.

The CHAIR: There is now time for the Government to ask any questions if they so wish.

The Hon. PETER POULOS: Thank you, Chair. The Government rests for the day.

The CHAIR: Thank you. Thank you, Minister, for your attendance today. We are finished with your questions. Thank you also to the officials who were here today. The secretariat will be in touch in relation to questions that were taken on notice and any supplementary questions.

The Hon. DAMIEN TUDEHOPE: Thank you, everybody.

(The witnesses withdrew.)

The Committee proceeded to deliberate.