



The Riverina Conservatorium of Music Limited is a company limited by guarantee, is that right?---Yes.

It's a non-profit organisation, correct?---Yes.

And it's a registered charity, correct?---Yes.

40

It's presently situated in the Blakemore Building in Charles Sturt University's South Campus, is that right?---Yes.

It's been present in that location since about 1981, is that right?---Correct.

At the moment, the conservatorium doesn't pay any rent other than a peppercorn rent for that location, is that right?---Yes.

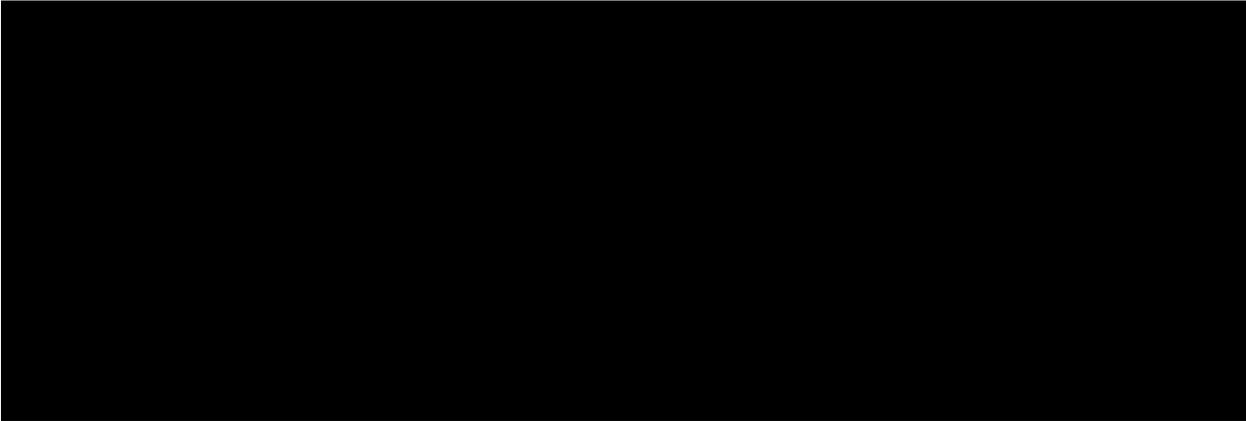
The land on, as you understand it at least, the land on which the conservatorium is presently situated has been sold by the Charles Sturt University, is that right?---That's correct.

But as you understand it, there was a condition of the sale or at least an arrangement in connection with the sale that the conservatorium would be able to remain present at that location for a reasonable period, pending its potential relocation, is that right?---That's correct.

10 And in terms of relocation, the plan is to relocate the Riverina Conservatorium to the building at 1 Simmons Street, in Wagga Wagga, is that right?---Yes.

When did the idea of relocating to 1 Simmons Street first arise so far as you are concerned?---2017. Do you want more history than that?

20 Well, whose idea was it to move potentially to the 1 Simmons Street site? ---Okay, I think I will give you a little bit of background. 2013 was when we were told that we would lose our facility on South Campus. Up until a meeting with Mr Burdack, who was the university secretary at that stage, we had always understood that we would be permanently part of the university in terms of our accommodation. But there's a change of policy and the change of policy meant that we no longer had accommodation there once the, once the building was sold, and we also lost the funding that the university was providing. Now, we're not the only conservatorium that was affected by CSU's decision. But at that point, so back in 2013 – that's, I'm not sure I've got the right, the year right. No, 2014, not 2013. At that point, yes, we were, all of us, so it was Bathurst as well and Dubbo, Albury was affected.



MR ROBERTSON: Yes. Dr Wallace, you started giving some background as to the circumstances in which the plan arose to relocate at 1 Simmons Street. I might just ask you to start that explanation from the start, if you wouldn't mind, appreciating that whilst it's been fully recorded, at least Ms Hughes I think missed part of that explanation, and it may be that the Commissioner missed part of that explanation. So I think you started explaining that CSU indicated in 2014 that, as it were, CSU, the Riverina Conservatorium's tenure would come to an end. If you just continue the explanation you were giving in relation to that issue, please.---Yes, okay. Yes, it, it indicated at a, at a meeting. We had no notion that it was coming. So at the meeting we were told that the property would be sold, and at that stage we would have no facility at CSU. At the same time, CSU was making other decisions, including reducing our funding over a couple of years to nothing. The background there, just very quickly, is that CSU actually started the RCM, and that was back in 1981, as you've said, on South Campus. A letter came in from a lady who passed away last year, Mrs Wall, asking that there be a conservatorium in Wagga, and CSU - - -

30 THE COMMISSIONER: Dr Wallace, how do we spell her name, please?
---Wall, W-a-l-l. She was a, a piano teacher in Wagga and she thought that Wagga Wagga should have a conservatorium. And the predecessor of CSU picked up on that notion and in fact it suited them because the university was about to move out to a new campus, hence he went to a lot of trouble to begin one. He paid for the staff initially. The end effect of that was that a strong relationship was established with the RCM and that, that relationship stayed in that guise right through until the year 2000, then GST came along and at that stage it was too difficult. But the relationship continued, however in a reduced form, with us still having access to the
40 accommodation at no cost, and additional funding was provided to us to, to help us with our work.

MR ROBERTSON: When you say a – I'm so sorry. I'm so sorry, keep going, Dr Wallace.---Okay. So, that was the background. So, when, in 2014 basically all bets were off. We were going to lose the campus and we would not be provided with alternative accommodation, so we were going to be left out in the cold, so to speak. I'm not criticising CSU in those comments by the way. That's just the reality of where we were. And they

were going to reduce, over a number of years, which has now passed, their contribution to our work, particularly our work out in the regions, and so they were the two points. At that point I went to Daryl Maguire and, and I had been working with him since 2002, but really the, the, the first 10 years, my work with him was quite minimal. This was a big change and I - -

10 THE COMMISSIONER: What do you mean you'd been working with him since 2002, Dr Wallace?---I mean by that that we, Hamish Tait, who is the CEO and I, together would see him once or twice a year, update him on what we were doing, talk about issues associated with the regional conservatoriums more generally in terms of the funding that was coming from the State Government. Just for your information at the present moment, the Riverina Conservatorium of Music receives about half a million dollars a year, from the State Government to provide the, the background for us. So that means so that we can have a CEO, so we can have admin staff, and the deal is that that provides basic infrastructure, and then from then on we're on our own in terms of music lessons et cetera. That same system exists across the 17 conservatoriums that are part of the Association of Regional Conservatoriums. So we did discuss those sorts of
20 issues. Most of that work, although I was present, was in Hamish's area, in the area of the CEO, not so much me. But this was different, and so when we went to see Daryl after the, the meetings with CSU, I literally said to him, "I've got a problem so you've got a bigger one, because we're out on the street." So, can I just say that - -

MR ROBERTSON: I'm sorry to interrupt Dr Wallace. When you said "and you have a bigger one" what specifically were you referring to there? ---I mean, I was just about to explain that. That means we had a, a problem that in a few years' time we would be out on the street. So, we, we cannot
30 afford to pay for accommodation, not only do we have that system with CSU but every conservatorium is in the same position. With our music lessons that we provide and we provide – most of our work is in schools but that's a longer conversation, but a music lesson generally would give us about a dollar per lesson. The rest of it goes back to the staff member. So we're not in a position to be able to pay large rents, we can't afford to do so. It's the same for all the conservatoriums. So, our business model is based upon that infrastructure funding that comes from the State Government, and then the money that we then receive on top of that from lessons, but there's no money in it. So the, the notion basically is, if, if we don't have the
40 support of the university, we do not have the facilities to do it ourselves, and so I put the pressure straight back on Daryl Maguire, and sort of said – because State Government provides facilities in other towns, it's, there's a number of, of, of other towns that have a, a conservatorium and it's in a State Government building at no cost.

THE COMMISSIONER: But isn't one distinction between the Riverina Conservatorium, Dr Wallace, and most of the other conservatoriums in New South Wales that they're an arm of the Department of Education and yours

is an independent conservatorium?---No. All of us are independent. However, our funding comes through the State Government. So we receive funding through the State Government that half of the - - -

Sorry, Dr Wallace, we just lost part of that answer.---Okay.

Can you repeat what you said after you said “no”, please?---Absolutely. No, it’s not. All of the, all of the regional conservatoriums are independent. However, the State Government provides funding to each of them,
10 depending on their size. Now, the size of that, there’s a, there’s a, five, five levels of state conservatoriums, and I know about that because that’s the conversation that I was having in those first 10 years. The model that we used is one that I proposed, based upon the structures in high schools, in terms of having levels that once you reach that level, then additional funding’s available. So each of the 17 conservatoriums fits into one of five categories. We are in the top category.

MR ROBERTSON: But, Dr Wallace, is it at least right to say that a number of the regional conservatoria operate from what I’ll call government
20 accommodation, either a government-owned building or at least one where the government provides funding for the purposes of paying rent?
---Absolutely. Yeah.

And so that’s one way in which the Riverina Conservatorium, at least in its present location, is different to certain others. It’s in a university building, as distinct from a government building. Is that right?---Yes, and across – it’s a bit of a dog’s breakfast. So across the state, there are a number of the conservatoria that are in State Government buildings at no rent. There are a number also that are in government buildings that have been gifted to them.
30 So an example of that is Goulburn. The Goulburn Conservatorium built, bought their building from the State Government for a dollar. Similar structures have happened in a couple of other places. Then we can take one like Orange, which is actually in council buildings, and the council provides that infrastructure. So there’s no standard model, but that, the standard does exist around that, that core funding that I talked about. But there’s a sting in the tail, and the sting in the tail is, in order to get that funding, we have to meet the KRAs that are set for us by the State Government. So that’s work in schools. So our teaching in schools is what’s actually being funded through that process. All right, is that sufficient background?
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In an aspect of your answer before the adjournment, you referred to a person by the name of Burdack, can I just ask you to spell that name for me, please?---Oh, B-u-r-d-a-c-k.

You also made reference to some funding that was at least originally provided by CSU, but later came to an end.---Yes.

Can you just explain the nature of that funding?---The funding changed over time. In 1981, it, it was extreme in that some of the staff members from the university were actually the people who headed up the conservatorium. And for the first part, the, the university in its previous guise, which was the Riverina-Murray Institute of Higher Education, Cliff Blake was the boss then, and he was the person that was critical to that. They basically provided the early structure, but then after that it, it did decline, but we got a number of benefits. Not just the accommodation, which was, the accommodation is in the old student union. So it, well, it, it hadn't been
10 built all that long, when they decided to move to North Campus. So it was surplus accommodation for the university, it suited Cliff down to the ground to put us in there, and so that's, that's how that happened. And then the funding that we were getting was, particularly in the last parts of it, to help us with our work out in the region. So it was only a matter of a few thousand dollars by then. And so it declined over time. But it was a commitment, and on top of that, we also had access to the car pool at the university, so we would get that at cost.

When you say the car pool, what are you referring to there?---I'm talking
20 about the couple of hundred cars that, that CSU owned. So if we were sending teachers out to Tumut or Hay or whatever, then we could use one of the cars from the car pool and just pay for that.

Had access to vehicles for the purposes of the Riverina Conservatorium's activities?---Yes.

And was that on a paid basis or on a free basis?---On a paid basis. But the university, but only at cost, so that meant that we got the benefit of a car,
30 they got the benefit of seeing their cars out in country areas and just doing the publicity stuff, as you'd imagine, for the university at the same time.

And the arrangements in relation to the accommodation, as I apprehend what you've said, was on a peppercorn rent basis, in other words not paying substantial rent. I've got that right, don't I?---Yes, you have.

And that remains the situation in the current site at which the Riverina Conservatorium operates, is that right?---Yes, with one caveat. The building's been sold, so CSU indicated that they would support us through
40 to the new building. They'd put a timeline on that, which we're going to be well inside. And they have been paying our rent and we're getting it at no cost.

And when you say they put a timeline on that, what timeline have they put on that?---They put five years on it, and that was in the time of the exchange of contracts, the sale of the land.

And that five years expires when?---Oh, it's about 18 months away. It might even be two years. I don't have that date in my head.

And then in relation to the building itself, peppercorn rent at least before it was sold. Who was then responsible in terms of the general upkeep of the building? I take it that was CSU as opposed to the conservatorium.--- Absolutely. Yes.

You referred in one of your earlier answers to a discussion with Mr Maguire where you said something like “I have a problem but you have a bigger one.”---Yes.

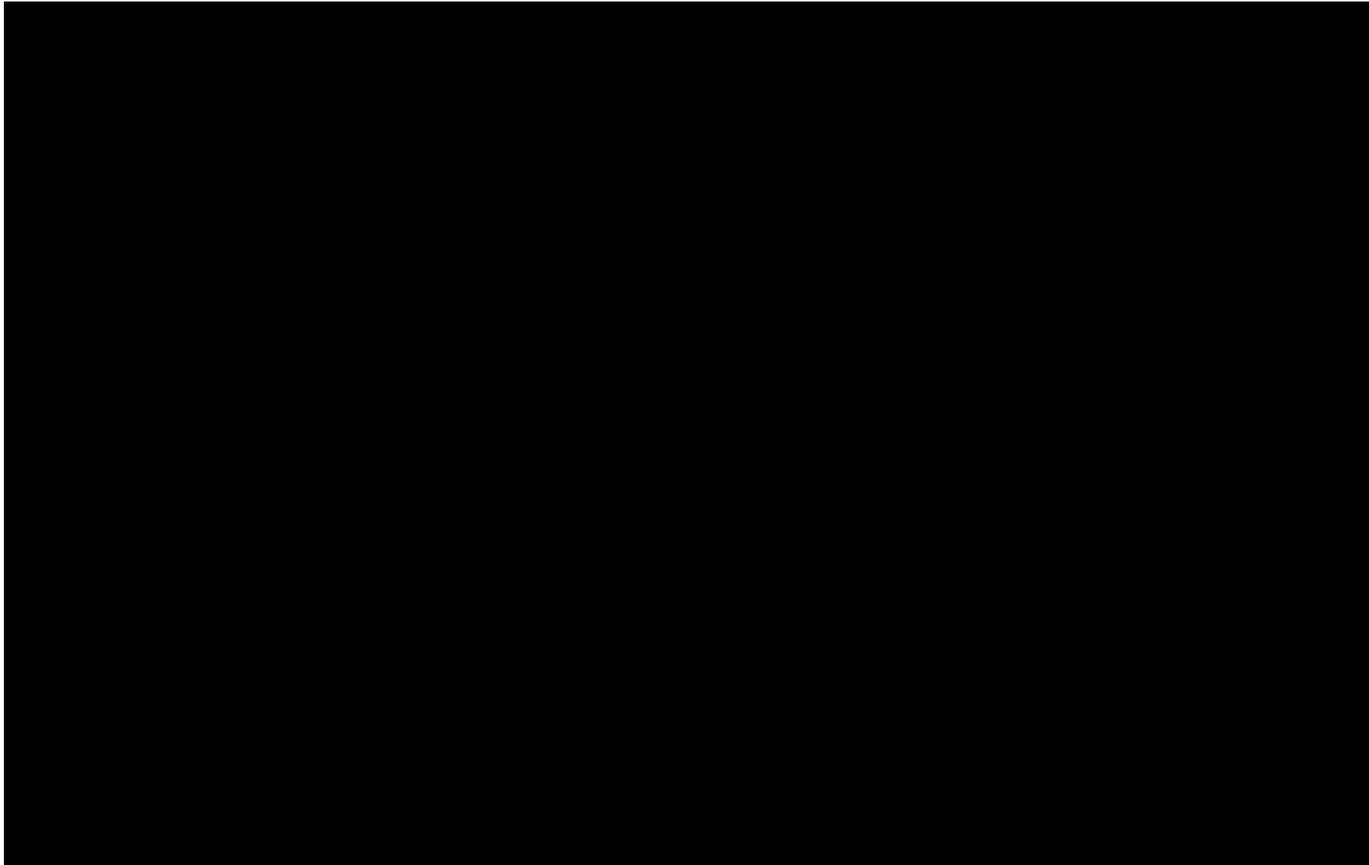
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Have I got that right?---Yes.

And so when you’re explaining to Mr Maguire that he had a problem, he had a bigger problem than you, what were you there referring to? What was the problem that Mr Maguire had according to your communication with him?---It was the opening statement in a conversation about what do we do next. He was the local member. We’re going to be out on the street. We have over 40 staff. We have 1,500 students. We’re working in schools. We can’t afford to pay rent. What can the State Government do for us, basically, was the question. And that started a series of conversations. The important point about this, coming back to your question about Simmons Street is that I talked to him and then worked up a proposal, which Daryl Maguire and Hamish and I discussed, that basically it was based around the fact that there is no funding source for conservatoriums for capital works. It certainly happened in a number of cases, but it is a dog’s breakfast in the way it happens. So, but at the end of the day we needed a direction that would work for us. We didn’t know what was available. When I talked to Daryl about it, he said, “All right, well, we’re going to have to start a process.” I don’t think he knew what to do. So he sent me out basically just to say, “Well, what are you looking for? Give us some sense of what you need.”

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MR ROBERTSON: Dr Wallace, you referred to a conversation that you had with Mr Maguire where you used a phrase along the lines of “You have a bigger one.” Is a fair summary of what you were seeking to communicate to Mr Maguire that Mr Maguire and perhaps the government may have a political problem in the event that it didn’t provide appropriate assistance to the Riverina Conservatorium, and the ability of the Riverina
30 Conservatorium to have accommodation beyond when CSU no longer provided the accommodation? Is that a fair summary of what you were seeking to communicate?---Probably – I think it’s a fair summary. I would suggest it’s probably a bit brasher than I had in mind, but basically yes. That where else are we going to go, and how’s it going to work?

Can you assist in indicating when that conversation was likely to have occurred? I think you indicated that CSU advised the Riverina Conservatorium that its tenure at the Wagga Campus would likely come to an end. That communication happened in about 2014. Do I have that right?
40 ---Yeah, so I wrote a letter to him on 10 April, 2014, summarising the concerns, so yeah, it was reasonably quick, it was, you know, sort of two to three weeks later that, that I wrote the letter.

And earlier this morning, I’m sorry to interrupt, but earlier this morning, you first answered that it may have been 2013.---Yeah no it was 2014.

I then saw you I think looking down at a document. Is the document you looked down at the letter of 10 April, 2014 to which you’re now referring?

---No, it's not. I'm just, I kept a, a, I took a list of all of the documents that I had. So I was referring to my document index list for that date. But I do have the document, yes.

10 But you're drawing attention to the fact on 10 April, 2014, you wrote a letter to Mr Maguire concerning the accommodation issues that Riverina Conservatorium was expecting to have in light of CSU's decision. Is that right?---Yes, and I should imagine from that – it is a long time ago – that I had met with him before then. I should imagine so. Daryl was fairly easy to make appointments with in Wagga, so it's very likely that we talked with him before that date.

And so doing the best we can to identify a date or possible range of dates of the conversation that you've given some evidence about, it looks like it happened towards, in or before April of 2014 but in calendar year 2014. Is that right?---Yes. Yes, everything's 2014.

20 Now, I asked you towards the start of the examination where the idea came from in relation to the 1 Simmons Street site.---Yes.

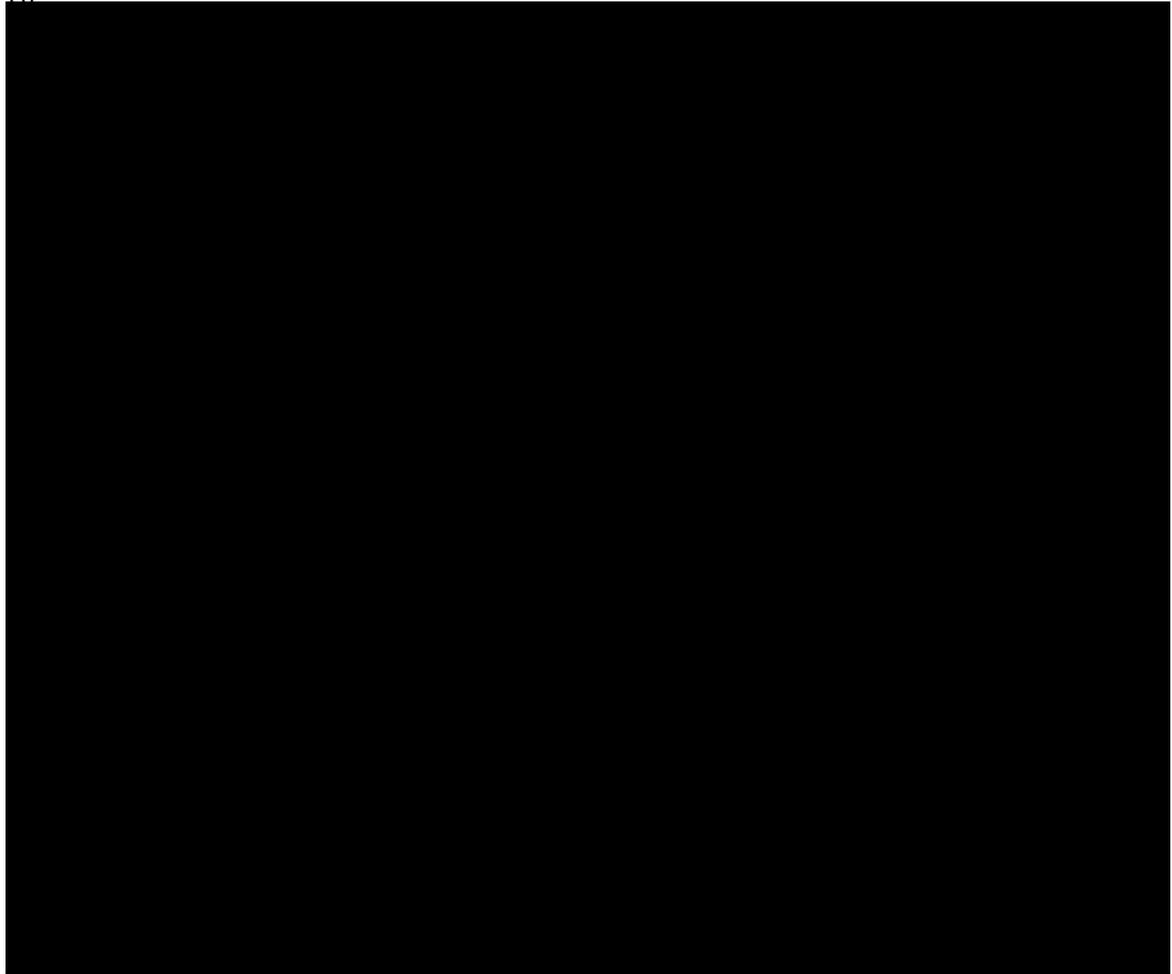
Where did that idea come from?---Okay.

30 I appreciate you've given some of the background to that question, but where did the particular idea come from?---Yes, I am, and it's a bit, it's a bit circuitous but, but it has to be presented this way. In the documents I sent to you, there was an initial submission as a result of the conversations, and work I did with the university and with council. So on, in September 14, I submitted a, a proposal to the government that we take over a, a theatre which was closed at that stage downtown, on what's called the Riverside project.

40 Now, are you now referring to what was referred to as the Riverina Playhouse?---Yes, I am indeed. And that we build a conservatorium where the existing visitor information centre is there, including ourselves, but, and some shops – it was quite a, a big model that I'd developed – and an, and a restaurant, there was a few things in the mix, and suggested that that would be a good fix, because the work I had done to establish where we might go, given Daryl's original question, "Where would you like to go and what do you need?" I proposed a couple of critical criteria for the establishment of it. I should just make one quick comment on the side that my master's degree was in town planning amongst everything else, and in, and geographies, and I had worked as a demographer and planner before, so I had some experience in the background, which was relevant to the way I worked. The point was, that submission went in. The report I got back from, via Daryl was, it looks really good. There seemed to be some interest in it.

THE COMMISSIONER: So the response you received from whom, Dr Wallace?---From, from, through Daryl, that he, he'd, he'd, he had sent the submission to Sydney, and the conversation at that stage was there is no funding source because that's a continuous problem, but then when the poles and wires initiative came to existence – so that was a previous Premier – that that would be a good source of funding to make it happen. At that stage we sat and we sat right through to 2017, poles and wires you may remember took some time to expedite for the government. We had no dates for the sale of the property, we were just in - - -

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40 Mr Robertson, you're on mute and I think we're back in business. I think what you were telling us, Dr Wallace, about was the response from Sydney, that you sat on the idea of waiting for the poles and wires funding to become available to pursue alternative accommodation. Is that what you were telling us?---That's right. So that the funding might be possible through that. It was predicated on the fact that CSU was not using the playhouse. The playhouse is actually the responsibility of CSU, it's on council land but CSU has built the premises on it. It was closed, now that's critical, and so there was, it was a no-brainer that we take it over. We were going to change it so it worked for music and basically establish a conservatorium nearby

and that would give us the best of both worlds. That continued through to 2017. Am I being heard clearly?

Yes. Thank you, Dr Wallace.---Okay. In 2017, CSU opened the theatre. They didn't spend a lot of money. We had been told before that that it was at least \$2 million to do some refurb, basically a few thousand but that was all, but they got it open. I went to Daryl and said, "I think our model is dead. It's dead because CSU has opened it. If we can have a drama theatre in town, we can do nothing but be excited by that. Politically it would be
10 stupid to now have a debate about whether it's used for music or for drama, not a place to go." When I raised that with him, what was in the back of my mind was, we would let the playhouse be the playhouse, we would continue with our original model but include a performance space in the new conservatorium. Daryl responded with, "Oh well, there is another site, because we're about to sell 1 Simmons Street." He went on to say, "I don't think it's suitable for you but by all means go and have a look." He arranged for me, and with Hamish, to go to the site and a man named Lindsay Tanner was the, the person in charge of main roads there, and he showed us the site. I was very impressed, the site was absolutely perfect.
20 It's in a beautiful location, which was a bonus, very noisy ducks on the water out the back, but other than that, it's a beautiful location. It's almost a joke, it's perfect. It's on the lagoon in the centre of the city but it ticked all of the other boxes. So it had one building that could be basically just stripped and was large enough to accommodate the main teaching spaces and rehearsal spaces. There were 50 car parks on the, on the site, which are not obvious from the street, as well as a laboratory, which could be knocked over, it was definitely past its use-by date. So I went back to Daryl and sat with him and went through the reasons why I thought it was a perfect site. He was not expecting the answer. So I was halfway down the list and he
30 literally said – sorry, Commissioner – "Shit, you're right." He said, "We'll have to stop the sale." So at that point we didn't proceed any further then but I know he rang somebody and said, "Look, we're going to have to work on ways of stopping this property to be sold. I now have an alternate purpose for it here in Wagga." Long, long answer to a short question.

MR ROBERTSON: So is it right to say that, at least as you understood it, before Mr Maguire became involved, it was slated that the 1 Simmons Street site would be sold by way of some kind of public sale?---Yes. And the reason for that was that it was not up to speed. It didn't have a lift, so
40 there were problems with access in the building. A new building was under construction, which the Department of – they've now moved to. So they'd been there for a couple of years, the building has now been vacant for a couple of years but at that stage, they were still in it. There were about 200 staff, approximately, that were in that building at that stage and it had little cubicles everywhere.

So you just identified a reason. Are you saying that was a reason, as you understood it, as to why the 1 Simmons Street site had been vacated by, I

think it was the RTA at that point in time, or are you saying that was a reason why, as you understood it, the government was proposing to sell that site?---It was both of those. It was no longer suitable for the government. The quality, the building was built in, in the very early eighties, very strong and stable but access was a problem. There was steps to the top storey, there was no way around it. Obviously we'd included in our stage-one, the construction of a lift.

10 How do you know that those were the reasons why the government, or why the RTA had vacated the site and/or was seeking to sell the site?---I can't tell you who told me, whether it was Lindsay Tanner or Daryl. I suspect it was Daryl because that would have been part of the conversation about "Go and have a look, it's no longer suitable, we're going to sell it" was the general, general conversation.

20 But doing the best you can, someone who had some connection with government, perhaps Mr Maguire communicated those issues to you, is that right?---Oh, yeah, yeah. Yes, not, not hearsay. It, it may well have been amplified by Lindsay. I frankly can't remember that.

Now, just to make sure I understand the chronology here, in 2014 CSU advises the Riverina Conservatorium that its tenure on the South Campus would in due course come to an end. Have I got that right, 2014?---Yes.

And you have a meeting with Mr Maguire, most likely towards the start of 2014, where you explained to him, amongst other things, "I have a problem, but you have a bigger one," correct?---Yes.

30 Mr Maguire in effect suggested that you have a look at alternative sites in around the Wagga area in relation to the Riverina Conservatorium, is that right, that's the next step that happened?---Yes, yes.

40 As part of that exercise, you identified the Riverina Playhouse as a potential new location for the Riverina Conservatorium, correct?---Yes. I'd have to put a little step between the two in the sense that I didn't do that particular report without going back to Daryl beforehand and saying, "At the end of the day, the only site that works is the Riverside project," because it ticked the boxes for Riverside project as well and, at that stage, there was affirmation that it's worth pursuing.

But just focusing on the playhouse first, the playhouse was a site identified by you as a potential candidate. Is that right?---Yes. Yes, absolutely.

That ultimately couldn't come through for the reasons that you've explained a little bit earlier today. Is that right?---Yes. Yes.

It was Mr Maguire that suggested that you consider the 1 Simmons Street site. Correct?---He sent me down to have a look. I don't think it's strong enough to say "consider". He said, "Have a look and see if it's suitable."

But it wasn't your idea? You didn't identify it as a potential site?---No.

It was Mr Maguire that identified it as a potential site. Is that right?---I, neither Hamish or I even knew about the building until that conversation.

10 You ultimately went to go and have a look at the Simmons Street site and found that it was fit for purpose. Is that right?---Yes. Yes.

Who made the arrangements to get access to the Simmons Street site. Do you remember?---Yes. I, I said before it was Daryl Maguire rang Lindsay Tanner and said, "Can you let these guys have a look through?"

20 THE COMMISSIONER: Sorry, Mr Robertson. Dr Wallace, I missed where Mr Tanner fitted in.---Right. Mr Tanner was the boss in, down, down, they're currently at Simmons Street. So, so the Ministry of transport, he was, yes. He was, he was the RTA.

Thank you. Sorry, Mr Robertson.

30 MR ROBERTSON: So then after those course of events, what steps did you then take in relation to the Simmons Street site?---So then in relation to the Simmons Street site, there was a little bit of a nervous wait because the property, the, the sale of the property was well on the way, but it, it certainly hadn't gone to advertising or whatever. So there was some background work that was done which I don't understand the details about. But, from there, it came through, so how do we acquire it, how's that going to work? And Daryl wrote letters. Sorry. I keep calling him Daryl. I'm just so used to calling him Daryl rather than Mr Maguire. He, he wrote letters through to government. There are a number of them. And it was Dominic Perrottet who responded in the end, suggesting that we do an unsolicited proposal to government. Now, under that - - -

Just pause there for a moment, Dr Wallace. I'm going to show you a document.---Yes.

40 I'm going to give you a reference number to this document that has a volume number and a page number. Don't worry about that. That's just to assist those who are assisting the Commission to get it on the screen. So volume 31.0, page 72. And it will come up on your screen in a moment, Dr Wallace.---Yes.

So I'm going to show you a letter that is identified as 13 October, 2016. Can I ask that we zoom in to the first three paragraphs? Now, Dr Wallace, can you read the text that's now on your screen or do you need it blown up a

little bit more?---No, no, no, that's fine. That's fine. I do know the document.

Does this appear to be the letter from Minister Perrottet, P-e-r-r-o-t-t-e-t, to which you referred a moment ago?---Yes.

10 And so in short, if you see the second paragraph, that suggests that Minister Perrottet has "sought advice Property NSW as the owner of the site to ascertain its intentions for the property. The property has been identified as surplus to Government service delivery needs, and in keeping with government policy, the sale of surplus government sites must be undertaken through an open and competitive process". Do you see that there?---Yes.

20 And you then see that Mr Perrottet says, "Notwithstanding, there are a number of options available to the Conservatorium to acquire or occupy the site on a long term basis. This includes:" and then item 1, he says "Unsolicited Proposal" and if we then just scan down a little bit further, there's an explanation about unsolicited proposal, but second then is a reference to "Market process". Do you see that there?---Yes, I do.

So this is the letter to which you were referring before?---That's exactly it.

And with Minister Perrottet giving some advice in relation to the 1 Simmons Street site?---Yes.

30 Now, having received this letter, what steps did you then take in relation to the 1 Simmons Street site?---So in relation to that, we then had a conversation about the three models. There's another one over the page, so there's the market process and there's the third one if you want to turn to page 2.

So we'll just turn to page 73 "Direct sale or transfer of the site".---Yeah. So there were three models. The only one that was workable seemed to be the first of them - - -

The unsolicited proposal, is that what you're referring to?---Yes. Yes.

40 And just pausing there. You said "we had a discussion".---Yes and there, there ---

And who was part of the "we"?---Daryl was definitely part of that conversation. So we were looking at what was the best way to go forward and this unsolicited proposal seemed to be the best way and that was advice I think that came from Property, as well. I can't be sure of that. But it was clear that - - -

Well, can I just draw this to your attention, Dr Wallace. This might help. If you have a look at the third line in the paragraph numbered 1, where's "Unsolicited Proposal" this is staying on page 72 of volume 31.0.---Yes.

Have a look at the third line. It says "this is the preferred approach" as to process. Do you see that there?---Yes. Yes.

10 Is that what you're referring as advice as to the preferred approach, at least from the government's perspective?---Yes. Well, I double-checked, of course, but it, it did appear to be the process to go. And I, I do remember the name Con Cargas so I'd imagine I discussed it with him, as well. I tend to be a bit of a terrier dog so I do follow through, so, yeah, so I would have probably done that.

That name that you were referring to, that's Con Cargas, C-a-r-g-a-s [sic], that we can see in the second-last paragraph on page 72. Is that right? ---Yes. I, I know I talked with Con. I had a dear friend named Con, so it's one of those names that doesn't disappear from my mind, so, yes. I definitely discussed it with him.

20

Is it right that, in effect, you and Mr Maguire agreed that the path to seek to pursue in relation to the 1 Simmons Street site was the unsolicited proposal approach indicated in Mr Perrottet's letter that you can see on the screen? ---Yes.

30 And what steps did you then take going down that path?---To put it bluntly, I worked my butt off. So I, I prepared a document and I did send that through to you, probably if, you probably don't need that document anymore, although you can still me, anyway. This is the document that I prepared. So that's, that was (not transcribable)

So just pausing there, so we can identify that. Can we go please to volume 31.0, page 1. So you're currently holding up to the screen a document titled Unsolicited Proposal to Government Riverina Conservatorium of Music. Is that right, Dr Wallace?---Yes, it is.

That's what you're holding up to the screen?---Yes.

40 If we can have the share screen, please, volume 31.0, page 1.---That's it.

And so the document that is now on the screen is the first page of the document that you just put up to your camera. Is that right?---Yes.

And when you say you worked your butt off, you worked your butt off to prepare the document that that we can see, at least the first page of which we can see on the screen. Is that right?---Yes. Yes.

Now, in terms of preparing that document, I take it you took the main running of drafting the text and the material within it. Is that right?---That's correct.

Who else contributed to the material forming part of the proposal, if anyone?---Hamish Tait certainly provided some of the, the data that was in there as we worked through. I worked - - -

And Tait is T-a-i-t. Is that right?---Tait is T-a-i-t. That's the CEO.

10

The CEO of Riverina Conservatorium?---I, I refer to my previous comment about having done planning before, so I worked with council, I worked with a number of members of council to prepare the document. When I say "I worked my butt off" I left no stone unturned. I made sure that document was perfect in every way. It was an extensive piece of work. And you have that document, so I don't have to expand upon that, but it's, it had 10 appendices at the back, plus the main one, addressing the issues that were required under a solicited proposal to government, and it was, the date in the front of it is January 2017 when it was sent in.

20

But other than you and Mr Tait, who else contributed to the text or the figures, or any of the content of the document?---No, mostly me, with some from, from, from Mr Tait, but on advice from a number of others.

And who are those others?---The others were council, council, council staff members. I talked to planners there, and made sure I was across where they were. I included some information on the impact on the community. I also worked with, was Neil Mangelsdorf, who was a property manager in town, to get some professional advice, and that was in relation to what it would cost to develop the site. So the, in the proposal there was quite an extensive section where I talked about the model, about refitting the, the main building, and also the, the theatre, the, the concert hall. Recital hall, to be specific. On that one, Daryl was involved.

30

Now, just before you go further on that, Mr Mangelsdorf, M-a-n-g-e-l-s-d-o-r-f, was Mr Mangelsdorf someone who was previously known to you?---No.

So how did Mr Mangelsdorf become a person who was able to provide assistance or become known to you to provide assistance in relation to the unsolicited proposal?---That came via Daryl. So what had happened there was, Mr Mangelsdorf's done a lot of work in town, and he has high credibility in the community, but he was not a person I knew. And Daryl suggested we talk with him around what we might do and how it might work.

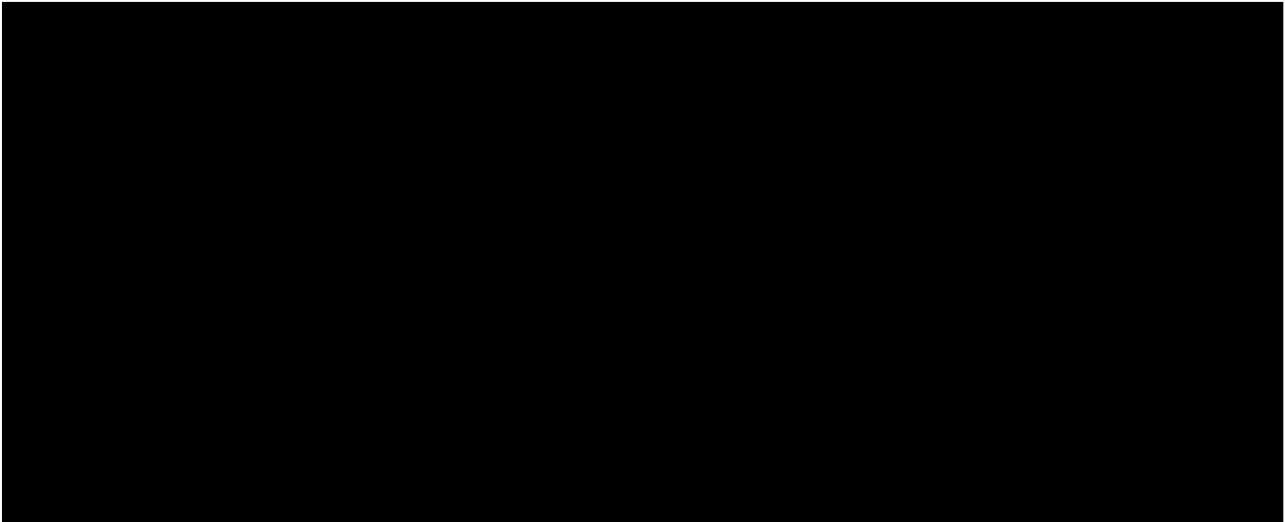
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So is it right to say Mr Mangelsdorf was someone who you knew of by reputation but didn't know personally before you had discussions with him

in relation to the unsolicited proposal? Is that right?---Yeah, basically. Basically, yes.

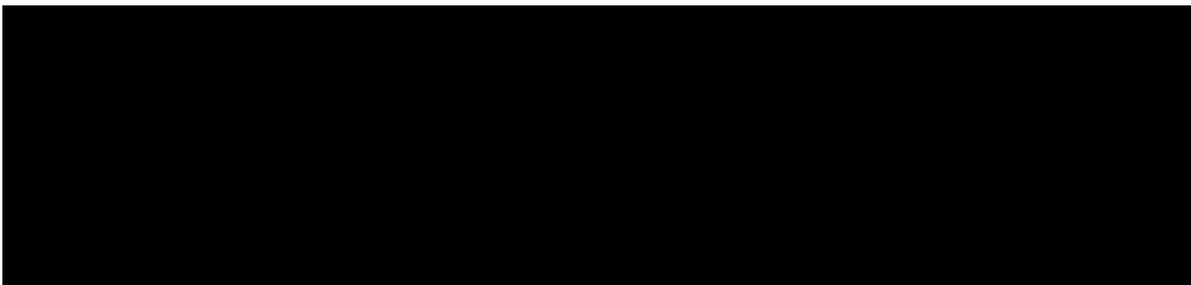
10 But he was someone you knew of, it wasn't someone completely out of the blue when Mr Maguire suggested him to you? Or was he someone that was unknown to you at all?---Well, it's not, wasn't very high, so I think I'd heard the name. There was another name mentioned that I rejected out of hand because I did know that person, I didn't think he was appropriate. It's, to, to redesign it for a conservatorium requires expertise. It requires somebody who has background in schools, school design, but also in theatre design, because the main point of the project is around sound. So acoustic treatment is absolutely critical. Now, Mangelsdorf had recently been working in those spaces, that was the advice I was given.

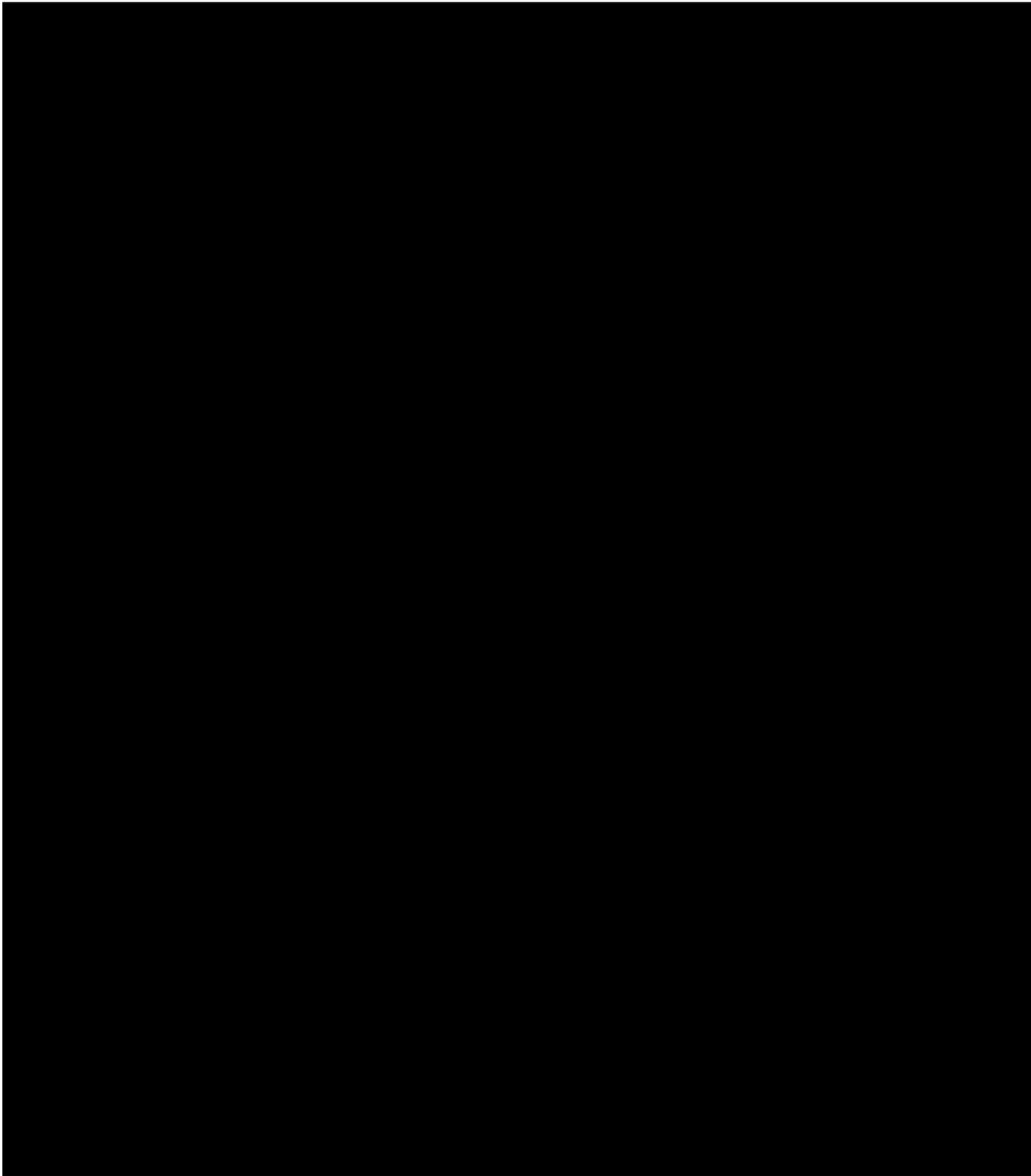
The advice you were given by whom?---By Daryl. By Daryl.



THE COMMISSIONER: So it was just an expertise basically in acoustics, Dr Wallace?---Yes, has access to that. We didn't want a dodgy brothers job. We wanted one that was going to be up to the standards required for high quality sound. And that means every studio needs treatment for high quality sound, and of course it makes sense that the recital hall would as well.

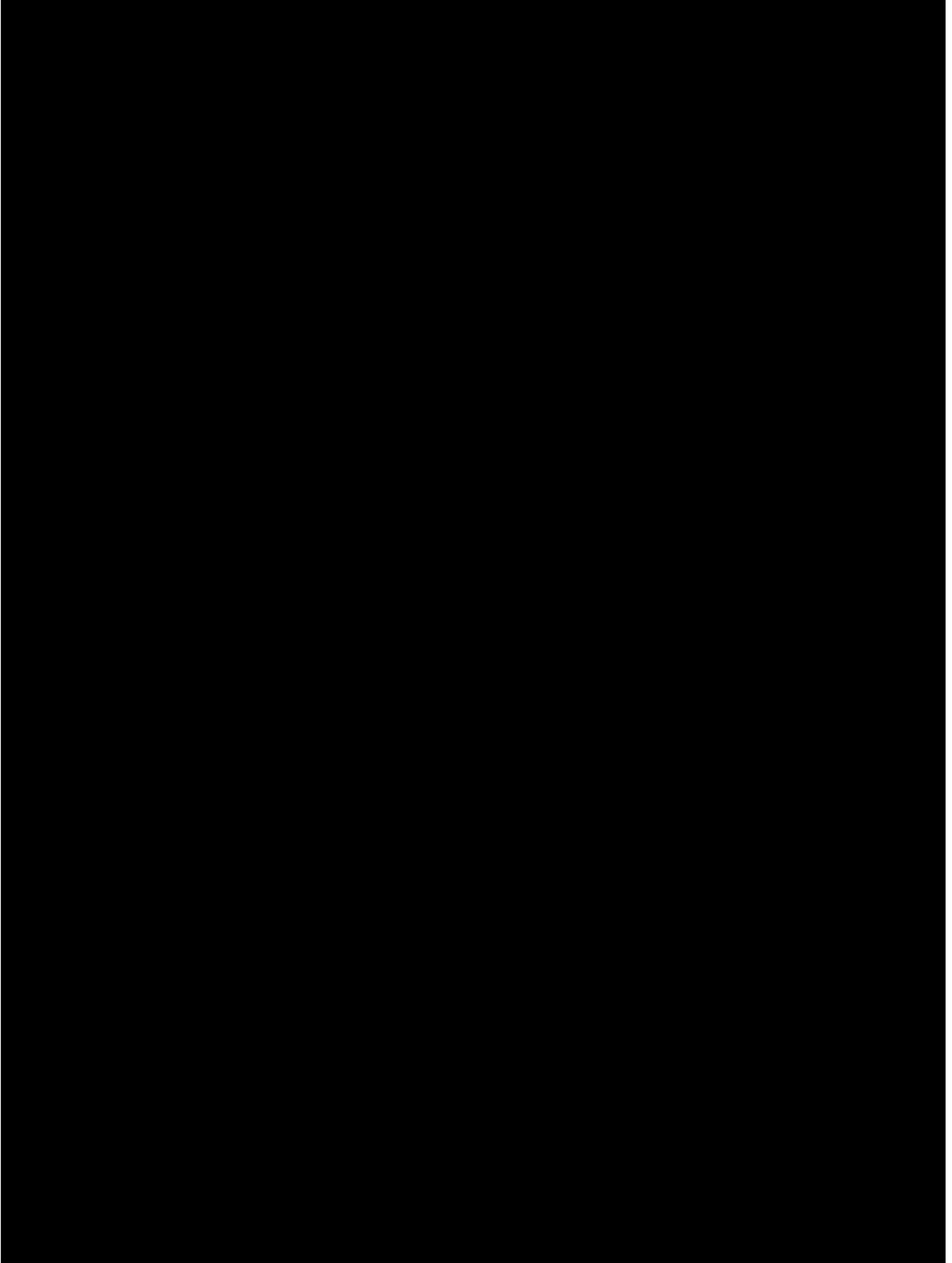
40 MR ROBERTSON: And it was Mr Maguire who identified Mr Mangelsdorf as someone who wouldn't be of the "dodgy brothers" variety? ---Yes, yes. Absolutely, yes.

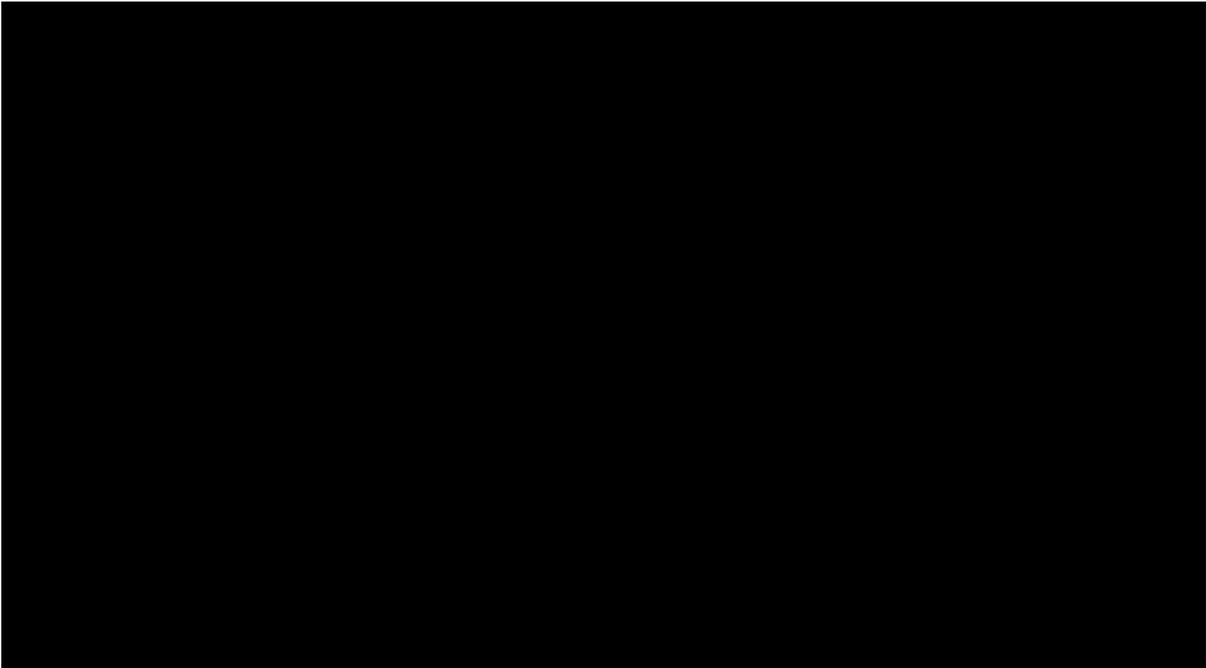




40 I take it Mr Maguire provided at least some input, is that right?---Not really. The, I was going to make a point, and that was, he made a, a contribution in terms of the, the dividing of the project into two stages. That was where his input was. So that, in the conversation in getting this ready, having done the work and gotten a sense of what the cost would be, and had a sense of how the site would work, which is what we've just been talking about, his suggestion at that stage was we do it in two stages, not in one. So his suggestion to us was, it's not probably going to very, work very well to go

for \$30 million. It's too big. So to break it into two parts, two separate stages and to present it that way. That came from him, not from me.





Page 116, volume 31.0. You can see there a letter. It's hard to read, towards the bottom of the page "7 July, 2017"?---Yes.

20

Is that the letter to which you were referring before involving the rejection of the unsolicited proposals document?---Yes, it is.

And just to refresh your memory, the third paragraph "Specifically the assessment found that the proposal was not able to satisfy the uniqueness criterion", do you see that there?---Yes.

Now, having received this letter on or about the 7th of July, 2017, what further steps did you take in relation to the 1 Simmons Street proposal and building?---Well, there's two things. One the uniqueness criteria that was put there was not what was asked in the questions for the unsolicited proposal, so I was concerned by that. But I followed through and rang Mr Hanger to, to see his advice on what we should do next.

30

Do you see in the final paragraph, there's a reference to Mr Hanger. So do I take it that you took it upon yourself having received this letter to take up the option referred to in the letter of having a discussion with Mr Hanger? ---Yes.

40 So far as you can recall, what did Mr Hanger say about the rejected unsolicited proposal?---I'll put it bluntly. He frightened the daylights out of me. When I spoke to him, it was, "Okay, you're, you're in a situation where you're going to have to do something about it. You're right back to starting again." It was, we would, obviously lost the site in the process. I didn't find him sympathetic at all. And I've worked with him since. I don't have a problem with Mr Hanger. But that phone call really affected me because clearly it was a case of the, the property would end up being sold. We wouldn't have a chance of getting to the property at all now. We would

have to find another alternative. That particular property is in the cultural precinct in town which is identified by council. It ticked all the boxes. It looked like we were then into a five year wait to get anywhere and then when we did, we wouldn't be getting that, that place. We'd be stuck out in the boondocks somewhere. And the process that he was talking about, he was just talking as a bureaucrat but it changed my resolve, it completely changed my resolve - - -

10 So when you say it frightened the hell out of you, the thing that frightened the hell out of you was the inference that you drew which was that the 1 Simmons Street site as a potential site for RCM looked like it wasn't going to happen, at least based on Mr Hanger's communication to you?---Yeah, plus we're out on the street. It's, I mean, we'd still have a priority to get out of the building. We've got enormous ones and he would seem to be indifferent to all of that, you know, you're just going to have to go and start again. And I just didn't react very positively to that at all.

20 Now, following the discussion with Mr Hanger, did you take any further steps in relation to the 1 Simmons Street proposal?---Yes.

And what were those steps?---I contacted the, the local member and I'm, I'm a bit forward about these things. And I said, "This is rubbish. I'm going to write straight to the Premier." And you obviously have that letter so you can put it up but, which I presented my case around my reaction to the unsolicited proposal and where do we go from here basically.

And when you say the "local member", I take it you mean Mr Maguire?
---Yes.

30 Did Mr Maguire give you any input or assistance in relation to your proposed letter to the Premier ?---Not really.

Well "not really", does that mean no or does that mean yes and a little bit or does it mean something else?---I, I wouldn't, I wouldn't be surprised, and I can't remember now, but if I showed it to him before it was sent, that would be stupid not to, but, no. The ideas were basically across the weekend after the conversation with Mr Hanger. They were enough to convince me it had to be done that way. I had to break through somehow on the project.

40 The idea to write to Premier Berejiklian was your idea and not Mr Maguire's idea. Is that what you're saying?---Absolutely, yeah.

You'll see in the final paragraph of this letter, this letter being addressed to the Premier, "We thank you for the advice and support you already provided for this project." Do you see that there?--Yeah.

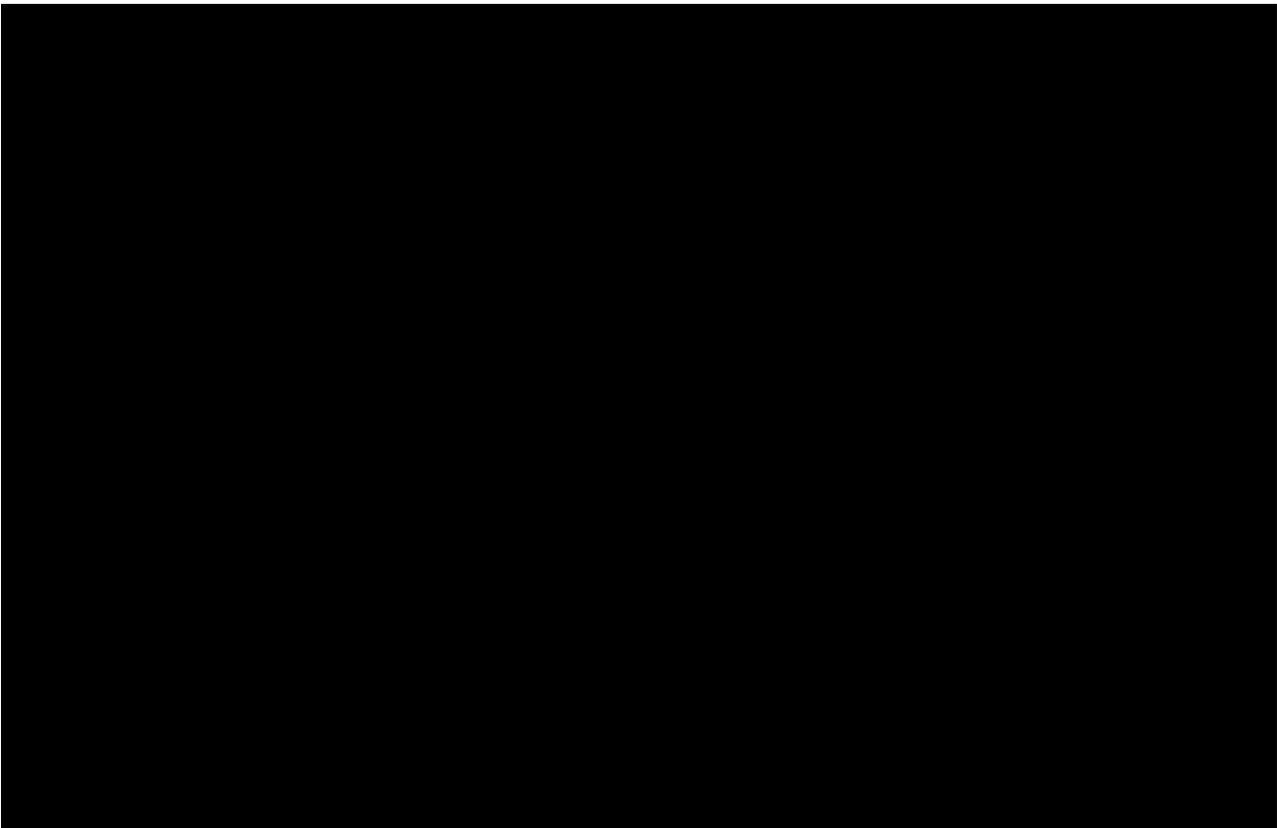
What advice and support did Premier Berejiklian already provide for the project as at the 23rd of July, 2017?--Well, I had written to her before. So it was, it was really a, just a sweet comment at the end more than anything else, for the Premier, but there, there wasn't anything, any private advice that had come to be at all from her.

10

But what specifically were you referring to in terms of support or advice that Ms Berejiklian had already provided for this project, this project being the 1 Simmons Street site project?--She came down and had a look at the site but it was after that. At this stage it was a reaction to the, this proposal. I'm a bit hazy there, I'm sorry. There was nothing specific but given she's the boss, it was more at that level.

20

Well, I think you just referred to her coming to see the site. Is it consistent with your recollection that she met with the conservatorium soon after becoming Premier, towards the start of 2017?--No. I would have to check my dates to be specific on that one. She came after this, this went in, so it was sometime after that. She was down here to look at the hospital, so I think she was making an announcement about the hospital and so she came and had a look at the site and I met her there and she asked a lot of questions.



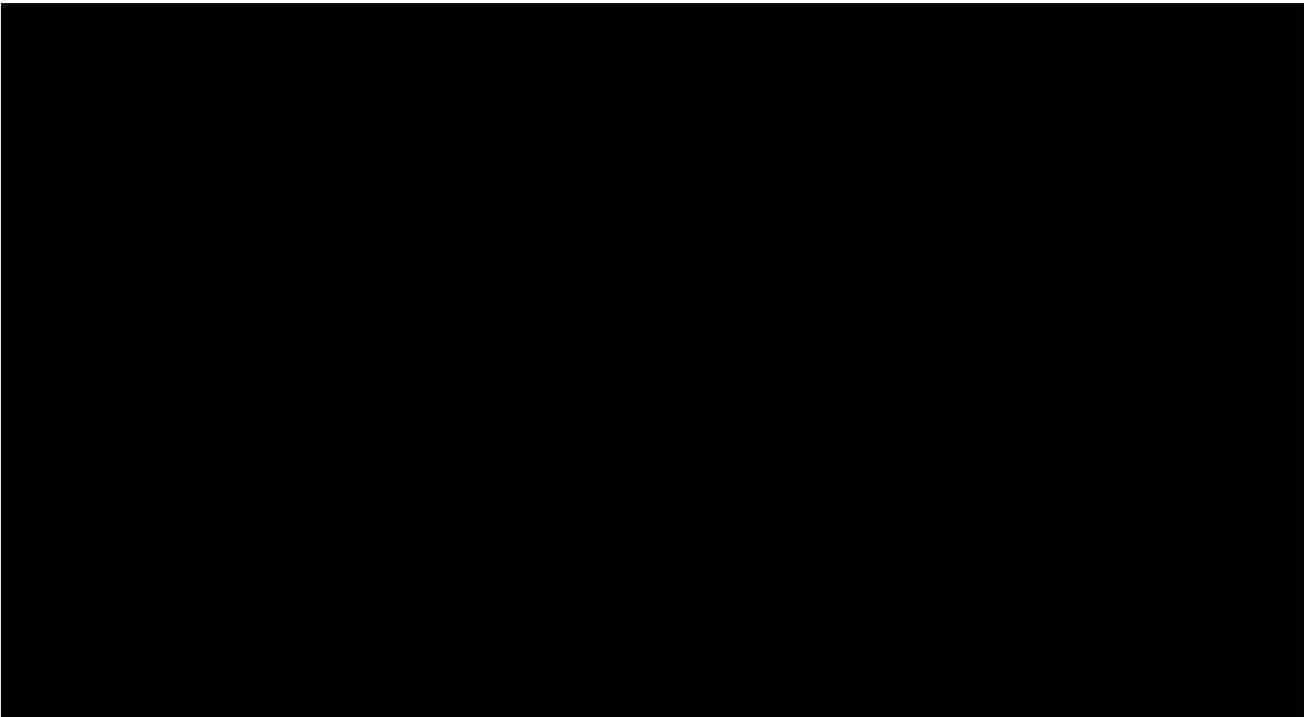
THE COMMISSIONER: Can you hear clearly, Dr Wallace?---Yes, indeed.

Thank you. Yes, Mr Robertson.

MR ROBERTSON: Dr Wallace, just before the luncheon adjournment I
10 appears to have occurred in about February of 2017, soon after her
appointment as Premier and you were explaining that during the course of
that visit Ms Berejiklian met with I think you and perhaps other associated
with the Riverina Conservatorium of Music. Is that right?---That is correct.

And so who was present during the course of that meeting, other than
yourself and Ms Berejiklian?---Daryl Maguire was there. I think Wayne
Geale was there. He recently passed away, but he was the treasurer of the
conservatorium.

20 Can you spell his surname for us, please?---G-e-a-l-e, Wayne. He was a
previous mayor here in Wagga and then became the treasurer at the
conservatorium and he was one of the people heavily involved in the project
in later stages in particular. So he was there. Other than that - - -



Other than the individuals that you've identified, did Ms Berejiklian meet
with anyone else when she attended for a meeting with the Riverina
Conservatorium in about February of 2017?---No. It was around lunchtime.
She had a staffer with her from memory. It's all a long time about for this
kind of conversation. I remember it was a really hot day but that's

irrelevant to your conversations today, but she was wilting in the Wagga heat at that time of the year. But, no, I can't remember anyone else.

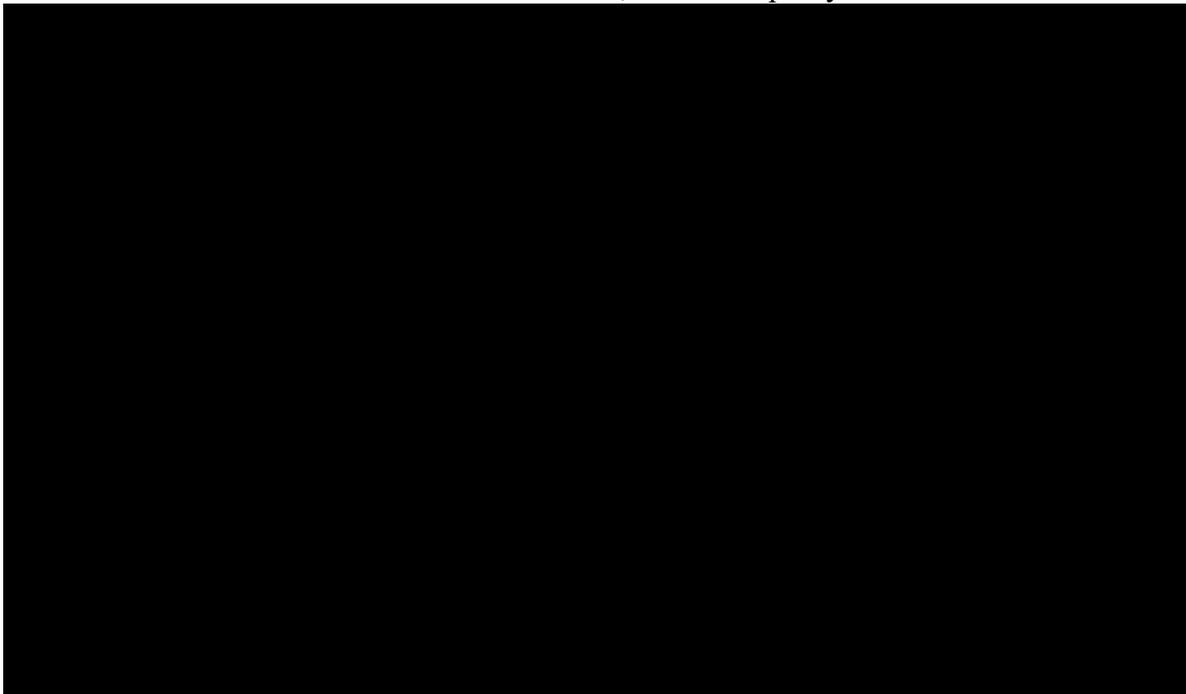
And where did this meeting take place?---It, it took place onsite.

When you say onsite, do you mean at 1 Simmons Street?---Yeah, exactly. Yes.

10 And so I take it that during the course of the meeting you were explaining to Ms Berejiklian the general nature of the unsolicited proposal that you were proposing to make in coming days?---No. She was asking quite specific questions about why this site, why not another site, where, where are students coming from, are there other alternatives, those kinds of questions were being asked. They, they seemed to me at the time to be quite astute questions. So, so it was, it was, I obviously did some explanation at the first and then talked about what the site offered as potential for us, but then she was quite specific in her questions then after that.

20 And so did you infer from that that she wasn't coming clean, as it were, without a background on the project, but rather had at least some idea as to the proposal that you were intending to put forward in coming days?---Yes, absolutely. That's a fair comment.

In terms of what you were explaining to Ms Berejiklian, was that just focused on stage 1 of the proposal that was ultimately made or was that including stage 2 as well?---Absolutely it was about stage 2 because it's a total concept and I told her a story that had influenced me in terms of particularly stage 2. If you, if you want me to tell you it's going to take another three or four minutes. So it's, so that's up to you.

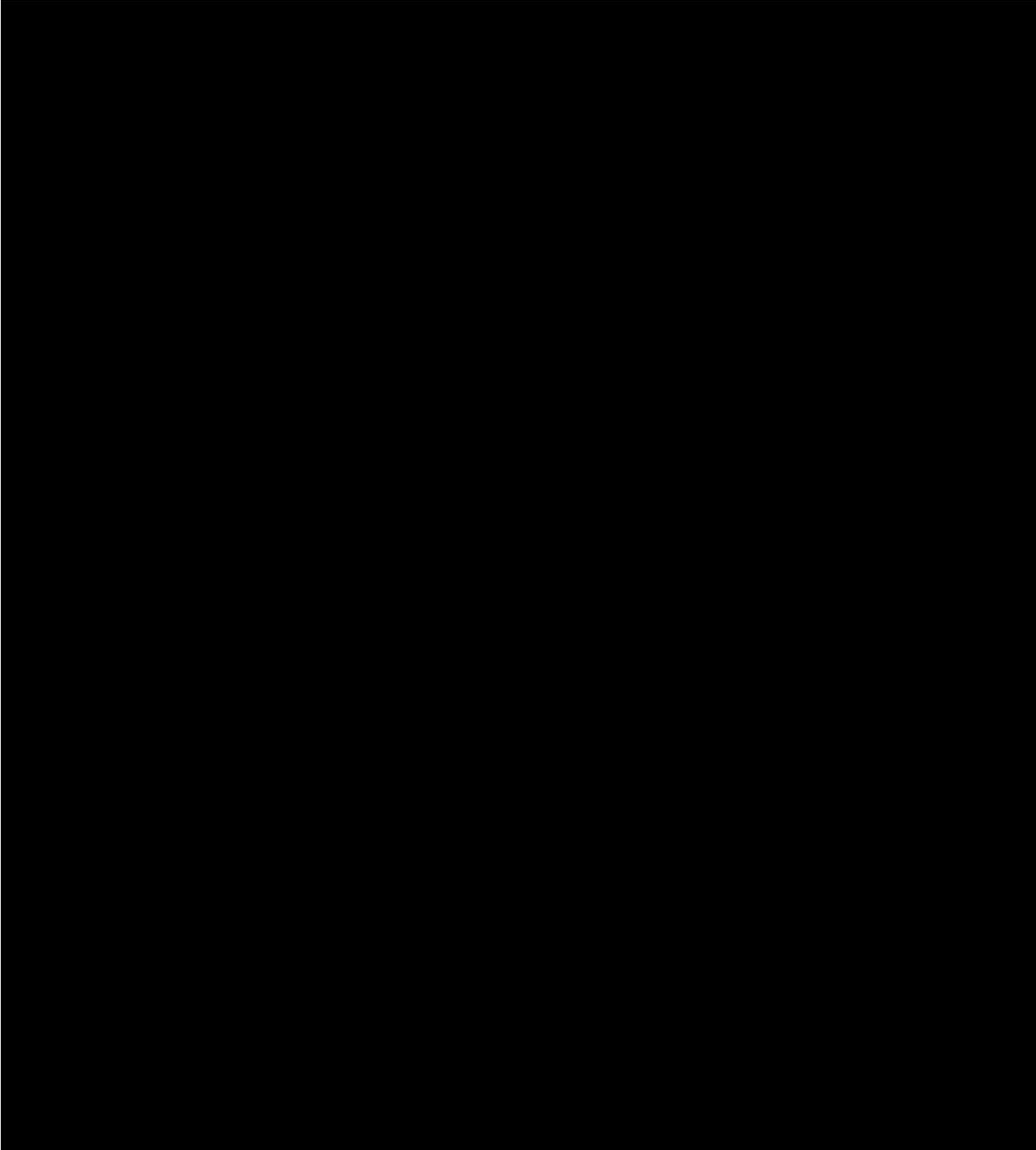




20 [REDACTED] But just jumping back to 26 July, 2017, where we were before, the 2017 letter to Ms Berejiklian. What consequence, if any, did the sending of that letter have, at least as you understood it? You send the letter off. What happened in relation to that letter, if anything?---It was a game changer, I think. I put my case fairly strongly in that letter. And I'd indicated that I was unhappy about the process because I didn't think that the response that came back from government fitted the criteria, so I had a problem there. And the one we talked about a thousand times before, the funding source, was still an issue. Where on earth are you going to get the money? Where, where, how are you going to make this happen? There's no place to go, no minister to go to. It's just a black hole. And so I asked for her advice, given the situation. What I was reacting to was, as I've said before, Chris Hanger's response when I rang him and the fact that that was going to go nowhere. So representing the organisation, I felt I had to do more.

30 But what made the letter, at least as you understood it, a game changer? Obviously enough, the Premier gets a very large amount of communications on a day-to-day basis. What, at least as you understood it, caused your letter of 26 July, 2017, to become a game changer in the way that you've just sought to explain?---Because once that hit the deck, and I'm not talking about the processes or how it got to the top of the pile, I don't know those things, but the reaction to it was that senior bureaucrats then became involved and came down and interrogated me about the project. So, clearly, something had changed as a result of my letter. So it was Gary Barnes and
40 Don, I've forgotten his other name, that was deputy secretaries. They came to Wagga then and they really put me through the, the hoops around the project. They asked questions like, "If we just gave you money, could you go somewhere other than this site? Why this site? What are the strengths of this site? Why would you be bothered with that? Why is it the answers to your questions, your problems with moving? Why is this a perfect site for you?" They, they went through all of those. "Where's the future?" et cetera. I know that Wayne Geale was also at that one because they quizzed him quite a deal. Gary Barnes was particularly interested in the fact that

Peter Thompson had moved to town. Now, Peter Thompson is a CEO at the council. Before that, State Government had had some problems with the councils here in Wagga. But Peter Thompson was a bit of a game changer. So there's a broad conversation. But I took away from that at the time the fact that, well, the Premier came and had a look, but now she's stepped back and other people are looking at it to make decisions about what's going on. That's how I read it. And I think that was, without looking at dates, I can't remember, but two or three weeks after the other things, after the letter. It wasn't very long.



Go, please, to page 166 of volume 31.0. Dr Wallace, do you see there a letter that starts with the words “I write on behalf of DPC’s Unsolicited Proposal Team”?---Yes.

And I’ll just quickly turn the page so you can see who it’s signed by.---Yep, that’s the letter I’m talking about.

10 It’s signed by Gary Barnes, Deputy Secretary Regional NSW. You see that there?---Yes.

Is the letter that I just put up on the screen the letter to which you just referred a moment ago, namely the letter from Mr Barnes indicating the government’s position in relation to the 1 Simmons Street proposal?---It is.

20 If you turn back to the preceding page. Just have a look at the third paragraph. See there it says, “Underpinning this is a decision that the site will continue to be owned by Government and that initial parameters for it to be undertaken will include establishment of a facility and rental regime which allows for similar functionality (like for like) that the RCM enjoys at its current premises.” Do you see that? Do you see that there?---Yes. It just went off the screen for a second but, yes, absolutely.

30 And so that’s what you and I have been describing so far as like for like. The agreement or the proposal, at least at that point in time, was to set the RCM up on a like-for-like basis in the 1 Simmons Street site.---Yes, but the big change is now the unsolicited proposal would have meant that we took over ownership of the building and then we’d have to find funding, obviously, to make it work. Under this proposal, the government maintains its ownership, which I’m quite happy about, it’s not a problem, and then we get it at basically a peppercorn lease rate, the same as we were having at CSU.

40 But at least at this point in time – and to assist you, this letter’s the 1st of February, 2018 – is it right to say that, as you understood it, stage 1 was government policy as it were, but stage 2 was still in the air as to whether or not the government would ultimately support it or not?---Yes, because the bottom line was for stage 2 there would have to be a separate business case. Stage 1 was different to that because it was a necessity to move or close down the conservatorium. They’re the only two choices. So - - -

But at this point in time, at the time of this letter, 1st of February, 2018, at least as you understood it, there might be a commitment something in the range of \$10 million to refurbish the existing site, as opposed to something more in the vicinity of, say, 30-odd million dollars, which might be necessary to both refurbish the existing site but also construct a recital hall as you contemplated in stage 2.---Yes, yes, and what we had proposed up to there was an integrated stage 1/stage2. And as I said to you before, the

advice was break it into two stages because it will be two separate processes.

But as you saw it, from about the 1st of February, 2018, the date of this letter, the amount of money if not in the bag then close to being in the bag, so far as RCM is concerned, is something like \$10 million, not something like 20 million or \$30 million.---That's right. That's right. That letter does not commit to anything more than stage 1, but it does give us the site.

10 If we then go to page 168 of the same bundle. Do you see there a letter that appears to be signed by you 13 February, 2018? Do you see that there?
---Yes, I do. That, that was our acceptance of his offer.

So as at 13th of February, 2018, effectively the offer, as you saw it, was a like-for-like stage 1, likely to cost the government something like \$10 million, is that right?---Yep. Well, it's not, it's probably about 14 when you take the value of the land and the existing infrastructure that's there.

20 Well, except the value of the land isn't going to RCM.---No.

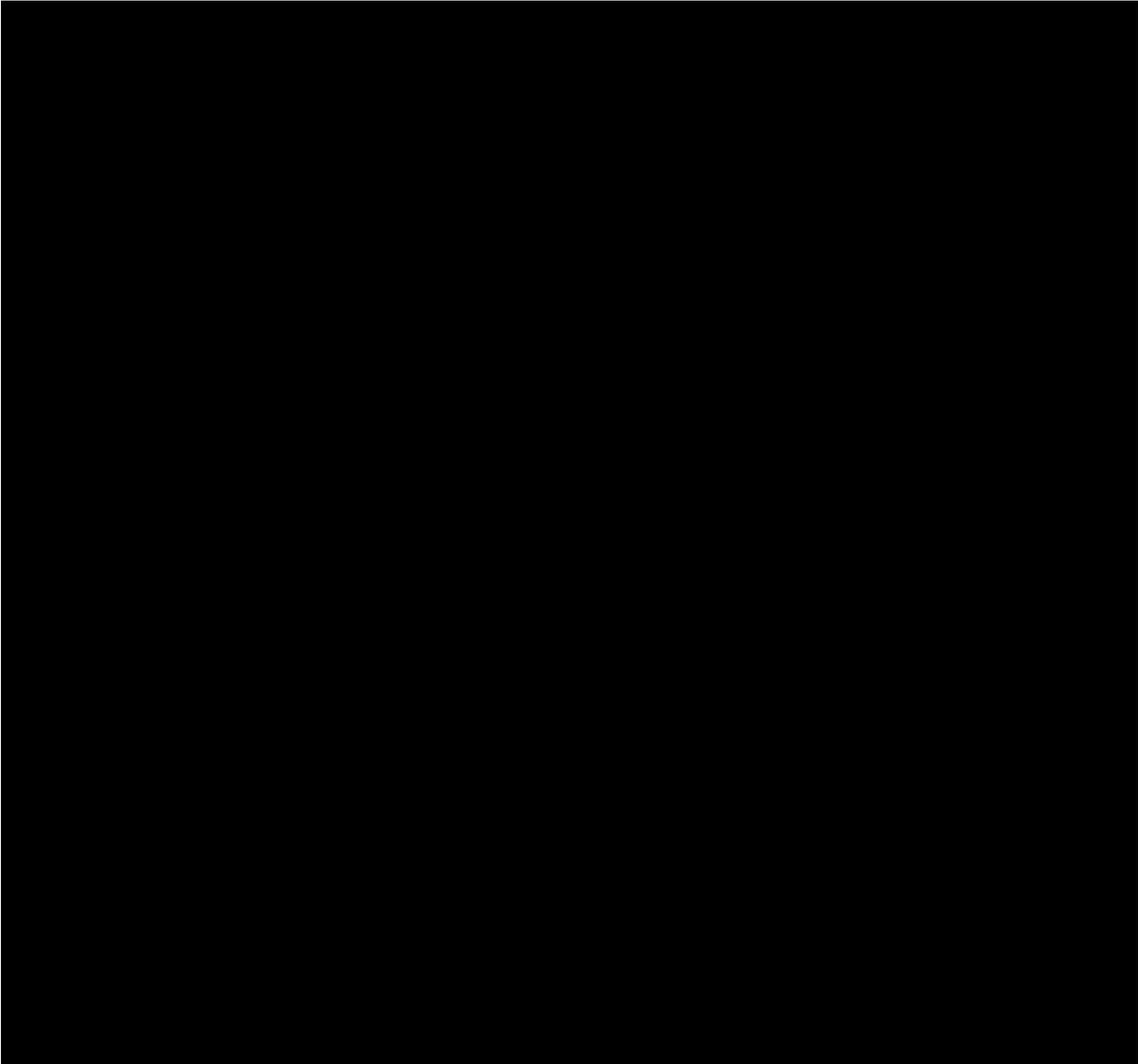
That's going to stay within government. But the government would need to spend something like \$10 million in order to refurbish the site so it's capable of being used on a like-for-like basis. Have I got that right?---Yes, yes, so you'd end up with a purpose-built conservatorium that still belongs to government. It doesn't belong to us. We don't receive any money at all. But it would be refurbished for our purpose.

30 Now, you see here in the second paragraph you're thanking the State Government "for the kind offer to expedite the immediate redevelopment of the Simmons Street site," et cetera. Do you see that there?---Yep.

As far as you were concerned on the 13th of February, 2018, was stage 1 in the bag, as it were, it was agreed so far as you were concerned? 1st of February, 2018 letter from Mr Barnes, 13 February, 2018 response from you? Or was there still a process that needed to go through before it was potentially approved?---No. The, the, the notion of expedite there is to get this thing happening so that we could move in. It was not to do with stage 2 at all. There was no inference there that stage 2 would happen.

40 But stage 1 is agreed, so far as you're concerned, that's now government policy for stage 1?---Yep.

Stage 2, no decision had been made one way or the other?---We know there's a business case to come.



Could I just show you this document, page 190 of volume 31.0. This was an email that you sent to Mr Maguire 16 June, 2018, 10.14pm. And the subject heading RCM Communications Issues With Government. If we just zoom in towards the top of the page, first of all, do you see that email, Dr Wallace, 16 June, 2018?---Yeah (not transcribable)

Do you see the first paragraph, you're referring to "the growing unrest with our project shared in our conversation". Do you see that there?---Yes. Yes.

40

And if you can just look at the second paragraph. You say, "My concern is that we seem to have a communication problems within sections of government. I have a very strong sense that Property NSW in particular is unaware of the rationale and intentions of the government in this endeavour. They seem to lack understanding of the working of a Conservatorium, and of government agreements with the Riverina Conservatorium of Music in particular." Do you see that there?---Yeah (not transcribable)

What government agreements were you referring to in the second paragraph of this email?---It would have been the like for like, so it's that notion there. I can't remember the detail because that one went nowhere. So I haven't really, I mean, I, I sent it in and there were a, a couple of things about it. The commercial rent was very high on the building, which surprised us. We questioned that. In the end of the day, it didn't matter to us because the money had to come back into us but we were concerned about that. Some of the other ones, I'm sorry. It's just too long ago for me to remember all the things that we were reacting to but it was members of my board, in particular, that were reacting to that, on those matters - - -

I just want to focus on the government agreements at the moment. Are we just talking about or were you just talking about what Mr Barnes said to you on 1 February, 2018, like for like, not much more or are you talking about some broader government agreements in this second paragraph of the email of 16 June, 2018?---Yes. I'm, I'm diving back into the back of my brain. The things that were being talked about at that stage were things like the hours that the building would be open where they were sort of saying it would be open from 9.00 to 5.00, blah, blah, and "anything outside those hours, you'll have to make special arrangements" when we worked seven days a week, 9.00 to 5.00, and most of our work extends till 8.00 and 9.00 and 10 o'clock at night. It was just nowhere near it. So whoever developed that lease had real no, really no sense of how we worked. It was just not, not a document that we could, you, you can, you can show me extra lines there, but I know it was about all of those sorts of things, as well.

Well, one example, I think, was the fact that the heads of agreement contemplated a five year lease which would be unsatisfactory if one was going to spend significant amounts of money on refurbishment of the site, for example?---Yes. I suspect it was a bit of a standard lease that was dragged out that works for government properties for offices but it wasn't going to work for us.

Well, if you have a look at the first dot point, you should be able to see on the page, Dr Wallace, your first dot point is "A lease of an impossibly short-term of only 5 years is proposed." Do you see that there?---Yes. Yes. Yes. Well, that would have been one of the points.

But just back to what I was asking you about before, the concept of government agreements. Are you just referring there to the like-for-like concept in the 1 February communication from Mr Barnes or are you talking about some other broader class of government agreements?---I'm not talking about anything other than what Gary Barnes had, had given to us. But the time period was critical. So five years was just a plain absurdity. And, as I said, there were a number of other factors there. So it was, it just seemed that that particular lease was not going to work and I brought that to the attention of Daryl.

If you then have a look at the third paragraph of the email, “I am increasingly concerned that we achieve clarity before going any further with this project. At this stage, this project is in danger of failing to meet the expressed desires of government and of the RCM.” Do you see those two sentences there?---Yes. Yes.

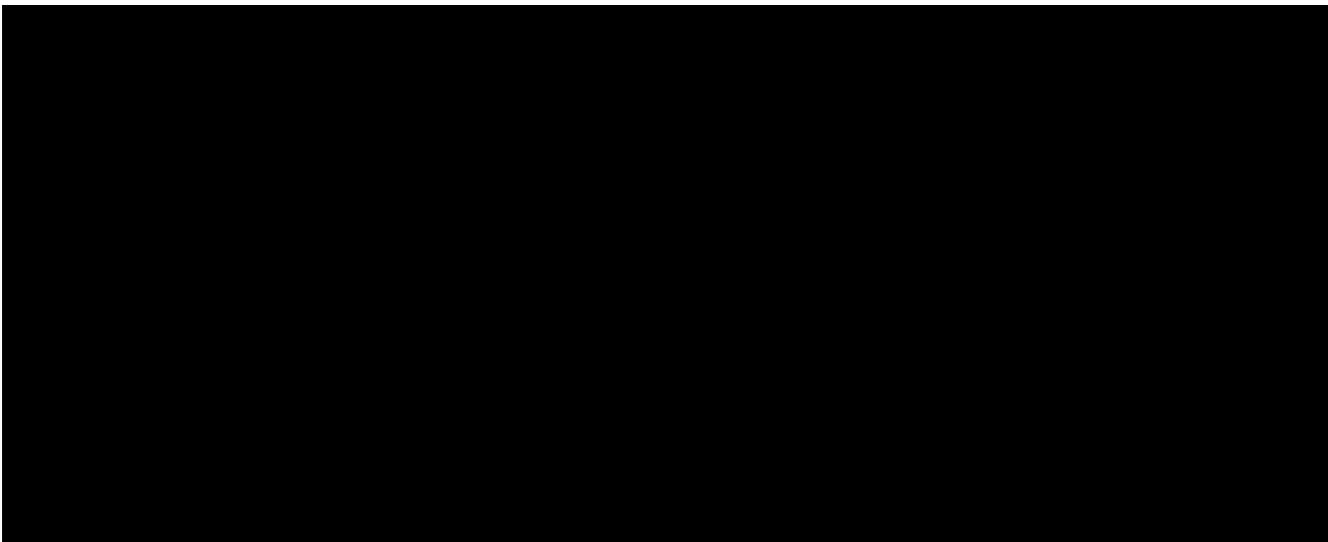
10 What were the “expressed desires of government” that you’re referring to in the third paragraph of this email?---Basically, that they’re providing a facility which means that we can be a functional conservatorium, that we can, working the hours that we need to work, that we are in a stable position in terms of the leasing arrangements. We were looking at not five years. Clearly, we’re looking at something that lasts longer than that and that was discussed. So we ended up with 20 plus two lots of 10, which seems a lot better. But we’re seeing the site as being something that would be available to us well into the future, well after I’m dead, actually, that it’s very likely that in a city like Wagga, that this facility would continue to function as what it is.

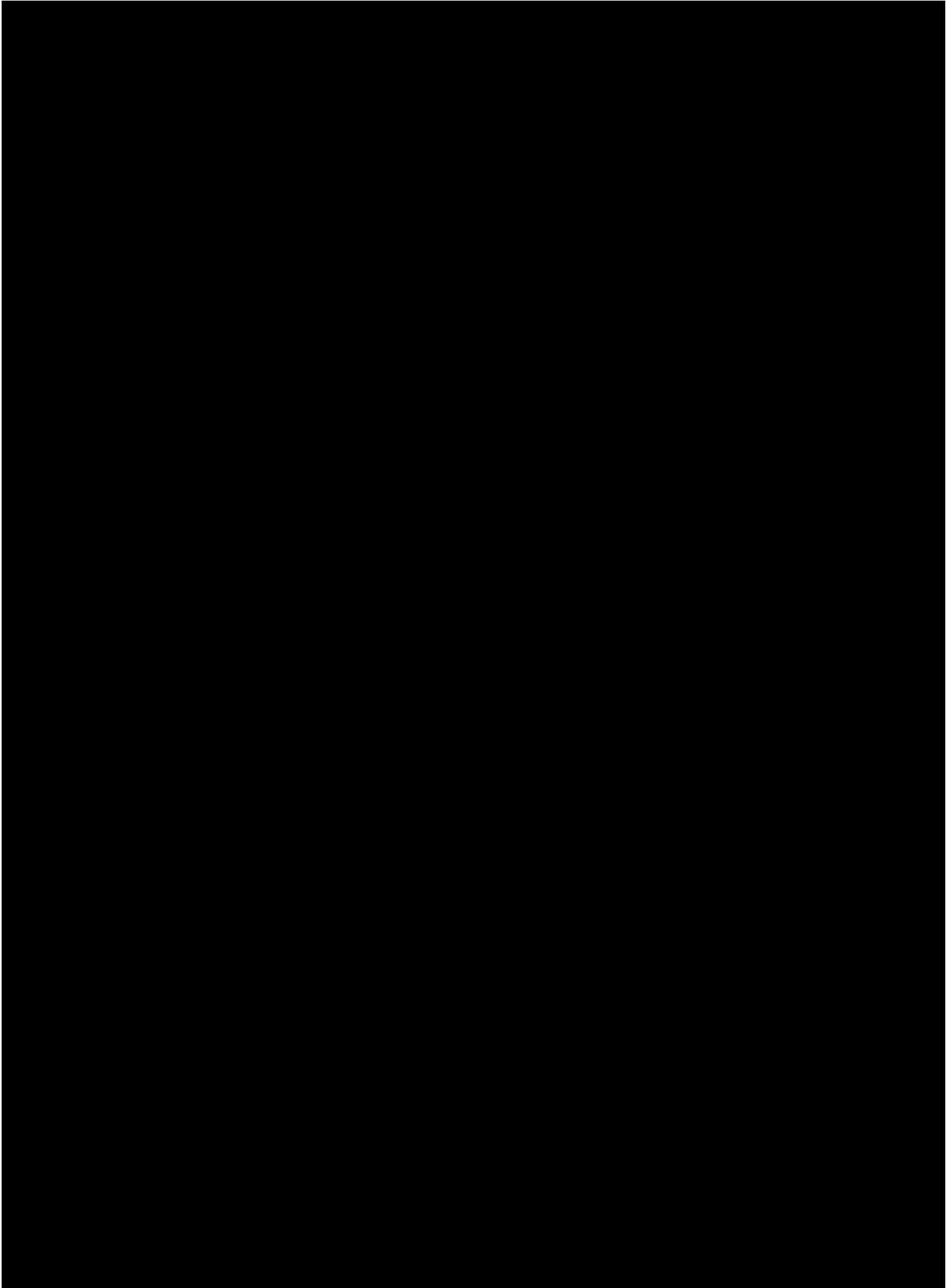
20 Can I ask you to just focus on the phrase “express desires of government” which, what expression - - -?---Well, they - - -

Just let me finish my question. What expressions and desires are you referring to?---They promised us a, in, in the press release, a world class conservatorium. That language was used. That didn’t come from us. But it certainly, it was a facility that was purpose-built for our purposes, so - - -

30 Sorry to cut across you. But is this right, then. You’re principally referring to the desires as expressed in Mr Maguire’s press release of 16 February, 2018?---Yes, and the general ethos of the conversations that we’d had. It wasn’t, wasn’t a collection of particular documents.

So the general ethos of the discussions you had, you’re referring to discussions between you and Mr Maguire. Is that right?---Yes, and Gary Barnes and everybody else that we’d talked to.





Well, let me try and help you this way. Can we go, please, to page 75 of volume 31.0. I'm sorry, Dr Wallace, we're jumping back in time. We're way back to where we started this morning.---That's, that's all right.

But you mentioned something which I'm now going back to. See there a letter on the letterhead of the then Premier for New South Wales, Premier Baird.---Yes.

This isn't to you. This is to Mr Maguire, but it refers to a one-off grant of \$7,000.---That'd be it.

It refers to, to funding assistance for detailed architectural plans. Do you see that there on the screen, Dr Wallace?---I do. I do indeed.

10 Does that refresh your memory about any grant funding that was obtained in relation to the preparation of architectural plans?---Yeah, that's what's coming back. It's, there may have been some funding that came through his office to help with those early costs.

Is it fair to say you've got some recollection in the back of your mind, as it were, the details of which escape you, sitting there now?---Yes. One day you'll be old and you'll be the same as me. It's, it's, yeah, it's that, that (not transcribable)

20 Many people don't remember things, old or not, Dr Wallace. Back to page 190, volume 31.0, please. If we just zoom in towards the very bottom of the page, ask you to focus on the second-to-last paragraph.---Yes.

“Thank you for your efforts next week” – I'll start that again. “Thank you for your efforts next week to unblock the communication issues that cause us concern. I do think that high-level conversations will permanently settle the issue and ensure the needs of Government and the RCM are met, and that we can move forward in a meaningful partnership into the future.” Can you see that there, Dr Wallace?---Yeah, yes.

30 Now, what did you have in mind with “high-level conversations”?---Just the fact that basically the, the decisions at a level above the person writing this particular release might be useful, so everybody's on the same page about what government's promising and what'll work best for the conservatorium.

Well, do we read this as you asking Mr Maguire to have conversations at a ministerial level with a view to permanently settling the issues that you've addressed in this email?---No, I don't think it was as, as exciting as that. I, that would include the Gary Barneses of this world, the people that were in senior bureaucratic positions that, that knew exactly what was going on, that's all.

40 But you're going to speak to Mr Barnes, as we see in the previous – or in fact have spoken to Mr Barnes, as we see in the previous paragraph. You must be referring to people higher up the chain than Mr Barnes when you're talking about high-level conversations. Agree?---Oh, I don't think, I don't think you can draw that inference. It says, “I have contacted Gary Barnes to speak with him on this issue,” and then the last, that paragraph which follows is more generic. I would assume that Gary Barnes was still included. I think that those high-level conversations are going to solve this

problem and go away. It's just a case of people talking, because of the way this thing is, is structured is in terms of communication between the groups concerned.

But at the very least you're asking Mr Maguire to have high-level conversations with a view to permanently settling the issues that you've identified in the email, is that right?---Yes, well, I'm pointing out to him what they are, so - - -

- 10 No, no, not just pointing out what they are, you're pointing out what they are and you're asking Mr Maguire to have high-level conversations with a view to permanently settling the issues you've drawn attention to, is that right?---Well, hoping that they would be sorted, yes.

Hoping they'll be sorted, I appreciate that, but you're asking Mr Maguire to do it. You're not just saying it in the abstract, I hope that magically some high-level discussions happen. You're asking Mr Maguire to have those high-level conversations or at least cause them to take place. Is that right? ---I certainly am looking clearly for his support to make sure they happen.

- 20 Whether he's happy having them or not, I don't know. But from the wording of what we talked about, yes, specific items in the heads of agreement, which needed to be sorted, and having the right people having those conversations in terms of all agreeing on what's, what's possible and what's not possible – from the RCM's point of view as well as from those in government – seemed appropriate.

But you're asking Mr Maguire to procure that to occur if he can, is that right?---Well, he's our go-to person with government, so it's, it is in that space, basically, yes.

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