docks with vibrant tributes



his first-ever entry to the Archibald: a portrait of Peter Pigott, founder of the Uncle Pete's Toys retail chain, who set up a sanctuary in the Blue Mountains to save the near-extinct parma wallaby.

"I'd done artwork in a friendly fashion of his house and gardens in the past," Lesslie said. "I've been working on portraits the last few years, and he's seen those and was sufficiently impressed to ask me to paint him, probably because he's 89."

He painted his subject "per request" beside his favourite garden statue and foregrounded some of the wallabies Pigott has fed out of his own pocket for 60 years.

Pigott bestowed upon the portrait its ornate 16th-century frame. Asked to rate his chances in the portrait prize that captivates Australia, Lesslie says: "I'm hoping I'll be hung. I figure my chances are slim, but there you go. I only just found out that if I get chosen to be exhibited, I get $1,000 for selection. That's enough of a carrot to dangle for me."

Some 57 works were hung of the 903 portraits entered in the Archibald competition last year. Julie Fragar won the 2025 Archibald Prize with her portrait *Flagship Mother Multiverse (Justene)*, depicting artist Justene Williams.

Abdul Abdullah won the Packing Room Prize for his portrait of artist Jason Phu, *No mountain high enough*.

Entries for the Archibald, Wynne, and Sulman prizes will be accepted all week.

This year's finalists will be announced on April 30, and the winners on May 8.

children via sexual content

dedicated to safety and moderation, the report said. Character AI, which has a reported 25 million active users, had 37 staff dedicated to safety.

The report follows the recent commencement of Age-Restricted Material Codes in Australia designed to protect children from exposure to inappropriate content. Among other service types, these new codes also apply to the growing number of AI chatbots.

These codes complement the existing Unlawful Material Codes and Standards, which require industry to take action to prevent child sexual exploitation material, as well as pro-terror and extreme crime and violence material.

Criminologist Michael Salter, Australasian head of global child safety institute Childlight, said companion chatbots reshaped how some children grow up online.

"We have children whose mental health conditions are exacerbated by these chatbots, in which their sexual development is being warped by sexualised interactions with chatbots," he said.

Since the four companies received transparency notices, some have made changes. Character AI introduced age assurance measures and has removed the chat function for under-18s, while Chub AI blocked its service in Australia.

Chai has restricted free access to chat with AI Companions, instead requiring users to pay a subscription, while Nomi has committed to "implementing further age assurance functionality".

University of NSW AI researcher Professor Joel Pearson said AI companions represent a shift from social media's "attention economy" to an "attachment economy".

"The goal is to build a tight bond between a child and the app so they come back for more," he said.

He called for all AI companions to be restricted to those aged 18 or over and said it was vital academics study young people's AI chatbot use "before we ruin another generation of young people".

"I don't think it's appropriate for any young people to spend hours a day building strong bonds with an artificial agent which does not act like a human," he said.

Call to ban commissions for strata managers

David Barwell

A lucrative system of payments that has driven up the cost of apartment living in NSW is facing an overhaul as the state government considers becoming the first in Australia to outlaw commissions to strata managers.

A NSW Productivity and Equality Commission report obtained by the *Herald* before its public release recommends banning strata commissions, finding they have fostered conflicts of interest, eroded trust and inflated costs.

The findings strike at the heart of a long-standing industry model in which strata managers can supplement their base fees by receiving commissions from services they arrange, including insurance policies and energy contracts.

The report found these payments, while legal, can create a "perverse incentive" where managers may avoid pursuing better-value deals if doing so reduces their own income.

NSW Productivity Commissioner Peter Achterstraat said the practice can distort decision-making and leave apartment owners paying more than necessary for essential building services.

"These payments can create incentives that do not align with the best interests of owners and renters," Achterstraat said.

The commission estimates scrapping commissions could create $333 million in benefits to apartment owners over 15 years through lower premiums and more competitive pricing, while also restoring trust and transparency.

More than one million people live in strata properties across NSW, and by 2041 nearly half of all homes in Greater Sydney are expected to be strata-titled.

NSW Treasury director of competition and regulatory policy Tom Carr said a standard strata insurance policy can attract 20 per cent commissions.

"A $50,000 insurance policy could generate a $10,000 commission which ultimately feeds into the higher premiums [paid by residents]," he said.

Consultation on the report drew more than 550 submissions, with reform proposals receiving strong backing from apartment owners who highlighted concerns over rising costs, opaque pricing and perceived conflicts of interest.

Sydney apartment owner Lui Timbano is pursuing action in the NSW Civil and Administrative Tribunal, alleging his strata manager exceeded commission limits.

Timbano said his building had been paying $28,000 a year for insurance that an independent broker later quoted at $21,000. Despite the apparent savings, contractual terms complicated any attempt to change providers. "Because the agreement allowed the manager to recover lost commissions, we would have been worse off changing," he said.

As secretary of his strata scheme, Timbano has taken on the burden of navigating the dispute.

"I'm now having to trawl through email records and prepare legal submissions and affidavits – I basically feel like I'm studying to become a lawyer," he said.

Experts say such cases are not isolated. Socio-legal researcher Nicole Johnston said commissions can account for 15 to 25 per cent of some strata management firms' total revenue, in some cases representing their entire profit margin.

Strata lawyer Allison Benson said that reliance has hardened resistance to reform within parts of the industry.

"I attended a meeting with strata managers last year, and some took high offence at the suggestion of banning commissions, insisting it would ruin their business model," she said.



Peter Achterstraat has warned of distortion. Photo: Louis Trerise

The report also highlighted broader concerns, including the growing prevalence of "vertical integration", where strata management companies are owned by – or closely linked to – service providers they recommend. While disclosure of such relationships is required, the commission found existing rules are insufficient to mitigate conflicts of interest.

Further tension arises from how strata managers are initially appointed. In many new developments, developers select a strata manager before apartments are sold, effectively locking in arrangements for incoming owners.

Momentum for change appears to be building. The Strata Community Association NSW last year announced members would phase out insurance commissions.

The commission's report outlines four reform pathways, ranging from a voluntary industry phasing-out of commissions to a full legislative ban, alongside a three-year transition period to allow existing contracts to expire.

Fair Trading Minister Anoulack Chanthivong said the government would "carefully consider" the recommendations.