

### Statement of Giovanni (John) Barilaro

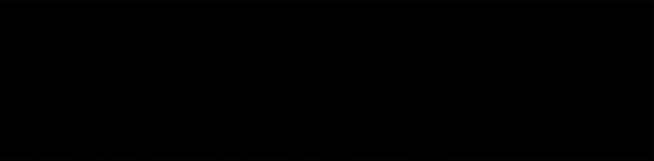
1. This statement is provided in response to a "Notice to attend and produce a statement of information and documents, Ref E 17/0144/AS-25-023 (the **Notice**) by the Independent Commission Against Corruption of New South Wales (**ICAC**).
2. The contents of this statement are true and correct to the best of my knowledge and belief. I have relied upon staff to assist me to identify and collate the documents which are referred to in the statement and produced in response to the Notice.
3. I, Giovanni (John) Barilaro became Deputy Premier on 15 November 2016. The Premier at the time was the Hon. Mike Baird. The Hon. Gladys Berejiklian was Treasurer. On 30 January 2017 The Hon. Gladys Berejiklian was sworn in as Premier and the Hon. Dominic Perrottet was sworn in as Treasurer.
4. The Department of Regional NSW falls within my responsibilities as Minister for Regional NSW. Between November 2015 and March 2019 the Department of Regional NSW sat within the Department of Premier and Cabinet. Following the 2019 election, and as part of machinery of government changes that followed, between April 2019 and April 2020 the Department of Regional NSW sat within the Department of Planning, Industry and Environment. From April 2020 to the present the Department of Regional NSW is now a central agency in its own right. This was agreed to by the Premier.
5. To the best of my recollection, prior to the 2015 election and as part of the agreement between the then Premier Mike Baird and the then Deputy Premier Andrew Stoner it was agreed that from the sale of 'poles and wires' a Regional Growth Environment and Tourism Fund would be established. It is from this fund that the Australian Clay Target project was funded.
6. Attachment 1 is a brief prepared by my Department along with a letter (Attachment 1, i) I sent the then Ministers for Tourism, Environment, Primary Industries, Lands and Water dated 18 December 2015. This correspondence sought to establish an interagency working group to inform investment decisions that would then be made by Infrastructure NSW in relation to the Regional Growth Environment and Tourism Fund.
7. I confirm that I had no knowledge of Mr Maguire's business interests prior to them being made public by the ICAC. The only business interests of Mr Maguire that I am aware of are those identified since the public hearings of the ICAC.
8. To the best of my recollection Mr Maguire never informed me that he had any business interest related to any matter upon which he lobbied me.
9. Prior to the revelations made in the public hearings of Operation Keppel I was not aware that Premier Berejiklian and Mr Maguire were in a close personal relationship.
10. I have had conversations with Mr Maguire relating to his electorate which I have considered to be appropriate between a Member of Parliament and a Minister in those circumstances.

11. I recall that I have had conversations or communications with Mr Maguire relating to the Australian Clay Target Association proposal (**Clay Target**). However, I cannot recall specific content of those conversations or communications. I cannot recall if those conversations or communications were over the phone, in person or via text message.
12. Whilst Mr Maguire was a member of parliament It was common practice for him to turn up to my offices unannounced, stop me in corridors, or in the Chamber to advocate for projects. However, I can't recall specifics of any encounter regarding the Clay Target proposal.
13. I can recall that I had conversations with Premier Berejiklian, regarding the Clay Target project where Ms Berejiklian indicated support for the project. I cannot recall the specifics of those conversations and I cannot recall if those conversations took place when Ms Berejiklian was Treasurer or Premier. I did not consider these conversations out of the ordinary given this matter was to be brought forward to the Expenditure Review Committee of Cabinet (**ERC**). It is likely those conversations related to how the project could be funded, who would be the responsible minister and when the project would be discussed at ERC. I cannot recall whether those conversations or communications regarding the Clay Target project were over the phone, in person or via text message.
14. Since 2016 I have had a number of mobile phones that were not backed up. I have no access to text messages beyond the ones held on my current phone and since storing this data on to iCloud.
15. All endeavours have been made to produce all correspondence regarding the Clay Target proposal held by me and my office. Since 2016 the staff in my office who would have had oversight of the Clay Target proposal are no longer in my office and I have no access to their emails. While I have searched my emails, I regularly archive my emails. These emails and that of my former staff may still be held with the Department of Premier & Cabinet – but they are not readily accessible to me.
16. Attachment 2 is a letter dated 27 January 2016 from Daryl Maguire to the Hon. Stuart Ayres the Minister for Sport seeking funding for the Clay Target project.
17. Attachment 3 is Minister Ayres' response and Attachment 4 is further correspondence from Mr Maguire.
18. In April 2016 (attachment 5) a submission was prepared for ERC, by my Department and I took it to ERC as Minister for Regional Development, to seek approval the purpose of the \$300 million Regional Growth Environment and Tourism Fund (**The Fund**) (attachment 5, i). This funding was committed from Restart NSW, which was a fund established from the sale of 'poles and wires' which was known as 'Rebuilding NSW'. The Fund was to be administered jointly by the Minister for Regional Development, Minister for the Environment and Minister for Tourism – but the release of funds for all projects was under the responsibility of Infrastructure NSW and the Minister responsible for Restart NSW.

19. The ERC decision from the meeting dated 2 June 2016 (attachment 5,ii) approved the allocation of funding, noting the guidelines be developed involving representatives from the relevant departments prior to the ERC considering and approving the guidelines. The decision also notes (attachment 5,iii) that \$24,45 million of the \$300 million from the Fund had already been reserved to upgrade Taronga Western Plains Zoo.
20. As per the decision of ERC in June 2016 (attachment 5, ii) myself, the Environment Minister and Minister for Tourism wrote to the then Premier seeking approval of the guidelines for the Fund. (attachment 6, i).
21. Attachment 6, iii is an ERC submission prepared by my Department for the guidelines to be approved by ERC. The submission notes the then Treasurer's office indicated the guidelines and subsequent approval (attachment 6, iv) would be discussed at the first ERC meeting of 2017. Given the change in Premiers this meeting took place on 24 February 2017. The first round of the fund was made public 6 March 2017. (attachment 6, v)
22. Attachment 7 is a briefing note prepared by the Department of Premier and Cabinet relating to the Clay Target project ahead of the ERC meeting scheduled for 14 December 2016.
23. Attachment 8 is a briefing note prepared by the Department of Industry relating to the Clay Target project ahead of the ERC meeting scheduled for 14 December 2016.
24. On 14 December 2016, the then Minister for Sport Stuart Ayres brought forward a submission (attachment 9) to the Expenditure Review Committee of Cabinet seeking approval for the Office of Sport (which sat within the Department of Premier and Cabinet) to provide a \$5.5 million grant to the Australian Clay Target Association for the development of a large clubhouse, conference facility and associated infrastructure at the existing facility in Wagga Wagga. The ERC submission did not specify a funding source. It is usual practice that a submission prepared for ERC would identify a funding source, though this is not always the case.
25. I am not aware of the steps taken to see this proposal brought forward for consideration by ERC. Although the cabinet submission notes (Attachment 9,i) that the then Treasurer requested this issue be put on the agenda for the ERC meeting dated 14 December 2016. The ERC submission was a standalone item. It would not be considered common practice for single projects like the Clay Target to come forward as a single agenda item. It is most common that projects of this value would be brought to ERC as a bundle.
26. ERC decided on 14 December 2016 (Attachment 9,ii) the \$5.5 million for the Clay Target project would be sourced from the Regional Growth – Environment and Tourism Fund. The ERC decision was that the project would need to comply with criteria, but would be granted outside of the funding rounds, which were yet to commence. The grant was approved subject to:
  - a. Confirmation of cost estimates from the Clay Target Association
  - b. Development of a project delivery plan
  - c. The Clay Targe Association meeting all ongoing maintenance and operational costs and any capital costs to the facility.

- d. The finalisation of a satisfactory business case, noting this could be approved by the Treasurer following Infrastructure NSW assurance processes.
27. I cannot recall the specifics of this meeting of the ERC, I cannot remember who was in attendance but it is most likely it would have at least been attended by the Premier, the Treasurer, Minister Niall Blair and myself as members of ERC and Minister Ayres whose submission this was.
  28. In January 2017 the member for Wagga Wagga Daryl Maguire announced funding for the project. (Attachment 10)
  29. Attachment 11 is a brief prepared for by the Department of Premier & Cabinet for a trip to the electorate of Wagga Wagga Premier Berejiklian was to take in February 2017. The brief notes that the *Wagga Wagga Daily Advertiser* newspaper (attachment 11,i) was aware of the Government's intention to fund the Clay Target Project in December 2016.
  30. The Regional Growth – Environment and Tourism Fund was a fund established under Restart NSW and administered by Infrastructure NSW. Infrastructure NSW reports to the Premier, as per the Infrastructure NSW legislative framework. Restart NSW is a funding stream that was and remains administered by the Treasurer.
  31. In relation to this project my Department was tasked with ensuring the business case brought forward by the proponent aligned with criteria set down by Infrastructure NSW. This would have happened at a Department level and I have no knowledge of any conversations that took place directly with the proponent as they would have been conducted between my Department and the proponent directly.
  32. Attachment 12 includes:
    - a. A cost benefit analysis prepared by the Department of Industry in relation to the Clay Target business case dated March 2017, which was prepared by engineering firm GHD. (Attachment 12,i)
    - b. The Clay Target Project business case developed by GHD dated March 2017 (attachment 12, ii)
    - c. The updated Clay Target Project business case developed by GHD dated April 2017 (attachment 12, iii)
  33. On the 1 June 2017, Executive Director – Regional NSW Chris Hanger, who works within my Department wrote to Infrastructure NSW (Attachment 13,i), in line with common practice relating to funds administered by Infrastructure NSW. Mr Hanger sought Infrastructure NSW's review and consideration of the Clay Target Project. Attached to the letter is an addendum (attachment 13,ii) that details the cost benefit analysis associated with the business case dated April 2017 (attachment 12, iii)
  34. Attachment 14 is the funding deed signed by NSW Treasury (on behalf of Infrastructure NSW) with the Clay Target Association dated 28 August 2017.

35. Attachment 15 is an ERC submission prepared by Treasury and brought forward by the Treasurer to ERC on 15 November 2017 relating to Restart NSW. Two attachments to the submission (attachment 15, i and ii) note the Clay Target project as it relates to funding decisions taken under the Restart NSW fund.
36. The project was completed in September 2018 and this was announced by Wes Fang MLC. (Attachment 16).
37. Attachment 17 are pieces of correspondence that sit outside the terms of this Notice but which were captured in my search for documents relating to this Clay Target Project.
38. Attachment 18 is a document that was retrieved in my search for documents in order to comply with the Notice.



The Hon. John Barilaro MP