

PORTFOLIO COMMITTEE NO. 7 - PLANNING AND ENVIRONMENT

Thursday 26 February 2026

Examination of proposed expenditure for the portfolio area

PLANNING AND PUBLIC SPACES

UNCORRECTED

The Committee met at 9:15.

MEMBERS

Ms Sue Higginson(Chair)
Ms Abigail Boyd
The Hon. Anthony D'Adam
Ms Cate Faehrmann
The Hon. Mark Latham
The Hon. Stephen Lawrence
The Hon. Natasha Maclaren-Jones
The Hon. Tania Mihailuk
The Hon. Cameron Murphy
The Hon. Chris Rath
The Hon. John Ruddick (Deputy Chair)

MEMBERS VIA VIDEOCONFERENCE

Dr Amanda Cohn

PRESENT

The Hon. Paul Scully, *Minister for Planning and Public Spaces*

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**

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The CHAIR: Welcome to the second hearing of Portfolio Committee No. 7 – Planning and Environment for the additional round of budget estimates 2025-26. I acknowledge the Gadigal people of the Eora nation, the traditional custodians of the lands on which we are meeting today. I pay my respects to Elders past and present, and celebrate the diversity of Aboriginal peoples and their ongoing cultures and connections to the lands and waters of New South Wales. I also acknowledge and pay my respects to any Aboriginal and Torres Strait Islander people joining us today.

My name is Sue Higginson, and I am the Chair of this Committee. I welcome Minister Scully and accompanying officials to this hearing. Today the Committee will be examining the proposed expenditure for the portfolio of Planning and Public Spaces. I ask everyone in the room to please turn their mobile phones to silent. Parliamentary privilege applies to witnesses in relation to the evidence they give today. However, it does not apply to what witnesses say outside of the hearing. I urge witnesses to be careful about making comments to the media or to others after completing their evidence.

In addition, the Legislative Council has adopted rules to provide procedural fairness for inquiry participants. I encourage Committee members and witnesses to be mindful of these procedures. Welcome, and thank you for making the time to give 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. Mr Preshaw, as you did not attend the initial round of hearings, you will need to be sworn prior to giving evidence. I remind all other witnesses that you have already been sworn before this Committee during this inquiry and therefore do not need to be sworn again.

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Ms KIERSTEN FISHBURN, Secretary, Department of Planning, Housing and Infrastructure, on former affirmation

Ms MONICA GIBSON, Deputy Secretary, Planning, Land Use Strategy, Housing and Infrastructure, Department of Planning, Housing and Infrastructure, on former affirmation

Mr SCOTT JOHNSTON, Deputy Secretary, Corporate Services, Department of Planning, Housing and Infrastructure, on former oath

Mr CLAY PRESHAW, Executive Director, Planning System Reform, Department of Planning, Housing and Infrastructure, affirmed and examined

Mr ALEX WENDLER, Chief Executive Officer, Landcom, on former affirmation

The CHAIR: Today's hearing will be conducted from 9.15 a.m. to 5.30 p.m. We are joined by the Minister for the morning session, from 9.15 a.m. to 1.00 p.m., with a 15-minute break at 11.00 a.m. In the afternoon we will hear from departmental witness from 2.00 p.m. to 5.30 p.m., with a 15-minute break at 3.30 p.m. During these sessions there will be questions from Opposition and crossbench members only, and 15 minutes allocated for Government questions at 10.45 a.m., 12.45 p.m. and 5.15 p.m. We will now begin with questions from the Opposition.

The Hon. CHRIS RATH: Thank you, Minister and officials, for joining us at this budget estimates hearing today.

Mr PAUL SCULLY: It's good to have you here, Mr Rath. Before hostilities begin, I'd like to congratulate you on your elevation to the portfolio. I know we've chatted about this a number of times and you've got a strong interest. Hopefully we can pursue some things for the greater good of New South Wales residents.

The Hon. CHRIS RATH: Two Wollongong boys coming up against each other.

Mr PAUL SCULLY: That's right.

The Hon. CHRIS RATH: Minister, how many applications have been received by the Housing Delivery Authority?

Mr PAUL SCULLY: The most recent information I have is 1,070 expressions of interest. Of those, 624 have been assessed by the panel.

The Hon. CHRIS RATH: And how many approved?

Mr PAUL SCULLY: Of those, there have been 308 that have been declared as State significant developments. Across those, they could deliver, between them, around 102,000 homes.

The Hon. CHRIS RATH: So none actually approved yet?

Mr PAUL SCULLY: No, there have been two approved.

The Hon. CHRIS RATH: Just two applications so far approved.

Mr PAUL SCULLY: I'll set this out for you, because I appreciate this is a new area of planning. It's newly come into a permanent part of the planning system in New South Wales. We started this on 8 January 2025, opening it up for expressions of interest. The process runs—an expression of interest comes in and there is an early preliminary assessment that is done by the department against the criteria for that expression of interest. The Housing Delivery Authority—of which the secretary is a member—meets, assesses and makes recommendations as to whether or not they should be declared or not declared a State significant development. Once that recommendation is made and I agree, there is a process where the declaration is made and then the proponent needs to come back and have a scoping meeting. SEARs, the secretary's environmental assessment requirements, are issued. The proponent then goes away and develops its environmental assessment, which is its detailed development application, and it is then assessed. Of the two that have been through the process, the average time to determine those has been 184 days. It's quite quick given that is the end-to-end process.

KIERSTEN FISHBURN: And that's calendar days.

The Hon. CHRIS RATH: Are you disappointed there haven't been more approvals? It's been 12 months and you've only had two approvals through that system. I know you've had more assessed as State significant development, but only two approvals in 12 months.

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Mr PAUL SCULLY: I think it's important—let's step through those numbers. I'm not disappointed in the approval numbers, because you can only assess and consider what's in front of you. What I am a little disappointed in, I have to say, is the speed at which EISs are being lodged by proponents. There are time lags in this because it's not all done at one point in time. Of the 308 projects that have been declared a State significant development, 149—so less than half so far—have had their SEARs issued. These are very straightforward. It's a very straightforward process to get that, but it does rely on a proponent coming forward. Further to that, only 21 have actually submitted environmental impact statements, so they've submitted all of the information that they require to do the assessment. The department, in fairness to them, can only assess what has been put in front of them. At this stage, only about 14 per cent of those that have been declared a State significant development, in addition to the two that have been determined, have come through into full-blown EISs. My appeal, if you like, in this forum for those other 120-odd people who have got SEARs issued is to get your EISs in.

The Hon. CHRIS RATH: Maybe it's still too onerous.

Mr PAUL SCULLY: I don't think it is. I think we've got probably the most streamlined SEARs available to this, as industry-specific SEARs that relate to this. There are still requirements they have to go through. In fairness, any development proposal would have a similar level of requirement on them, and probably more if they went through some of the council pathways. I think we can all speed up. If you can get an EOI in quickly, you should follow that up by getting your EIS in as quickly as you possibly can.

The Hon. CHRIS RATH: It's been reported that 17,000 dwellings in the Hills Shire Council have been given development approval, but that developers have been delaying commencement to get a bigger windfall from the HDA. What is the Government doing to close that kind of loophole?

Mr PAUL SCULLY: You describe it as a loophole; I think it's a response at a point in time. When you introduce a new measure—when we introduced, say, the infill affordable housing bonus or when we introduced the changes to low- and mid-rise and the like—people consider their position. As you indicated earlier, you're an economist. That's what markets do and people do. What we have had is some people come back through that pathway. In some of those recommendations, they don't necessarily go through to declaration. They are directed back to stick on the pathway that they're already part of. I can't reject an expression of interest, but the HDA has been diligent in looking at those ones that come through and saying, "Hang on a second, you're well down a path here already. You should stick that out and have that." It's often State significant development. It's often someone who may have come through, say, the infill affordable housing SSD pathway. If you're going down the path of that and you're pretty far down it, you should stick to that pathway.

The Hon. CHRIS RATH: How many applications have been approved and commenced under TODs?

Mr PAUL SCULLY: There are about 18,000 dwellings worth of applications within the TOD pipeline. Around 10 per cent of those—I think it's just under 1,800—have been approved. A number of them are due to start construction now. Not all of those necessarily come to the State for assessment. Some of them will go to council.

The Hon. CHRIS RATH: You don't know the commencement rate on those?

Mr PAUL SCULLY: I'd have to take that on notice. I haven't got it in front of me at the moment.

The Hon. CHRIS RATH: What about the LMRs? Where is that at in terms of approvals and commitments?

Mr PAUL SCULLY: The LMR—I haven't got that number in front of me, unfortunately. Ms Gibson, I don't know if you've got it there?

MONICA GIBSON: I can say that we have more than 480 applications in LMR areas. There are also some that have used the State significant development pathway, so there are another 75 applications there. In total, that's nearly 18,000 dwellings under assessment or that have been approved in the LMR areas.

The Hon. CHRIS RATH: How many approved?

MONICA GIBSON: There have been nearly 400 approved from local DAs and complying development certificates and 4,500 through State significant development.

The Hon. CHRIS RATH: Have any commenced yet or still too early?

MONICA GIBSON: I don't have the information about whether any have commenced at this point.

Mr PAUL SCULLY: As you'd understand, CDCs are a construction certificate in their own right, so those ones wouldn't come back necessarily.

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The Hon. CHRIS RATH: We assume they would show up in the commencements figures.

Mr PAUL SCULLY: Importantly, commencement figures are rising. We should look at the entire pipeline of this. We've had 75,000 construction commencements, which is up 10 per cent over the last 12 months. They are rising, which is a good sign.

The Hon. CHRIS RATH: Of those 75,000—

Mr PAUL SCULLY: They will be everything.

The Hon. CHRIS RATH: It's good that it's going up but 75 commencements in one year is not going to lead to 75 completions in the 12-month period.

Mr PAUL SCULLY: No, there's a lag because it takes time to actually build something. You're absolutely right. But what we are seeing is an increase in lodgements, an increase in approvals, an increase in construction approvals, an increase in commencements, an increase in completions and an increase in the number of dwellings under construction.

The Hon. CHRIS RATH: It's all very good.

Mr PAUL SCULLY: It is, and there's a decrease in the number of days taken to do assessments, so those general trends are heading in the right direction. What we have faced—what our challenge has been from day one—is the fact that over the term of the previous Government, construction had collapsed and the forecast was for a mere 36,000 dwellings to be completed per year over the next five years. This was a big thing to turn around. It was a big challenge to turn around in the face of a challenging macroeconomic environment, increases in building materials, labour shortages and challenges with finance. But we are seeing that turnaround, and it was always the approach that when we undertook planning reform, there would be a lag between any reform that we introduced and the time that it would start to show up in some of those performance numbers. It was always the case that we're not assessed and we're not doing this on a quarter-by-quarter basis. We're looking at a five-year term. We remain determined to do everything in our power to make sure that the Government settings are right to achieve those 377,000 homes.

The Hon. CHRIS RATH: With the 75,000 homes under construction figure, how many of those do you think will be built in the next 12 months? Will it be 40,000, 50,000—any ballpark figure?

Mr PAUL SCULLY: Of those 75,000, it's a mix of everything, from a single-storey dwelling right through to a 20- or 30-storey or beyond apartment building. Each of them have their different timelines. The important thing about any development or any progress when it comes to addressing the housing challenges that we inherited is making sure the pipeline is growing. What we are seeing is absolute growth in the pipeline.

The Hon. CHRIS RATH: You need 100 per cent, essentially, of those dwellings that have commenced to be completed in the next 12 months to reach your housing target.

Mr PAUL SCULLY: No—

The Hon. CHRIS RATH: There's no way you're going to get to 100 per cent of that.

Mr PAUL SCULLY: Again, you're taking a very stylised and simplistic approach to the way the target is done. If we go back to how the target was established and what the target is, it's 377,000 well-located homes, delivered over a five-year period to 30 June 2029. Yes, if you wanted to, you could divide it down to how much of a house had to be delivered per minute if you like. But that doesn't necessarily reflect the reality of the construction sector nor the reality of turning around a planning system that was probably, if not the worst, one of the worst in the country. That's what we've been endeavouring to do. We have to create the capacity to be able to deliver it at the back end. That was the situation that we inherited when we came to office, which is why we started with a forecast that we were going to be well under the even earlier housing target that had been set, when we were only set to complete 180,000 homes over the five-year period.

The Hon. CHRIS RATH: So we're on track. You're saying we're on track to reach our targets. They're not the figures I'm looking at that shows we're on track.

Mr PAUL SCULLY: To be honest, I would prefer to be much further advanced. I would prefer it if we hadn't had a system that we had to fundamentally rebuild when we came to office in March 2023. However, what we inherited was a confused and confusing system. We had multiple Ministers responsible for different parts of the planning system.

The Hon. CHRIS RATH: Minister, your party rejected the planning system reforms in 2013, so it's a bit rich to say that you inherited a mess of a system—

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Mr PAUL SCULLY: I wasn't in the Parliament in 2013 and neither were you. I noticed the other day that the—

The Hon. CHRIS RATH: —when you created the very messy system.

The Hon. ANTHONY D'ADAM: Point of order—

The CHAIR: Yes, I'll hear the point of order.

The Hon. ANTHONY D'ADAM: The point of order is pretty obvious. The honourable member is speaking over the Minister, who's trying to give an answer. I'm not sure he's actually asking a question but more hectoring the Minister. Perhaps he could ask questions.

The Hon. CHRIS RATH: I don't think I was asking a question or he was answering it either. I'll ask another question.

The CHAIR: Can I just remind all of us this is also about Hansard. Hansard are the very best anybody could ever have, and they can't do three voices all at the same time—or even two. It's impossible.

Mr PAUL SCULLY: Just on the 2013 reforms, I don't think anyone in this room was in the Parliament in 2013. My colleagues weren't.

The Hon. CHRIS RATH: I was a junior staffer.

The Hon. ANTHONY D'ADAM: Weren't you still in high school?

The Hon. CAMERON MURPHY: See, he is responsible.

Mr PAUL SCULLY: You were fetching the coffee.

The Hon. NATASHA MACLAREN-JONES: I was here.

The Hon. CHRIS RATH: Natasha was here. She voted for the reforms.

Mr PAUL SCULLY: There you go. If you were fetching the coffee for someone, that doesn't mean you were in the Chamber actually voting on any legislation. I don't think, as a Minister who was commissioned in April 2023, who wasn't in the Parliament in 2013, I can be held accountable for the decisions of anyone at that time.

The Hon. CHRIS RATH: The TODs and LMRs are supposed to deliver 112,000 homes over five years. Are they on track? What figure are you looking at, at the moment?

Mr PAUL SCULLY: We are seeing an increasing number of proposals being lodged through both of those pathways. I think you've got to reflect on why we've done the planning reforms that we've done. I know you've been involved in conversations about it, but the planning reforms and the reforms to the system that we've undertaken are not aimed at delivering just for the housing accord. They're aimed at delivering well beyond it, which is why we've done changes that haven't been done in a generation. On the low- and mid-rise stuff, I can take you back to, for instance, when Minister Stokes, in one of his iterations as Minister, undertook—this is in 2019, so this is very early days of the previous term. The medium density code came into effect in 2018, but the rollout of the policy aimed at fast-tracking has been limited because 50 councils achieved a deferral and then a further number of councils went on to get a further deferral.

Then it was put off and put off and, lo and behold, something that had not been addressed for years and years was left on my desk as one of the problems I inherited. Now, we've addressed that. We've made dual occupancies available across every LGA except for four, and that's for very good reason—those four don't have mid R2 zones. We've got permissibility again for terraces, townhouses, manor homes and small residential apartment buildings. We've got the additional density closer to where there are train stations and town centres. These are the things that you would have loved to have done but you couldn't get it through. We've managed to do that. We've managed to take on the challenging things.

We've managed to reform the system. We've managed to collapse planning into the responsibility of one Minister rather than five. We've reduced the number of organisations and entities that are associated and made sure the department is streamlined in terms of strategic planning and planning assessment. These are all things to make the system go better, and that's starting to bear fruit. Would I prefer that it was further along? Absolutely. Would I prefer that housing construction hadn't collapsed under the previous Government so that we had to clean up the mess? Absolutely. But the reality is you work with what you've got. We got a confused and confusing planning system that was only going to deliver 36,000 homes a year at best, and we've reformed that.

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The Hon. CHRIS RATH: You're also 40 per cent behind your National Housing Accord target. How can you say that what you're doing is anything other than a colossal failure?

Mr PAUL SCULLY: Really?

The Hon. CHRIS RATH: You're 40 per cent behind what you signed up to.

Mr PAUL SCULLY: No, we just went through this. Let's check ourselves for a minute.

The Hon. CHRIS RATH: It's a lot of catching up, Minister.

Mr PAUL SCULLY: You're saying we're 40 per cent behind a target that's not done for another 2½ years, based on completions data at the end of September last year. You're an economist, as you said. In your economic studies, you would have understood time series and statistics. You would have understood the response of markets to changing circumstance. What we are seeing is a 26 per cent increase between 2023-24 and 2024-25 in the number of lodgements. What we are seeing is a 24 per cent increase over the same period in the number of approvals. Three-quarters of those, I might add, are as a result of State significant development applications, driven by policy changes of this Government.

What we are seeing is a trend growth over the last 12 months of 10 per cent increase in the number of commencements. We've got the highest number of dwellings under construction of any State and Territory. We've got other States that are going backwards. We've had a 37 per cent increase in the last quarter in completions—the highest quarter recorded since March 2021. At the same time, we've got the average DA assessment time at local government level down by around one-third. Would I prefer that we had some magical solution that was going further? Sure. Any government, if they had discovered a silver bullet somewhere to address people's housing challenges, would have fired it long ago. But what we inherited was Sydney, the second least affordable city on the planet, which had spilled over into regional New South Wales because we didn't have a planning system that was fit for circumstance. It was more obsessed with process than it was with outcomes, and we are turning that around.

The Hon. CHRIS RATH: It's good to see that the pipeline is getting a bit healthier, but it doesn't seem like the pipeline is anywhere near where it needs to be to reach your housing accord targets.

Mr PAUL SCULLY: You're the only one celebrating that.

The Hon. CHRIS RATH: We're not celebrating it.

Mr PAUL SCULLY: You are celebrating it. Every media release I see of yours, you're celebrating it.

The Hon. CHRIS RATH: Minister, we're holding you to account for failing to meet your targets. We're not celebrating it. We want you to reach your targets. It's in the interests of the people of New South Wales.

Mr PAUL SCULLY: The New South Wales Liberals and Nationals are now signed up to the housing accord, because it's been unclear for the last couple of years whether you are.

The Hon. CHRIS RATH: We want to build more homes, Minister.

Mr PAUL SCULLY: Are you signed up to the housing accord?

The Hon. CHRIS RATH: The purpose of budget estimates is for me to ask you questions—

Mr PAUL SCULLY: It's also important for me in setting policy to know whether or not you agree with the basic thing we're trying to do.

The Hon. CHRIS RATH: —unless you want to join the Opposition and I'll sit in that chair, Minister.

Mr PAUL SCULLY: Okay, so you haven't signed up to the housing accord.

The Hon. CHRIS RATH: The reality, from the figures that I've seen, is that you're massively behind where you need to be on the TODs and the LMRs. I asked you for the figures about where we're at now.

Mr PAUL SCULLY: Which we've provided.

The Hon. CHRIS RATH: But as of a few months ago, it was reported that there were only at 3½ thousand dwellings in newly submitted applications as part of the TODs and the LMRs.

Mr PAUL SCULLY: Yes, now we're at more than 20-odd thousand. Look at the difference a few months makes.

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The Hon. CHRIS RATH: You need to be at 112,000 homes completed within five years. The pipeline doesn't look healthy enough to get you up to the targets that you set, especially as part of two of your most signature reforms, the TODs and LMRs.

Mr PAUL SCULLY: Yes, that's because New South Wales was passed out on the mat when your Government left office—36,000 homes. Now, that's only 180,000 homes. That's less than half of the housing accord target—which you haven't signed up to, still, as an opposition. It would have delivered 180,000. We're getting more than that through in lodgements at the moment.

The CHAIR: Thank you, it's time. You will be able to resume these questions when it's back to Opposition time. Minister, as the Minister responsible for public spaces, I know that you would support the right to protest and understand protests are a common use of many public spaces. Is that correct?

Mr PAUL SCULLY: Yes, they can be used as public spaces.

The CHAIR: The Premier, Minister Sharpe, Minister Harris and Minister Dib have now all confirmed that no Ministers opposed the public assembly restriction laws in Cabinet. I take it that that would include you too?

Mr PAUL SCULLY: Not only did I not oppose them; I signed two of the restriction orders as acting police Minister.

The CHAIR: But you do understand that these laws are opposed by so many civil society organisations, Labor members, as well as—

Mr PAUL SCULLY: So you think—hang on.

The CHAIR: I'll just finish the question. Now we have seen what resulted from those laws. As public spaces Minister, in Cabinet, why did you not support those other views—those views so widely held by so many in our community?

Mr PAUL SCULLY: First off, let's address what the Public Spaces portfolio is about. The Public Spaces portfolio is largely the oversight of a number of select public spaces. It's not every common area in New South Wales. It's the larger parklands under the Greater Sydney Parklands Trust Act, it is Penrith Beach and it is other things, as well as some financial assistance through a range of programs and measures to provide better public space outcomes that are largely delivered through a local council level. But on the broader issue, I think—and I maintain the Government's position—that in the face of a terrorist attack, we should be able to geographically limit protest activity for a strictly limited period of time, or the police commissioner can, on the basis of intelligence.

The CHAIR: Why?

Mr PAUL SCULLY: Why do you have to protest immediately after a terrorist attack?

The CHAIR: I don't think anyone was proposing to protest immediately after a terrorist attack. I'm asking you why you think the protest is related to a terrorist attack, and why you didn't—

Mr PAUL SCULLY: Because that's the legislation. The protest restriction is related to a terrorist event. That's in the legislation that was passed by both Houses of this Parliament.

The CHAIR: So in Cabinet, you thought it was a great idea that these laws were the laws that—

Mr PAUL SCULLY: First off, I don't discuss what I say and do within Cabinet. There is confidentiality around Cabinet discussions for a very, very good reason. However—

The CHAIR: The Premier and three senior Ministers have already blown that open, clearly.

Mr PAUL SCULLY: That's up to them. I'm saying the position I take. I don't discuss matters out of Cabinet. I don't discuss matters out of caucus. That's just a personal principle. If others choose to do it, that's on them. However, what I do support is the Government's position.

The CHAIR: And you see that what resulted at Town Hall—in that public space—was something that's justified, based on your signing of declarations?

Mr PAUL SCULLY: The matters associated with the events on that evening are now a matter of investigation by the Law Enforcement Conduct Commission, and I think that independent body should do its work. However, detailed questions on the events of that night—in terms of operational matters—should be directed to the police Minister and the police commissioner, not me as the Minister for Planning and Public Spaces.

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The CHAIR: I want to take you briefly to the Riverstone precinct, Marsden Park North. On what date did you form the view that development in the Riverstone wetlands precinct was now acceptable—or have you not formed that view?

Mr PAUL SCULLY: Are you referring to the recent public exhibition of the Marsden Park North precinct?

The CHAIR: I am—the one which will see 960 homes built in an area of high flood risk.

Mr PAUL SCULLY: Let's go to this, because there's been some—I'm not going to say deliberate misinformation, but there's been some incorrect assumptions made here. I take you back to the end of October 2023. At that time, in conjunction with the Deputy Premier, I made an announcement that the current plan that was on the table for Marsden Park North, which was several thousand homes, would not proceed.

The CHAIR: Because it would place lives at risk.

Mr PAUL SCULLY: Yes, that's right. That was on the basis of flood advice. That didn't say that nothing could take place; it just said that that plan would not be taking place and that we would be limiting it. What we then set about was a period—and I can quote you from that announcement:

The NSW Government will continue to work closely with councils and other stakeholders to explore suitable land-use options.

We went on further:

Work is also underway to understand where additional housing can be accommodated to mitigate the impacts of these decisions on the housing pipeline.

What happened was, in September 2024, work started on a new rezoning proposal for the Marsden Park North area that considered the flood studies, some update to the flood studies and the guidelines, as well as the evacuation in the event of a major flood—so a responsible approach to land use planning. The rezoning proposal and associated documents were put on public exhibition on 17 November 2025. That closed on 30 January 2026. That included—and I'll take you through the detail because I think this is important. There are elements of this not reported. Approximately 260 hectares was for employment land, which would allow for almost 3,900 new local jobs. It is a good outcome in an area that needs jobs.

The CHAIR: That floods and goes underwater and will create a catastrophic risk to life.

Mr PAUL SCULLY: Hang on. I will take you through the full process. I think it's important that we see the full context. That was not what has been in the public domain.

The CHAIR: Minister, can you address this one point?

Mr PAUL SCULLY: Around 960 homes on that land are impacted by flooding. Those homes also have an additional requirement that all new homes are to be located above the new flood planning levels, set at a one-in-100 chance per year of a flood event, with an additional three-metre freeboard to allow for climate change impact. In other words, development could only be on land that was typically within the one-in-500 chance per year of flooding.

The CHAIR: Do you think those homes will be able to be insured?

Mr PAUL SCULLY: Yes, I do, because of where they are. In addition, you've got to understand this. You can't take a point in time and apply it consistently. At the same time, there have been considerable upgrades underway to new State road infrastructure that is being delivered by Transport for NSW. The Bandon Road upgrade and extension across the flood plain is underway. The Garfield Road West widening and upgrade for the provision of shared paths is underway. Richmond Road, a \$720 million upgrade overall, which was announced earlier this week, is underway—particularly the \$150 million commitment on that section of road between Elara Boulevard and Heritage Road. That is additional evacuation capacity. What we have done, in addition to 260 hectares of employment land, 960 homes on land that is well above what the previous Government was intending to do, close to 60 hectares of open space, protection of more than 80 hectares of conservation land, as well as new transport links, is that there is a cap. There is an employment cap, a jobs cap and a homes cap.

The CHAIR: You are suggesting that with all of this we will be able to just get those people out of the death flood trap on good roads as quickly as we possibly can, and quicker than what the Coalition was proposing?

Mr PAUL SCULLY: I'm not suggesting that.

The CHAIR: That's all I'm hearing, Minister.

Mr PAUL SCULLY: No, I'm basing that off expert advice. I don't make these assessments myself, as you'd appreciate.

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The CHAIR: With expert advice, what do you say to the fact that just last week former Fire and Rescue commissioner Greg Mullins said:

I never dreamed we would have a government rolling back flood and bushfire protections. This is the first government which has done so as far as I can tell. It fails every test. Developers' profits are trumping community safety.

Mr PAUL SCULLY: As I said at the time, I find that comment offensive because it is wrong. I find it personally offensive because it suggested—in another part that was not reported in that—that we were putting people's lives at risk and we were happy about doing that. We have actually done the opposite.

The CHAIR: I don't think anyone is saying you are happy about that. I think what people are saying is—

Mr PAUL SCULLY: It was in the non-reported part of that comment, as it was retold to me. What we have done is the exact opposite. We have done nothing different than what we said we would do in October 2023 when we said the then plan of the previous Government for thousands of homes in the area at the one-in-100 level would be reversed. We never said that nothing could take place.

The CHAIR: Minister, did anyone from Morris Iemma's firm speak to you or anyone in your staff about it?

Mr PAUL SCULLY: All of my meetings with Mr Iemma—I appreciate the titillation of this sort of stuff.

The CHAIR: It's not titillation; it's about trying to run the State.

Mr PAUL SCULLY: All of my meetings with Mr Iemma are reported and declared as per the requirements. I answered this extensively in the House in question time. All of the interactions of my office are referred to the department, as they are required to do, for follow-up. All of the department's meetings, I might add, are declared on the register, as they are required to do with third-party lobbyists.

The CHAIR: You would appreciate that the Premier does refer to meetings that he just happens to have in corridors and so forth.

Mr PAUL SCULLY: I'm not the Premier.

The CHAIR: I'm just saying that those things are very real in our modern world. We know that.

Mr PAUL SCULLY: To be honest, I have not struck Mr Iemma wandering any corridor that I have been wandering.

The Hon. JOHN RUDDICK: Good morning, Minister. You just told my colleague the Hon. Chris Rath that you wished you were far more progressed on housing construction than you are. You said if there was a silver bullet to speed up construction, you would fire it. That is a good sentiment. I would like to suggest there are two silver bullets you could fire, and those are making the Biodiversity Offsets Scheme and the BASIX standards optional rather than compulsory. The Biodiversity Offsets Scheme was introduced in 2017. In that year, in New South Wales, there were 42,000 homes built just in Sydney. But according to your own data, from your own website, only 28,300 homes were built from 2024 to 2025 across the entire State. Do you see any correlation—

Mr PAUL SCULLY: Where is that from? That is not a number that's familiar to me.

The Hon. JOHN RUDDICK: I have got it here that according to your own data, published on your own website, only 28,300 homes were built.

Mr PAUL SCULLY: I'd aim to check where that came from, but that is well below the 40,000-odd that were actually built across the State.

The Hon. JOHN RUDDICK: That might be talking about completions.

Mr PAUL SCULLY: I'm talking about completions too.

The Hon. JOHN RUDDICK: It will be interesting to look into that. The important question, Minister, is do you see a correlation between rising red and green tape costs such as the Biodiversity Offsets Scheme and the BASIX standards?

Mr PAUL SCULLY: Let's go to the Biodiversity Offsets Scheme. It was in a pretty poor state when we came to office. We know it needs some work, and I've been doing work with Minister Sharpe with respect to that. On the BASIX—

The Hon. JOHN RUDDICK: When you say you're doing work on it, are we looking at making the burden heavier or lighter?

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Mr PAUL SCULLY: We are looking at fixing up the system that was not working for anyone. That is in terms of the legislative reforms and other reforms that Minister Sharpe is pursuing. On the BASIX requirements, the BASIX standards have been increased by this Government in reflection of a changing climate. I know that you, Mr Ruddick, have different views on the impact of a changing climate, but the reality is that the days are getting hotter. You'd have to wander around Sydney earlier this week to know that. It's a bit cooler today. The standards with energy efficiency and the like are improving because an up-front investment does deliver a longer term benefit in terms of the lower operating costs of a home. The logical conclusion of what you're suggesting is that we should basically do away with all building standards and be happy and satisfied if people knocked up a tin shed and lived in that. I've heard other people suggest to me that there should be—

The Hon. JOHN RUDDICK: That's what happened in New South Wales for the first almost two centuries.

Mr PAUL SCULLY: It did, but I think—

The Hon. JOHN RUDDICK: Those houses built in the nineteenth century are still standing.

Mr PAUL SCULLY: And they are standing because they weren't tin sheds. They also need regular improvements and updates. I have had people suggest to me that we should get rid of kerb and guttering because 100 years ago we didn't have kerb and guttering and it was okay then, so it should be okay now. Perhaps not. I've had people suggest to me that we should not have a requirement to have windows in bedrooms, and we should just have these dark boxes. I think not. What we have to do is balance the social licence that comes with the quality of build, which is why we have expanded the work of the Building Commission, which Minister Chanthivong is in charge of, while at the same time improving standards, because that is what people want. Recently I had the opportunity to go with McDonald Jones Homes and Landcom—Mr Wendler was there with me—to open a first net zero home.

The Hon. JOHN RUDDICK: I have been following that.

Mr PAUL SCULLY: This lowers the cost of running a home.

The Hon. JOHN RUDDICK: That is the second time you have said that, and it is all through your press release.

Mr PAUL SCULLY: Because it does!

The Hon. JOHN RUDDICK: You're talking about the long-term cost. Okay, but what does it add to the value of the construction of the home in the first place?

Mr PAUL SCULLY: It varies.

The Hon. JOHN RUDDICK: Why are we just talking about the long-term savings, which I'll acknowledge will happen? I'm doubtful they are as big as you think.

Mr PAUL SCULLY: The difference in price of Colorbond between a dark roof and a lighter roof is—the marginal cost is zero because it is the same priced product. But that is part of it. Dark roofs are very much part of it, except in a couple of areas where dark roofs are still okay because they need that for solar absorption. It also depends on what you need to do to achieve the BASIX standards, which relates to your orientation on the block. It relates to whether you choose to do fans or air conditioning, or whether you're doing gas appliances or electrical appliances. There is not a universal outcome. Yes, improved building standards and the increased size of buildings all add to cost, ultimately. The increased cost of land adds to costs. The increased cost of finance adds to costs. But when you're looking at the overall benefits for the individual household and the person who may buy it into the future, as well as the overall outcomes for the entirety of society, these are better outcomes overall and it is what the market is starting to expect. We wouldn't have the interest in that net zero home in Wilton that we've seen over the last few weeks of its open houses, if there wasn't interest from the market in this.

The Hon. JOHN RUDDICK: Would you agree that, Minister, if we made the Biodiversity Offsets Scheme and the BASIX standards optional for home builders, it would reduce the construction cost and therefore the price that the purchaser must pay?

Mr PAUL SCULLY: I can't say because you're assuming that all of those costs would be passed on—any cost reduction would be passed on, and I can't guarantee that.

The Hon. JOHN RUDDICK: I think that's what would happen. You think that it's just a—

Mr PAUL SCULLY: I'm not sure because I've seen in other markets where there might have been cost reductions and, rather than substituting a lower price, the seller of the given product decides to increase their margins.

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The Hon. JOHN RUDDICK: You must have a lot of conversations with developers, the people who go out there and actually—

Mr PAUL SCULLY: I have a lot of conversations with a lot of people.

The Hon. JOHN RUDDICK: I'm sure you do. What do they think about the Biodiversity Offsets Scheme and the BASIX standards?

Mr PAUL SCULLY: They agree that it needed improvement when we came to office, which is exactly why we're undertaking a series of reforms, led by Minister Sharpe, and you have to address the detail to her to deal with that.

The Hon. JOHN RUDDICK: Ken Henry is somebody that I'm guessing this Government has a reasonably high opinion of his opinion.

Mr PAUL SCULLY: I can't comment for all the Government members, but I'm aware of Mr Henry's views.

The Hon. JOHN RUDDICK: Yes. He says the biodiversity scheme is not strong enough, and he wants a whole hog embracement of nature positive radicalism.

The CHAIR: He did not say "radicalism".

The Hon. JOHN RUDDICK: Well, it's in that direction, I understand, Chair. Can you speak to that and give the Committee some assurance that we're not heading in that direction?

Mr PAUL SCULLY: The Government has been clear about the series of reforms that it is pursuing, and Minister Sharpe is diligently setting about those reforms.

The Hon. JOHN RUDDICK: You have mentioned the Panorama Net Zero Home and I've read your press release. I have to admit it looks quite impressive.

Mr PAUL SCULLY: Have you visited?

The Hon. JOHN RUDDICK: No.

Mr PAUL SCULLY: You should go out there. It's great.

The Hon. CHRIS RATH: You should buy one, John.

The Hon. JOHN RUDDICK: It's against my religion.

Mr PAUL SCULLY: It's actually really good and it's a really good example and showpiece, which is why it is a display home, as to what you may be able to do.

The Hon. JOHN RUDDICK: Minister, I do think that this house, if it lives up to expectations, will be a basically self-sustainable home. You can run toasters and TVs off solar panels. I don't think you can run heavy industry off it. But in your press release you say that the net zero home is built to handle future climate conditions. How much were we expecting the temperature of the world to go up and how we came up with the policy? What are we saying—in five years time, we're going to be up four degrees Celsius? You've said it.

Mr PAUL SCULLY: I have said it.

The Hon. JOHN RUDDICK: We're anticipating future climate conditions. I'm guessing you're saying it's going to get hotter.

Mr PAUL SCULLY: We are anticipating, and if you have a look at the State Disaster Mitigation Plan and other documents this Government's developed, you'll see what our expectations are with respect to the changing climate. The changing climate is not just limited to temperature, as you would appreciate.

The Hon. JOHN RUDDICK: No, sure. That's how it was originally sold to us.

Mr PAUL SCULLY: Again, much like Mr Rath tried to fit me up for a decision I wasn't involved in in 2013, I don't think I can be held accountable for what the IPCC may have said globally in its earliest days. I'm not a member of that, as you'd appreciate. However, anyone in the insurance sector will tell you—I deal with the insurance sector a considerable amount because of their interaction with housing—and who's studied climate science will tell you that the level and frequency of storms, of adverse weather events are increasing in both frequency and severity. These are the things that we're trying to accommodate.

What we're also trying to do through that particular house is demonstrate how new products are coming to market. For instance, the benchtops in there are largely made of recycled material out of a place in Nowra—

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great part of the world. It's showing how you can have the circular economy and recycled materials integrated into new products for the overall benefit and promote, support and encourage domestic manufacturing at the same time, while reducing the risk of silica dust hurt and damage to the lungs of kitchen installers. I would have thought that would be a welcome outcome.

The Hon. JOHN RUDDICK: I will take you up on your offer. I will go out there and have a look at that display home. I'd be fine if everybody chose to have one of these net zero homes, as long as it's not compulsory. Can you give us some confidence that this display home is really just for people to look at to see what could happen, and it's not the forerunner of making this the compulsory method of building any future homes in New South Wales?

Mr PAUL SCULLY: I'm not aware, and I certainly haven't been developing and working on any plans to make that a compulsory build. What it does offer, though, is some insights into people who are undertaking a new build or people who are renovating to have a look at the suite of options and the various combinations that they may wish to incorporate into their own build. I think that providing people with information helps markets operate far more efficiently.

The Hon. JOHN RUDDICK: Make these things voluntary, Minister, and you'll achieve your housing targets much quicker.

Mr PAUL SCULLY: I think people expect a level of build that reflects modern standards, and I don't think that we should throw out quality in a desperate race for quantity.

The Hon. JOHN RUDDICK: I think the market will look after the quality.

The Hon. CHRIS RATH: The 75,000 figure that you've been using—I can see approval numbers, commencement numbers, completion numbers. Where does the 75,000 figure come from?

Mr PAUL SCULLY: This is the number under construction. The Australian Bureau of Statistics.

The Hon. CHRIS RATH: The commencement figure is 47,198, so where's the 75,000 figure? You're saying it's not a commencement figure.

Mr PAUL SCULLY: The 75,000 was published by the Australian Bureau of Statistics in its building activity—I think it's called building activity—statistics that were published for the period ending as at the end of September. It was published earlier this year, I think it was.

MONICA GIBSON: Yes, the end of December.

The Hon. CHRIS RATH: Let's be clear: It's not an annualised commencement figure. That's not what you're suggesting.

Mr PAUL SCULLY: No. It's a point in time. It's the number of dwellings, in whatever form they may be, that are under construction at that point in time and for the reporting of the ABS. That includes single dwellings right the way through to multistorey apartment buildings. Each of those will obviously have different time frames for their completion.

The Hon. CHRIS RATH: What's the abandonment rate from approval to completion?

Mr PAUL SCULLY: Can you outline what you mean by "abandonment"? Is this where people get halfway through a build and then they give up?

The Hon. CHRIS RATH: You obviously have a much higher approval rate than completion rate. Not every approval turns into a completion.

Mr PAUL SCULLY: Yes, it doesn't.

The Hon. CHRIS RATH: What's the rate that developments are abandoned?

Mr PAUL SCULLY: Sure. At the moment, according to the last lot of statistics, there's 15,332 homes that are approved but not commenced. Again, that's a point in time measure so there may be a whole range of reasons why a development may be approved and not commenced. Sometimes that relates to post-consent approvals—something that the Government is working to speed up. It may be that people are still seeking finance. It may be in the event of a multi-dwelling building that people need to have an amount of pre-sales before they can get commercial finance to start construction, which is why the Government's got the world-leading \$1 billion pre-sale finance guarantee, to assist with getting those to market and under construction earlier. It may be that a mum and dad may not have secured the construction finance that they need to get underway. It may be just that it was approved the day before.

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The Hon. CHRIS RATH: Yes. I assume feasibility is a huge part of that abandonment.

Mr PAUL SCULLY: No. Let's not describe it as abandonment because oftentimes those dwellings will end up still being constructed. They are, just at that point in time, approved but not commenced. I just ran through a range of reasons why that may be the case. But let's take, for instance, multi-dwelling apartments and multi-dwelling buildings. Oftentimes, the commercial financiers have a requirement of 70 per cent or more of pre-sales before they can get underway. A developer will go out to the market with an approved plan and say, "Hey, this is what we're going to do." For the first couple of months, they get a really good response. They might get to 50 per cent relatively quickly but can't get that last bit.

This is why the Government's used the strength of its budget position to actively be engaged in that market by saying to developers, "We will provide you with a guarantee—not a subsidy, not any other transfer payment—for the last bit where you've sold up to 50 per cent of your project up to a total cost of \$50 million, where then you can go out and seek commercial finance. You can then continue to sell those properties to the market as you're building them." We believe that it's going to take about 12 months off the time taken to get construction moving.

If you save that—again, you reduce the time to assess it, you reduce the number of post-consent conditions you need to go through, you reduce the time getting to construction. You then reduce the time for those final things getting to market. Not only do you get really excited people who are putting new keys into new doors of homes, but you are getting construction underway faster, which I think is an overall good outcome for everyone. It does provide an innovative approach for the Government to use the strength of its balance sheet because we've been able to maintain strong credit ratings because we've gone through a series of budget repairs in order to get work underway.

The Hon. CHRIS RATH: It all sounds very positive. The issue is with those post-consent conditions. I feel a bit sorry for you, because your department's approving developments but then, after the fact, don't you feel a little bit let down by your colleagues at Transport or Water, for instance?

Mr PAUL SCULLY: My colleagues do excellent work.

The Hon. CHRIS RATH: They're holding up developments. You're saying yes and giving approvals, but then Transport or Water or some other agency is essentially knocking it back or delaying it. Aren't you a bit frustrated with your colleagues?

Mr PAUL SCULLY: Mr Rath, I appreciate that you may be disappointed by your colleagues, but I find my colleagues great to work with. This is why the Development Coordination Authority is such a big and important change in terms of the planning system reforms Act, which was passed with the almost universal support of the Parliament. I thank the Opposition, particularly Mr Speakman and Mr Farlow, for their efforts in doing that. If only everyone had come on board. It would have been great. The Development Coordination Authority has two distinct roles. These have been in operation for a little while now. The first one is to deal with the actual assessment process and the coordination of the response from the New South Wales government agencies.

Previously, and until it kicks into gear on 1 July, you could have gone to one of 22 different agencies within New South Wales government in order to get a concurrence and referral. That costs time, with 60 days on average for the first one and 100 days for each one in addition to that. That soon adds up very quickly. The second part that has been worked on—in fairness to the department of planning, in the past their responsibility ended at an approval. The planning system reforms Act has effectively extended their responsibility to assist, through the Development Coordination Authority, with the post-consent requirements to make sure that they can assist and can help work through the challenges someone may have with a water licence to do some basement excavation. It may assist with dealing with any biodiversity offsets. It may assist with just dealing with transport-related challenges for that construction.

No-one had previously been looking at that post-consent area. Because no-one took responsibility for it, like anything else that no-one takes responsibility for, it's poorly managed and has no oversight. An active decision of this Government is that the department of planning, through the Development Coordination Authority's work across government, is best placed to assist with that. I think this will make a real difference to not only mums and dads who are trying to get things moving more quickly, and not only councils that are trying to get things moving more quickly, but to larger proponents—which, again, will cut time and assist with project feasibility.

The Hon. CHRIS RATH: If 80 homes are knocked down and converted into 30, does your department count that in the completion figures as 30 new homes or minus 50 homes?

Mr PAUL SCULLY: The—

MONICA GIBSON: It's the ABS who counts it.

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Mr PAUL SCULLY: Yes, that's where I was going with that. The ABS generates the data that the housing accord figures are published against. They determine what is a new build, in that sense, and report that. We don't have direct control over it. We don't report it. They extract that from the information sources, which include the Planning Portal, that they have available to them.

The Hon. CHRIS RATH: So it's a gross number overall that they're using; it's not a net number.

Mr PAUL SCULLY: Yes and no. It's a gross number but it excludes a number of things, too. Disappointingly, the number of real dwelling types and typologies aren't included in that. I'd be happy if you wanted to join with me in advocating to the Commonwealth to change this, because I think New South Wales is at a disadvantage as a result. For instance, student housing is not incorporated in that. There is a big push as a result of a Federal Government policy for universities to encourage and support the growth of student housing for a number of reasons. One, it takes pressure off the private rental market and, two, it provides a good option for students—when they are studying and when they have to move to study—to provide it. Unfortunately, all the resources that go to that—labour, materials and everything else—does compete, as you would accept, with the resources needed to build other forms of housing. Unfortunately, they're not counted. Other forms of housing such as seniors housing or residential aged care and co-living also aren't included.

This is where New South Wales gets a bit of a disadvantage when it comes to some of the measures of success when it comes to the housing accord targets. A lot of things that are under construction and are being delivered—and need to be delivered to make not only our cities but our regional committees work better—simply aren't counted. I'd welcome you joining with me to lobby your side of politics to encourage the inclusion of that because, one, I think it should be accounted for because there is a resource substitution effect. Two, these are real dwellings for people. Three, it just makes sense that, if we are going to measure things, we measure things properly.

The Hon. CHRIS RATH: How many homes have progressed from pattern book design to construction so far?

Mr PAUL SCULLY: Let me get you the most recent details. The pattern book at the moment—there have been 22 CDC applications submitted and 10 have been approved so far. One is just down the road from—almost equidistant from you and I. I won't real reveal the address but, suffice to say, it's in Corrimal, which is exciting. We are starting to see more of those come through the planning system. Again, there is a time lag, which I think you would appreciate as someone who understands that markets don't react immediately, particularly when you've got lumpy investment like housing. But we are starting to see more of them come through, which is exciting.

The Hon. CHRIS RATH: But one commencement in six months—surely you're a little bit disappointed at that.

Mr PAUL SCULLY: I think the six to nine months is about the timeline that people make a change with respect to a planning system change. Some of those we are actually seeing probably a little bit earlier, but we've got 22 CDC applications submitted and 10 have been approved. You'll start to see more of those going. Mr Wendler has got seven of them under construction himself out at Edmondson Park and is looking at more options underway at Landcom. We've got Homes NSW looking at it. We've got SOPA, which will have some going as well. I think you'll start to see more mums and dads who may have picked up a plan at the discount introductory price, relatively cheaply, and are now going about the process of sourcing a builder, sourcing some land on which to build on and the like.

The Hon. CHRIS RATH: You can have all the rezoning in the world, but do you accept that development projects are stalling largely because they're no longer financially feasible?

Mr PAUL SCULLY: Again, I think it's wrong to conclude that the housing construction market is a homogenous sector. We are finding, and in talking to people, that feasibility differs across projects and across geography. When we came to office, I had people on my doorstep—in the lead-up to and after we came in—complaining about the planning system and how that was helping to drive the collapse of home building. Again, I point out that it had collapsed by one-third, under the previous term of office, down to 36,000 a year. The other thing that was not up to scratch at the time—and I think anyone would agree with this—was the Planning Portal.

What wasn't being talked about was the doubling of land values, particularly in Sydney, over the last 10 years—which has a huge cost—and the more than 30 per cent increase in materials over the last five years. I notice in the last inflation stats that that's moderating, but it's still increasing. Interest rates and access to finance were a problem—again, we're helping with the pre-sale finance guarantee—and access to labour and the costs of labour, as well as challenging macro-economic conditions. I think, at the time, we also had the lasting impact of the Morrison Government's HomeBuilder scheme, which is credited with shifting demand and shifting that

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market, but not in a good way. It made it more expensive to build a home because it distorted markets for labour and for materials.

The Centre for International Economics has actually done some work on cost and feasibility. For instance, for a mid-rise apartment, when we look at where things have increased—construction costs over the past five years, \$76,000; land acquisition, up \$50,000; financing costs, up \$49,000; and required margin, up \$36,000. They're the big changes in this that are not talked about. The Government is doing everything in its power to reduce time because time is the biggest cost that the Government contributes to in terms of the planning system and in terms of post-consent conditions. So we are cutting the time of assessments through planning reform, and we're driving down the time that councils take, on average, by about a third, so far, through the statement of expectations and our expectations on council.

We have been rezoning for greater density, which increases capacity, which changes the feasibility in areas. We have got the land audit and rezonings to increase the supply of land that is available. We've got the Pre-sale Finance Guarantee. As I've touched on, we are active in the market through Landcom, not just through the equity injection but also through their essential worker housing. We are investing \$3.4 billion in the workforce, and today I announced the works-in-kind and infrastructure opportunities plan, which will assist with developers making the choice as to whether or not they want to make an all-cash contribution or a part-cash contribution and works-in-kind to cover their infrastructure things. We are working on the elements we can work on.

What we can't reverse immediately is the cost of land. What we can't reverse are the transactions that people have already undertaken to deal with that, but we can make sure there are more housing types in more places. Interestingly, when you talk feasibility, there are geographic differences. Sydney, for instance—even the Illawarra, even Newcastle and regional New South Wales—is not a homogenous market. What we are seeing, interestingly, is that areas that have not done any of the heavy lifting when it came to housing over the past decade or so are slightly more feasible than other areas. I think that goes to pent-up demand. It goes to restricted supply. It goes to all of the things that you have spoken about in the past that have had a price impact. The price mechanism, unfortunately, is working, but it's not working in the interests of people who are looking to rent or buy a home.

The Hon. CHRIS RATH: Minister, are things really that financially bad in the housing construction sector that the Government has to underwrite or guarantee individual projects?

Mr PAUL SCULLY: It is not that they are financially bad. I think this speeds things up. One of the big challenges that we heard—the Housing Taskforce did some proactive work in talking to a number of people who had approvals that hadn't converted into construction, and a number of those were related to post-consent conditions, which we were able to help out with and get them underway. But a number of them also related to the fact that access to commercial finance—there was a particularly high bar in terms of pre-sales. I think this is actually a really innovative approach to using the Government's balance sheet without any up-front money from taxpayers. In the worst of all circumstances, we would end up as a government with a small number of dwellings—

The Hon. CHRIS RATH: Unless they default.

Mr PAUL SCULLY: —that we would acquire at a discount that we could then use for social housing, for affordable housing, as rental housing for essential workers, or just to sell ourself. In fact, a former colleague of yours sent me a text on budget day saying, "Pre-sale Finance Guarantee—a great initiative. I wish I'd thought of it." Interestingly, just to go on with that, it is currently being copied by the South Australians. It is currently being examined seriously by the Kiwis, and I think you will find that other people will copy this really innovative Minns Labor Government approach to get construction going quicker.

The Hon. CHRIS RATH: If Chris Bishop is doing it, it must be good. The Housing and Productivity Contribution—how much money has that raised?

Mr PAUL SCULLY: The current balance on the account is about \$67 million. Someone will confirm that for me.

MONICA GIBSON: Yes, 67.

Mr PAUL SCULLY: Of course, in saying that, the special infrastructure contribution areas are still transitioning, so not everyone is paying a housing and productivity contribution. I think it's important to look at that in the context of its introduction being heavily discounted in the first year and somewhat less discounted in the second year, and not all of those people who are coming through the system at this point in time would necessarily be liable to make a payment.

The Hon. CHRIS RATH: Minister, you are never going to reach your forecast, surely. The forecast was that over four years it would raise \$1.5 billion. You are at \$67 million. Surely that's a disaster.

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Mr PAUL SCULLY: That was a forecast provided to us by Treasury, so the detail of how they arrived at that, you would have to address to them. We don't do the forecasting and the revenue.

The Hon. CHRIS RATH: It seems like it's way off, in terms of where it needs to be.

Mr PAUL SCULLY: In your circumstance it would be zero because you didn't even support infrastructure contributions at a State level. What you would be happy with, by extension of not supporting anything, which you proposed—

The Hon. CHRIS RATH: Well, you support a tax on housing. It's a tax on housing.

Mr PAUL SCULLY: You guys proposed this when last in government. It didn't get through the upper House, but you booked—I think it was—about \$954 million over the forward estimates. You booked that in the half-yearly budget review. You used that as a means to prop up some of your budget outcomes in the lead-up to the election and then, when we improved the system, made it better and had a way to long-term finance infrastructure along with housing and jobs in a number of areas in New South Wales, you rejected it. So I don't think you've got a credible leg to stand on when it comes to not only providing infrastructure alongside housing but also financing infrastructure, because you are still deadset determined to privatise everything. You've said it in your own words. It was reported in the Financial Review. You are determined to privatise rather than make sure that infrastructure is being delivered.

The Hon. CHRIS RATH: You've never sold off any land, have you, Minister?

The CHAIR: We will come to the privatisation of the Coffs Jetty foreshore in a moment—not yet, Minister. Can I ask you about the New South Wales—sorry, I note that there is now a High Court application—proceedings on the Denman Aberdeen Muswellbrook Scone Healthy Environment Group?

Mr PAUL SCULLY: As you'd appreciate, and as you just mentioned, there is a High Court proceeding, so we're limited in what we might be able to say.

The CHAIR: As at the December 2025 supplementary estimates hearing—correct me if I am wrong—it was confirmed that there is no pause or moratorium on projects in relation to the assessment of climate change impacts from coal developments. There was the assertion that scope 3 emissions are being applied to projects currently under assessment, and there was no clear detail on how localised climate impacts will be assessed. Has the department done any further work or taken any approach? Or, at the moment, is it hands off, carry on, business as usual and wait for the High Court?

Mr PAUL SCULLY: No, we've got an active court decision. The department is always conscious of a court decision, and we do incorporate the local impacts—following that court decision, the local impacts of scope 3 emissions—in the assessment the assessment process. By "we", I mean the collective; not me, personally. I don't do assessments, as you'd appreciate.

The CHAIR: How do you reconcile that position with the fact that the Court of Appeal found that not to be the case?

Mr PAUL SCULLY: The Court of Appeal, as I understand it—and I don't know if the secretary or Mr Preshaw will jump in and add any detail to this. But, as I recall it, the court found that that hadn't been taken into account and that scope 3 emissions had been considered, but it found that, having accepted that scope 3 emissions would contribute to climate change globally, the commission—and this is the Independent Planning Commission—failed. That's not necessarily the department but the Independent Planning Commission.

The CHAIR: No, I appreciate that. It failed to take into account the localised—

Mr PAUL SCULLY: There is a distinction, but they failed to take that into account. As a result of that Court of Appeal, we have, in the assessment, been taking the local impact of scope 3 emissions into consideration as part of assessments.

The CHAIR: Is it your contention that you disagree with the Court of Appeal? Is that what you're saying?

Mr PAUL SCULLY: No, I'm saying that, in assessments that have been done post that decision—and I stand to be corrected by the secretary—we have been taking that decision and, as a result, have been considering the local impacts of scope 3 emissions in the assessment process.

The CHAIR: Where is that reflected? Has any change happened to SEARs? How have you actually implemented that change?

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KIERSTEN FISHBURN: Noting that this is a current appeal matter, there isn't a finalised decision until the appeal is resolved. We have been seeking guidance and advice as to how we can incorporate this and, pending the decision—I want to be careful about how I say that—how we will incorporate the implications of the legal decision into SEARs and into assessment. Merit assessment, though, does take into consideration impacts to the environment, and that has been part of our normal practice as well. However, noting, as the Minister has said, that this is currently under appeal, we would not be making changes to SEARs until we had a final result as a consequence of the Court of Appeal.

The CHAIR: That's interesting. Normally, where a decision is made, departments and government agencies determine their actions based on the current law. The current law is what the Court of Appeal has held, but you're not—

KIERSTEN FISHBURN: As I said, we are aware of that and it is a consideration as part of the merit assessment process.

The CHAIR: What is the department doing to assist the IPC in articulating the assessment for the impacts of climate change on a local environment?

KIERSTEN FISHBURN: The IPC and the department have sought advice on how we would undertake this work. It is very complicated; I think I've stated that before.

The CHAIR: Can I ask whom you've sought that advice from?

KIERSTEN FISHBURN: I'll just have to get the name for you. I'll take that on notice. We sought independent expert advice on how the implications of the ruling and the implications of anything that comes out of the appeal can be integrated into the planning system, so we're very alive to it. I don't think, in any way, we are pretending that there are not implications. However, they can be complicated, and I want to make sure that we get the independent advice and we're able to enact that as well.

The CHAIR: I'll come back to that later today, if that's all right.

KIERSTEN FISHBURN: Sorry, can I add one piece of clarification that I just got from my team? We have not actually issued any SEARs since the court decision. That's your answer.

Mr PAUL SCULLY: You can't incorporate it into something you haven't issued, I guess.

The CHAIR: Minister, are you satisfied that, at this point in time, this is a serious issue that your department and agency needs to grapple with?

Mr PAUL SCULLY: Of course. We are conscious, always, of the enormity of our task and making sure that we're taking into account all contemporary law, policies and standards. But we also added climate change as an object of the planning Act for the very first time—a recommendation of your Committee—

The CHAIR: That's right.

Mr PAUL SCULLY: —that you voted against.

The CHAIR: No, Minister, please don't characterise it wrongly.

Mr PAUL SCULLY: Sorry, you voted against it.

The CHAIR: It was the suite of amendments that we voted against.

Mr PAUL SCULLY: Well, that was one of the suite. You didn't seek to separate it.

The CHAIR: I said very clearly that the addition of an object is good.

Mr PAUL SCULLY: The record shows what the record shows.

The CHAIR: Well, the record also shows—

Mr PAUL SCULLY: We do take this into account, seriously, and it's why we set it around all of the things that we do.

The CHAIR: Minister, the response to submissions in relation to the Coffs Harbour Jetty Foreshore Precinct redevelopment has finally been published. The response is quite alarming in relation to affordable housing. The concern is that there is a proposal by Property and Development NSW to privatise an entire part of public land that is loved by the community for various development, including housing, and none of that housing will be affordable housing. What the heck is that, and how do you justify that?

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Mr PAUL SCULLY: One, I think you've got to separate publishing a response to submissions from—the publisher from the proponent, in this case. I do not administer Property and Development NSW; it's the responsibility of Minister Kamper.

The CHAIR: But surely you think that's unacceptable.

Mr PAUL SCULLY: I do not administer Property and Development NSW; that is the responsibility of Minister Kamper. I will leave any comments with respect to the detail and their response to submissions to Minister Kamper.

The CHAIR: Who will be the final determining authority as to whether that planning proposal goes ahead or not?

Mr PAUL SCULLY: The planning proposal is being assessed and, I believe—is it delegated to you, Secretary?

KIERSTEN FISHBURN: No, it would be delegated to Ms Gibson to finalise. I'd have a conflict of interest due to having both parts of the business—

Mr PAUL SCULLY: Of course, yes, sorry.

The CHAIR: Minister, it will ultimately be under your delegation to the secretary—

Mr PAUL SCULLY: Yes, like many things are.

The CHAIR: —who will then delegate it further to Ms Gibson.

Mr PAUL SCULLY: Yes.

The CHAIR: Does it concern you that the response to submissions for this planning proposal—which, I remind you, there was a public referendum about the proposed reef—

Mr PAUL SCULLY: Well—yes, okay.

The CHAIR: Minister, 68 per cent said no. You and others rejected—

Mr PAUL SCULLY: What was the question? Can you just refresh my—

The CHAIR: Minister, I'll finish. You and others rejected that referendum and said the development is very different now. But 61 per cent of public submissions outright oppose and object to the planning proposal. That will be delegated to Ms Monica Gibson, ultimately, to make the decision.

Mr PAUL SCULLY: Correct.

The CHAIR: This is public land. As part of that planning proposal, the developer has said it's not economically feasible to engage with any affordable housing.

Mr PAUL SCULLY: There are a few things in that, Chair. Sorry, I don't have it in front of me and I think, given this discussion, for the Committee's interests it would be important to. Have you got the text of the question that was used in that local government election there in front of you?

The CHAIR: I don't have it with me. You know what it was about.

Mr PAUL SCULLY: I know what it was about, but I think, like any referendum question—and we've all seen that recently—

The CHAIR: Let's move on from the referendum question.

Mr PAUL SCULLY: No, you've introduced that.

The CHAIR: No, what I said, Minister—

Mr PAUL SCULLY: You've introduced it as part of the reason why a particular decision should be made, so I think it's important that we go to it.

The CHAIR: No, Minister, I didn't. I moved on from that.

Mr PAUL SCULLY: Well, I'm not moving on from it yet, because I think it's important that the Committee know—

The CHAIR: I said that everyone rejected the referendum.

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Mr PAUL SCULLY: Yes, but when you're saying everyone rejected the referendum, what exactly did they reject? They said no to a particular question.

The CHAIR: No, what I'm saying is that you, along with others—

Mr PAUL SCULLY: Whether it's a republic under the Howard Government or whether it's the Voice under the Albanese Government, everyone knows that the question in a referendum is the key source of, sometimes, seeking a particular outcome. However, in this circumstance—

The CHAIR: What about the 61 per cent of submissions—

Mr PAUL SCULLY: Sorry, Chair, can I finish?

The CHAIR: —that oppose the planning proposal?

Mr PAUL SCULLY: Can I finish my answer, Chair?

The Hon. ANTHONY D'ADAM: Point of order—

The CHAIR: I'll uphold the point of order against myself. It's a habit of mine—I do it.

Mr PAUL SCULLY: I appreciate your particular passion for this. I've seen the media reporting and the like. The department, as in every other assessment, will absolutely undertake the merit-based assessment reflecting on the response to submissions, as it does in other circumstances.

The CHAIR: Before handing over to my colleague, I will just finish on this point. Minister, this is a shocking proposal. It's contrary to everything you stand for and it should be rejected.

Mr PAUL SCULLY: I'll take that as feedback, because you're outside the formal submission period, but we'll incorporate your comments.

The CHAIR: I think I did submit a submission.

Mr PAUL SCULLY: As you'd appreciate, I haven't looked at every submission.

The Hon. JOHN RUDDICK: Minister, when you were in opposition, you proudly voted in favour of the Matt Kean renewables rollout et cetera.

Mr PAUL SCULLY: I did.

The Hon. JOHN RUDDICK: If anything, you believed it didn't go far enough.

Mr PAUL SCULLY: It was our idea.

The Hon. JOHN RUDDICK: So you own it—good to hear.

Mr PAUL SCULLY: Not the final version of it; they bastardised it a bit.

The Hon. JOHN RUDDICK: In government, there's barely been any change, but one change from the previous Government is that you have created the Net Zero Commission.

Mr PAUL SCULLY: Correct.

The Hon. JOHN RUDDICK: I'm hopeful that you can confirm that any recommendations you receive from the Net Zero Commission you would consider to be only advice and not policy.

Mr PAUL SCULLY: In an assessment context, you're referring to, Mr Ruddick?

The Hon. JOHN RUDDICK: Well, they come out with policy statements on all sorts of things. Would you say that when they come out with a statement, that's just one piece of advice that you receive—it's not something that's going to set Government policy?

Mr PAUL SCULLY: The first thing that is always looked at in any of these circumstances is the law and Government policy. A report from a body that is not Government policy is treated as a report from a body that is not Government policy. Government's policy is pretty clear when it comes to greenhouse gas emission reductions. We've legislated it.

The Hon. JOHN RUDDICK: Yes, we're going to change the temperature.

Mr PAUL SCULLY: That's the point that the assessment planners look at when they're undertaking their assessments.

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The Hon. JOHN RUDDICK: Can I ask the same question to Ms Fishburn, the secretary of the planning department? You will also be familiar with the Net Zero Commission and you will know that they have opinions on various things. Some people call them a hive of radicals. But when you receive a recommendation from them—

Mr PAUL SCULLY: Some people call the upper House that.

The CHAIR: Oh, we are.

The Hon. JOHN RUDDICK: Yes, proudly.

Mr PAUL SCULLY: I've got other descriptions, but so be it.

The Hon. JOHN RUDDICK: When the Net Zero Commission makes a suggestion to you, you'd consider that advice and not policy. Is that correct?

KIERSTEN FISHBURN: I absolutely echo the Minister's answer: We assess against the policy of the day.

The Hon. JOHN RUDDICK: Minister, Sydney and Melbourne are quite similar cities, similar populations, similar economies—

Mr PAUL SCULLY: Sydney is far better, let's face it.

The Hon. JOHN RUDDICK: Sydney is far better—yes, I agree with that—but what would you have a ballpark guess as to what the difference is in the cost of an average residential home in Melbourne compared to Sydney?

Mr PAUL SCULLY: I haven't got the most recent numbers, but I think it's in the order of \$500,000 or \$600,000. It may be more at the moment.

The Hon. JOHN RUDDICK: I have got it at 35 to 40 per cent cheaper.

Mr PAUL SCULLY: I don't know. I haven't done the maths in my head to—

The Hon. JOHN RUDDICK: It's quite significant. That's a big number, you'd agree, Minister?

Mr PAUL SCULLY: Insofar as there are many similarities between Sydney and Melbourne, there's also a number of differences in terms of its planning system and in terms of the approach that it's taken to its city's growth. Sydney, as you would appreciate, is bounded at the north, the south and the west by national parks. In the middle, it has a fantastic harbour and Parramatta River. To the north-west and the south-west, there are areas that are challenged with respect to natural hazard that need to be taken into account. It's hillier, whereas Melbourne is flat and has taken the approach of city growth by rolling out. Now, when you look at the cadastre, when you look at the nature of housing, when you look at the approach that needs to be taken to building, these are some of the elements that come into it. However, Sydney has been burdened by a pretty confused and confusing planning system that we inherited, and that we've been undertaking reforms of, which have added to the situation that we are in.

The Hon. JOHN RUDDICK: I do agree the geography is different. Melbourne is flatter and surrounded by farmland which can be converted into residential. Yes, we have the Blue Mountains and the Royal National Park and Ku-ring-gai and the ocean. Doesn't that tell us that we should be looking at building up more enthusiastically than we are?

Mr PAUL SCULLY: That's what we're doing. That's what the Government's whole policy has been reorienting the system towards. That's not exclusively, of course. We still have a number of greenfield areas, we still have greenfield areas beyond Sydney, but the Government's approach has been to drive density.

The Hon. JOHN RUDDICK: Good to hear. Now just yesterday there was an article in a journal I am sure you've heard of, *The Sydney Morning Herald*, and it was entitled "How Melbourne beats Sydney on the housing crisis solutions". They are quoting from Brendan Coates from the Grattan Institute. Are you familiar with that?

Mr PAUL SCULLY: Yes.

The Hon. JOHN RUDDICK: From what I understand from this media report, the key finding from the Grattan Institute is that in Melbourne it is standard practice for a townhouse to have up to three storeys, but in Sydney the standard practice is for townhouses to have two storeys. That is a very simple reform, Minister.

Mr PAUL SCULLY: It is.

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The Hon. JOHN RUDDICK: You have just said you do want to build up. How can we go about bringing that reform, that simple reform, to Sydney?

Mr PAUL SCULLY: It already is. I congratulate and welcome any inputs from think tanks and the like about how anyone can do things better. I think it's important that we have independent assessments to those things, and the Grattan Institute has provided good insights into a whole range of policy areas in the past. However, when it comes to this one, they've got it a little bit wrong. In terms of low-density dwellings in Sydney, three-storey terraces and townhouses are available. Three-storey residential flat buildings are available in those areas. It's good that they're looking at that. Both Sydney and Melbourne have some elements of a code-based system. We're looking to expand that, so is Melbourne.

Sydney and Melbourne have elements of our low- and mid-rise reforms, which are similar to some of their activity centre reforms as sort of a hybrid between our low and mid-rise and our transport oriented development that they've done there. We've done the equivalent of the activity centres in 45 locations, in addition to 171 locations for the low- and mid-rise. What the Grattan Institute was primarily looking at was area within five or 10 kilometres of, basically, Martin Place, looking at the zoning with respect to that to look at capacity. What we've prioritised is capacity where there's infrastructure capacity so that we can build straightaway and you can add density.

The Hon. JOHN RUDDICK: You did preface that response by saying that we already have the same rules in Melbourne about three-storey townhouses—

Mr PAUL SCULLY: We have similar rules. We are not strictly comparing apples and apples here.

The Hon. JOHN RUDDICK: Just walk us through that. Is that something that was a State Government decision? You've told the local councils that they now need to approve this?

Mr PAUL SCULLY: Yes.

The Hon. JOHN RUDDICK: How long ago was that decision made?

Mr PAUL SCULLY: The codes SEPP has been in place for some time, but the low- and mid-rise housing decision came into effect early last year.

The Hon. JOHN RUDDICK: That's good news. What's been the results on the ground? Are people taking it up? Are people converting two storeys into three storeys?

Mr PAUL SCULLY: Converting two storeys into three storeys doesn't add another dwelling necessarily, unless you are doing a residential flat building and subdividing it that way. So if you were to knock down a two-storey townhouse and increase it to a three-storey townhouse, you might have more space for your family but you're not adding a dwelling. What we are seeing is a combination of a couple of things when it comes to the low- and mid-rise areas. We're seeing a lot of councils who are trying to get out of it like they did before under the previous Government. They were able to avoid it, so we've got some court cases that people are wanting to take the Government to court to overturn the planning rules. We've got other areas where people are consolidating lots in order to go ahead and build in some really well-located areas.

The Hon. JOHN RUDDICK: So you're saying that you have given an instruction to the local councils to be friendlier towards these three-storey developments?

Mr PAUL SCULLY: We changed the planning policy by increasing permissibility, so a rezoning. That increases permissibility both in housing typology and as in the size of the box that you're able to build in, so to speak.

The Hon. JOHN RUDDICK: Then you're saying that some councils have sort of resisted this. Who's taking them to court? Is it the developer taking them to court?

Mr PAUL SCULLY: It's an individual in Mosman who wants to take us to court, or who is pursuing legal action at the moment, to try and overturn the Low and Mid-Rise Housing Policy. We had a similar approach when Ku-ring-gai Council took us to court to try and overturn the Transport Oriented Development policy. In credit to them, we were able to negotiate an outcome which led to the same, if not more, homes and jobs in those areas as a result. What we have done is expand the capacity to do dual occupancies to all but four local government areas in R2-zoned areas. In three of those, there was some natural hazard risks where they were—in one council the R2 zoning that was used is downwind of the sewage treatment plant. It's a suboptimal place, and I would expect most people would not want to necessarily live there. Dual occupancies can now be built everywhere. If you go around to a lot of local government areas, we're seeing an increasing number of dual occupancies, particularly in that knockdown and rebuild style of dwelling, coming through the system.

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They're often coming through as local DAs or local complying development, so we don't necessarily see them immediately in our stats. We're also seeing more land consolidation. For instance, there's a number of landowners in Rose Bay who have recently joined together and sold together so that people can go up with greater density in Rose Bay. I was out there recently, and it looks like a great place. I can't afford it, so I'll stay in Wollongong. I love Wollongong. The residents are pushing back against that. They don't believe that they should have additional housing there. I disagree with them. In today's paper, there is another consolidation of lots in Mosman where people are looking to build some residential flat buildings—I think about 100 units was in that. We are starting to see those land transactions, as the first part, which are turning into planning or development applications.

The Hon. CHRIS RATH: At what point did you realise that signing up to the housing accord target was a huge mistake because you would never meet them?

Mr PAUL SCULLY: I've not determined that signing up to it was a huge mistake. What I have signed up to, and what the Government will continue to pursue and is determined to pursue, is planning reform and assistance within the planning system and beyond, across government, that will allow us to address the housing challenges we have in New South Wales with a fierce determination and to meet the 377,000 new homes. What I am disappointed in, though, is the Opposition has confirmed today that it hasn't signed up to the housing accord. Let's have a look who has signed up: The Federal Government has signed up, State and Territory governments have signed up, local government has signed up and the building and construction sector have signed up.

The Hon. CHRIS RATH: We're not the Government.

Mr PAUL SCULLY: Long may that be the case.

The Hon. CHRIS RATH: What do you want us to sign up to?

Mr PAUL SCULLY: You were the Government when the housing accord was introduced. You wouldn't even sign up to the 314,000 homes. That's all parts of the industry now that are signed up to it. Everyone is determined to address housing in this country except the so-called pro-housing Opposition in New South Wales.

The CHAIR: Minister, can I just ask you quickly about the Narrabri lateral gas pipeline that is proposed. The Premier has been really forthright about—he wants this project to get up. He wants the Narrabri Gas Project to get up. It's something he thinks should happen. He's even flagged this idea of acquisition of farmland and conservation land. Given the ecological, hydrological and Gomerai cultural heritage concerns that were raised in the EPBC referral, what is the department and your view in terms of the impacts of that project?

Mr PAUL SCULLY: I think the project is currently under assessment, if I'm not mistaken.

The CHAIR: Is that a project that will be determined by the IPC? Is it something that you will have your fingers touching?

Mr PAUL SCULLY: Let me—

KIERSTEN FISHBURN: The previous Narrabri Gas Project was determined by the IPC, so we would anticipate that this project would also be determined by the IPC.

The CHAIR: Do you understand the concern and the sensitivity, and that the Premier has spoken so publicly about the project?

Mr PAUL SCULLY: The Premier gets asked to commentate on a whole range of things. He was asked in a press conference the other day about whether or not he was disappointed that people were getting ripped off because they were getting too much froth on their beer. For the record, I am annoyed about that. He is asked about the price of Balmain Tigers football tickets. He's asked about a lot of things.

The CHAIR: With respect, Minister, this is not about beer; this is about people's lives. This is about climate change.

Mr PAUL SCULLY: Gas is an important part of our energy mix at the moment and will continue to be for some time. We've got to power energy. We are doing everything in our power to build out the renewable energy system.

The CHAIR: Gas is not renewable.

Mr PAUL SCULLY: I didn't say it was. Did the words "gas is renewable" come out of my mouth? No, they didn't. I said it's an important part of our energy mix as we move from coal-fired power to renewable energy. That build-out is happening. The approvals are now at speeds that we haven't seen before. We've got a lot of

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projects in the pipeline, and we've got more coming through the pipeline. The department of planning will assess anything that comes to it in accordance with all the legislation and policies of the day.

The Hon. ANTHONY D'ADAM: There are no questions from the Government.

KIERSTEN FISHBURN: Can I just provide clarification, Ms Higginson? I am just looking at the Narrabri Lateral Pipeline, and it is critical State significant infrastructure.

Mr PAUL SCULLY: There you go. I will approve it.

KIERSTEN FISHBURN: Yes, the Minister will approve it.

The CHAIR: You will approve it? Is that—

Mr PAUL SCULLY: No, the assessment will come to me for the ultimate decision. Just to be clear, before anyone—this is not a Barack Obama aliens comment. It will be assessed. It will come to me as the consent authority.

The CHAIR: Your words were, "I will approve it." On that basis—

Mr PAUL SCULLY: It will come to me as the consent authority, Chair.

The CHAIR: They were your words, Minister.

Mr PAUL SCULLY: You know what—

The Hon. CAMERON MURPHY: Point of order: It is Government question time, Chair.

The CHAIR: They were your words.

Mr PAUL SCULLY: Which I corrected for clarification.

The CHAIR: On that basis, we will now have a short break and reconvene at 11.15 a.m.

(Short adjournment)

The Hon. JOHN RUDDICK: Welcome back after morning tea. I would like to hand over to questions from the Opposition.

The Hon. CHRIS RATH: Minister, reports indicate that Landcom has delayed or withdrawn projects in Western Sydney at Tallawong, Rooty Hill and Austral due to feasibility. How was this project not feasible even if Landcom was getting the government-owned land for free?

Mr PAUL SCULLY: There are a few things to unpack in that, and I think Mr Wendler is best placed to do that. I do not accept the assertion, firstly, that there was land for free or, secondly, that these weren't feasible. What I would say is that Landcom has a series of decisions to make as a State owned corporation and goes through that diligently, and is developing a great pipeline of projects at the moment to make sure it's making the contribution to it. For instance, if we want to talk about Western Sydney projects, we've got Glenfield underway. We've got Edmondson Park. We're doing the pattern book. We're doing some modern methods of construction work. We've got Macarthur Gardens North, which is adding some density right near Campbelltown train station. There's North Wilton Panorama, and I know Mr Ruddick is going to visit the net zero property out there.

The Hon. JOHN RUDDICK: Yes. I'm genuinely interested.

The Hon. TANIA MIHAILUK: Can I come too?

Mr PAUL SCULLY: We've got Airs; we've got Northwest Places. I might ask Mr Wendler to add something to that, but there is a strong pipeline of work out of Landcom, a Wran Government legacy that is being brought back to life under the Minns Government.

ALEX WENDLER: I support what the Minister said. We are a big investor in Western Sydney and the Minister highlighted some of the projects. If I go back to the projects that you mentioned, Mr Rath, there are reasons we did not progress with these projects, and they have nothing to do with anything that you can see in broader Western Sydney. We were not landowners of these sites. The three sites are owned by the Office of Strategic Lands. We have been working with them for a number of years to develop the sites. One site got a development approval. That's in Austral. Then, when it was about deciding how to go forward, the two parties could not agree on what the land value is. This is something that is a very normal occurrence. There is definitely an inbuilt natural tension between a seller and a buyer. We made the commercial decision of not pursuing it, and OSL as landowner can move forward with the sites. As I said, one of the sites already has a development approval.

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The Hon. CHRIS RATH: But wait a minute. Just to get my head around this—

ALEX WENDLER: Yes, we can go back.

The Hon. CHRIS RATH: This is government-owned land that a government agency, Landcom, wants to buy to develop it, and you couldn't agree on the price. Why aren't you getting this land for free? It's government land.

Mr PAUL SCULLY: Well, that's a question.

The Hon. CHRIS RATH: Isn't one of the benefits of Landcom that you can develop—

Mr PAUL SCULLY: Hang on. Let's go back to the "Why aren't you getting the land for free?" There are accounting standards. There are Treasury rules with respect to that. The land trade is well established. It was exactly the same under the previous Government as it is today. We've still got to meet those requirements and obligations. Any questions with respect to that policy are unfair to ask of Mr Wendler. He manages within those policy confines, but questions about the policy ultimately should be directed to the Treasurer.

The Hon. CHRIS RATH: Yes, Minister, I accept that, but Landcom also sits with you.

Mr PAUL SCULLY: Sure, but I am the operating Minister. There are two shareholding Ministers as well. But you ask about why, if land is not for free, shouldn't it be for free? That is a policy decision. That is not one of Landcom's making. That is one of accounting standards and Treasury policy, and anything with respect to the means through which land is transferred from one agency to another within the New South Wales Government is a matter best directed to the Treasurer.

The Hon. CHRIS RATH: But just to get this straight, these projects fell over because the New South Wales government couldn't agree with the New South Wales government how much the land is worth and what should be paid for it.

ALEX WENDLER: I would say the projects have not fallen over. We are just not developing the projects for the landowner. The landowner will now decide to move forward with this project with someone else. That's what the fact is. Coming back to your original question, we are a State owned corporation and we do not get land for free.

The Hon. CHRIS RATH: So you have to pay market price for land?

Mr PAUL SCULLY: As does everyone else. This is a standard arrangement within government. It has been longstanding. Any matters and decisions with respect to that need to be addressed to the relevant Minister, and that is most certainly not Mr Wendler. However, the fact remains that Landcom does have a pipeline of more than \$3 billion worth of investment in projects to deliver more than 30,000 homes over the lifetime of those projects in Western Sydney at the moment. You can describe it and try to characterise it as Landcom pulling up stumps on Western Sydney. It's anything but. There was an arrangement. Whether it be the land audit or whether it be this transaction or others, that goes through exactly the same process. At some point in time, Landcom has decided that it doesn't want to proceed with that because they can't negotiate on the price and it has moved on to other projects.

The Hon. CHRIS RATH: Yes, I understand that a private developer might want to buy land from the government and you go through that process. I completely understand that. What I'm finding difficult to understand—and what most people would find difficult to understand—is a government agency, Landcom, cannot agree with another government agency, the Office of Strategic Lands, how much the land is worth and how much should be paid for it.

Mr PAUL SCULLY: So what do you think should be—

The Hon. CHRIS RATH: That has meant that the project is not feasible. You're buying land from yourself. The New South Wales Government is buying land from itself, but you can't agree on the price.

Mr PAUL SCULLY: No, there was nothing about feasibility in the question. Landcom made an offer. That offer was not accepted. There was negotiation that went over a period of time. At some point in time, you either decide to proceed and pay a price that you wouldn't want to pay or you decide to move on to other priorities.

The Hon. CHRIS RATH: But surely the benefit of Landcom, in part, is that you can resolve some of these issues, being a government agency, that might not be available to private developers.

Mr PAUL SCULLY: Unfortunately, a lot of land transactions that were scoped by the previous Government were booked against projects that are currently under delivery. There are a lot of land transactions that were booked against projects like metros and the like in order to pay for them. We're living with the

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consequence of that as well. You don't start with a clean slate. Maybe in 20 or 30 years, if you're still around and get to government, you'll understand that. You don't start with that clean slate. We are trying to deal with the consequences and overhangs of a lot of previous governments' decisions. I'll let Mr Wendler finish what he was saying.

ALEX WENDLER: I'll just add, the structure of Landcom has not changed since the Landcom Corporation Act around 25 years ago. We are a commercial business. We have an independent board. We need to make commercial decisions and, at the same time, support the Government and its housing policy.

The Hon. CHRIS RATH: I accept that, but it looks to me—and I'm sure to a lot of people—that the New South Wales government is haggling with the New South Wales government over the price of land.

Mr PAUL SCULLY: What are you suggesting as an alternative approach?

The Hon. CHRIS RATH: I'm just flabbergasted that you couldn't agree, amongst your own agencies, what the value of this land would be.

Mr PAUL SCULLY: The Liberals and The Nationals can't agree within their own party room on things.

The Hon. CHRIS RATH: I don't know how that—

Mr PAUL SCULLY: People don't always agree. It's not compulsory for Mr Wendler and Landcom to acquire a property just because it is held in government hands. Ultimately, they have been established as a State owned corporation with the oversight and responsibilities under their Act, and that's how they act. However, there's also \$3 billion worth of projects for more than 30,000 homes in Western Sydney alone coming through the efforts of Landcom. They're doing an excellent job.

The Hon. CHRIS RATH: The Landcom budget, which is essentially taxpayer money, is being used to prop up the assets of another agency. But you couldn't agree.

Mr PAUL SCULLY: No, because they didn't complete the transaction. Your criticism is, on one hand, that they didn't do the transaction they should have because it's two government agencies and Landcom should just accept whatever price is put in front of them. Now your contention is that they should be propping up other government agencies by accepting that price. Landcom operates within the Landcom Corporation Act. That is their requirement, and they will continue to do so.

The Hon. CHRIS RATH: This is shuffling money from one agency to another, but you couldn't agree.

ALEX WENDLER: We are a commercial entity.

Mr PAUL SCULLY: There was no shuffle, then.

The Hon. CHRIS RATH: No, there wasn't, because you couldn't agree to make the shuffle work. It should be very easy.

Mr PAUL SCULLY: There have been plenty of other circumstances where we have been able to arrive at that. Landcom is undertaking a number of projects on land audit sites that were identified as a result of the land audit. The Joinery at WestConnex dive site is a perfect case in point.

ALEX WENDLER: Every time we buy a land audit site, we undertake detailed due diligence to make sure that the entity and also our board are happy with the investment case. That is what we have to do.

We have to operate commercially. That's what we do. That means that sometimes we make an investment. Sometimes we don't make an investment. It is all based on detailed analysis.

The Hon. CHRIS RATH: Minister, what was the result of the contamination tests conducted at Moore Park?

Mr PAUL SCULLY: I haven't received the results of those.

The Hon. CHRIS RATH: But they have been completed?

Mr PAUL SCULLY: The tests have been completed. I think the analysis is still taking place.

KIERSTEN FISHBURN: That's correct.

The Hon. CHRIS RATH: So you haven't seen them. They've been completed and—

Mr PAUL SCULLY: The tests have been completed. The analysis, I'm unsure whether that's been completed.

The Hon. CHRIS RATH: Right. Will you commit to tabling that once it has been completed?

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Mr PAUL SCULLY: What would be the benefit of tabling it? We all know what the site used to be. The purpose of that testing is to allow us to best direct where we might be able to put structures in place. To the extent that the structures will be identified is part of the finalised plans, you'll see that.

The Hon. CHRIS RATH: As we know, it was a tip that was used to dispose of materials during the bubonic plague.

Mr PAUL SCULLY: It was also a zoo, it was also—

The Hon. CHRIS RATH: Can you guarantee that this contamination will not increase the cost of the redevelopment?

Mr PAUL SCULLY: Let's unpack that for a second. One, you've asserted there is contamination in the sites that have been tested and the sites we're exploring. We don't know whether that's the case.

The Hon. CHRIS RATH: The reporting was that it's highly probable that there would be contamination.

Mr PAUL SCULLY: But "highly probable" is not "it's there", is it? You would agree that probability is different from fact.

The Hon. CHRIS RATH: We will wait to see the results, Minister.

Mr PAUL SCULLY: Correct. What we will do is we will work to deliver a new 20-hectare park with a new golf offering and extended driving range within the budget envelope that we've been provided for by the Government. The parklands people are very, very good at operating within their budget constraints. They're very, very good operators.

The Hon. CHRIS RATH: The first page of the business case into the proposed redevelopment of Moore Park golf course states, "None of the project options offset the project capital investment nor achieve socio-economic returns that were better than the base case"—the base case being the 18 holes of golf that's currently there. When your own business case says every proposed option is worse than the status quo, why are you proceeding?

Mr PAUL SCULLY: Because we made a commitment as a government that we would deliver a new 20-hectare park at Moore Park. That part of the world is one of the most densely populated areas of Sydney. We've got a situation where 690,000 people will live in a five-kilometre radius of Centennial Parklands, with that population expected to increase to around 790,000 by 2041. As I said, it's one of the most densely populated areas. When you've got additional density, like we're doing in other parts of Sydney and other parts of New South Wales—when you're adding to density, you need to make sure people have suitable recreational areas. We made a commitment to a new 20-hectare park at Moore Park. We've got a budget envelope which the establishment plan is developed around that will deliver that at \$50 million. We will provide a new golf offering, an extension of the driving range, and we'll do that within the budget envelope. That's my responsibility as a Minister.

The Hon. CHRIS RATH: I don't know where the \$50 million has come from. I've looked through the report and I can see lots of different options—

Mr PAUL SCULLY: The \$50 million didn't come from that report. There was lots of different options. We have developed an establishment plan for a 20-hectare park, a new golf offering, an extension of the driving range, which includes community sporting fields, which are in desperate need in the eastern suburbs of Sydney, and we will deliver that within the budget envelope of \$50 million that we've secured through ERC.

The Hon. CHRIS RATH: Where did the figure come from, Minister? I'm looking at base—

Mr PAUL SCULLY: It came from the establishment plan. We developed the establishment plan which came up with a budget of \$50 million to deliver it. That's what we secured from the Expenditure Review Committee and in the budget.

The Hon. CHRIS RATH: How is the \$50 million envelope so much lower than the four options outlined in the business case?

Mr PAUL SCULLY: Because all of those options were for every possible bell, whistle, great embellishment and the like that could have gone onto it. What we have done is come up with a plan that delivers a new 20-hectare park, an expansion—or a revision, revamp, however you like to describe it—of golfing activities, an extension of the driving range, new community sports facilities, as well as cycling and running paths, trails, lighting on the main paths, amenities, picnic areas, park furniture, tree planting and landscaping. The cost estimate of that is \$50 million.

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The Hon. CHRIS RATH: Minister, you sat on the report for a year, the business case. You pulled every lever to suppress it until the Chamber censured the Leader of the Government. Was it because you did not want us to know that it would cost more than \$50 million as part of the four different options outlined in the business case?

Mr PAUL SCULLY: No.

The Hon. CHRIS RATH: Is that why you fought so hard against it?

Mr PAUL SCULLY: No, not at all.

The Hon. CHRIS RATH: It's quite extraordinary to be censured.

Mr PAUL SCULLY: Why don't you want people who are living in and around Centennial Park to have access to good parklands? Why don't you want that?

The Hon. CHRIS RATH: Why wouldn't you just table the report? Why did it take the Legislative Council to censure the Leader of the Government before—

Mr PAUL SCULLY: Why don't you want good parklands in Sydney?

The Hon. CHRIS RATH: Minister, I asked you a question: Why did it take the Legislative Council to take the extraordinary action of censuring the Leader of the Government before you released this report?

Mr PAUL SCULLY: It was released nonetheless. Otherwise, you wouldn't be reading from it now. It's been released. But the Government also has a plan for a new park, including a revamped golf offering, an extension of the driving range, running and cycling paths, lighting, tree planting, landscaping and the like, as part of the establishment plan, including community sporting fields. The budget allocation for that is \$50 million, and that's what we will deliver.

The Hon. CHRIS RATH: You don't know how much any rehabilitation on potential contaminated land would cost? There's been no early figures that you can provide to us?

Mr PAUL SCULLY: Part of the reason you do this testing is to work out where it is that you're best to locate things and you can minimise the earthworks associated with it. That's what we've done. That's what we will be looking to do as we finalise that establishment plan and work towards the period where the lease ends.

The Hon. CHRIS RATH: When do you expect the final analysis on the contamination to be—

Mr PAUL SCULLY: I'd have to come back to you on that one. I just don't have a date in front of me. I am not in control of the scientific analysis, as you'd appreciate.

The Hon. CHRIS RATH: The Moore Park collective has put forth a proposal to retain an 18-hole golf course while still releasing parkland to the community—

Mr PAUL SCULLY: Yes, they have.

The Hon. CHRIS RATH: —as well as introducing a new oval, minigolf, putting green and other amenities. Why do you not want to proceed with this proposal, given that it satisfies all stakeholders?

Mr PAUL SCULLY: But it doesn't. It doesn't satisfy the Government, which is one of the key stakeholders, given it's the landholder. The reason it doesn't—

The Hon. CHRIS RATH: You know better than everyone else, do you?

Mr PAUL SCULLY: Let me outline why it doesn't: Because it doesn't meet the requirement and the commitment of 20 hectares of new parkland. The collective's proposal—it's good that they put forward an option. I appreciate it. The collective's proposal included 9½ hectares of existing public parkland at Moore Park south—the northern part of the park—and 11.6 hectares of the current golf course and other areas. The scheme would involve the construction of a new 500-space Domain-style underground car park, which would require the removal of several significant trees. That does not satisfy. Nine-and-a-half hectares less than 20 hectares does not satisfy the 20-hectare requirement. That's what we're working towards. There are ongoing conversations with golfing stakeholders about course layout and course design and the like, and they will continue. However, the Moore Park collective's plan and alternate proposal included some double counting which we can't ignore.

The Hon. CHRIS RATH: So regardless of what circumstances might arise, what stakeholders lobby you on, what contamination issues you might face, you are utterly determined to reduce the golf offering at Moore Park?

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Mr PAUL SCULLY: What we're utterly determined to do is deliver a new 20-hectare park, a revised golf offering, an extension of the driving range, a community sporting field—possibly more than one—running and cycling tracks, lighting, landscaping, tree planting. What we committed to do is what we've said on the public record for a long, long time. I don't think this should be a surprise to you.

The Hon. CHRIS RATH: Minister, given the lack of economic justification in the business case—

Mr PAUL SCULLY: Your characterisation, not mine.

The Hon. CHRIS RATH: You also want to turn another golf course in Western Sydney into cemetery. Why do you hate golfers so much?

Mr PAUL SCULLY: That's just rubbish. That's the most childish, immature thing I've ever heard. I mean, seriously.

The Hon. TANIA MIHAILUK: No, you've been in Labor caucus. There's worse there.

Mr PAUL SCULLY: I appreciate the contribution, Ms Mihailuk. But that is just absolute rubbish and absolute nonsense. What we are doing is creating and making sure that there are backyards for people who are living in one of the most densely populated parts of Sydney. Why is it that you don't want people to have good recreation spaces?

The Hon. CHRIS RATH: Minister, do you support reforming or reducing the capital gains tax discount?

Mr PAUL SCULLY: If I was in the Federal Parliament, I'd probably have a much stronger view about that. As the capital gains tax, to the best of my knowledge, unless things have changed since I've come into the room this morning—we're not administering the capital gains tax.

The Hon. CHRIS RATH: The New South Wales Government did put in a submission.

The Hon. JOHN RUDDICK: He's asked you for an opinion. I think we'd be interested to hear from a senior Minister.

The Hon. CHRIS RATH: Yes. The New South Wales Government did put in a submission to the inquiry, so you obviously have an opinion.

Mr PAUL SCULLY: There's a case to be made that there is an intergenerational inequity doing it. I would like to see the outcomes of the current inquiry that is going on at the moment, to have a look at it. Do I think that a radical change in that will undermine and destroy housing delivery in New South Wales? No, I don't. However, I think any tax change needs to be looked at in the context of not only budgetary requirements, not only intergenerational equity, but also the principles of taxation.

The Hon. TANIA MIHAILUK: Good morning, Minister. On the last occasion we were in this budget estimates hearing, I may have raised with you the West Terrace car park. You might recall that. The West Terrace car park being, of course, in Bankstown.

Mr PAUL SCULLY: Yes, I'm familiar with it.

The Hon. TANIA MIHAILUK: Yes, you would be. I was trying to understand whether you had compulsorily acquired that from the council.

Mr PAUL SCULLY: No.

The Hon. TANIA MIHAILUK: You haven't? At the last occasion, Ms Monica Gibson said it was unclear at that point in time whether that would continue. Are you going to acquire the West Terrace car park?

Mr PAUL SCULLY: We are currently working with the council. Ms Gibson is looking after this directly, so she can probably add some more detail. We are working with the council on what will be a good outcome in terms of additional public space in one of the accelerated precinct areas.

The Hon. TANIA MIHAILUK: Are you essentially saying you are proceeding with it, or are you just not sure yet whether you are going to proceed with the West Terrace car park being converted to open space?

Mr PAUL SCULLY: We will be delivering additional parkland in the area that is covered by the accelerated precinct. It's part of our commitment to all of the accelerated precincts to add a parkland.

The Hon. TANIA MIHAILUK: You previously foreshadowed that it would be that particular car park.

Mr PAUL SCULLY: We continue to work with the council. When we have an announcement on the finalisation of any work there—

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The Hon. TANIA MIHAILUK: Is the council objecting to that being turned into open space?

Mr PAUL SCULLY: We're working very well with the council—I think I'd characterise it so.

The Hon. TANIA MIHAILUK: Are they objecting to the car park being turned into open space?

Mr PAUL SCULLY: Not that they've directly objected to me.

The Hon. TANIA MIHAILUK: They have in the past. I think they raised issues in the past about that, when it was first announced.

KIERSTEN FISHBURN: I am not aware there is any formal resolution to say that, either.

The Hon. TANIA MIHAILUK: I understood that there was, from a council meeting last year.

Mr PAUL SCULLY: If you're happy to table it, we'd have a look at it.

The Hon. TANIA MIHAILUK: Yes, and there were some concerns raised by the general manager at the time.

Mr PAUL SCULLY: I met with the mayor, the general manager and some others recently, and things are progressing well in terms of providing good outcomes for that community.

The Hon. TANIA MIHAILUK: That was specifically about the TOD? You met with them about the TOD?

Mr PAUL SCULLY: I met with them about a range of issues, and that was one of them.

The Hon. TANIA MIHAILUK: You didn't happen to discuss 2/10 Restwell Street, Bankstown, did you? That's the Bankstown function centre.

Mr PAUL SCULLY: I don't know the address, but I—

The Hon. TANIA MIHAILUK: I will familiarise you with it shortly. Minister, did you read *The Sydney Morning Herald* article published on 24 January 2026 entitled "Revealed: Obeid trust's secret \$30 million stake in metro high-rise"?

Mr PAUL SCULLY: I believe I did see that article. I haven't got it committed to memory, though.

The Hon. TANIA MIHAILUK: It discusses quite clearly the Obeid family trust's concealed interest in that particular site.

Mr PAUL SCULLY: I recall something to that effect. I think it was a considerable length they went to, wasn't it?

The Hon. TANIA MIHAILUK: Absolutely. It was outrageous, yes. My concern with that site has been that the council proposal from 2021, their master plan, was to have that site lifted to 65 metres. The TOD now ratifies that. Minister, did you review that decision?

Mr PAUL SCULLY: Hang on. Before we go too far, let's actually get an agreed set of facts. I think it may be worthwhile for Ms Gibson to clarify exactly what the accelerated precinct rezoning did with that site, if she is able to.

MONICA GIBSON: The Bankstown TOD accelerated precinct was informed by work that Canterbury-Bankstown council prepared and adopted in the Bankstown City Centre Master Plan.

The Hon. TANIA MIHAILUK: Correct. That's what I just said.

MONICA GIBSON: For the site you were mentioning, the council's adopted master plan was a maximum building height of 83 metres. When the department reviewed the work undertaken by council and re-examined all of the areas within that master plan, we have rezoned the land that you're referring to to a height of 65 metres.

The Hon. TANIA MIHAILUK: Correct.

MONICA GIBSON: So lower than the height that was in council's master plan, just for clarification.

The Hon. TANIA MIHAILUK: Is the site next door at the South Terrace Hotel still 39 metres? And across the road, is it 17 metres? If you can't clarify that now for me, you can take that on notice.

MONICA GIBSON: I don't have all the details in front of me, but the tallest buildings, which are just north of the metro and train station site, are at 83 metres.

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The Hon. TANIA MIHAILUK: The site next to—let's call it Eddie Obeid's function centre—is 39 metres—

Mr PAUL SCULLY: Hang on. Can we actually just refer to it by the property address?

The Hon. TANIA MIHAILUK: Well, 2/10 Restwell Street—

Mr PAUL SCULLY: For the clarity of the transcript, let's refer to—

The Hon. TANIA MIHAILUK: Nobody is objecting to my commentary other than you, Minister.

Mr PAUL SCULLY: I'm just asking, can we refer to properties, in the interest of—if the department has to go back and clarify it, can we refer to them by the property address?

The Hon. TANIA MIHAILUK: That's fine. I've already said it's 2/10—

Mr PAUL SCULLY: So can we continue to do that?

The Hon. TANIA MIHAILUK: I think your staff are very on top of the—don't get so defensive.

Mr PAUL SCULLY: I'm not defensive. I'm just—

The Hon. TANIA MIHAILUK: Don't get so defensive.

Mr PAUL SCULLY: Chair, should we be referring to properties by their correct description, or some colloquial approach?

The Hon. TANIA MIHAILUK: None of your Labor members here have objected to anything I have said, Minister. I don't know why you are.

Mr PAUL SCULLY: I'm not upset. I'm just trying to make sure that everyone can get the best possible information.

The Hon. TANIA MIHAILUK: Don't be upset. It's the first thing that's caused you to get very passionate about planning.

Mr PAUL SCULLY: Ms Mihailuk, you've never upset me in your life.

The CHAIR: As a planning lawyer, legal property addresses do help.

Mr PAUL SCULLY: They do; thank you.

The CHAIR: But the question is from the member, and she's entitled to ask.

The Hon. TANIA MIHAILUK: A sensitive spot there.

Mr PAUL SCULLY: Ms Mihailuk, you've never upset me in your life.

The Hon. TANIA MIHAILUK: The South Terrace Hotel, next to 2/10 Restwell Street—

Mr PAUL SCULLY: What's the property address of that one?

The Hon. TANIA MIHAILUK: —is at 39 metres, and across the road it's 17 metres. My concern—and you can take it on notice or give it to your department staff here—is that obviously the neighbouring, adjoining properties to 2/10 Restwell Street are considerably lower as a result of this TOD. We're jumping from 65 down to 39 and then down to 17 metres. Some of the stakeholders across the road met with me previously, and they raised concerns about corruption with the council.

Mr PAUL SCULLY: This is back in 2021 when it was referred to ICAC, which found nothing to investigate?

The Hon. TANIA MIHAILUK: No, hang on.

Mr PAUL SCULLY: Was it more recently? I'm just trying to clarify, sorry.

The Hon. TANIA MIHAILUK: You don't know what was referred to ICAC, unless you've been privy to something that I'm not privy to. Have you got something additional there that you're relying on?

Mr PAUL SCULLY: I understand that your concerns were referred to ICAC.

The Hon. TANIA MIHAILUK: I'm only talking about that there are properties across the metro that, as a result of your TOD, are going to have a height of 17 metres. They're actually even closer to the metro entrance than even the property at 2/10. Is the TOD now finalised?

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Mr PAUL SCULLY: What's your contention? That should be higher or lower?

The Hon. TANIA MIHAILUK: Can I just confirm, is the TOD finalised?

Mr PAUL SCULLY: Yes, the rezoning has been finalised.

The Hon. TANIA MIHAILUK: In light of the article from 24 January, in light of the fact that we now know the interest that Eddie Obeid has in that property, are you going to review the TOD?

Mr PAUL SCULLY: There is the key thing. No. The department of planning does not go about the assessment of any rezoning proposal or the development of rezoning proposals with the property owners or property ownership in mind. It does it in terms of what are good urban form outcomes, the capacity of the land, the existing zoning, the potential future zoning, its distance from key infrastructure and the like. With respect to this property, if it is the case that *The Sydney Morning Herald's* reporting is correct—and I've got no reason to doubt that—the Government has made changes to the Criminal Assets Recovery Act to allow that to be pursued, and it should absolutely be pursued.

The Hon. TANIA MIHAILUK: Yes, and the Crime Commission has now twice said that they can't recover the money. They have twice made it clear in reporting that they can't.

Mr PAUL SCULLY: As I understand it—I can't talk to that because I don't do the recovery. I don't administer that.

The Hon. TANIA MIHAILUK: I know that. That's why I haven't asked you specifically, because I appreciate that it is not your area, Minister, and you don't need to. The Crime Commission has already made it very clear that it has reached every obstacle possible and that they can't.

Mr PAUL SCULLY: Wasn't that partly because of the time limitation on it, which has since been resolved with a change to the Act?

The Hon. TANIA MIHAILUK: There's no guarantee that the Crime Commission is going to recover any of that. The last report that they issued last year made it very clear that it was almost impossible. I will leave it at that. But you don't want to, at the same time, not assist—

Mr PAUL SCULLY: Personally, if there is an opportunity for the Crime Commission to recover that, I think they should be pursuing it. We made legislative changes to facilitate that, or to remove some of those restrictions. Can we separate the two things—

The Hon. TANIA MIHAILUK: Minister, can I just confirm on record that the West Terrace car park is being revisited by your department now as a possibility for open space?

Mr PAUL SCULLY: It was never unvisited. It has always been an active point of discussion with Canterbury-Bankstown council.

The Hon. TANIA MIHAILUK: It has just been sitting there for quite a while now. We had this discussion a year ago. I'm just wondering, are you going to acquire West Terrace car park or not?

Mr PAUL SCULLY: Well, we may not have to acquire it. We may acquire it.

The Hon. TANIA MIHAILUK: You may not have to?

Mr PAUL SCULLY: All of these things remain unresolved, but I'm sure that, like you—

The Hon. TANIA MIHAILUK: When did you resolve it? We talked about this in August of last year and you were still making a decision then. I had the same discussion with you last year.

Mr PAUL SCULLY: When it is resolved, there'll be an announcement. I can't give you a specific date.

The Hon. TANIA MIHAILUK: Minister, are you going to do another statement of expectations to the IPC, as you did previously in 2024?

Mr PAUL SCULLY: Sorry, could you repeat that?

The Hon. TANIA MIHAILUK: A statement of expectations to the IPC. It expires in June this year. Do you intend to do another statement of expectations?

Mr PAUL SCULLY: Yes.

The Hon. TANIA MIHAILUK: You included a letter from Minister Sharpe.

Mr PAUL SCULLY: No. That letter was separate, but sure.

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The Hon. TANIA MIHAILUK: But you attached it with your inclusion.

Mr PAUL SCULLY: Yes.

The Hon. TANIA MIHAILUK: Have any other Ministers wanted to include their priorities? Did the Minister for Trade include his?

Mr PAUL SCULLY: Not that I'm aware.

The Hon. TANIA MIHAILUK: Will you invite them to do so?

Mr PAUL SCULLY: I speak to my colleagues and—

The Hon. TANIA MIHAILUK: And the Minister for Natural Resources.

Mr PAUL SCULLY: —if there's a good reason to do so, then of course we'll look at it.

Ms CATE FAEHRMANN: Good morning, Minister.

Mr PAUL SCULLY: Good morning.

Ms CATE FAEHRMANN: The last time we were in budget estimates, we talked about the impact of, particularly, the blueberry industry. I was about the say the Bluey industry. It's nothing about Bluey.

Mr PAUL SCULLY: I'm sure she likes blueberries, too. They're a superfood, after all.

Ms CATE FAEHRMANN: I refer to the intensive horticulture industry and the impact on the Mid North Coast. I've received a letter back from you.

Mr PAUL SCULLY: You have.

Ms CATE FAEHRMANN: This was February this year—in relation to whether or not the Government would consider looking at assisting with the local impacts and looking at statewide amendments. You've said that you were advised that these concerns are primarily localised to the North Coast. They'd be best addressed through relevant LEPs, the local LEPs.

Mr PAUL SCULLY: Correct.

Ms CATE FAEHRMANN: Who advised you that?

Mr PAUL SCULLY: The department.

Ms CATE FAEHRMANN: What did they advise? What were the reasons? What was the evidence?

Mr PAUL SCULLY: They advised that this was best addressed through local planning strategies, particularly the local strategic planning statement.

Ms CATE FAEHRMANN: You also said that, as far as you have been aware, few New South Wales councils have raised concerns but Coffs Harbour is the most prominent example, and that other councils on the North Coast, like Kyogle, have embraced the industry. What are the other councils along with Kyogle that have embraced the industry?

Mr PAUL SCULLY: I'll have to take that on notice.

Ms CATE FAEHRMANN: Of course, it was Nambucca—a council that isn't even mentioned in this letter—that tried to get their LEP changed.

Mr PAUL SCULLY: Yes. I think this is a good—Ms Gibson, who's been dealing with this, can add some more detail, but the Nambucca shire council previously prepared a planning proposal that proposed that development consent would be required for horticulture in the RU1 and RU2 rural zones, unless able to comply with pretty narrow exempt development criteria. Following a review of that planning proposal and public submissions, in early 2025 the department determined not to make the plan as the proposal did not include a sufficient evidence base to support and justify changes required by the gateway conditions, or it did not adequately respond to the submissions made. After this determination, the department advised Nambucca shire council that if it believes changes in the rural sector—this was non-blueberry specific, if I recall correctly—

Ms CATE FAEHRMANN: That's correct.

Mr PAUL SCULLY: —including growth in the blueberry industry, warrants potential land use planning changes, it should prepare a rural strategy as outlined in council's adopted local strategic planning statement. This strategy could then be used to help inform and support any planning proposal and to provide the required strategic merit and evidence base for land use planning changes. The department has reiterated to council

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that there is a need to make sure that the potential impacts to all types of horticulture, not just blueberries, are thoroughly investigated and considered. Given the complex nature of horticulture across the North Coast, several other New South Wales government agencies are currently involved in this matter and continue to work for a resolution.

Ms CATE FAEHRMANN: You're aware of the case recently in the Land and Environment Court with Coffs council.

Mr PAUL SCULLY: Coffs Harbour? I'm aware of it, yes.

Ms CATE FAEHRMANN: This is in relation to the polytunnels and the ruling of the court.

Mr PAUL SCULLY: As I understand it, the Land and Environment Court recently ruled against Coffs Harbour council and determined that buildings—the polytunnels that you've referred to—used by blueberry growers are not farm buildings and did not require development consent on land on which intensive plant agriculture can be undertaken with development consent.

Ms CATE FAEHRMANN: Yes, exactly. That is where the problem lies now.

Mr PAUL SCULLY: So your problem's with the court.

Ms CATE FAEHRMANN: For example, I've got communication from a Coffs councillor that says that council can't require development consent now for polytunnels, for example. Polytunnels are also used for raspberries as well as blueberries and can cover many dozens—

Mr PAUL SCULLY: It can, yes.

Ms CATE FAEHRMANN: —if not like a hundred hectares.

Mr PAUL SCULLY: Yes.

Ms CATE FAEHRMANN: So their role going forward, they've said, is to work with State agencies to try to resolve this situation. But what Nambucca, for example—it's not just one council. I don't know who advised you on this, but this is Kempsey, Nambucca, Clarence, Coffs. It is going from Kempsey all the way beyond Lismore—in fact, even up to Tweed now—and west to Armidale, I've heard. They're going west of the Great Dividing Range as well, so it's not isolated to the North Coast.

Mr PAUL SCULLY: It's the growth of the blueberry sector. We are a good agricultural producer.

Ms CATE FAEHRMANN: Whoever advised you is not providing a fully accurate assessment.

Mr PAUL SCULLY: Well, if you've got alternative advice, I'm happy to receive it from you.

Ms CATE FAEHRMANN: I have. I have written to you and I've got this letter back.

Mr PAUL SCULLY: But you're contending the letter of reply—

Ms CATE FAEHRMANN: It's far from satisfactory, Minister, because it's full of information that frankly isn't correct in terms of what's going on on the ground.

Mr PAUL SCULLY: If you wish to go through the letter and provide additional information, I'm happy to have a look at it. I also understand that you intend to move a private member's bill, which of course the Government will look at, if and when you decide to do that. I mean, I just hope that this isn't a case of George Bush banning broccoli in the White House; you know, Ms Faehrmann bans blueberries in New South Wales.

Ms CATE FAEHRMANN: Just one landholder, right? There's forums happening across the Mid North Coast with hundreds of people packing out town halls.

Mr PAUL SCULLY: I saw that there was a forum convened by yourself and an organisation called the Nambucca Environment Network, who were characterised—and this is not me; I'm reading directly from the newspaper report—as an organisation that's spent the last several years lobbying against intensive blueberry farming in the region. I mean, they've got a particular position. We have to assess things on their merits. Now we've also got a Land and Environment Court decision that we have to take into consideration.

Ms CATE FAEHRMANN: What I am about to ask is that most of the residents that I'm speaking up there, they're not wanting to shut down the industry. That's ridiculous. It's not going to happen.

Mr PAUL SCULLY: Yes. You're saying that. It wasn't my characterisation. It was just what I read.

Ms CATE FAEHRMANN: Sure. Thanks, Minister. But what they're wanting is requirements, such as—there's this one woman who's living right next door and trying to grow things organically. That's stuffed

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because of what's happening. "What I don't understand is how they can be built so close to my property and so close to streams and creeks and rivers, especially with the risk of spray and run-off that has already occurred. I'm hoping the council can look at simple remedies, which would be to set a border ... distance from neighbouring properties"—what have you. What is so wrong with the Government stepping in and assisting?

Mr PAUL SCULLY: We're not not assisting. I mean, Ms Gibson can shed some light on it—

Ms CATE FAEHRMANN: You've rejected the Nambucca council's—

Mr PAUL SCULLY: No, we rejected a particular planning proposal. We don't have to accept all of them, right? What you've just said in reading that comment out was: Why can't the council do this? What we're saying with Nambucca shire council as a case in point—

Ms CATE FAEHRMANN: That's all they're asking for.

Mr PAUL SCULLY: Yes. With the case in point, which I've read through and went through in great detail—

Ms CATE FAEHRMANN: Why can't they have buffer zones for intensive horticulture?

Mr PAUL SCULLY: —is that—

Ms CATE FAEHRMANN: Minister, why? Just answer that question. Why can't they?

Mr PAUL SCULLY: Chair, if I could answer the question?

The CHAIR: Please, go for it.

Mr PAUL SCULLY: Following the review of the planning proposal and public submissions from the Nambucca shire council, which was proposing development consent would be required for horticulture on RU1 and RU2 rural zones, unless able to comply with narrow exempt development criteria—so that's the situation. In early 2025, the department determined not to make the plan as the proposal did not include a sufficient evidence base to support and justify the changes required by the gateway conditions, or did not adequately respond to the submissions made against the proposal. The department has since gone back and advised Nambucca shire council, and I don't believe that we've—

Ms CATE FAEHRMANN: Thanks, Minister. That's all on the Planning Portal.

Mr PAUL SCULLY: Chair, if I could answer the question. I've been asked to answer the question, so I'm trying to answer the question.

Ms CATE FAEHRMANN: I'm asking you, as Minister—

The Hon. ANTHONY D'ADAM: Point of order: The Minister has to be allowed to complete the answer.

Ms CATE FAEHRMANN: Yes, but he's now reading out something. I'm aware of what he's saying; it's on the Planning Portal. I can ask them later.

Mr PAUL SCULLY: If you're aware of it, why are you asking the question in that form?

Ms CATE FAEHRMANN: Because you're here as Minister, and I'm wanting to get your opinion and challenging you as to why this is happening.

The Hon. ANTHONY D'ADAM: There's a point of order before the Chair.

The CHAIR: There's no point of order. I think the engagement is fine. Carry on.

Mr PAUL SCULLY: As I said, the department is not standing in the way of anyone. However, Nambucca Valley Council has been advised that, if it believes that changes in the rural sector—because you've got to understand that there is not a blueberry-farming land zoning. It doesn't have its own unique land zoning.

Ms CATE FAEHRMANN: Intensive horticulture, though, is what I'm asking.

Mr PAUL SCULLY: Sure, but the planning proposal was in relation to blueberry farming, and it was insufficient to look at the consequences for all horticultural activities in that shire. The department has advised that, if the council still believes that it warrants land use planning changes, it should prepare a rural strategy as outlined in the adopted—it has adopted its own local strategic planning statement, and we would be happy to work with them on that. But this is not a case of saying, "You didn't do it once so, therefore, it's all over and the department is standing in the way of an outcome." What we're saying is, "Make sure that we're doing it

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comprehensively, make sure that we're doing it correctly, make sure that we're doing it so that it doesn't have unintended consequences."

The CHAIR: Over to the Opposition.

The Hon. CHRIS RATH: Minister, when will you provide certainty to the port providers at Glebe Island whether they will continue to have a future there?

Mr PAUL SCULLY: The Government will make a decision with respect to Glebe Island in due course, and we'll make an announcement when that's done.

The Hon. CHRIS RATH: So no timeline?

Mr PAUL SCULLY: I can't provide a timeline for you today, no.

The Hon. CHRIS RATH: The uncertainty and speculation has been happening for well over a year. Don't you think it's unfair to the port providers there to keep them in the lurch?

Mr PAUL SCULLY: When the Government has made a decision, it will make an announcement.

The Hon. CHRIS RATH: How much money would the New South Wales Government stand to make if it sold the land at Glebe Island to develop for housing?

Mr PAUL SCULLY: I can't answer that. It's not something that the planning system considers.

The Hon. CHRIS RATH: Has any modelling been done by your department?

Mr PAUL SCULLY: No.

The Hon. CHRIS RATH: Have you received—

Mr PAUL SCULLY: The planning department are not valuers. They're not real estate agents. They are planners.

KIERSTEN FISHBURN: We have not been the lead agency in undertaking that work. You'd have to ask that question to—

Mr PAUL SCULLY: It's Treasury.

KIERSTEN FISHBURN: It's Treasury and the Cabinet Office.

The Hon. CHRIS RATH: Have you received any advice from Treasury?

Mr PAUL SCULLY: All of the discussions at the moment are Cabinet in confidence, so I'm not going to divulge them to you today. You may wish for me to make statements. You may wish for me to announce policy. That's not going to happen.

The Hon. CHRIS RATH: But you, your office and your department have been consulted on a potential transaction at Glebe Island.

Mr PAUL SCULLY: My department is involved in considerations of what may be the future of Glebe Island.

The Hon. CHRIS RATH: And is one of the considerations for the future of Glebe Island the potential revenue that the Government would make from such a transaction?

Mr PAUL SCULLY: My department gets consulted on planning matters, not on revenue matters. Revenue matters are for the Minister for Finance or the Treasurer.

The Hon. CHRIS RATH: But it is a consideration?

Mr PAUL SCULLY: I don't know if it's a consideration. My department is consulted on planning matters.

KIERSTEN FISHBURN: It's not a planning consideration.

The Hon. CHRIS RATH: Would you agree that it would be privatisation to sell government land at Glebe Island to a private developer?

Mr PAUL SCULLY: I don't know that you can characterise—I know what you're trying to do. I know this is the big social media moment that you want. Scott Farlow used to get these grabs much earlier in the day. You should look back at some of his work. I think there are various ways that people characterise privatisation. The member for Balmain is characterising some changes in Callan Park at the moment as privatisation. I don't

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characterise it as privatisation, but I also know that no decision has been made, so I can't really comment on it because it may depend on the circumstances of the transaction.

The Hon. CHRIS RATH: Well, what's your definition of privatisation?

Mr PAUL SCULLY: My definition of privatisation is the previous 12 years of the Liberal Government.

The Hon. CHRIS RATH: I think that's more of an example you'd like to use than a definition.

Mr PAUL SCULLY: You redefine privatisation, my friend.

The Hon. CHRIS RATH: Surely taking land owned by the New South Wales government and selling it to a private developer is the very definition of privatisation.

Mr PAUL SCULLY: What if it's sold to a government agency?

The Hon. CHRIS RATH: That's not my question.

Mr PAUL SCULLY: Actually, your question was exactly that. Your question was "Is the sale". You didn't say who the ultimate transactor was in this, so I'm going to leave my comments at that.

The Hon. CHRIS RATH: I'm asking you, Minister—

Mr PAUL SCULLY: You've heard my answer,

The Hon. CHRIS RATH: Is the sale of government land to a developer an example of privatisation?

Mr PAUL SCULLY: I don't class it as privatisation, no.

The Hon. CHRIS RATH: That's just ludicrous.

Mr PAUL SCULLY: Your characterisation, not mine. The sale of poles and wires, that's privatisation. The sale of the port at Port Kembla, that's privatisation. The sale of the Port of Newcastle, that's privatisation. The sale of Port Botany, that's privatisation. The sale of the government office block in Wollongong, that's privatisation.

The CHAIR: The sale of public land at Coffs Harbour?

Mr PAUL SCULLY: The Northern Beaches Hospital—that was a disastrous example of privatisation. Your attempted sale of and willingness to sell Sydney Water and Hunter Water that you took to the last election—

The Hon. CHRIS RATH: That's just a blatant lie.

Mr PAUL SCULLY: —is another example of privatisation. There's a litany of examples of privatisation.

The Hon. CHRIS RATH: When we do it it's privatisation, and when you do it's just good accounting, is it? That seems to be what you're suggesting.

Mr PAUL SCULLY: Your characterisation, not mine.

The Hon. CHRIS RATH: Selling government land to a private developer isn't privatisation—I think I've heard it all.

Mr PAUL SCULLY: All I know is that this Government is protecting public assets, not flogging them off like the previous Government did.

The Hon. CHRIS RATH: Does the Government recognise that the port supplies a major share of critical construction materials, including cement and gypsum? If so, where does the Government expect builders to get these materials from if the port is closed down? I assume Port Kembla.

Mr PAUL SCULLY: Your assumption.

The Hon. CHRIS RATH: Do you acknowledge—

Mr PAUL SCULLY: Do I agree that there are building materials that come into the port currently? Yes. That's a matter of public record. Anyone who goes down there can see that. But as for the future options that may be under consideration, the Government is looking at all of those options and, when there is a decision of Government, an announcement will be made. I know it disappoints you, Mr Rath, that you can't possibly get the answer that you want right now. It may not make your Instagram reels tonight but, nonetheless, that is the fact.

The Hon. CHRIS RATH: Surely one of the options that's being considered is to relocate the providers to Port Kembla.

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Mr PAUL SCULLY: Your speculation, not mine.

The Hon. CHRIS RATH: Has the Government done a credible cost-benefit analysis, taking into account increased freight costs and hundreds of thousands of extra truck movements a year, especially in your own electorate of the Illawarra and up Mount Ousley?

Mr PAUL SCULLY: Great that you mention Mount Ousley—fantastic work from the Albanese and Minns governments to invest \$402 million in the upgrade of the Mount Ousley Road interchange.

The Hon. CHRIS RATH: It'll be good when it's done.

Mr PAUL SCULLY: That was about expanding the port capacity—a port, mind you, that you privatised. You flogged it off previously, in government. When you sold it for nearly \$700 million, you left a pittance in the Illawarra. You took it all away. As I will repeat again and again and again—and I appreciate you're going to chop it up and make some sort of fancy Instagram reel—

The Hon. CHRIS RATH: I'm actually not, Minister.

Mr PAUL SCULLY: You're not on Insta?

The Hon. CHRIS RATH: Not on this one.

Mr PAUL SCULLY: The Government has not made a decision. When a decision of Government is made, there'll be an announcement and you can look at it then.

The Hon. CHRIS RATH: If the port providers are forced to move to Port Kembla, will the New South Wales Government fund the costs of such a move, in particular the new infrastructure that would need to be built at Port Kembla to accommodate them?

Mr PAUL SCULLY: I appreciate your strong interest in this, but that is well beyond the remit of the Planning portfolio.

The Hon. CHRIS RATH: But you would have to be consulted on that. Surely the relocation of major port providers is also a planning matter.

Mr PAUL SCULLY: Hang on, you didn't ask about the relocation of major port providers. What you asked about is compensation. Their compensation arrangements, like any compensation arrangements, are well beyond the remit of the planning department.

The Hon. CHRIS RATH: The infrastructure that would need to be built at the port to accommodate the port providers—

Mr PAUL SCULLY: Again, you didn't ask that question. You asked a question and I answered a question about a compensation payment, which I'm not responsible for. When there is a decision of Government when it comes to the future of that area, an announcement will be made.

The Hon. CHRIS RATH: There is, of course, a neat compromise on the table for mixed use where we could both keep the working port and still build 2,000 new homes. Is that a compromise the Government is willing to consider?

Mr PAUL SCULLY: When there is a decision made with respect to that area, there will be an announcement made.

The Hon. CHRIS RATH: It was reported a week or two ago that failing to fix the housing crisis could cost New South Wales \$6.4 billion in lost stamp duty revenue, as we're on track to fall short of our target by 156,000 homes by 2029. On top of that lost revenue, how much additional infrastructure funding from the Federal Government will we lose because of missing our housing targets?

Mr PAUL SCULLY: That would have to be a matter directed to the Federal Government.

The Hon. CHRIS RATH: You have signed up to the housing accord.

Mr PAUL SCULLY: Yes, something you guys haven't done. As we found out earlier this morning, you're not interested in doing it, but let's go through it again.

The Hon. CHRIS RATH: Minister, that is just a lie.

Mr PAUL SCULLY: It's not a lie. I asked you point-blank whether the Opposition had signed up to the housing accord. You said no.

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The Hon. CHRIS RATH: Minister, I know this is a strange concept for you to understand, but this is budget estimates. At budget estimates, members of the Opposition and the crossbench ask you questions—not the other way around.

The Hon. ANTHONY D'ADAM: Point of order: It is not appropriate for the member to lecture the Minister. His role is to ask questions. He should keep his comments to asking questions rather than making commentary about the Minister.

The Hon. STEPHEN LAWRENCE: He is accusing him of lying as well. That is unparliamentary.

Mr PAUL SCULLY: I think that's pretty rude.

The Hon. CHRIS RATH: To the point of order: The Minister has repeatedly asked me questions, and I would like to remind the Minister that, at budget estimates, it is members of this Committee that ask him questions.

The Hon. ANTHONY D'ADAM: That is the role of the Chair.

The Hon. CHRIS RATH: He is not, maybe, familiar with that concept, given he hasn't been doing that.

The Hon. ANTHONY D'ADAM: You might want to direct that request through the Chair.

The CHAIR: On the point of order, thanks for raising it—all very good points made. Let's carry on.

Mr PAUL SCULLY: Excellent point, Chair.

The CHAIR: I know. Honestly, I am a natural.

The Hon. CHRIS RATH: As part of the housing accord, there is a \$3 billion fund for State governments that meet their housing targets. You've signed up to the housing accord. Doesn't the New South Wales Government stand to lose money from the Federal Government if it doesn't meet its housing targets?

Mr PAUL SCULLY: Again, you've asked a very different question from what you asked before. Read the question you read first time again. That's the better way of doing it. You asked an open-ended question about Federal Government policy and infrastructure spending decisions in New South Wales that I can't possibly answer. What I do know is this: The Federal Government, State and Territory governments, local government and the building and construction industry signed up to the housing accord. As I understand it, the National Cabinet decision included a payment if New South Wales meets or exceeds—we could exceed it—its housing accord targets. What you also put in there is, if we don't sell houses, we don't get stamp duty. That's a given.

The next thing you might say is, if we don't encourage smoking, we won't get the excise out of cigarettes. Or, if we turn over too many petrol vehicles into electric vehicles, we won't get the revenue out of excise. But we are not doing this. We are not reforming the planning system and we are not pursuing the housing accord targets because we want revenue. We are doing it because we want people to have houses. Systemically and for a sustained period of time in New South Wales, we have simply not built enough homes. As a result, we are seeing areas that literally have no children coming through to the schools. We are seeing 30- to 40-year-olds leave New South Wales at twice the rate that they are coming to New South Wales.

We are seeing our economic capacity diminished by the fact that those people, who pay taxes, who raise families, who are a central part of our labour market, who are the entrepreneurs, who are the risk-takers and who are the innovators, aren't in New South Wales. We want to attract global capital. We want to make sure people have a home, and we want to make sure they are living in a good community. That is the desire of the New South Wales Government. We are not doing this for stamp duty revenue. We're not doing this for some payment that is unclear at the end of a housing accord period. We are setting the New South Wales planning system up so it can deliver homes, jobs and better environmental outcomes not only for the next few years but long into the future.

The Hon. CHRIS RATH: Are you expecting to still get a share of that \$3 billion fund from the Federal Government, which can only be accessed if you are reaching your housing target?

Mr PAUL SCULLY: We've already received some funding from the Federal Government. The combination of Federal Government and State Government funds of about \$1.6 billion has unlocked \$3.9 billion or thereabouts in infrastructure spending, across New South Wales, aimed at supporting houses. The New South Wales Government, through the department of planning alone, has committed around \$700,000 a day in infrastructure funding. That is part of an \$80-million-a-day, on average, commitment from the New South Wales Government for infrastructure that supports homes and jobs long into the future.

But we received \$228 million from the Commonwealth for infrastructure, and \$200 million of that was from the Commonwealth Housing Support Program. We've had contributions made to projects in New South

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Wales from the HAFF scheme. We've got people who are benefiting from the Commonwealth Government's 5 per cent housing deposit scheme on top of the average \$20,000 that first home buyers are saving in New South Wales as a result of our stamp duty changes, in comparison with your intention to bring back your forever tax on the family home. We are not privatising assets, in direct comparison with your intention to privatise assets.

The Hon. CHRIS RATH: Just land.

Mr PAUL SCULLY: We are not harking back to the 1950s to come up with policy ideas, as your leader is currently doing. What we are doing is getting on with the task of making sure that people have good homes in good communities, whether to rent or buy, where they are connected to good jobs, and they are in keeping with our intention and our determination to meet our commitments under the National Housing Accord. I would have thought—it is a shame that the spirit of bipartisanship, when it comes to this endeavour, has evaporated in 2026. It was pretty good in 2025, but the early days of your tenure as shadow Minister seem to be going back to—as described by yourself—the horrible year of the Liberal Party of 2024. That is a really disappointing outcome for people in New South Wales.

The Hon. CHRIS RATH: Minister, please! This is budget estimates. Were you expecting an easy run today?

Mr PAUL SCULLY: No, I wasn't expecting an easy run, but I was expecting you to at least be able to confirm, with a simple yes or no—and you've confirmed it with a no that you're not interested in meeting the housing accord targets. That is a great disappointment. You carry yourself as pro-housing. You carry yourself as the yimby of the upper House, and you won't even commit today, in answer to a simple question: Will you sign up to the housing accord targets? You don't want housing. That's the endgame here.

The Hon. CHRIS RATH: You'll find that it was Dominic Perrottet who was one of the early architects of the housing accord.

Mr PAUL SCULLY: Yes, but your predecessor in this role didn't sign up to the housing accord, and you haven't today.

The Hon. CHRIS RATH: Minister, stop gaslighting the Committee.

Mr PAUL SCULLY: No. Other members—when posed the simple question, "Are you in support of the housing accord?", have you heard a yes? No, you haven't.

The CHAIR: With respect, it is the job of the Committee to be asking you questions.

Mr PAUL SCULLY: Sure, but I think it's not unreasonable—

The Hon. CHRIS RATH: Do you want to swap places, Minister? You can be the shadow Minister.

The Hon. ANTHONY D'ADAM: Point of order—

Mr PAUL SCULLY: We won't be swapping places. I can assure you, I won't be going into the upper House.

The CHAIR: The Government members have just decided you pay attention and call a point of order.

The Hon. ANTHONY D'ADAM: I guess we're happy to let it run for a little while because the Minister is more than capable of handling a difficult situation, but I think the member has stepped over the line there and needs to be drawn back to asking questions as opposed to—

The Hon. CHRIS RATH: I was being asked a question by the Minister at budget estimates.

The CHAIR: I did point that out. To the point of order: Let's take the temperature down half a degree—I wish the Government would do that on climate.

Mr PAUL SCULLY: For everyone listening, I won't be seeking to enter the upper House.

The Hon. CHRIS RATH: Minister, what, if any, modelling has your department done on projects that might become unviable once the housing and productivity contribution is added on top of council levies, land costs, financing costs, construction, inflation and labour shortages?

Mr PAUL SCULLY: There has been some work done in government, which has been assisted by my department, so I think that's a reasonable source of contribution here. I would point out that the NSW Productivity and Equality Commission found that State and local infrastructure contributions for a mid-rise apartment in Sydney were 2.5 per cent of the development costs, or 3.8 per cent of the development costs when you include land tax and stamp duty. On a greenfield house, it found that they were 8.2 per cent of the development costs, or 8.8 per cent of the developments cost when you include stamp duty and land tax.

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The Centre for International Economics, in August 2024—so quite recently—released some further information. I think this is quite telling. It went to the cost and feasibility of both mid-rise apartments and greenfield housing in Sydney over time. This is over the period 2018 to 2023. It found that State and other contributions had increased by \$1,000 over that period. At the same time, construction costs had increased by \$76,000, professional fees had increased by \$7,000, land acquisition had increased by \$50,000, financing costs by \$49,000 and required margin by \$36,000. That was for a mid-rise apartment.

For a greenfield site in Sydney, State and other contributions had increased by \$4,000. But at the same time, construction costs had increased by \$67,000, professional services by \$9,000, site preparation by \$11,000, land acquisition by \$24,000, financing costs by \$13,000 and the required margin by \$23,000. There are variations with feasibility across Sydney. I talk to a lot of people who are involved in the construction sector and involved in development. They were originally pointing out that the biggest cost that they were facing related to time. That was time within the planning system, because that time added holding costs, it added interest payments, it added a whole range of other costs and the like. There were additional payments that were made.

What we've been able to do, and what is increasingly being reflected in conversations that I have with people who are looking at projects, is the reduction in time that is happening as a result of the planning reforms pursued by this Government. Whether they be rezoning or process reforms, it's cutting that time. Cutting that time is reducing costs. Today, you would have seen—I am sure it was in your media clips; there was a lot of media about it—that we have also helped with feasibility improvements by releasing our works-in-kind policy and infrastructure opportunities plans. This provides an improvement to feasibility by allowing proponents to come forward, at various stages in the system, and propose that they undertake works-in-kind arrangements, off a menu of options through the infrastructure opportunities plans, to either offset or replace cash contributions. That improves feasibility as well.

The Hon. JOHN RUDDICK: Minister, in the 1980s, Bob Hawke proposed a very fast train. In the 1990s, John Howard proposed a speed rail. These were very fast trains that would link the east coast of the continent. Those two great visionaries, Kevin Rudd and Malcolm Turnbull, made big promises and announcements about linking Sydney to Brisbane by train.

Mr PAUL SCULLY: I hope I'm not being held to account for all of those plans.

The Hon. JOHN RUDDICK: No. The Prime Minister has recently said that he has begun "detailed planning work" on a fast train line from Newcastle to Sydney. He says it is going to be shovel-ready in two years. You'd agree that's not long, Minister. What discussions have you had with the Federal Government about this major infrastructure project, which the Prime Minister says is going to be shovel-ready in two years?

Mr PAUL SCULLY: One of the first things that I've done with respect to the very fast train project is that I had to sign an instrument that allowed them to do some planning work within New South Wales. I basically gave them some permission to function and operate, as the authority, in New South Wales.

The Hon. JOHN RUDDICK: How long ago was that?

Mr PAUL SCULLY: I'd have to take the date on notice, to be honest.

The Hon. JOHN RUDDICK: A year ago or two weeks ago?

Mr PAUL SCULLY: It was further back than close. It wasn't a couple of weeks ago.

KIERSTEN FISHBURN: I would say it was well over a year ago, but we'll take that on notice.

Mr PAUL SCULLY: Yes, that's my guess. I could get you the exact date. It's a published instrument.

The Hon. JOHN RUDDICK: That's interesting. So there have been discussions at the senior State and Federal level for—

Mr PAUL SCULLY: No, this is something that allows the authority to operate. Once the Federal Government set up the authority, it needed some permission from us to be able to function in New South Wales. It isn't a discussion point; it's just a legal instrument that allows the authority to do its work. I'll defer to the secretary, in case there is anything I'm missing in terms of detail. But, as I understand it, there has been some work done and I've spoken—I think my diary disclosures will indicate that I've met with the head of the authority on some general terms of where and what they were considering at the time, which was not particularly advanced at that point. Of course, the New South Wales Government welcomes investment in transport infrastructure in New South Wales. We can provide some assistance, I believe, perhaps with some planning stuff. But to the best of my knowledge, we haven't been asked formally.

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KIERSTEN FISHBURN: No, we haven't been asked formally. I've met fairly regularly with the head of the authority, Mr Tim Parker, to receive updates on the work that's being undertaken. They have done some preliminary work, obviously, that has allowed them to be able to undertake the business case. It's been the subject of focus over the past couple of weeks. I've also been involved in discussions about the planning pathways that they might look at and their desire to do the work in two years. It is an ambitious timeline, but the department will stand ready to try to work towards that timeline as well. I would say it's a very positive working relationship, but nothing has been formally submitted into the planning department as of today.

The Hon. JOHN RUDDICK: The Premier was asked about it. I am going to quote him. He was asked, "Is this going to happen?"—because there have been lots of false starts—and your boss said:

I mean it's going to take a huge effort and a lot of money but yeah, I mean, it could ...

That's not sounding like he's gung-ho about it. It doesn't bother me. If we could save the budget, I'm happy about it. Do you think this statement I've just read out from the Premier is an accurate summary of what the State Government thinks about Mr Albanese's proposal? Can you tell the Committee today that you're as enthusiastic as Mr Albanese is about this project?

Mr PAUL SCULLY: I think what you've read out to the Committee this session is an accurate quotation of the Premier's comments the other day. I couldn't speak to a whole-of-government position because we haven't actively considered it, because it's a Federal Government project. My own personal view? If the Federal Government is able to deliver it, great. If you look back at Prime Minister Albanese's history in relation to this issue, he certainly has been a long-term and passionate advocate of this sort of infrastructure for the east coast of New South Wales. I think, similarly, people might have been sceptical about things like the inland rail progressing, and that has progressed. I've made several determinations of projects with respect to that, and that's progressing. I am not in charge of it. We will provide assistance as and when required. But if someone wants to invest in New South Wales, we will always have a look at it.

The Hon. JOHN RUDDICK: This might be a question for Ms Fishburn. Assuming it does keep progressing—it doesn't get aborted like it has so often—would the New South Wales planning department be involved in helping to select the route that these so-called fast trains would move on, or would that be something decided in Canberra?

KIERSTEN FISHBURN: The proponent, obviously, would propose the route. We would, as we would for any project, enter into discussions with those proponents, but we're not selecting the route for them. My understanding, though, is that they've had many discussions with Transport for NSW as well. But that's just my belief; you'd have to test that out with the transport Minister.

The Hon. JOHN RUDDICK: This is more progressed than I understood. So we've already got to the point where we are considering routes?

KIERSTEN FISHBURN: To get to the business case there needs to be at least an indicative understanding. But, again, I haven't seen the full business case and I'd suggest you have those conversations with the transport Minister.

The Hon. JOHN RUDDICK: We don't have the full business case yet.

KIERSTEN FISHBURN: I haven't seen the full business case.

The Hon. JOHN RUDDICK: No, I'm sure you're right. This might be more of a question for the Minister, but it would fine if either of you answer. Is the New South Wales taxpayer likely to be contributing to this construction?

Mr PAUL SCULLY: I don't believe that we've been asked to contribute.

The Hon. JOHN RUDDICK: What if that changed? What if you were asked to contribute? Would your approach be to say, "Yes, sure"?

Mr PAUL SCULLY: Much like when your kids ask you to contribute to their pocket money, you have to consider the circumstances at the time.

The Hon. JOHN RUDDICK: Using that analogy, parents usually do give in, so that's telling me—

The Hon. ANTHONY D'ADAM: You've got to be tougher, John.

Mr PAUL SCULLY: Your parents were clearly more generous than mine, Mr Ruddick. I didn't get away with much. Perhaps they weren't of the financial capacity to make those contributions.

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The Hon. JOHN RUDDICK: I hope that before we hand over billions of dollars we work out that this thing is actually going to be economical, that it's going to pay for itself.

Mr PAUL SCULLY: I have been to the Expenditure Review Committee and I can assure you that it is a most rigorous process to go through. The Treasurer, the Premier, and the Minister for Finance, and others, are very fiscally responsible. I believe that they'll take that exact same attitude to the assessment of any request for a financial contribution, should it be made in the future.

The Hon. JOHN RUDDICK: Great. I'd like to switch now to the question of manufactured homes—tiny homes, portable homes, prefabricated homes. Could you give us a summary of the Government's approach, in general, to that question? Could it be part of the solution to the housing crisis?

Mr PAUL SCULLY: Manufactured homes—I use this characterisation in the broadest terms. This could be homes that are produced by modern methods of construction and the like. Arguably, they fall in to the remit of manufactured homes. Modern methods of construction is something that the Government is actively engaged in. In fact, it's using modern methods of construction to help deliver social housing at the moment. I'm sure Minister Jackson, who's very passionate about this, or Minister Chanthivong, who's just next door at the moment and leading much of that work with respect to building standards, would be more than happy to give you chapter and verse on where the Government is up to.

I think that we'd be mad not to consider it, for multiple reasons. One, the productivity in construction, as we know, the construction productivity has fallen considerably over the last couple of decades, so from that sense. The fact that part of construction productivity has decreased because we're often going back and having to fix defects—a lot of those would be addressed using more modern techniques. When we are doing infill development, it puts less time pressure and disruption on neighbours and it's got the prospect of creating an additional new domestic manufacturing sector, which would encourage the active engagement of a lot more women in to the construction workforce.

The Hon. JOHN RUDDICK: Absolutely. Win-win.

Mr PAUL SCULLY: Quite frankly, if anyone's been into one, there's really nothing worse than a construction site bathroom.

The Hon. JOHN RUDDICK: Minister, sorry, it sounds like you are in favour of this?

Mr PAUL SCULLY: I am. I absolutely am.

The Hon. JOHN RUDDICK: Therefore, you know—

Mr PAUL SCULLY: The patterns are designed in such a way as they can be adapted and used through modern methods of construction.

The Hon. JOHN RUDDICK: There's lots of win-wins here, Minister. I think we agree. I appreciate what you just said. We all know, since you are passionate about this subject, there was a lot of resistance in the local councils. I did write to you late last year and then you wrote back and you said that there will be changes via a building bill that you were working on with Minister Chanthivong.

Mr PAUL SCULLY: Correct.

The Hon. JOHN RUDDICK: Could you update the Committee as to where that building bill is up to, and how it's going to address the manufactured homes?

Mr PAUL SCULLY: Minister Chanthivong has the lead on that. I think it may have been introduced. He's got the lead on that, so it's a question best addressed to him.

The Hon. JOHN RUDDICK: You must have had some input as the planning Minister to have it called the building bill?

Mr PAUL SCULLY: We have. We had input into the development. I just can't answer for you right now at this moment exactly where it's up to. Sorry, I just don't have it to hand.

KIERSTEN FISHBURN: Can I just add a clarification just so we don't have to take things forever on notice. The high speed rail reg that designated HSRA as a public authority was made in July 2024.

Mr PAUL SCULLY: So more than 12 months ago.

KIERSTEN FISHBURN: Yes.

The Hon. JOHN RUDDICK: That's almost two years.

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Dr AMANDA COHN: Minister, the Australia Microplastic Assessment Project has found synthetic grass fragments are common and increasing in Sydney's waterways. For example, there was a tenfold increase in synthetic grass debris being found at Rose Bay in Sydney Harbour between 2022 and 2025. Synthetic field installations are increasing. Are you satisfied that the current level of regulation that you've put in place is sufficient, given this new evidence about the level of pollution they're causing?

Mr PAUL SCULLY: I am and that's principally for a couple of reasons. One, obviously the run-off you're referring to and collected by that group is over 2020 to 2025, I think you said—

Dr AMANDA COHN: From 2022 to 2025.

Mr PAUL SCULLY: From 2022 to 2025, sorry. I extended it by a couple of years. Obviously, they're much older fields that are creating that. The previous planning Minister asked the chief scientist to undertake some investigative work into synthetic fields and the planning decisions around them. That was several hundred pages long. It was sat on by the previous Government but was released by this Government, along with some guidance that had been developed for decision-makers when considering synthetic fields of various types in their decision-making.

Dr AMANDA COHN: You mention this issue of older fields versus newer fields. Concerns previously were around the rubber crumb infill for these fields, and I understand that most modern proposals are for cork infill. What the Microplastic Assessment Project is finding is it is actually not the infill. It's the plastic blades themselves. So the fact that they're newer fields is not going to make any material difference.

Mr PAUL SCULLY: That's why the guidance includes the considerations that have to be given with respect to managing run-off, managing field degradation, the end-of-life elements to it and the interplay between water, whether that be used to manage the field or rain, and how any run-off is captured and treated.

Dr AMANDA COHN: If this microplastic pollution keeps increasing since your new regulations came in, will you then have a look at it and restrict these fields?

Mr PAUL SCULLY: I maintain the position that every regulation and every piece of legislation that I'm responsible for is on a watching brief if new evidence comes to light. As that old saying goes, if new evidence comes to light, you might change your mind. Others may not, but I am always open to the consideration of new evidence as it emerges.

Dr AMANDA COHN: That's good to hear, Minister. I think we'll be back here at a future hearing.

Mr PAUL SCULLY: I've no doubt.

Dr AMANDA COHN: I've got a question about the planning system reforms bill, which removed the ability for rural and regional councils to directly determine development applications.

Mr PAUL SCULLY: Yes.

Dr AMANDA COHN: Many councils weren't consulted and they didn't even realise this was on the cards before the bill had already passed the Parliament. You've since made a commitment to work with local government on the implementation of that reform. Is that collaboration happening now?

Mr PAUL SCULLY: Yes.

Dr AMANDA COHN: Can you tell us about what you've done to engage?

Mr PAUL SCULLY: Sorry, some people want yes or no answers, other people want detail, so I'll give you some detail. We've established a planning reform implementation group, which is a mix of local government representatives, industry representatives, the department of planning—and Mr Preshaw's looking after this work, so he may be able to add some more to this. We've said that when it comes to the local planning panels, we will be staging that. We've introduced the first proclamation with respect to the Act that introduced the objects of the Act, made the Housing Delivery Authority a permanent part of it, started the work on the Development Coordination Authority and established or removed the regional panels where local panels existed—so that was principally Greater Sydney, Wollongong and the Central Coast.

In order to do anything further than that, because there aren't local panels in those areas, what we will have to do is work to establish those. We've said to local governments that we will work progressively with them to do that. Some local governments are very, very keen to have local panels in place. Others are working together to establish how they might have a joint panel because it's of less demand. In the end, this is also about not only improving the processes and having an outcome-focused planning system in New South Wales; it's also making sure that councils and communities are concentrating on the right part of the planning system to have their say—and that's at strategic planning. Strategic planning is a really, really important part of the planning system, arguably

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the most important part of the planning system, particularly when it comes to local communities because that's where you get to shape the outcome.

Dr AMANDA COHN: Sorry to interrupt you, Minister. Just in the interests of time, you've answered my question. I'll skip the informative lecture on how the planning system works before I go to my colleague. Last question from me, Minister. I just wanted to follow up—you've made some very strong comments this morning against privatisation. The Sporting Venues Authorities Amendment Bill that the Government's put forward will allow private hotel and accommodation development on public land owned by Venues NSW. This includes land around the WIN Stadium in the Illawarra, including the training oval.

Mr PAUL SCULLY: Yes, I know.

Dr AMANDA COHN: Will you rule out a hotel on the training oval site?

Mr PAUL SCULLY: I've heard you on ABC Illawarra about this. I was asked immediately after that interview about exactly this situation. There is no plans for a hotel at the Wollongong entertainment centre or sports precinct. What we are doing with WIN Stadium is changing the WIN Entertainment Centre into WIN Arena, doubling the capacity to around 9,500 seats. We're revamping and redoing the northern grandstand. We're revamping the southern grandstand. We're adding a beachside kiosk and cafe so there's full-time activation of that, which will attract around—

Dr AMANDA COHN: To clarify, you're ruling out a hotel?

Mr PAUL SCULLY: There's no hotel in the plan. The plan is published. Our vision for that area is published. This has been something I've been working on since the day I was elected, or even before I was elected. I'm pleased that this Government has seen fit to invest in the Illawarra, as only Labor governments do. Liberal governments privatise our assets. Labor governments invest in the region.

Dr AMANDA COHN: I'm very pleased with your answer, Minister. Given the Government's got a carve-out in that bill for the SCG, will you carve it out?

Mr PAUL SCULLY: There's no proposal for a hotel. I'm answering your question. There's no proposal for a hotel on the Wollongong sports and entertainment precinct.

Dr AMANDA COHN: You are, and I'm just following it up. So the bill that would allow that theoretically has a carve-out to say it doesn't apply to the SCG. If there's no plans for a hotel, would the Government amend its own bill to make it clear that that's not permitted?

Mr PAUL SCULLY: You'd have to address that to Minister Kamper as he is the Minister responsible for that piece of legislation.

Dr AMANDA COHN: I will.

Ms CATE FAEHRMANN: Responses to questions at the last estimates show that there were approximately 16 meetings between your department and Bowdens Silver mine following the Court of Appeal decision. Did you or your staff attend any of those meetings? Did you and your staff have separate meetings to those 16?

Mr PAUL SCULLY: I have not attended any of those meetings with the department because they are meetings with the department.

Ms CATE FAEHRMANN: And in terms of your staff?

Mr PAUL SCULLY: Nor have my staff, to the best of my knowledge. You asked a secondary question, if there is anything separately—

Ms CATE FAEHRMANN: Yes, keep going.

Mr PAUL SCULLY: I have not met with any of the groups, but my staff—with the department in place, I think—have met with the Mudgee Regional Health Alliance—

Ms CATE FAEHRMANN: Thank you, Minister. That's not what I'm asking.

Mr PAUL SCULLY: The Mudgee Region Action Group, Bingman Catchment Landcare Group and others.

Ms CATE FAEHRMANN: I am going to move to the next question. In response to a question taken on notice in relation to whether there were minutes and records of those meetings, the answer was:

... the meetings were a status update at the request of the mine proponent. No decisions were made, no approvals, and no substantive discussions of importance were had.

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However, I've got emails in front of me from a GIPAA that show that, in fact, there were quite a few meetings that were held. The first one on the day of the appeal.

Mr PAUL SCULLY: Sorry—who are these meetings between, Ms Faehrmann?

Ms CATE FAEHRMANN: This is from Bowdens and the planning department.

Mr PAUL SCULLY: This is the department? I'll leave this to the secretary to answer.

Ms CATE FAEHRMANN: The subject header "Bowden's path forward" from Bowdens says, "Can we please have an initial discussion to start mapping out the new pathway?" There were then 16 meetings, apparently. Was the potential for amendments to the Environmental Planning and Assessment Act discussed?

Mr PAUL SCULLY: No.

Ms CATE FAEHRMANN: But you weren't there.

Mr PAUL SCULLY: What you're trying to suggest is there may have been some influence on our planning system reforms bill and subsequent Act as a result of those meetings. Those meetings had nothing to do with it.

Ms CATE FAEHRMANN: Ms Fishburn, were amendments to the Act discussed at those meetings with Bowdens Silver mine? They certainly sent their legal reps along to quite a few of them.

KIERSTEN FISHBURN: Not to my knowledge, however I will take it on—

Ms CATE FAEHRMANN: Were you at those meetings?

KIERSTEN FISHBURN: No, I was not present at those meetings. I will take it on notice.

Ms CATE FAEHRMANN: And Mr O'Donoghue—is that correct?

KIERSTEN FISHBURN: Stephen.

Mr PAUL SCULLY: In fairness, though, anyone will propose, as I'm sure people propose to you, Ms Faehrmann—people will propose things in meetings that aren't necessarily adopted.

Ms CATE FAEHRMANN: I don't meet with them 16 times after they proposed something unless I'm determined to see it through.

Mr PAUL SCULLY: I'm sure you've met with someone 16 times. How many times have you met with the Nambucca anti-blueberry people?

Ms CATE FAEHRMANN: Not 16 times.

Mr PAUL SCULLY: I don't know. Your meetings aren't disclosed, so I'll never know.

KIERSTEN FISHBURN: I can confirm that in no discussions that myself or Mr Preshaw had in relation to the planning reforms with the Minister himself or with the Minister's office was Bowdens raised in any way, shape or form.

The CHAIR: Does that include Mr Gainsford too?

KIERSTEN FISHBURN: I'm not sitting here with Mr Gainsford, but I assume that is the case. The planning reforms were led by Mr Preshaw. Obviously, I'm the secretary of the department, so that would have been the appropriate place to have those discussions. They never occurred with me. They never occurred between the Minister and myself or with Mr Preshaw and the Minister's office. There is no nexus.

The Hon. TANIA MIHAILUK: Minister, I just want to go back to the issue of West Terrace car park. I think when we discussed it earlier, either yourself or the staff—you mentioned that they weren't aware of the resolution.

KIERSTEN FISHBURN: We've found that now.

The Hon. TANIA MIHAILUK: Great. I want to make sure that—

KIERSTEN FISHBURN: That was from Tuesday. Is that correct?

The Hon. TANIA MIHAILUK: I'm not sure if it's this Tuesday. I'm talking about the original resolution that the council moved on 16 September 2025 where they rejected the department's acquisition of West Terrace car park.

KIERSTEN FISHBURN: Are you able to table that?

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The Hon. TANIA MIHAILUK: Sure.

KIERSTEN FISHBURN: I'm not doubting the accuracy of that. However, we have had recent correspondence.

The Hon. TANIA MIHAILUK: I'm only giving it to you because you were suggesting there wasn't a resolution earlier.

Mr PAUL SCULLY: No, I just hadn't seen it.

The Hon. TANIA MIHAILUK: I want to make sure that you know I was referring to a resolution.

Mr PAUL SCULLY: Sure.

The Hon. TANIA MIHAILUK: The council does not want the department to acquire it. Is that why they met with you, Minister?

Mr PAUL SCULLY: I'm not going to furnish the Committee with the discussions I had with the council on this matter except to say we discussed what the future of that may look like.

The Hon. TANIA MIHAILUK: Obviously, they made it very clear they oppose it.

Mr PAUL SCULLY: We didn't go into it. We did not go into details. We were discussing the open space elements of it. We didn't go into any other details.

The Hon. TANIA MIHAILUK: That's okay. I'll ask more in supplementary.

Mr PAUL SCULLY: Can I just go back to this for a second? What was carried was amended. It says:

4. Council seek legal advice on what options it has available to get compensation from the NSW State Government for the loss of property and infrastructure at 5-7 West Terrace Bankstown.

The Hon. TANIA MIHAILUK: Do you see at number 3 where they reject what was on offer?

Mr PAUL SCULLY: Yes, sure. But that's not rejecting the West Terrace car park being turned into an open space.

The Hon. TANIA MIHAILUK: You need to listen to the transcript. The entire debate was opposing you guys acquiring it.

Mr PAUL SCULLY: I'll take your word for that.

The Hon. TANIA MIHAILUK: That's exactly what was acquiring it.

Mr PAUL SCULLY: That's been updated by a subsequent motion, hasn't it?

The Hon. TANIA MIHAILUK: That's the final resolution.

The Hon. CHRIS RATH: Will you guarantee that the Government will only spend \$50 million on Moore Park Golf Course redevelopment.

Mr PAUL SCULLY: The Government has set a budget for me to deliver a new 20-hectare park. We will be delivering it on what we've said in the establishment plan within that budget framework.

The Hon. CHRIS RATH: So it could be higher?

Mr PAUL SCULLY: It could be lower.

The Hon. CHRIS RATH: I don't think that's very likely given the business case.

Mr PAUL SCULLY: That's your characterisation, not mine.

The Hon. CHRIS RATH: What changed your mind to eventually release the business case to the Legislative Council?

Mr PAUL SCULLY: The business case was released to the Legislative Council. I think you censured the Leader of the Government, didn't you?

The Hon. CHRIS RATH: We did.

Mr PAUL SCULLY: There you go.

The Hon. CHRIS RATH: Was that the turning point?

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Mr PAUL SCULLY: It wasn't in my remit because it's not my document. What I am doing is working on delivering a good 20-hectare park for the people living in one of the most densely populated parts of Sydney. I'm disappointed that the Opposition doesn't share in a desire to provide good public spaces for the people of Sydney.

The Hon. CHRIS RATH: I think there is a very good compromise on the table, which I would implore you to take another look at, Minister.

Mr PAUL SCULLY: If that was a good compromise, it would have 20 hectares of new parkland, but it doesn't. That's a fundamental thing. We've said we'd do something. I appreciate that you guys were a bit loose with what you said and what you did, and it was all a bit blurred. We've been very clear—20 hectares. When something doesn't deliver 20 hectares, it doesn't meet that threshold test. If it delivered 21, great. I'd have a serious look at it.

The Hon. CHRIS RATH: Why go to all of the effort of doing the business case if you're just going to ignore all four options.

Mr PAUL SCULLY: We have an establishment plan that sets out exactly what we intend to do.

The Hon. CHRIS RATH: Minister, there have been 1,500 construction insolvencies in 2025. What do you have to say to the Novati family, whose 47-year-old business, Novati Constructions, collapsed into administration a couple of weeks ago due to increases in costs and market uncertainty?

Mr PAUL SCULLY: As a son of former small-business-owning parents—they've since retired; they're a bit older now and they're enjoying the fruits of their many, many years of labour—I don't like to see any small business go under. I like to see small businesses become medium businesses and medium businesses become large businesses. However, what we've faced in the construction sector is a dual challenge that has not been seen before. We've seen building material costs increase rapidly over the last few years, particularly in the post-COVID environment. I don't know the particular circumstances of the Novatis that you raise, but a lot of companies also had fixed-price contracts which put extraordinary pressure on them as operators.

I can't say that that universally has impacted every one of those businesses you cited, but what we did have was a combination of factors that have put extreme pressure on construction broadly. What we do want to see, though, is more people getting involved in construction, which is why we've put \$3.4 billion into vocational education and training, and why we're supported by the Federal Government in making sure that there are fee-free TAFE places that are aimed at boosting the construction trades. They often get small business training and business training while they're going through that. I hope many of those start their small businesses and are successful, and get to 47 years of business and beyond, like the Novatis. I'm sorry to hear about their circumstances, and I'm sorry to hear that their business is no longer operating. That is a disappointment to anyone.

The Hon. CHRIS RATH: I completely accept that rezonings are important. Speeding up processes and time frames is important. A lot of that has received bipartisan support, including the planning system reforms.

Mr PAUL SCULLY: It has. Not universal, but bipartisan at least.

The Hon. CHRIS RATH: Yes, bipartisan. I was elated to see that bill go through the Parliament, personally. Putting that to one side, what have you done to reduce costs within the construction industry?

Mr PAUL SCULLY: The biggest cost that the department of planning can contribute to—it's twofold, sorry. The first one is time. Everything we are doing is about reducing time and increasing certainty. The second one we've done is making sure that construction can get underway more quickly. The bankability of a project depends on its capacity to actually deliver. In delivering projects, that's where you employ people. That's where you employ a lot of small businesses who are subcontractors to larger firms, who are providing not only the materials and not only labour but also the skilled workforce to make sure that they're delivering those outcomes. The delivery of homes is the delivery of jobs, and the delivery of jobs is the delivery of good economic and social outcomes for New South Wales.

The CHAIR: Finally, there are currently still the two chapters within the biodiversity and conservation SEPP dealing with koala habitat. This was meant to be temporary. The guidelines remain unfinished. When will the temporary dual-chapter structure be resolved?

Mr PAUL SCULLY: Whenever there is a change to a SEPP, I make sure that people know. When and if there is a change of those arrangements, then we'll make an announcement.

The CHAIR: What is your plan though?

The Hon. ANTHONY D'ADAM: It is Government time.

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The CHAIR: No, we agreed.

The Hon. ANTHONY D'ADAM: For one answer. We didn't agree to one minute.

The CHAIR: Are you considering a standalone SEPP for koalas again?

Mr PAUL SCULLY: We are exploring options with DCCEEW, and I'm discussing it with Minister Sharpe. As you'd appreciate, I'm not in a position to make any announcement today, but when I do, you will know.

The CHAIR: Can you just tell me one thing?

The Hon. ANTHONY D'ADAM: Point of order—

The CHAIR: Have you evaluated whether the current koala habitat protections are consistent across local government areas?

The Hon. ANTHONY D'ADAM: This is an abuse of your position, Sue.

Mr PAUL SCULLY: The discussions we're having at this stage are Cabinet in confidence. As I said earlier, I don't furnish and don't openly discuss Cabinet-in-confidence conversations.

The CHAIR: I'll uphold the point of order against myself.

The Hon. ANTHONY D'ADAM: You should call yourself to order!

Mr PAUL SCULLY: I've been very generous and I hope, Chair, that this is reflected upon the next time I appear here.

The CHAIR: It's so unfair. I am the Chair who hosts everyone and allows the Minister to go over time, and I get called up.

Mr PAUL SCULLY: And can someone ask Mr Johnston a question? He has been sitting here patiently all day. This afternoon, can we give him one question?

The CHAIR: We are now in Government time, and you sure as heck better have some questions.

The Hon. ANTHONY D'ADAM: We have no questions.

The CHAIR: Unbelievable. I had one more question.

Mr PAUL SCULLY: It's because you've run out of time because it was chewed up by everyone else. It's disappointing.

The CHAIR: Thank you very much, Minister, for attending this hearing.

Mr PAUL SCULLY: Thank you, Chair. Thank you, members.

The CHAIR: We are finished with your questioning. The Committee will now break for lunch and we will return at 2.00 p.m. for further questioning with the department officials. Thank you all.

(The Minister withdrew.)

(Luncheon adjournment)

The CHAIR: Welcome back to this afternoon session.

The Hon. CHRIS RATH: I wanted to start maybe by going to the—where do I want to start? I might go to Moore Park. Do you have any further information about when we might expect a decision to be made on that—on the future of Moore Park in terms of both the contamination issue and then also the redevelopment?

KIERSTEN FISHBURN: The department and Greater Sydney Parklands are currently working through the draft establishment plan, including feedback that we've received. Further inputs to that are the work that has been done around potential contamination. They will all form part of finalising the establishment plan. I don't have a specific date for you as of today, but I'll take that on notice and come back to you.

The Hon. CHRIS RATH: What's the utilisation rate of Moore Park at the moment?

KIERSTEN FISHBURN: I don't have the utilisation rate of the broader park precinct. I do have some utilisation figures on the golf course at present. I'm just trying to find them for you. Here we go; it's Moore Park golf visitation. That's right. I don't have the areas where people are dog walking and the like. We don't have visitation figures for that. The Moore Park golf visitation is estimated at around 500,000 people a year. Of this, around 300,000 are to the driving range. As you're aware, we will be expanding the driving range as part of the

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development. Another 100,000 are estimated for food and beverage, which leaves around 100,000 estimated using the golf course.

The Hon. CHRIS RATH: What about Centennial Park? Do you have any figures for us?

KIERSTEN FISHBURN: I do indeed. In financial year 2023-24—I'm sorry I don't have more current, but I suspect you could assume it's roughly the same—Centennial Parklands had around 300 million unique visits. My note actually says "visitors" but that would be inaccurate. It would be "unique visits".

The Hon. CHRIS RATH: Is there any—I don't know if there even is a figure. Is there a capacity or a—what's the maximum number that the department would think could—

KIERSTEN FISHBURN: Fit into Centennial Parklands?

The Hon. CHRIS RATH: Yes. What would you say is an acceptable level?

KIERSTEN FISHBURN: To be honest, I'm not sure we've ever quantified that, but I will take that on notice because it could be the case. We certainly do set caps for specific events in specific parts of Centennial Parklands, but the whole parklands itself, I've never seen that figure. It doesn't mean it doesn't exist, so we can try and find out for you.

The Hon. CHRIS RATH: For Moore Park as well if you could.

KIERSTEN FISHBURN: Certainly.

The Hon. CHRIS RATH: Would someone be able to walk through—because it's all very recent, just with the announcement today—how the works-in-kind will work?

KIERSTEN FISHBURN: That will be Ms Gibson.

MONICA GIBSON: Correct. Today we released a number of documents, one of which is a policy document which commonly is going to be referred to as the works-in-kind policy. It is a guideline to help make some decisions about offers to deliver essential infrastructure to growth areas in replacement of making a housing and productivity contribution. The other documents released today were the infrastructure opportunities plans, which outline the matters that are the essential infrastructure to support growth areas. That's back to our urban development program. The guideline is about 27 pages long, so I won't go through all of that.

The Hon. CHRIS RATH: I didn't have time to read it before estimates this morning.

MONICA GIBSON: That is very understandable—no concerns with that. We will be doing a lot of briefings with councils, with the development industry and with particular proponents who will have ideas about matters that they want to bring forward under this guideline. The key part is that it's the first time we've had this policy for the Housing and Productivity Contribution scheme. We have had a different policy in the past, but we haven't had one with the housing and productivity scheme. That is new, and that's why we'll be doing a lot of briefings in relation to that. We'll be open for applications and proposals under these guidelines in June this year. We'll have a second opening later in the year. Ahead of that, we'll make sure that the people who want to use it are very well briefed on how it could operate.

The Hon. CHRIS RATH: The feedback from stakeholders on the draft policy—I know things may have changed since then—was the guidelines may not provide sufficient scope to enable the delivery of essential infrastructure needed to support housing growth across New South Wales. Has that changed in any way from the draft to the final?

MONICA GIBSON: It has. One of the other pieces that were released today were the infrastructure opportunity plans. Those documents will help provide some of that detail that we had questions about during the exhibition of the guideline. That helps to identify the specific infrastructure items that a proposal could be made against. We've tried to update the guideline in the finalised version to detail how some of the specifics of the policy might work, so specifics around credits and the specifics around how much of the Housing and Productivity Contribution scheme could be used for works in kind.

The Hon. CHRIS RATH: Were there any change to the caps between the draft and the final?

MONICA GIBSON: There has been some more detail about that. One of the things that still we will provide detail for when we open for applications is that we need to get a budget allocation to help us administer the total amount that we will use or contemplate for works-in-kind proposals in this first round. We need to make a request in this upcoming State budget to ask for that amount to be allocated. That's based on the revenue and the forward projection of HPC payments.

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The Hon. CHRIS RATH: It will be partly government funded and then partly developers making that contribution, the in-kind contribution, so to speak.

MONICA GIBSON: There will be a number of ways that the housing and productivity fund will be applied to the delivery of new infrastructure. This policy enables a portion of that fund to be considered to be delivered by developers in lieu of making a contribution or making a partial contribution. They might still pay some housing and productivity contribution, and they might deliver some works at the same time. The guideline provides the opportunity for that to happen and explains how the Government will go about making those decisions, and the process that will take for evaluating proposals from developers.

The Hon. CHRIS RATH: Thanks for that. I'll take a look in more detail as well, and I'll put anything on supplementary questions if I have any more questions on that. Woollahra and Edgecliff I have some questions on. I know it's been touched on before, but Edgecliff was originally excluded as a transport oriented development largely because of Sydney Water—I'll ask Sydney Water these questions next week as well. They're now saying that they can actually provide the necessary water infrastructure for Woollahra. What advice have they given you in terms of what's changed in that 12-month period between not taking up the offer of a TOD and now saying they can actually do it when it comes to Woollahra just down the road.

MONICA GIBSON: Just to clarify, at the time of identifying the locations for TODs, we're going back a couple of years now. That was in 2024 when we were doing that work. Because there had not been as much detailed planning for significant growth in the eastern parts of Sydney, information wasn't always readily available to confirm the very important questions that we had in deciding locations for further growth, for the TOD locations and the like. In the passage of time, more information has become available—and that's terrific—through a combination of work from Sydney Water and Infrastructure NSW and others to help inform more decisions that the Government has announced for growth in the eastern parts of Sydney. We now have that information for Edgecliff and for Woollahra, and we're using that information to inform the work that the department is leading with the master planning for those two areas, so around—

The Hon. CHRIS RATH: So Edgecliff and Woollahra would essentially be a TOD by another name? I assume it would have very similar characteristics.

MONICA GIBSON: In terms of it being a State-led zoning process and looking at more growth around train stations—one that is existing and one to be built—that is what we are doing in this situation. It doesn't formally form part of the TOD program, which is a particular program that was announced and included particular sites. But it is very similar—you're correct—in it being a State-led rezoning around an existing and a new train station.

The Hon. CHRIS RATH: When constructing the new Woollahra train station, will there have to be any acquisition of neighbouring properties?

MONICA GIBSON: They are questions that the department can't answer—

The Hon. CHRIS RATH: That's for Transport?

MONICA GIBSON: —and they're for Transport.

The Hon. CHRIS RATH: This one might be more for you than Transport. Will there be any development above the station at Woollahra?

MONICA GIBSON: That has not been part of the proposal. This is not an over-station development. No planning is being included for buildings above the new Woollahra train station.

The Hon. CHRIS RATH: That's all very helpful. I will move to councils and weaponising heritage. In particular, North Sydney Council has applied protection orders to a number of single-storey homes that had already been slated for redevelopment into multistorey projects. What powers are available to you to try to prevent that from happening? It just seems outrageous that after a DA has been submitted, the council would then almost retrospectively try to heritage-list properties slated for development to hold up the—

KIERSTEN FISHBURN: These were where they applied for an interim heritage order through Heritage NSW, correct?

The Hon. CHRIS RATH: Yes.

KIERSTEN FISHBURN: Obviously, I don't direct Heritage NSW. That would be a question for the Minister for the Environment, and Minister for Heritage. We do work very closely with our colleagues there, though, and they would understand that we would see that as a retroactive type of approach from local government. In general, we try to encourage the idea that heritage and development are not inconsistent and incompatible.

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In fact, actually using something is the best way to protect its heritage quality. That is something that the department works very collaboratively on with Heritage NSW in terms of our messaging. But the actual assessment of a heritage item would be in that department.

MONICA GIBSON: For the issuing of an interim heritage order, which I think might be the matters that you're referring to in North Sydney.

The Hon. CHRIS RATH: Yes. It does slow things down, though. I assume what has happened in this particular case, as with other examples, is that the council might not win, or they might not be successful in the interim heritage order, but it could slow down the development at that site for months, potentially, while that decision is being made.

KIERSTEN FISHBURN: Theoretically, anything that requires assessment can have a slowing effect, yes.

The Hon. CHRIS RATH: Sorry for jumping around a bit. The North Ryde data centre—it was on a site in Macquarie Park. It's creating 50 jobs, which is excellent. Is that the most appropriate site? How was the decision made to put it there, given it could have been used for more housing? Could it have been placed in a more appropriate site?

KIERSTEN FISHBURN: I'll ask Ms Gibson to talk about the Macquarie Park rezoning. I'll say at the outset, while she's finding her note, these are quite complicated matters. We've had a lot of consideration around sensitivities in the desire for data centre operators to be close to latent capacity, particularly in relation to the hospital, and also our aspiration and council's aspiration to see Macquarie Park as both residential and commercial.

MONICA GIBSON: The data centres are permitted in a range of zones, and that reflects that not all data centres are the same. They include data centres that are local development and assessed by councils and their processes, and some that reach a threshold for it to be State significant development and are assessed by the department. The range of zones that they can apply to include land in Macquarie Park. That has meant that the development would be permissible and allows for an application to be assessed—and all development applications consider the context, consider adjoining land uses, consider those range of impacts that can come from development. During the accelerated TOD rezoning for Macquarie Park, we did make some zoning changes and did look at the permissibility of data centres, and there were some changes to certain sites as a result of that. It has changed the land use intention and the land use permissibilities in Macquarie Park. Some places where data centres were permitted are now not permitted. Some development may be occurring in areas where at the time it was permissible but now it's not, and not permitted on the adjoining land.

The Hon. CHRIS RATH: That close to the metro station, the area could have been used for more housing. Was there any consideration for other sites, or was that the only appropriate site that that was considered?

MONICA GIBSON: Applications are led by proponents. It is their choice about making an application on a site, depending on its permissibility. But you can no doubt see, through the TOD rezoning at Macquarie Park, that we made decisions to increase development potential near the metro stations for both jobs and for homes, so that Macquarie Park had a future with more development and new development to occur. There has been a number of applications for new homes to go into the Macquarie Park area, so that upzoning that has occurred has really taken into account the infrastructure investment and the opportunity that a metro station provides.

The Hon. CHRIS RATH: I move now to Parramatta Road and the Government's plans along that corridor. The Government announced it has partnered with Inner West Council to deliver up to 8,000 homes through rezoning. What progress is being made there? I think we all would like to see Parramatta Road be a bit better than it is.

MONICA GIBSON: Absolutely, which I think was a really strong sentiment when the Government announced that we're partnering with Inner West Council for a State-led rezoning in that corridor. Early investigations are underway and the preliminary studies are underway. We are working very closely with council as well as a number of agencies, including Transport, about the mix of land uses, the types of built forms—so how tall the buildings would be, how bulky they would be—and the implications of that on Parramatta Road as a transport corridor and connecting into the heavy rail and the metro and the bus network that works around Parramatta Road. There are also discussions with council about the vibrancy of that area, with a mix of commercial uses as well as residential uses, and how the public domain would be improved. One of the things about Parramatta Road is that it doesn't have much amenity, so the ways to improve that public domain and improve the amenity are things that we are contemplating.

The Hon. MARK LATHAM: It can't get any worse—that's what you're saying.

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MONICA GIBSON: That's right. There have been some colourful terms used to describe that part of Parramatta Road, which I might leave to others to reflect on. But bringing that thought of improving the public domain into the planning controls and into the work that we'll be doing in the zoning is underway.

The Hon. CHRIS RATH: So we don't have any lodgements yet?

KIERSTEN FISHBURN: I was actually just going to suggest, Mr Rath, that we throw to Mr Wendler to talk about the Annandale dive site, in part because we've done our work faster than was expected. I would like that on the record too.

The Hon. CHRIS RATH: I know it's early days.

ALEX WENDLER: We have made very fast progress with that site. We only acquired it in April '25 and we have already received rezoning from the department. That was approved in December last year. We are progressing now with finalising the design and starting construction for the build-to-rent tower that is part of the \$450 million essential worker build-to-rent program. We've started the early contractor involvement with a contractor, and so the early works will start by midyear. That is very, very fast progress, taking into account that we just acquired the land last year.

The CHAIR: I think we're heading to Mr Latham for some questions.

The Hon. MARK LATHAM: Thank you, Chair, and thank you to the officials this afternoon. I'm sorry I missed old mate the Minister this morning, but I'll raise some similar matters and I'm sure we've got the expertise here to deal with them. My starting point is to say congratulations on the overall framework for housing supply and the new planning approach in Sydney, in particular—the fact that the emphasis is on Sydney going up, not out, with urban sprawl. The reform in the new planning Act is obviously a hugely significant achievement, and things like the HDA and so forth add to that. But can I raise and get a response to three issues that may be looming as rain clouds in terms of housing supply. The crowding out of housing investment due to the heavy financial investment we have in New South Wales in renewables and public infrastructure like metro—is that something that occupies and worries the planning officials or the secretary?

KIERSTEN FISHBURN: By housing investment, do you mean investment from government itself into housing?

The Hon. MARK LATHAM: No, the private sector. The private operators say the capital market's very shallow. Sometimes finance and capital are hard to access. The Treasurer, at least in our Chamber, has publicly acknowledged the role of renewables and public infrastructure in generating that particular challenge.

KIERSTEN FISHBURN: From the perspective of the department, our concerns there are predominantly around workforce. We are aware that there is a finite construction workforce in Australia generally and, if workforce is working on big infrastructure projects, there is, by its very nature, less to work on housing. That's an issue that is fairly live for everyone, likewise construction materials. Again, we generally tend to be an import market for a lot of construction materials. If they're going into other projects then that can sometimes increase prices of construction material within New South Wales as well. I wouldn't characterise it as either-or; it's not housing or renewables. Both things are priorities of the Government and both things need to be looked at, but it would be naive of us not to be aware that there could be challenges and to be making sure that we continue to talk with industry about those and about any possible mitigation they might see.

The Hon. MARK LATHAM: What's industry saying about the risk factors now involved in apartment defects dispute resolution? There's obviously a new band of lawyers out there pushing body corporates and apartment owners to make some extravagant claims. Meriton has publicised some stuff in this material. Queensland has a tribunal system for low-cost, more rapid resolution of these disputes. Is that something we need here in New South Wales to give investors greater certainty? Because at the moment they say they're heading to Queensland.

KIERSTEN FISHBURN: That is something that industry has raised with me, and Mr Triguboff has raised it with me on a number of occasions. Ultimately, they are matters for the Building Commissioner and the Minister for Building, and I would refer you to him. I think he's on at this point in time.

The Hon. MARK LATHAM: I questioned him this morning on that, but you've got a bit more oomph and can-do attitude. I'm hoping that Scully and yourself would get involved and get it done.

KIERSTEN FISHBURN: I will take that as a compliment, thank you.

The Hon. MARK LATHAM: You should.

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KIERSTEN FISHBURN: Look, I think that these are genuine issues for industry. They're not being disingenuous when they raise them with me. I wouldn't presume to be able to say what the resolution mechanism is, but I can assure you I've discussed them on many occasions with the Building Commissioner and will continue to do so.

The Hon. MARK LATHAM: Minister Chanthivong was saying this morning that Meriton's just an outlier and it's just really related to them and one apartment at St Ives, but it's broader than that, isn't it? The significance for planning is that, at the end of the day, the very firm impression in the public arena, quite rightly, is that you as secretary and Paul Scully as Minister are the chief movers for housing supply. If something goes wrong, they're not going to blame Anoulack; they're going to blame you guys.

KIERSTEN FISHBURN: All I can do is say that these are matters that are raised with me by the development industry.

The Hon. MARK LATHAM: It's more than one developer.

KIERSTEN FISHBURN: It's not for me to test those out. I don't manage the Building Commission, but I can say that, yes, these are matters that have been raised with me.

The Hon. MARK LATHAM: In terms of feedback from industry, is it much of a worry, this publicity that said that you can't turn a dollar building apartments west of Parramatta or south-west of Liverpool? Really, the pattern is to concentrate on the inner ring, isn't it, and the lower North Shore.

KIERSTEN FISHBURN: Feasibility within the inner ring is, yes, much higher. As you get further west, it becomes more challenging. It's not universal. There are some areas further out west—for instance, Penrith—where feasibility is still pretty strong, but there are distinct differences, yes.

The Hon. MARK LATHAM: But those issues are not a central concern for housing supply because there are other locations where it is.

KIERSTEN FISHBURN: Correct. We have modelled our housing policies around densification in the inner ring, where housing is more feasible. That said, we don't want to turn away from the west as well. People want to live in Western Sydney—as you yourself know, Mr Latham—and people deserve to be able to have their housing choices where they can have their housing choices. But from discussions that we've had with industry, yes, it would be fair to characterise that feasibility to the east of Parramatta is easier.

The Hon. MARK LATHAM: In terms of your advanced land use planning—strategic planning—what adjustments are being made to this new world of apartment construction in Sydney, going up rather than out? Also, what's being done to deal with legacy problems? When I was a much younger man, the orthodoxy always was that in Sydney, the congestion would be close to the CBD. I'm talking car congestion here. But now, amazingly, if I was to jump in my car from Camden way and drive in at seven o'clock in the morning, hoping to get here, the funnel—the amazing congestion—is on the M5 into Liverpool. That's the real choke point for all the development that we know of and housing development. Once you clear that, which can be torturous, you don't get a lot of congestion there through the M8, the M5 tunnels and into the CBD. What's the strategic planning to deal with that problem—because, I've got to tell you, it ain't pretty. It's a nightmare. It's surprising. It breaks all the conventions of what you think about congestion in Sydney, but it needs a long-term solution.

KIERSTEN FISHBURN: I'll let Ms Gibson talk about the Sydney Plan, other than to say I have had nine years of experiencing that trip on the M5 to Liverpool. The Liverpool weave is part of the problem there, as I'm sure you know, Mr Latham, when you merge in.

The Hon. MARK LATHAM: The Liverpool weave? I've been calling it the Liverpool choke. I used to do a few of those on the footy field, but it's no good on the road.

KIERSTEN FISHBURN: I will let Ms Gibson talk about the work that we've done with the draft Sydney Plan, which is on exhibition currently.

MONICA GIBSON: That's right. The Sydney Plan, which replaces the work that was done by the Greater Cities Commission-Sydney Commission in 2018—

The Hon. MARK LATHAM: They were useless. Hopefully you're going better.

MONICA GIBSON: We've produced a very different plan, which is on exhibition and closes tomorrow. We've had a lot of discussions with industry and councils about that plan, and we know that submissions will come through. That plan really reinforces the work that has already started with the TOD programs and the low- and mid-rise programs of making use of the transport infrastructure, heavy rail, metro stations and bus routes to be able to be the places where more homes are built in the short term. Today, with the release of the

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infrastructure opportunities plan, we've also identified some of the infrastructure that will be needed to support the growing areas in north-west, south-west and Western Sydney, as well as some infrastructure that would support some of the growth in the Illawarra, the Central Coast and the Hunter.

A lot of that is transport infrastructure. A lot of that is regional roads and State roads to upgrade. It's not new metros and it's not new motorways, but it is the intersection upgrades. It is the expansion of things like Rickard Road in Leppington from being a very small, almost rural road to being one that is the major road to support potentially 10,000 more homes in the Leppington area. The infrastructure opportunities plan is matching the housing growth that is being forecast in the western parts of Sydney, with the opportunity now for developers to contribute to delivery of that infrastructure to bring it forward more quickly.

The Hon. MARK LATHAM: That's good news about Rickard Road in Leppington, next to the rail station there, but it's not going to solve what's now officially known as the Liverpool weave or the Liverpool choke. What have you got in that regard?

MONICA GIBSON: I feel like I will need to have a chat with some Liverpool experts to confirm the location of the Liverpool weave or the Liverpool choke.

The Hon. MARK LATHAM: It's at the intersection of the M5 and the M7 and it'll extend back well past Brooks Road and then further on to Moorebank Avenue.

KIERSTEN FISHBURN: The Liverpool weave is at Moorebank Avenue. It's when you have three lanes coming into—

The Hon. MARK LATHAM: Yes, but the congestion is at the Cutler memorial thing.

KIERSTEN FISHBURN: The Cutler VC memorial.

The Hon. MARK LATHAM: We call it the pyramid there at the intersection of the M5 and the M7.

KIERSTEN FISHBURN: I think we might have to speak to our colleagues in Transport for NSW for that one.

MONICA GIBSON: We're happy to take that on notice.

KIERSTEN FISHBURN: Happy to take that on notice.

The Hon. MARK LATHAM: That's a big one—a huge one, actually. I move to a different topic. Secretary, your letter on 19 January confirms the external probity review of EOI and then the numbers. It's the—

KIERSTEN FISHBURN: It's the Billbergia?

The Hon. MARK LATHAM: Billbergia at the HDA. It has been completed and provided to the Minister. That has been over five weeks. Has the Minister determined next steps? Will you table the probity report to the Committee today or at some future time? What's the justification for holding the report back?

KIERSTEN FISHBURN: The report is legally privileged, so I'll just have to get some advice from my general counsel. I'll take on notice whether we are even able to do that or we would lose legal privilege if we did that. We are using that report as one of the inputs into the 12-month review of the HDA.

The Hon. MARK LATHAM: Where's that up to?

KIERSTEN FISHBURN: We are close to having finalised that. We've done consultation with some of the peak development groups and with—

MONICA GIBSON: Councils.

KIERSTEN FISHBURN: —I believe, Local Government NSW, Ms Gibson?

MONICA GIBSON: Yes.

The CHAIR: I take you to the Coffs jetty foreshore proposal. Thank you for assisting the Minister earlier with the some of the questions. Property and Development NSW continues to revise aspects of their proposal, naturally as it goes through the iterative process.

KIERSTEN FISHBURN: That's not abnormal.

The CHAIR: I am being asked about the process. At what point do changes potentially become material enough to require a further public consultation process, given the public interest in the proposal?

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KIERSTEN FISHBURN: It's somewhat a hypothetical. You are right: At a certain point, if changes are material enough in any proposal, be it a planning proposal or a DA, public exhibition is re-required. But, without having anything to hang that on, I can't give you an exact percentage or measure.

MONICA GIBSON: It's very much a merit-by-merit decision about whether the changes create new impacts that weren't seen in the previous exhibition. If there are new landowners who are affected or if the development changes from one land use to another land use, they might be some of the reasons why we would re-exhibit a proposal.

The CHAIR: The Minister referred earlier to the referendum question gauging public interest and the engagement so far. The referendum question was "The Coffs Harbour Jetty Foreshore will be redeveloped. Do you agree that some of the foreshore land should be used for multi-level private residential development?" There was concern that the development has now somewhat changed, therefore the accuracy of the reflection of the public's view around that may have changed. Given that 61 per cent of submissions have now objected to the proposal, do you think the notion around housing use and, in particular, the idea that Property and Development NSW has said they can't accommodate affordable housing is a change that is material enough to warrant further communication with the community of Coffs Harbour?

KIERSTEN FISHBURN: If I can just take the referendum question first, that was a referendum that Coffs Harbour council, in the previous term of its council, chose to put at the time of their local council election. That's not an input into planning. There was not a development application on exhibition at that point in time. It was a question that council chose to put. Since that time, council has resolved to broadly support the proposal. I won't say that they are supportive of absolutely 100 per cent of it. That would be exceptionally unusual for any development application. But they have a resolution that is standing on the books that says they support the proposal. Since that time, the department has gone on exhibition with the proposal, as you're aware, and has received the submission back.

The CHAIR: At the time the council made that resolution, was there a proposal on the table?

KIERSTEN FISHBURN: It had not been exhibited.

MONICA GIBSON: No, not the proposal that was exhibited.

The CHAIR: How is it the case that a council can resolve that they support something that isn't on the table and that's reasonable, but a previous council can't be legitimate in their concern that they don't support a proposal on the basis there wasn't a proposal?

KIERSTEN FISHBURN: No, what I'm saying is that it wasn't on exhibition at that point in time. Council obviously created a submission. What I'm doing is trying to explain that there are two things. There is the council's position, which has changed over time. That's fine. That's neither here nor there. They could have chosen not to support it. That's their right, but they chose to support it at this point in time. Then there is the fact that we have exhibited the formal proposal that has gone through the planning pathway like any other planning proposal would. Council have made a submission to that proposal.

MONICA GIBSON: There has been a longstanding and a number of plans proposed for the Coffs jetty. Pre-dating the proposal that was exhibited, there was some work that had been done, but not as a planning proposal—

KIERSTEN FISHBURN: As community consultation.

MONICA GIBSON: —in the same way that we have it. It was a little bit more of a master plan and some early thinking. The matter that we exhibited, it was a particular proposal. We exhibited that particular proposal. We extended the exhibition so that it was a longer period of time. We've had quite a number of submissions, which to me reflects that there was a good opportunity for people to look at that proposal, provide feedback and for that to be considered in the department's finalisation—our ultimate decision about whether this particular proposal should proceed as it was exhibited or with amendments. I want to take us a step forward in time into what I usually don't like doing, which is talk about a hypothetical. If a zoning decision was made for a change in the land use and there would be some potential, then, for new homes and development to occur, it would need to go through a development assessment process—which, again, would go through a public consultation and an opportunity for the public to comment.

The CHAIR: I have sat in so many Land and Environment Court cases where you're challenging a development and they say, "But the zoning does allow for this." We know how this goes, all of us, don't we?

MONICA GIBSON: Yes, but the mix of land—

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The CHAIR: It's very important to the community at this point about what the zoning changes to, particularly given we would be doing what is considered a really significant land use change from public lands to lands that then allow housing where it currently doesn't. It's a very significant rezoning proposal.

KIERSTEN FISHBURN: Can we check the rezoning map because I'm sure the land that is proposed for housing is SP, not RE.

The CHAIR: Yes, we went through this in the last budget estimates. There was a crossover and a bit and a part, but it's a very significant change for the community. We all know that.

MONICA GIBSON: That's reflected in the level of interest and the submissions that we've received, so we're taking those submissions and looking at them very carefully. Property and Development NSW, who have also looked at all of those submissions, have considered that for some time. Those are the documents that we had returned from them that we've recently published, so you can see their consideration of that. We'll need to take all of that into account before we make our final decision.

The CHAIR: What do you say to the fact that "direct delivery of affordable housing within the precinct is currently considered not economically feasible with the scale of the development proposed"? When the community reads that now, what are they meant to think about it at this point in time?

KIERSTEN FISHBURN: That's the proponent's response to submissions, so I would suggest you put that to Minister Kamper.

The CHAIR: In terms of the planning proposal that you've put and the notion that this is something that's important, in the public interest and for the benefit of the community of Coffs Harbour, who have taken overwhelming steps—steps that I haven't seen for a long time. In a referendum being put up with the local council's election, 61 per cent of people objected to it through the submission process. At what point does it become the department that's facilitating this change of land use on behalf of Property and Development NSW? Is there a point where the department can say, actually, perhaps this is just really not a proposal going in the right direction?

KIERSTEN FISHBURN: The department's currently considering the response to its submissions.

MONICA GIBSON: Nothing is a foregone conclusion until we complete our assessment.

The CHAIR: That's very good to hear, thank you. I'm sure people will be very happy to hear that. Can I just ask as well, I know the Ministers involved went to meet with First Nations Elders there—

KIERSTEN FISHBURN: Yes, I was there too.

The CHAIR: —and there was massive appreciation that that effort was made. Can I just ask, were there any minutes taken as part of that meeting that took place?

KIERSTEN FISHBURN: I will have to take that on notice. I'm pretty sure, from the department's perspective, we took some minutes for a business contact form, but I'll just have to take that on notice.

The CHAIR: Thank you. I've been asked, why was a walk on country not facilitated? The meeting, obviously, was very appreciated, but why was the walk on country, which was the main part of the request, not—

KIERSTEN FISHBURN: I don't know the answer to that. I was there on the permission of the Ministers.

The CHAIR: Could you please find out why the walk on country wasn't facilitated, whether the department has a protocol for culturally appropriate engagement in State-led redevelopment projects, and has that protocol been followed?

KIERSTEN FISHBURN: Yes, we do have protocols and practices around community consultation with First Nations groups. I feel very confident that we have followed those protocols, but I'll take that further on notice for you. In relation to what Ministers choose to do in their meetings, I simply can't answer that question.

The Hon. CHRIS RATH: I just wanted to move to an issue which has been reported on. It's the issue of an unauthorised AI application that was being used in the HDA. What action has the department taken since that has come to light?

KIERSTEN FISHBURN: I'll ask Mr Johnston to talk through the technical process that the department has taken. But, from a practical basis, the unauthorised software has ceased use and has been shut down. We'll go into further detail about that in a second. The department has commissioned Peter Duncan to undertake a review into the way that the software had been operating and whether it had caused any pollution for decision-making for HDA. I'm happy to take you through the outcomes of the Duncan report, but I'll ask Mr Johnston to talk through the technical matters.

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SCOTT JOHNSTON: I guess the points I'll speak to are on how we identified and managed any risks related to it. I'm happy to go down different paths if that's what you're looking for. We, within our cyber team and digital team, spent time with the developer of the application and understood how it was being used. We engaged a third party who works for us at times, particularly around cyber incidents, to give us advice around how to remediate—basically, remove—any data that might be held outside of our environments. This was undertaken very quickly after we identified—in the weeks following. We watched the developer delete and had a scan through the system to ensure that there were no footprints left from any of this to resolve any risk from further data breaches et cetera. Further to that, that helped us understand how it was being used and what risks might have been associated with the use of the development of the reports that were provided to Mr Duncan for his review.

The Hon. CHRIS RATH: That review has now been completed?

KIERSTEN FISHBURN: That review has been completed. It was publicly released by the Minister at the end of last year.

The Hon. CHRIS RATH: What were the findings?

KIERSTEN FISHBURN: There were four recommendations that Mr Duncan made, all of which have been accepted by the Minister in full. The first is to reinforce the New South Wales Government and DPHI's policies on the use of AI within the HDA and DPHI more generally. That has been ongoing throughout the department. In fact, I saw a message from Mr Johnston, just today, about that to the staff as well, but we have been doing that continuously since this occurred. The relevant policies have also been reviewed in light of the report as well. Mr Duncan also suggested we consider using authorised software to support the work of the HDA. There was not an issue with using software to support the work. In fact, we're very supportive of that. It was a matter that had been brought in unauthorised, and it wasn't within the department's controls.

That recommendation is supported, and work is underway already within the corporate services area to look at that. He recommended that we review all unsuccessful EOI reports prepared with support from the software to check for any errors. We have completed that. All 308 unsuccessful EOI reports prepared using the unauthorised software were checked for any errors. No material errors were identified, so that was a good outcome. Finally, Mr Duncan recommended—something we were intending to do anyway, but it's nice to have it formally in a review—that we undertake a previously planned review of the HDA's first 12 months of operations, with a view to making continuous improvement. As I detailed to Mr Latham, that is well underway.

The Hon. CHRIS RATH: Ms Wynter—is she still employed by the department?

KIERSTEN FISHBURN: I don't discuss individual personnel matters.

The Hon. CHRIS RATH: Okay. I might move on because I think the rest of my questions—you probably won't want to answer. I might move to Parramatta and the female factory, if someone can help me with those. There was a report given to the Government by—what is the acronym? The International Council on Monuments and Sites.

KIERSTEN FISHBURN: The EOCO—

The Hon. CHRIS RATH: I don't know.

KIERSTEN FISHBURN: We'll just take it that we all know who we are talking about, even if we don't know the acronym.

The Hon. CHRIS RATH: The ICOMOS. It was given to the Government in October last year. Was there any reason why the Government sat on that for four months?

KIERSTEN FISHBURN: It wasn't referred to my department. It would have been referred to the Department of Climate Change, Energy, the Environment and Water. It's Heritage New South Wales.

The Hon. CHRIS RATH: It was all within Heritage, so planning didn't have anything to—

KIERSTEN FISHBURN: That is my understanding. If I'm wrong, I'm happy to correct the record, but I certainly haven't seen it myself. Ms Gibson?

MONICA GIBSON: They're matters for the Minister for Heritage.

The Hon. CHRIS RATH: What about potential rezoning that could impact the nearby heritage? Is that something that's come across your desk, Ms Gibson?

MONICA GIBSON: We have been undertaking an assessment of a proposal from Property and Development NSW for a little while for Parramatta. It's a proposal that has been publicly exhibited, and we're reviewing submissions. The proposal at North Parramatta that we exhibited was for about 2,000 homes. That

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included up to 10 per cent affordable housing, jobs, as well as a university campus and open space as part of those zonings. The matters in relation to the female factory, as well as a number of other heritage items and heritage values, were very carefully considered in both Property and Development's proposal that they submitted to the department as well as our assessment of that and its suitability for public exhibition. During exhibition, we received submissions from a number of organisations and community members, as well as Parramatta city council, about the heritage values. Those matters are all being contemplated in our work to finalise and make a final decision about the rezoning of that land.

KIERSTEN FISHBURN: And just for avoidance of doubt, the Female Factory is not actually captured in that particular rezoning. It is obviously adjacent, but it doesn't form part of the rezoning.

The Hon. CHRIS RATH: That's right; it's nearby. But I think their report said that it could potentially have an impact on the Female Factory, given its proximity, and it suggested other potential protections that might interfere with the potential rezoning. But it sounds like, Ms Gibson, that's all under consideration, and there's not much more you can tell me about whether that rezoning is going to continue or what impacts it might have on heritage. It's all being assessed, is it?

MONICA GIBSON: That's right. We're considering all of those matters that have been raised and the new information that we have about the World Heritage listing.

The Hon. CHRIS RATH: The Royal Botanic Garden—I'm not sure if this is outside of your remit or if it's something someone can help me with.

KIERSTEN FISHBURN: That would be me.

The Hon. CHRIS RATH: Can you provide us with any information on the impact that the new parking permit system might be having on tourism operators at Mrs Macquarie's Point?

KIERSTEN FISHBURN: At present there is no impact because the changes don't come in until 31 March 2026. I know that's not what you're asking me.

The Hon. CHRIS RATH: To rephrase, what impact will it have?

KIERSTEN FISHBURN: Currently, parking around the botanic garden and The Domain on Mrs Macquaries Road is charged at a rate of \$9 per hour across all vehicles. Commercial tour buses are charged \$9 per hour. Once Mr Latham gets away from the M7-M5 congestion, when he's parking there, he's charged \$9 per hour. There's no sense about what the parking spot is actually being used for. On a proportional basis, buses should be paying \$27 per hour to reflect the amount of space that they occupy alone, before considering their broader impacts. I think the broader impacts are also of consideration as well. The change commencing from 31 March will be that all commercial tourist vehicles utilising the road for parking will be required to either pay a daily bus permit of \$75 or purchase a seasonal or annual digital parking permit. The rates that are generated from parking all go back into the Royal Botanic Garden, into scientific research and protection of the gardens themselves, so it is income that is directly hypothecated into the gardens. Importantly, school buses and non-commercial community buses will be exempt from the new tariff.

The Hon. CHRIS RATH: What's the new tariff? What's the amount?

KIERSTEN FISHBURN: That's the day permit of \$75; or the season permit, which is \$1,500 plus GST; or an annual permit, which is \$4,500 plus GST.

The Hon. CHRIS RATH: It could overtake the point entirely about buses or trucks or whatever taking up more space, but it could have quite the impact if it's \$4,500 per year. I don't know if you've looked at what potential impact that could have on—

KIERSTEN FISHBURN: I can give you some assurance. We have undertaken pretty extensive engagement on this through 2025 with key industry bodies, including Tourism Australia, the Tourism and Transport Forum, Destination NSW, the Australian Tourism Export Council and major operators. So consultation has occurred, and the fees have been set in relation to that consultation as well. It commences on 31 March. We'll be able to understand more at that point in time.

The Hon. CHRIS RATH: Sorry, I don't know if you mentioned this before. What's the expected revenue as a result of those increased fees?

KIERSTEN FISHBURN: I'll have to take that on notice. I don't have revenue output here. I'm sure we can approximately work it out. It really is dependent on tourism numbers coming into Sydney at any given time.

The Hon. CHRIS RATH: What mechanisms does the Government have to compel a council to respond in a timely manner to a departmental request relating to a local environmental plan?

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MONICA GIBSON: Could you provide a little bit more information? It could be some very significant powers that we have in some certain circumstances.

The Hon. CHRIS RATH: If there's prolonged inaction or a delay in progressing an LEP, in a broad sense, what would be the trigger for State intervention in that case? Is it the time it takes or is it—

KIERSTEN FISHBURN: Yes, time and complexity.

MONICA GIBSON: There are a couple of situations in a planning proposal process or a rezoning process where the State can become very closely involved where there are delays by a council. One is at the beginning of the process, where a proponent requests for land to be rezoned or an LEP amendment to be made for height or floor-space ratio. If councils say, no, they're not going to accept that application or they formally refuse that application, the proponent can come to the State Government for what's called a rezoning review. There's a well-established process and a policy for that to take place. We do a few of those—maybe about 20 a year. We also have the State Significant Rezoning Policy, which was adopted in, I think, 2023 or 2024.

KIERSTEN FISHBURN: Q3, 2024, I think.

MONICA GIBSON: The date is probably not so significant, but we've had that in place for a little while. One of the types of State significant proposals is where there has been significant delay by council, and we can take those proposals on to complete. There are a few examples of where that's happening. Sometimes it's because there are really challenging and complex issues for a council to resolve, particularly when dealing with multiple State agencies or with multiple landowners. Those matters can be difficult to get agreement on or to satisfy the requirements, so the department of planning can be involved. The Leppington town centre rezoning is an example of that, where we have two councils that have been working together—Liverpool and Camden councils—on rezoning proposals. There were some significant transport issues, so we have become more closely involved in that and taken that through to its finalisation and assessment.

The Hon. CHRIS RATH: Can you give me any information or update on the Hawkesbury Local Environmental Plan? I think it was last updated in 2012. What assessment has the department made of the risks to housing supply, employment, land delivery and flood resilience caused by the council operating under a planning framework that's quite out of date? It is, isn't it? I don't know if that's quite the norm, but 2012 seems like it's quite old. It probably needs to be updated at some point.

MONICA GIBSON: It can sound quite old—an LEP that has more than 13, 14 or 15 years since an entirely new LEP was prepared for an area. But what happens with most councils is that they don't need to rewrite all of their planning controls; they can amend it and make those modifications on sites or precincts, or across a group of zones, to update their controls. That's something that councils do with their local strategic planning statements. It's something that councils also do as they do rezonings. I know that Hawkesbury has looked at a number of site-specific rezonings.

If there are some particular locations or particular rezonings that you'd like to provide us with a little bit of detail on, we can have a look at that more closely. But I know we've had discussions as recently as the past month with council on the plan for Sydney and how that applies to Hawkesbury. We look very closely at Hawkesbury's flood controls, what's also happening with their rural land, and what's happening in a number of their towns and villages and the growth that's proposed. We have excluded Hawkesbury from some of our housing policies because of the flood impacts and because of some of the other characteristics of that local government area. So I wouldn't characterise Hawkesbury as being a place where there's not been a lot of attention on their land use planning. I think that there has been, certainly in relation to housing and flooding, quite a lot of attention. But if there are any particular proposals, I'm really happy to look at that.

The Hon. CHRIS RATH: There's no consideration at the moment for intervention by the department on the council relating to the LEP?

MONICA GIBSON: Nothing significant. My team might correct me with a little ping in a second if there's something that's not quite right in what I've said. We have worked closely with a number of councils across Sydney about the expectations that the Minister has set for their planning performance: those expectations about the average time frame for development applications to be assessed and if there are other land use planning matters, or even some infrastructure planning matters, that the Minister has set expectations on. We've formally worked with five councils and we have informally worked with other councils. We've had a conversation with Hawkesbury about that, because they do have and they have had appearance in the council league table as having some longer assessment times and outside of the expectation.

The Hon. CHRIS RATH: I just want to move now to the south-west metro corridor and the rezoning along there. I was wondering if you could explain to me how the decisions are being made at each of the stations

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along there? Obviously, Bankstown is the accelerated TOD and then at each station along the way it seems like they've had different plans being developed in consultation with the council. Is that a fair assessment? They've come up with their own plans, and along there it's only Bankstown that's the TOD, right? The others are more codesigned with the council, is that the—

MONICA GIBSON: I would describe all of the work that has been happening for zoning around the south-west metro sites, particularly with Canterbury-Bankstown council, as codesigned. The Bankstown TOD Accelerated Precinct, there were some earlier questions about some of that, and I explained at the time that it started from work that council had prepared as a masterplan that we then took and reviewed and prepared to finalisation as the TOD accelerated precinct. Other locations we flagged as being matters where we would do the lower scale TOD program, so controls that were set across several other station precincts, and Canterbury-Bankstown council asked to work with us and proposed something that would be more substantial than the TOD controls that we were rolling out through our State environmental planning policy. We have been working progressively and very productively with Canterbury-Bankstown council. We are very close to being at the end of that program with the last couple of sites, which are Wiley Park and Lakemba. I will get a message from my team if I've got that wrong.

The Hon. CHRIS RATH: That would be good. I might ask a couple more questions when it's back to my turn about those sites with stations along the way.

The Hon. MARK LATHAM: Secretary, you mentioned earlier on in relation to the probity review of the HDA Billbergia that it's going to be an input to inform the broader HDA review over the 12-month period. Does that mean, in summary, that the Billbergia probity review has pointed to some problems that inform the way the HDA can be improved? Are they problems of impropriety or process or some other origin?

KIERSTEN FISHBURN: Administrative improvements that could be made.

The Hon. MARK LATHAM: Of what nature?

KIERSTEN FISHBURN: They are administrative in the way information is presented to the HDA panel. To be frank, the Billbergia one was very, very early in the process, as you're aware. I'm being careful because I do have legal privilege here, but the suggestions that were made have been broadly ironed out through our learning and through a year's worth of application, as well.

The Hon. MARK LATHAM: Right. Has the Minister seen the Billbergia review or been briefed on it?

KIERSTEN FISHBURN: You'd have to ask the Minister that question. I haven't personally briefed him on that.

The Hon. MARK LATHAM: You haven't. Why is that?

KIERSTEN FISHBURN: I've been involved in undertaking the work from the Duncan review and that's been taking priority.

The Hon. MARK LATHAM: In terms of administrative process, was this one that Ms Wynter used with her husband's unauthorised AI software to assess a fast-track process? Was this one that was caught in that net?

KIERSTEN FISHBURN: I would need to take that on notice just because it was very early in the piece, Mr Latham, and I just don't have the exact dates. I just have to take that on notice for you.

The Hon. MARK LATHAM: In your letter of 19 January, you state that you're not aware of any unmanaged conflicts of interest in relation to the probity review. But I'm informed on 26 September last year in a meeting with Mr Matt Barrie that you personally acknowledged that Maddocks, the firm conducting the review, was conflicted because it was simultaneously acting for Canada Bay council, your department and Transport for NSW, and did you say you had trouble finding a law firm that wasn't conflicted? Doesn't this diminish confidence in the way in which the review was conducted?

KIERSTEN FISHBURN: I didn't make that particular statement because I wasn't involved in the appointment of the law firm. Law firms often take on multiple different clients at any time and they need to manage that particular conflict of interest themselves.

The Hon. MARK LATHAM: And how was it managed? Was it managed simply by switching partners within the same firm?

KIERSTEN FISHBURN: I will have to take that on notice and find out for you.

The Hon. MARK LATHAM: That tends to be a habit.

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KIERSTEN FISHBURN: There are management practices to do this, particularly in large law firms.

The Hon. MARK LATHAM: It doesn't instil a lot of confidence if all they are doing is switching partners within the one firm instead of a change of firm altogether. Could I ask were there any impropriety concerns from the review that invoked any of your section 11 responsibilities under the ICAC Act?

KIERSTEN FISHBURN: No.

The Hon. MARK LATHAM: There were none? Are you able to summarise in any way recommendations that came from the review?

KIERSTEN FISHBURN: There were administrative improvements in the way that information was presented to the panel.

The Hon. MARK LATHAM: How can these problems be avoided in the future, given that it was essentially four separate landowners never signed a consent for this particular parcel of land that Billbergia was seeking to progress through the HDA to State significant status? Also, the Canada Bay council's planning director wrote on 7 April last year warning that the applicant does not have an option over council land and therefore land tenure is not secure. Can we be assured that in the future the HDA won't be dealing with proposals where, effectively, the landowners haven't given consent and, terribly in this instance, find out after the event?

KIERSTEN FISHBURN: I think we've talked previously about the fact that landowners' consent is required at the point of submitting your EIS, so that is your safety net within the planning system. I would agree with you. We didn't handle this as effectively as we should have and we have learned from that and sharpened our processes as a consequence.

The Hon. MARK LATHAM: What does the new planning Act mean for reform of the HDA? One of the observations I made from the last round of estimates was that obviously Mr Draper is busy with a thousand matters as the head of the Premier's Department, and perhaps someone with a bit more time on their hands could be on the HDA to properly assess matters. He didn't seem to have any awareness of this Billbergia problem and also the news that these matters were being progressed, if you can call it that, to conflict within three minutes. What's going to happen there in terms of planning experts with time to do it properly and giving it greater, deeper consideration than the three minutes average?

KIERSTEN FISHBURN: We've talked through this before but I'm happy to say it again. There is a significant amount of work that goes in throughout the department in terms of providing advice and guidance to Mr Gellibrand, Mr Draper and myself. That forms the subject of a report, all of which is available to us prior to the meeting. I know Mr Draper and Mr Gellibrand spend some significant amount of time, as I do myself, reading those reports. We also, during the course of the meeting, get guidance and feedback from a number of people, most significantly Ms Gibson herself, because really we are looking at the strategic context in terms of these proposed developments—I was going to say "planning proposals", which would have confused everything. That guidance helps inform the decision, as well. There are many multiple inputs that come into making those recommendations to the Minister. The Minister then further receives briefings above and beyond the information that is presented to him from the panel. It is quite a considered process, and there is significantly more work that goes in than might be apparent just looking at the minutes.

I would like to say though, Mr Latham, last time you and I talked about this you raised the Billbergia issue and Mr Draper not being aware. Since that time—I said at that time as well that I think there was a failure and that we weren't reporting back when changes were made—we have now introduced that as a standard practice into the HDA briefings. If amendments are made to any of them—and amendments happen fairly often, right? Somebody might add another parcel of land or a slight shift might be changed. We might have got a lot number wrong; that happens occasionally. All of those are reported back to the HDA. Myself, Mr Gellibrand and Mr Draper are given awareness of those as well. If we wanted to, we could raise that as a concern or a question to be raised with the Minister. Thank you—you suggested that and we have brought that in as standard practice.

The Hon. MARK LATHAM: I'm glad to hear that. That's good practice.

KIERSTEN FISHBURN: Yes it is, actually.

The Hon. MARK LATHAM: Awareness is crucial. I've got to say, I was quite stunned that Mr Draper was unaware of it. He said he'd been overseas. He was inferring in the session I had with him that perhaps I was making all this up, which obviously wasn't the case. You've now done a review and people have learned from it. I thank you for that. Didn't the legislation or the Minister's intent say that, probably, planning experts will be used for the HDA down the track rather than a busy man like Mr Draper with a thousand other responsibilities?

KIERSTEN FISHBURN: I can't recall that statement being made. Mr Preshaw?

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The Hon. MARK LATHAM: Maybe I raised it at the briefing session.

KIERSTEN FISHBURN: Maybe.

The Hon. MARK LATHAM: Another positive is I'm always trying to help Mr Draper with his workload.

KIERSTEN FISHBURN: Mr Draper has commented to me that the HDA meetings are amongst the most enjoyable and interesting part of his job. I think you'll be wrestling it out of his hands.

The Hon. MARK LATHAM: It's just a shame that he missed the Billbergia matter. On Billbergia, does the department have any red-flag system? Clearly this company knew they didn't have the landowner consent from the four private landowners, nor from the council. They were pulling a swiftie. Does that mean in the system, while they temporarily got away with it, you mark them out for being a bit more careful in future and they are on a slower track than some of the other more honest and credible developers that we have in town?

KIERSTEN FISHBURN: I've learnt to be a little bit more cautious generally. I've said that. We've learnt from that as well. I can't speak to the specifics. We don't have a—

The Hon. MARK LATHAM: You don't have a red-flag system?

KIERSTEN FISHBURN: We don't have a system like that. I've said our checks and balances come when somebody submits their EIS, and that's when landowner consent is required.

The Hon. MARK LATHAM: Because Geoffrey Watson—I know he makes a lot of these recommendations—urged a re-examination of Billbergia's Leeds Street projects overall. You wrote to the landowners worried about it in January that they should take it off to ICAC even though you say you wouldn't exercise any section 11 powers. They've been mentioned in Tolosa adversely—the ICAC inquiry. I mean, some companies are a bit more worrying than others, aren't they?

KIERSTEN FISHBURN: I'll just take that as a statement.

The Hon. MARK LATHAM: You'll take that as a comment? Okay. I think we all know that they're not Obeid standard, but they're not Red Riding Hood either. We'll see how all that goes in the future. I might take that as my time expired and come back later on if I have other matters, Chair, on the knocker.

Ms ABIGAIL BOYD: Good afternoon to all of you. I just want to ask a few questions in relation to data centres following on from last year's estimates. In response to my questions last estimates, it was confirmed that the department does not take into consideration the fact that approval of a data centre may trigger costly network upgrades that are then socialised across New South Wales electricity consumers. Is that correct?

KIERSTEN FISHBURN: The department takes a number of factors into consideration in relation to data centres. Our role is to ensure that the utilities that are required to deliver a data centre are available. We're not responsible for electricity pricing.

Ms ABIGAIL BOYD: No. Do you know what the total additional approved demand in the Macquarie Park area has been in the last 24 months due to data centres?

KIERSTEN FISHBURN: I don't have that figure on me, but we can certainly get that on notice for you.

Ms ABIGAIL BOYD: I've got an application document from Ausgrid in relation—they're applying to the AER to permit them to recover the cost from consumers of a new subtransmission substation in response to increased demand requirements in the Macquarie Park area. It's a \$162 million project for that substation, and \$15 million of it is going to be funded by the data centre customers directly, with the rest of it socialised across their entire customer base. Does that concern you? Is there any consideration given at a department level when you're talking about that level of significant cost?

KIERSTEN FISHBURN: It certainly is an issue that is a whole-of-government area of consideration. We would be looking to Infrastructure NSW and DCCEEW for guidance as to the input into our planning assessment. They would both be the lead agencies. We would follow from direction that we had been given by them.

Ms ABIGAIL BOYD: Are data centres required to report their actual electricity consumption post-commissioning? I know they estimate it in their applications.

MONICA GIBSON: If that's a condition of development consent then, yes, it would.

Ms ABIGAIL BOYD: If it's a condition. Is it often a condition?

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KIERSTEN FISHBURN: We'll take that on notice and get an answer for you about that. We've approved 19 data centres, I think, since they came in as SSD. I suspect the conditions of consent are a little variable. We'll try and get some information for you on that one.

Ms ABIGAIL BOYD: Are data centres considered regionally significant infrastructure under the new Statewide Policy for Industrial Lands?

MONICA GIBSON: The Statewide Policy for Industrial Lands talks about the site itself, not about the land uses, per se.

Ms ABIGAIL BOYD: Is it right that that Statewide Policy for Industrial Lands doesn't speak to employment directly?

MONICA GIBSON: The statewide policy doesn't talk to employment directly—could you explain a little bit more about what you mean by that question?

Ms ABIGAIL BOYD: The policy identifies industrial lands as including lands defined by the Employment Lands Development Monitor, but then those employment lands and specific employment targets don't seem to get subsumed within the broader categories of industrial lands. Is that correct?

MONICA GIBSON: I'm not entirely sure what that question is. Let me explain it this way: The categorisation of the land is about its spatial distribution—how close it is to a port or how much land is in contiguous usage for industrial, existing or future. There are separate pieces of work that are being done to calculate job numbers for employment areas. There are some very significant State significant industrial lands that don't have very high employment numbers. Large warehouses, and even ports, don't have the same intensity of people per square metre as you might get in the CBD of Sydney, North Sydney or Parramatta. We know that there are some other significant ways to calculate the importance of the industrial land to the State's economy beyond just the number of jobs. It can also be about the type of activity that's occurring and the economic activity associated with it.

Ms ABIGAIL BOYD: The industrial lands are protected for industrial uses, but some of those industrial uses don't need employment, necessarily. Would a data centre be permitted under regionally significant infrastructure under that policy?

MONICA GIBSON: A little earlier today I explained the zones to which data centres apply. It includes commercial as well as industrial zones.

Ms ABIGAIL BOYD: Why do the SEARs for data centres not have consideration of the way in which additional demand increases greenhouse emissions?

KIERSTEN FISHBURN: I don't have a copy of the data centre SEARs on me, so I'll take that on notice. I'll give you a more detailed and meaningful response back than I could give you right now.

Ms ABIGAIL BOYD: The SEARs ask how the development minimises greenhouse gas emissions. There is a proponent in the Southern Highlands that's saying they want to build a 673 megawatt gas station solely to power their project. They're trying to argue that that's actually good for the climate because they're not burning coal, which we all understand is a bit silly.

KIERSTEN FISHBURN: Yes, we are aware of that project. Their proposal would be assessed against their use of energy and gas as well as other factors. We're conscious of that.

Ms ABIGAIL BOYD: Would it also include the fact that that would then increase greenhouse gas emissions? Would that be a relevant factor?

KIERSTEN FISHBURN: The department requires all applicants that are data centre applicants to achieve a power usage effectiveness criteria of 1.3, which equates to a five-star NABERS rating, for example. Notwithstanding that most applicants, putting aside the one that you're describing, commit to using renewable energy as part of their mitigation measures to reduce greenhouse gas emissions through entering into things like power purchase agreements, it is an area where we would like to see more done. This is a growing area, let's be really honest. We've done 19 data centres since 2019, but we did seven in the last six months, so it is a really growing area.

Ms ABIGAIL BOYD: Does that concern you though? I understand this is a gas station that the proponent is saying that they want to build that is bigger than the Kurri Kurri gas plant. This is a massive thing which is obviously going to have a huge impact on the climate. Do you worry that by these proponents trying to say, "We're not going to use as much of your energy," we're going to end up with these huge, dirty projects starting up?

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KIERSTEN FISHBURN: We will undertake a merit assessment of it. Proponents propose things that the department don't necessarily support. I don't want to prejudge an assessment that might be undertaken of this particular proposal, but we are conscious of this proposal and their intention to use gas.

CLAY PRESHAW: Can I just add something there? The SEARs for that project actually specifically require assessment against the large emitters guide as well, because we are concerned about that aspect of the proposal.

Ms ABIGAIL BOYD: Does the department assess whether proposed data centre loads are incorporated into AEMO's Integrated System Plan demand forecasts?

KIERSTEN FISHBURN: That is something that we will work with DCCEEW about, and they would be the ones who would be providing that analysis and inputs. We obviously take our lead from the policy and direction that they bring to us.

Ms ABIGAIL BOYD: If data centre load is not included in ISP assumptions, how does the department ensure that transmission investment planning remains adequate?

KIERSTEN FISHBURN: Again, we would work with our colleagues at DCCEEW in relation to that question.

Ms ABIGAIL BOYD: Has the department formally provided data centre load forecasts to AEMO or EnergyCo for incorporation into system planning?

KIERSTEN FISHBURN: We certainly are aware that EnergyCo undertakes that type of modelling, of course. I don't know whether they've got the data from us or whether they've got it from somewhere else. I just need to take that on notice.

The CHAIR: Mr Preshaw, earlier this morning the secretary said that you were working with councils to take all their powers away.

KIERSTEN FISHBURN: I would be very surprised if the Minister or I had made that statement.

The CHAIR: I know. I was being ultra facetious, but that is the perception out there. The law has changed; we know that. There is a move to councils changing their roles from decision-makers—these are the councils that still have those decision-making powers on development applications. It's moving from a system where councils can do that to that strategic work. Can you please provide the Committee with some information about what that looks like, the work that you've been doing, which councils you've been talking with and what the reception is?

CLAY PRESHAW: Sure, I'm happy to respond to that. I'd probably have to come back to you on the details of exactly which councils we've spoken to. Perhaps I'll just go back a step in terms of what's actually happening with the proposed changes to panels. As you know, in the metropolitan areas and also in Wollongong, Central Coast and Wingecarribee, where there are local planning panels, there have been some changes already. Just to clarify, those changes for regional planning panels, new regionally significant development applications are not going to regional planning panels anymore since January. They will, instead, mostly go to the local planning panels. That's the only change that has occurred to date in relation to the panels. In the regional areas, where there are currently no local planning panels, there are no changes at this stage. That's something that we've been making really clear in various forums. I'm happy to come back to you on the variety of different places we've spoken about that with the regional councils, but there are essentially no changes at this stage.

The CHAIR: So, for example, if we are looking at the Northern Rivers region, I recall that the mayor of Tweed council, Chris Cherry, and other councillors and mayors in that area were very surprised to hear about the long-term effect of the planning reforms. Has any work been undertaken with those councils that still have their full planning powers on the council and so forth to prepare them or talk with them about the future changes to their decision-making powers?

CLAY PRESHAW: Yes. As I said, we've got a number of different forums where we speak to regional councils. Ever since the reforms have been exhibited and available, we've been talking to those councils about the proposed changes. There was perhaps some misunderstanding when the reforms were proposed, even before they were passed through Parliament, that the removal of the regional planning panels would ultimately result in those local councillors in areas where they are currently making decisions on DAs—that that would no longer be the case if local planning panels were put into those areas and the regional planning panels were removed.

The CHAIR: So that's not the case.

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CLAY PRESHAW: I think that was just a misunderstanding. That was always the intention but, as I say, it hasn't happened yet. We're very comfortable that it's meant to be a staged process and we're certainly in no rush. We are basically just offering to talk to councils about the staged introduction of local planning panels, which will eventually lead to the removal of regional planning panels. I think it's clear we're not in a big rush to do that in the regional areas. We're happy to talk to councils about whether they would like to move to that earlier or whether they would prefer to wait. We have heard representations from some councils that they'd like to go there quicker. You've obviously referenced the Tweed, for example, where there are concerns about going there quickly. It's really just a matter of us going through the process of consultation and hearing what the various councils' concerns are, and we will certainly address those concerns through the staged rollout.

KIERSTEN FISHBURN: Chair, if you're hearing from any council—between Clay and myself, we possibly have spoken to most councils by now. If there is any council that would like to speak with us or if you're hearing that we're not listening or consulting, please just let me know and we'll happily take that up.

CLAY PRESHAW: We've obviously got—as you know, Ms Higginson—a large package of reforms that we're working through. Some of these other reforms are probably priorities that we're trying to get done really quickly. The changes of panels in the regional areas, I would say, are not high on our priority list at this point, but we are very happy and keen to talk to the councils in those areas about what their intentions and their concerns are.

The CHAIR: I've got a couple more on that, but I'll come back to it. There's just room for one more three-minute session of Opposition questions.

The Hon. CHRIS RATH: I've broken my flow. I'll go back to Metro Southwest.

MONICA GIBSON: I'm going to correct myself and say that it's Wiley Park and Punchbowl. I think I said Wiley Park and Lakemba. Lakemba is already completed.

The Hon. CHRIS RATH: So Wiley Park and Punchbowl have—

MONICA GIBSON: They're the last two of the locations where we're finalising controls, with the collaboration of council.

The Hon. CHRIS RATH: Why not just make every station a TOD or an accelerated TOD? What's the rationale behind doing some as TODs and some as something more bespoke, if I can put it that way.

MONICA GIBSON: I'm very happy to talk to that, which is something that I've been talking about at budget estimates now for a number of sessions—about the way that we selected sites for the TOD program. It was an extensive process of identifying and looking at all of the train stations across the heavy rail network and the metro network, from the Illawarra through to the Hunter—a multifactorial consideration of infrastructure capability, so what we knew about water, sewer; what we knew about the lot size and the pattern of lots; what the current development activity was in those areas, so what the current zoning was and what the current height controls would be; and information about the currency of any planning work that councils were doing.

That information was brought together from not just the department's information but information, as I mentioned in relation to Edgecliff-Woollahra, with inputs from Infrastructure NSW, Sydney Water and Hunter Water, as well as information that came from Transport for NSW about where there might be capacity in the existing rail network to accommodate more trips and more passengers on the network. That narrowed the list from more than 350 train stations down to a number where we had a subset of that. We identified those 36 locations for the TOD controls and then the eight locations for the accelerated precincts.

In seven of those precincts there was already substantial planning work that council had been undertaking, often stalled or slowing down. We were able to accelerate the finalisation of that so we could bring those controls into effect more quickly. It wasn't simply every station along this part of the rail corridor. In some situations, the land around it was zoned for industrial development, and we needed to contemplate whether it was better retained for industrial. In some locations there was quite a bit of flooding at that station, and we needed to be able to contemplate that. We excluded some locations because of those types of issues. We looked carefully at each one of the stations and then came up with our list.

The CHAIR: We're now going to take a break for 15 minutes, and we will be back at 3.45 p.m. for our final session.

(Short adjournment)

The CHAIR: Over to the Opposition.

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The Hon. NATASHA MACLAREN-JONES: I have a couple of questions that have come in from community organisations around community consultation for State significant sites, particularly around the length of time it takes for people to be able to put in their submissions and do the consultation. Is it a hard 28 days?

KIERSTEN FISHBURN: No, it can be extended.

The Hon. NATASHA MACLAREN-JONES: What are the rules around the application to be able to get the extension?

KIERSTEN FISHBURN: That's a decision of the department. Sometimes it's on the request of members of the community or a council, other times—and I think Ms Gibson gave an example earlier—it's because it's quite a complex project, or it's a project that has garnered quite a bit of community interest. There isn't a one size fits all. Sorry, Mr Preshaw?

CLAY PRESHAW: I was just going to add one more thing, and that is that typically the assessment teams in the department—if it's an SSD/SSI project, even if it's a 28-day submission period, they'll allow you to make comments after that as well. You can essentially just put in your view within the exhibition period and then, if you wanted to provide further comments at a later stage, they would accept that and consider those comments as well.

The Hon. NATASHA MACLAREN-JONES: The one that has been raised with me is in relation to the Ocean Street, Narrabeen, proposal. Are you familiar with that at all?

KIERSTEN FISHBURN: I'd have to take that on notice. If you want to read out the questions you've got, we can take them all on notice and we can come back.

The Hon. NATASHA MACLAREN-JONES: That one in particular—apparently the seeking submissions site has been down for a period of time. That's something you could look into as well, which has caused problems for people to be able to actually lodge.

KIERSTEN FISHBURN: The portals being down?

The Hon. NATASHA MACLAREN-JONES: Yes.

KIERSTEN FISHBURN: I'll ask Mr Johnston if he can get any details on that.

The Hon. NATASHA MACLAREN-JONES: That would be great.

SCOTT JOHNSTON: I will.

The Hon. NATASHA MACLAREN-JONES: The other one is more broadly around the State significant development applications that remain undetermined. Do you keep a database of that? How are they tracked, basically?

KIERSTEN FISHBURN: Yes. All development applications are tracked through the Planning Portal or the Major Projects portal.

The Hon. NATASHA MACLAREN-JONES: Are you able to provide a breakdown by local government area of those projects across the State?

KIERSTEN FISHBURN: Yes, but we'll have to do it at a point in time, because it literally changes day by day. Is it just SSDs you're looking for—State significant developments?

The Hon. NATASHA MACLAREN-JONES: Yes.

KIERSTEN FISHBURN: Certainly, we're able to do that. We have a little bit of information which Ms Gibson just got about that SSD that you were asking about.

MONICA GIBSON: Yes, we think that the application might have been appealed to the Land and Environment Court, so that might change some of its status on our website. We will check on any portal outages. If we know that there are any—and I'm not aware of any that have occurred just recently—that is one of the reasons why we would extend an exhibition period.

SCOTT JOHNSTON: I'm not aware of any currently, and today there haven't been any, as far as I'm aware, as well. We'll check further but I don't think there is, to the best of our knowledge, any issue.

The Hon. CHRIS RATH: I'll wrap up on the south-west corridor. Even if you wanted to do each station there as an accelerated TOD, you really couldn't, based on those factors you suggested, like flooding or industrial land or water and sewerage capacity or whatever the issues. It wouldn't be feasible to do them all.

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MONICA GIBSON: Or practical. I might separate the word "feasible" out here, because often talking about some of the development costs and the developability issues, they're separate to the land use issues that we might consider at the time that we did that work—but conditions do change. The statewide industrial land policy was recently released, and we will have a look at that in relation to some of the locations, both on the metro line but also on the heavy rail network, to see how that might change. We keep in regular discussions with councils about any local planning work they might be doing. While we might have said these were the sites for our TOD program through 2024 and 2025, there's nothing precluding council working with us or working themselves on controls to raise the density or development around a station or around a metro site, a light rail stop, a major bus interchange—all of those things we really encourage to be well-located homes. If council can resolve matters about the industrial zoning or they have better flooding information, then that can all be fed into their own local work. We're really always very happy to work collaboratively with council on new sites for upzoning.

The Hon. CHRIS RATH: If you have the figures on hand—otherwise I know you might want to take them on notice—what is the predicted increase in homes at each of the stations along the way? I assume you probably have a figure for the accelerated TOD at Bankstown, but maybe not the other stations yet.

MONICA GIBSON: I would like to take that on notice, just as we're finalising Wiley Park and Punchbowl. That way I could give you a more accurate number.

The Hon. CHRIS RATH: And over what time frame as well—that would be very helpful. On the planning system reforms that passed Parliament last year, which we supported, what consideration was given at the time to any potential risk that may have been identified from ICAC about ministerial discretion and the centralisation of the process? I know that in the past they've been sceptical or have urged caution when it has come to more centralised ministerial decision-making. Were they consulted as part of the planning system reforms, making sure we don't go back to the bad old days of 20 years ago?

KIERSTEN FISHBURN: Mr Preshaw?

CLAY PRESHAW: I'm happy to comment on that. The answer to your question is basically, yes, we did consult with the ICAC during the formulation of the reforms. I think we had two meetings. I'd have to take on notice exactly the dates and the outcomes of that meeting, but we received some advice from them around what we were proposing and what the potential risks were, and that was taken into account.

KIERSTEN FISHBURN: The department has a very good working relationship with the ICAC, as you'd like to hope. For example, the Housing Taskforce, which will merge into the Development Coordination Authority on 1 July—as you're aware, that's one of the signature pieces of the reforms—have had the ICAC out talking to them about best practice and how to work together. It is a very open relationship. We do learn from their experiences and from any operations that they undertake, and we also do discuss matters with them as we work them through in the department.

MONICA GIBSON: They also come and train and brief our staff.

CLAY PRESHAW: That reminds me, before I was involved with the actual establishment of the bill, there were meetings with the department and ICAC in relation to the HDA as well.

The Hon. CHRIS RATH: Did they raise any concerns about the operation of the HDA?

KIERSTEN FISHBURN: No concerns. They gave us some advice around things that you would expect—documentation, conflicts of interest, probity management. We take very seriously any advice we're given by the ICAC.

CLAY PRESHAW: You would have noticed, as the bill went through, there were some provisions included around reporting on the HDA and how it's operating—including the establishment of a select committee, actually, to review the operations of the HDA periodically after its establishment.

The Hon. CHRIS RATH: With the HDA, three eminent public servants are basically making a decision. I mean, the final decision is with the Minister, though, right?

KIERSTEN FISHBURN: Absolutely. We are making a recommendation. The final decision rests with the Minister. The Minister hasn't always accepted our recommendations. That speaks to the integrity of the process.

The Hon. CHRIS RATH: That's true. But how does it differ—I know this is years ago—to part 3A, for instance, under the old planning system. It was essentially Ministers making decisions back then.

KIERSTEN FISHBURN: You've answered the question via the question. There are three very senior public servants with differing types of expertise in these particular areas coming together with advice from the

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department. Again, the most senior strategic planner in the State is providing advice into that. Those recommendations are then made to the Minister. The record of meeting for the HDA is all absolutely transparent—it's published—so there is nothing being done behind closed doors. The EOIs, both successful and unsuccessful, are also published as well. I really see it as quite distinct from what has occurred in the past.

The Hon. CHRIS RATH: Yes, and I accept that. At the end of the day, I accept it's the Minister making the decision.

KIERSTEN FISHBURN: He is the Minister for planning.

The Hon. CHRIS RATH: There's a democratically elected Minister, but it should be published if there's a differing opinion or decision made from the advice received. It sounds like that's the process in place, so I accept that.

MONICA GIBSON: The other part, part 3A, was often the approval to go build whereas this is a process to come into the State significant path for assessment. The part 3A also switched off development standards, where, under the State significant assessment that happens, once something is declared from the HDA it means that they're assessed against the development standard. There's a lot of change and a lot of difference between part 3A, as you've acknowledged.

The Hon. CHRIS RATH: Does the HDA speed up approvals? I assume, expressed in a better way, it helps get an SSD more so than it would speed up the approval process. Or is it, by getting an SSD, you're going to speed up the approval process?

KIERSTEN FISHBURN: The HDA's only role is to provide recommendations and advice to the Minister. The recommendations would be whether something should be an SSD. The advice may be if the HDA had seen a number of projects in a particular area—I'm just giving a hypothetical example—it may provide advice to the Minister that the department might want to look at this particular area. They could provide advice under that in that type of way. The way the projects are sped up, though, is the department does things in a way that is more consistent and certain than you are going to necessarily see in every single council.

There are 128 councils that do things 128 different ways. We do things one way because we're the one department. For developers, the HDA provides the option to go for council, if they want to go for council, or to come into the State, where you know what the SEARs will be because we have published those SEARs and you know what you'll be assessed broadly against, and you know approximately the time the development assessment will take because we have targets that we assiduously work towards. So you've got that certainty and you're got that consistency, which is probably, for most developers, the distinction between that and a council assessment. You can still go to a council, though, if you choose to, and I'm really pleased that some councils do speak to developers and say, "Stay with us. We'll give you that level of support if you stick with us."

The Hon. CHRIS RATH: I assume there's a range of different criteria about whether something should be an SSD or not, but I assume there's also a threshold, isn't there, of a certain—is it \$75 million? I don't know if that's right.

KIERSTEN FISHBURN: It's \$60 mill. I'll ask Ms Gibson just to talk through the criteria, because there are criteria.

The Hon. CHRIS RATH: I assume that's not the only criteria, the \$60 million.

KIERSTEN FISHBURN: That's not the only criteria.

The Hon. CHRIS RATH: Otherwise, there would be no need for the HDA.

KIERSTEN FISHBURN: And well located.

MONICA GIBSON: That's right. The criteria for EOIs to be assessed against are published. There are four objectives, and within those a number of subsets. So matters about the type of residential housing, it needs to be high yield residential development. It's not about single dwellings; it's about apartment buildings, multi-dwelling housing, seniors housing developments. It also needs to be about a value threshold, so \$60 million in the Sydney region, but it's \$30 million outside of that region, so that allows for some smaller-scale development to be considered in regional New South Wales. It also needs to be largely consistent with existing development standards and, if it's not, they could apply for a concurrent rezoning. There are matters about the infrastructure that's available and development contributions that councils have and commitments to pay those contributions in council plans.

We also look at whether the application has previously been refused. If this was an application that was previously considered to not be a good site or a good development scale for a location, then that's something that's

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relevant for the HDA panel to know about and to be considering in their assessment; and then well located, so that it's not on land that is bushfire prone, that has significant flooding issues, that is not a sensitive environmental area. We also want it to be well located to within about 800 metres of transport and services. We check for water and sewer capacity. We also ask that there's an affordable housing outcome—an affordable housing contribution, dedication of land or commitment to dedicate units as affordable housing. Then, if they're proposing a rezoning, there are some additional matters to be taken into account. I went into a bit of detail there to tell you all of that because it's a very thorough process.

The Hon. CHRIS RATH: It's good to know.

MONICA GIBSON: And it's not a quick assessment. These are not things that are—I think it's been characterised previously as three minutes of assessment. They are actually matters that take quite a bit of time and information gathered across the department from a number of teams. That goes into reports that are then checked and considered, and then briefings as well to the HDA panel. There's quite a bit of work there to consider these sites because we take this change very seriously. We very much want to encourage more homes to be built in New South Wales and to work towards the housing target, but they need to be well-located areas and they need to be locations that are going to add to the great communities of New South Wales.

The Hon. CHRIS RATH: Are you seeing more applications coming in because of that criteria to make more of an effort to try to incorporate social and affordable housing? Developers might think, for example, if they build a six-storey apartment block, if they did one floor or two floors of social or affordable housing, it might be viewed more favourably by the HDA? Are you seeing them change their plans?

KIERSTEN FISHBURN: It's the expectation that developers commit to affordable housing if they are part of the HDA, yes. What that is can vary, depending on the development site.

The Hon. CHRIS RATH: Like, it's a must?

KIERSTEN FISHBURN: It's a must, yes. But that is part of the criteria and part of the merit assessment. I have just got a note to say that Clay has more ICAC information.

The Hon. CHRIS RATH: Go ahead.

CLAY PRESHAW: If I can just explain the various meetings we've had with the ICAC in relation to reforms. There are five meetings that I'm aware of that related to the reforms. The first was 5 September '24. That was in relation to establishment of the Housing Taskforce, which has since transitioned into the Development Coordination Authority, the DCA. Another meeting on 18 September was in relation to calling in projects before the HDA was established; 2 October—that was again in relation to the Housing Taskforce; 22 November 2024 was in relation to the establishment of the HDA and some of the stuff around the criteria; and then another meeting on 30 April 2025 was in relation to a number of other reforms that we were proposing at that stage. At that latest meeting, it was agreed between the department and ICAC that we would meet again in the future once the reforms were moving into the implementation phase. I've taken a note that we will make sure that that meeting goes ahead sometime soon.

The Hon. CHRIS RATH: Thank you. Just going back to Parramatta Road, I know some of these questions might be more for Transport, but it's got housing implications as well. As part of the expected uplift of 8,000 homes along that corridor, what is being done in relation to liaising with Transport about additional transport options—buses, light rail, anything like that?

MONICA GIBSON: We are working very closely with Transport, as you'd well imagine. That's partly because that corridor, the area that we were investigating, is some of Sydney's best-served areas in terms of the number of bus routes that pass along Parramatta Road but also connect to Parramatta Road to connect north and south to the suburbs either side of Parramatta Road. Understanding how the motorways connect in and WestConnex connects into this area and how that all functions and how that might change over time; how the opening of metro stations and the new metro stations nearby will change; and any need for any new bus routes or bus lanes to be accommodated within that space. We're working very closely with Transport. We also want to see a lot of walking movements and a lot of cycling movements in this area as more people choose to live in this location and want to go to parks, shops, schools and all the services that are nearby. There are some excellent existing strategic cycleways—the GreenWay and others—that are not far away from this precinct, so there is lots of work across Transport to look at how those movements will be accommodated if this population increase comes through the rezoning.

Ms CATE FAEHRMANN: Ms Fishburn, I will go to you and you can direct it accordingly. Are you aware of a recent announcement by Newmont, the owner of Cadia goldmine, that they've essentially had to decrease by 44 per cent their projection of the amount of gold that they were going to mine out of Cadia, primarily

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because of a geotechnical stand-off—which is an interesting term—from the in-pit tailings facility. I think your department would be quite aware of the issues with Cadia and the use of the pit to store tailings in because your department has approved six applications for modifications for that since 2018.

KIERSTEN FISHBURN: Yes, I wasn't aware of the actual percentage, but I was aware that Cadia had made that statement. I'm also aware that they've advised that they will be submitting a modification request as well.

Ms CATE FAEHRMANN: That's right, they're going to be submitting a modification request. I understand that the last five applications, modification 11 to modification 15, had a very quick turnaround. Apparently the community was told by the mine manager at a community meeting back in 2018 that you couldn't deposit tails in the pit as it was too dangerous, it posed a risk to the underground mine and would sterilise any gold that was beneath the pit—but that's happened anyway. Are you confident that the department is giving due diligence to these approvals and considering whether it's best practice to put these tailings into this pit?

KIERSTEN FISHBURN: I'm confident in my departmental staff and their diligence in terms of their assessment, yes.

Ms CATE FAEHRMANN: What does a geotechnical stand-off mean, then?

KIERSTEN FISHBURN: I haven't made that statement myself, so I would have to get a response from Cadia, unless Mr Preshaw is aware.

CLAY PRESHAW: No.

Ms CATE FAEHRMANN: It's in relation to the facility that you keep approving the modifications for.

CLAY PRESHAW: I haven't heard that terminology before, so I'd have to take that one on notice.

Ms CATE FAEHRMANN: Do you think there are any issues with the in-pit tailings facility, based on your knowledge? Are you closely involved in any of it, Mr Preshaw?

CLAY PRESHAW: To be honest, not at the moment.

KIERSTEN FISHBURN: Not presently, no.

CLAY PRESHAW: I've been working on planning system reform for some time now. But I would agree with Ms Fishburn in that there are very detailed assessments undertaken for all of those modifications you're referring to. I might also add that, in terms of compliance, Cadia has been subject to a lot of compliance activity from the department. I've got some statistics here saying that there have been 18 inspections of the site since May 2021, so I think there's a lot of attention being put to Cadia both from an assessment of modifications point of view and regular compliance inspections as well.

Ms CATE FAEHRMANN: Do you have any choice, really, other than to approve the modification request? It's a bit of a pickle of a situation because the EPA commissioned an independent report by Hydrobiology last year that has found that mine water was getting into Cadiangullong Creek and that it was probably coming from the pit.

KIERSTEN FISHBURN: The EPA's investigations are ongoing at this point.

Ms CATE FAEHRMANN: But that was what that report found.

KIERSTEN FISHBURN: I don't have a finalised report and EPA's investigation should be referred to the Minister for the Environment.

Ms CATE FAEHRMANN: It is published, that report.

KIERSTEN FISHBURN: We are obviously aware of these things. Mod 16 hasn't been submitted yet, so I'm answering questions in the absence of actually having a modification on hand.

Ms CATE FAEHRMANN: The issue is that the pit is leaking. This is what the independent hydrogeologist found, that the pit is leaking. Cadia mine, or Newmont, has basically had to decrease their resources by 44 per cent due to—they're calling it a geotechnical stand-off from the in-pit tailings facility. That's pretty clear if they're telling the ASX that.

KIERSTEN FISHBURN: This is not language that the department has used or engaged with. That's a question for Cadia.

MONICA GIBSON: I think we can get you a better—

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KIERSTEN FISHBURN: Yes, I think we can get you a better answer. I don't have any information about that particular statement from Cadia.

Ms CATE FAEHRMANN: The reason I'm raising it is because these modifications keep being submitted. They keep being approved, essentially, to prop up an extremely dodgy arrangement at Cadia goldmine where they're storing these tailings in a massive pit—something they were advised by the mine manager back in 2018 they shouldn't do. The department has approved it. Another modification is coming in. At what point can the community rely on the department of planning to see commonsense and say something else has got to happen?

KIERSTEN FISHBURN: All I can say at this point in time is that we haven't received the mod 16 yet. We have had early discussions, including a scoping letter. The community will be able to comment on the modification when it's exhibited, and previous submitters and landowners will be notified as well. That will be the opportunity.

Ms CATE FAEHRMANN: They're very well aware of that. These poor people have spent hundreds and hundreds of hours of their time—wasted, really—submitting to all of these applications to no avail. Did New South Wales planning ever require a detailed assessment of the potential risk of leakage or seepage from the pit—or the total failure of the pit—prior to issuing each modification?

KIERSTEN FISHBURN: I'll have to take that question on notice. I don't have the details in front of me.

Ms CATE FAEHRMANN: Will you commit to doing it this time?

KIERSTEN FISHBURN: I'll take that on notice. I don't have modification 16 submitted into the department at this point in time, so I simply can't answer that question. I will take on notice to look at what assessments were undertaken for previous modifications.

Ms CATE FAEHRMANN: That would be good, and you'll take on notice whether you'll commit to undertaking any assessment this time.

KIERSTEN FISHBURN: I don't have the modification on hand to look at what would be required for assessment.

Ms CATE FAEHRMANN: Has your department had any discussions with Newmont or any meetings in the last 12 months about the in-pit tailings facility?

KIERSTEN FISHBURN: We did issue SEARs for continued operations in mid-2024, so I'm presuming that we have had meetings, but I don't have the list of meetings. I'm happy to take that on notice for you.

Ms CATE FAEHRMANN: It's the department's responsibility, isn't it, to try to protect those water sources around the area from mine pollution?

KIERSTEN FISHBURN: Yes. Those are matters that we take into consideration as part of assessment and that we rely on advice from the EPA.

Ms CATE FAEHRMANN: I'm trying to work out what the department does once things are approved. One example here is in relation to Maules Creek. I submitted quite detailed questions on notice about Maules Creek mine from Whitehaven Coal and Boggabri, the Idemitsu mine, to the environment Minister because I assumed it was the environment Minister who would be responsible for all this. The reason I'm saying this is because I was told that it was all basically under the responsibility of the planning Minister and under DPHI. Let's take, for example, the Maules Creek coalmine from Whitehaven Coal. For the clearing events that have taken place between 2015 and 2025—for anything in relation to that clearing, to ensure that certain conditions were met, the clearing was restricted between 15 February and 30 April, for example. How do you ensure that the conditions are met, the company is undertaking the clearing according to the way they should, and that the buffer zones in the conditions are there? How do you ensure that is all hunky-dory?

KIERSTEN FISHBURN: I'm going to give a general statement, not one on Maules Creek, just because I don't have the information on it. We do undertake compliance activities which are both reactive and proactive in relation to development consents. There is also the opportunity for people to contact the department if they think conditions of consent are being breached, and we would investigate that as well.

Ms CATE FAEHRMANN: Within the department, which officers are they? Where do they sit?

KIERSTEN FISHBURN: We have a compliance team within the department that sits in development and assessment. I've got the exact number here—50 staff at present, and we are also increasing our compliance team as well.

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CLAY PRESHAW: Can I just add some more information around, just generally, how we manage the ongoing operations of a coalmine. In this case, I think you're talking about Maules Creek. I don't have the details on that particular consent at hand, but typically the way that it works is that there'll be clear operating conditions. In this case, you're talking about biodiversity limits. They have very clear performance criteria that they have to comply with. There will also always be a requirement to report. There'll be annual reporting, which will relate to all of the specific operating conditions performance criteria. They'll have to report that to the department on an annual basis.

This is the case for all coalmines: There will be a requirement for an independent environmental audit. I'll have to check the timing of that for that particular coalmine, but it will be every two or three years they are required to get an independent auditor in that will provide, essentially, an independent version of events as to whether they're complying with all of those conditions. On top of that, as Ms Fishburn and Ms Gibson have pointed out, there's a big compliance team that has grown over the years, and they can undertake inspections at any time. I think, in the case of Maules Creek, we could provide you some details on compliance.

Ms CATE FAEHRMANN: I have lots of questions here that I will redirect to you now as supplementary questions that I did put in for the environment Minister.

The CHAIR: I briefly spoke with the Minister earlier about any work in relation to the koala SEPP and the fact that we're still working on the two chapters, Ms Fishburn. Is there any work happening on the koala SEPP part of the biodiversity SEPP?

KIERSTEN FISHBURN: There are active discussions with DCCEEW at this point in time, yes.

The CHAIR: When you say discussions—because the environment Minister explained to budget estimates at the beginning of the week that the Government's approach in relation to the Koala Strategy was going to be a different approach to previous governments, that perhaps there wouldn't be a standalone Koala Strategy anymore, and that it would be integrated into the plan for nature. But in terms of the planning framework—

KIERSTEN FISHBURN: That would, as I think the Minister alluded to, be a decision of Cabinet, so I'm constrained as to what I can say other than that the two departments are very actively working together.

The CHAIR: This is my point. She's made it very clear that there are active considerations for a very different course of action to the one we've been used to for several years—a long time, actually, the original koala SEPP. Is it your understanding right now, within the department, that there will not be any change to the current koala components of the Biodiversity and Conservation SEPP in the immediate future? There will be no change.

KIERSTEN FISHBURN: As I said, the two departments are actively discussing koala matters together, as the environment Minister alluded to, and decisions would be Cabinet decisions, so I can't comment any further.

The CHAIR: In relation to that, at the moment there are those council areas that still have koala plans of management that apply to only part of their LGA.

KIERSTEN FISHBURN: Yes.

The CHAIR: In particular, I'm thinking at the moment of Tweed council. I've had representations made to me by various councillors who are really concerned about the gaps that are happening in terms of DAs being assessed where there aren't koala plans of management, and we're still looking at those individual plans. It seems to be that we are really not working on a best practice system. What's your understanding of those LGAs and those kinds of DAs at the moment?

KIERSTEN FISHBURN: The concurrence for koala plans of management rests with me, and it's actually one I'm pretty sure I can't delegate either, so I am very aware of them. Obviously, councils have made representation to both my department and the Department of Climate Change, Energy, the Environment and Water about some of those concerns. They are all factors that the department is aware of and alive to.

The CHAIR: When you're making your concurrence decision, what guidelines are you working with? Not the 1994 ones, surely.

KIERSTEN FISHBURN: No, I don't want to give you the wrong details, so I'll take that on notice. Obviously, I get advice from my sustainability and resilience part of the department.

The CHAIR: The concerns that have been raised with me—if you wouldn't mind just taking this on, as the concurrence officer—are that we're still looking at that "death by a thousand cuts" phenomenon, particularly in those areas where koalas are looking at extinction kind of realities. Can I ask you briefly about whether there's any further work being done since we last spoke on the link tree road development—particularly given Newcastle

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council has resolved to oppose that proposal—the infrastructure challenges and, as I put to you last time, that it is prime land for the reserve system.

KIERSTEN FISHBURN: I will ask Ms Gibson to speak to that one. We know it as Eden Estates.

MONICA GIBSON: Chair, the Eden Estates is a State-led rezoning that the department is currently undertaking studies and investigations on, including a peer review of biodiversity studies that were prepared when the proposal was going through a council path. That includes some work that Newcastle council has given some advice to us on about matters that they would like to see investigated. We're at quite early stages of that zoning process, so it's not until later this year that we think that we will be in a position to exhibit a proposal. That will, of course, consider the infrastructure needs, the upgrades and additional requirements. In today's lower Hunter infrastructure opportunities plan, there is some infrastructure along Newcastle Link Road that has been identified in that plan, because there are also a number of other growth areas that have happened that access that link road. We're aware of the infrastructure needs for that area.

The CHAIR: Are they needs or excessive challenges?

MONICA GIBSON: I would say needs.

The CHAIR: Right.

MONICA GIBSON: The matters that you've outlined about the environmental studies and the biodiversity studies are underway. We need to do that work to identify a draft development footprint. I know that there have been a number of proposals and how big the site could be. It is a very large site. At over 550 hectares, it's quite a large site, but we don't expect anything like the entirety of that site to be developed for housing. We think that a significant portion of that will need to remain in a conservation zoning to provide the local biodiversity and support local biodiversity.

The CHAIR: So any proposal will literally be looking at greenfield development.

MONICA GIBSON: Yes, if your thoughts of a greenfield development is one where there's no housing there at the moment and the proposal is for it to be a residential area but with some local services as well—some local shops.

The CHAIR: It's a road through the bush, isn't it? That's ultimately what's there.

MONICA GIBSON: That is one characterisation of it. It has been identified in the Greater Newcastle Metropolitan Plan as being within the urban—

The CHAIR: Hasn't council resolved to oppose it now? I think that was the latest, that there was a resolution that they actually don't want it to proceed.

MONICA GIBSON: There have been a number of resolutions of council over a couple of years, so you might be referring to a range of different things in talking to that.

We're taking it on as a State-led rezoning because there is a significant opportunity there that is worth exploring. I don't want to presume that that's going to result in a zoning for 3,000 homes. That is a proposal. We need to carefully assess that and to do these investigations. We're taking the lead on that because of the size and scale of the development and also to help facilitate the discussions with our biodiversity colleagues and our transport and infrastructure colleagues as well.

The CHAIR: Are you able to provide what you estimate the cost of that exploration exercise would look like, at some point—even just a rough estimate?

MONICA GIBSON: I'm happy to take on notice the budget that we've allocated towards the investigations for this State rezoning.

The CHAIR: I would be very grateful. Mr Preshaw—or maybe Ms Fishburn—since the Climate Change (Net Zero Future) Act 2023 and the EPA's large emitters work and policies, can the department identify a concrete example of where the application of the climate change Act has altered the outcome of a planning determination? Obviously, I'm looking at the high-emitter projects.

CLAY PRESHAW: I'm happy to take that question. I would say that all those policy changes and legislative changes are now actively taken into account in assessing coalmine applications, whether that's new DAs or modification applications.

The CHAIR: But is there one that you can point me to? I'm pretty familiar with all of them, where they've applied, and it's literally the application of that law that has changed the final outcome.

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CLAY PRESHAW: I assume you know, Ms Higginson, there would have been no new DAs for coalmines approved in that time. I can't point to any conditions of consent because we haven't had any determinations of DAs in that time. But when we were talking about the emissions decision on Mount Pleasant and what it has meant for projects since then—

The CHAIR: All those extensions and projects—they're the ones I'm referring to.

CLAY PRESHAW: It led me to go look at a few assessment reports—

KIERSTEN FISHBURN: We actually had this discussion earlier today.

CLAY PRESHAW: I've been out of the business for about a year, doing planning system reform, but I was—

The CHAIR: You can blame Mr Gainsford.

CLAY PRESHAW: I was looking at some of the assessment reports, their length and the details that are provided now in those assessment reports. For the two DAs, the assessment reports that have gone up to the IPC on Moolarben and Chain Valley, in relation to emissions they absolutely refer to those legislative changes and those policies you're referring to and even to the Net Zero Commission's spotlight report from the end of last year. I was looking at the Moolarben project. I think there was 12½ pages on emissions, and there was 2½ pages dedicated just to the issue that you raised earlier around Mount Pleasant—the potential impacts of scope 3 emissions on the locality. I would say that, absolutely, it's influencing our assessments and that greenhouse gas emissions have become a more and more important issue for projects. But has it changed the decision? Well, there haven't been any decisions yet on a new DA for coalmines in that time.

The CHAIR: I'll finish on this. Can you show any example where you, as the assessment team, have recommended reduced emissions from what was applied for? I'm happy if you want to take that notice.

CLAY PRESHAW: I think I have to take that on notice.

KIERSTEN FISHBURN: We'll take that on notice, yes.

The CHAIR: I just think it's time to do that exercise, isn't it?

The Hon. CHRIS RATH: I only have three or four questions from the Opposition, and then we're done. I have a couple of questions on Warragamba Dam and Western Sydney floodplain issues. With the Government's decision or priority not to raise the Warragamba Dam wall, what alternative flood mitigation strategy has been put in place?

KIERSTEN FISHBURN: These would be questions for the Reconstruction Authority, because we will take direction from the work that they are undertaking.

The Hon. CHRIS RATH: You might be able to answer the next one then, insofar as housing supply. Has your department looked at if there could be any additional increase in housing with greater flood mitigation in that Hawkesbury-Nepean catchment, whether it would be raising the Warragamba Dam wall or some other type of flood mitigation? Could you get a more greenfield development out there if you had better—

KIERSTEN FISHBURN: Well, the Government's stated position is not to raise the Warragamba Dam wall, so—

The Hon. CHRIS RATH: You haven't modelled it.

KIERSTEN FISHBURN: I would not, under those circumstances, direct my department to model something that goes against the Government position. Obviously, we respond to the authority that is the expert in this area, which is the Reconstruction Authority. At the moment, they're undertaking the really detailed modelling. Once that is completed, we can look at that and use that as an input into what we might do in the department. Ms Gibson, is there anything you wanted to add to that?

MONICA GIBSON: There is the very broad Hawkesbury-Nepean flood plain and issues related to that. There are some smaller catchments within that where we are looking at what might be some local mitigations that might enable some changes in land use, where very tight controls can be met. We are having discussions with a number of councils about those matters. For example, in doing the Marsden Park North rezoning that the Minister referred to this morning, we very carefully looked at what would be the capacity of the road network to be able to evacuate people—existing people and new people—during extreme flood events and more frequent flood events.

That information informed the decision about what land was included for residential development and what wasn't included for residential development, as we exhibited that plan. There are similar situations in other places. We have some broad considerations to look at across the Hawkesbury-Nepean Valley. The disaster

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adaptation planning for that is one that the Reconstruction Authority is leading on, and we're participating in work that they are doing. But we will look at some smaller areas within the existing policy settings to determine what is a good land use decision, particularly for residential development.

The Hon. CHRIS RATH: I assume you probably don't have a figure about what the raising of the wall would cost, given it hasn't been a priority for the past three years?

KIERSTEN FISHBURN: It's not a government priority, so, firstly, my department wouldn't hold that figure and, secondly, no-one's going to cost out something that isn't Government policy.

The CHAIR: Ms Fishburn, as the secretary, how do you think we are tracking in terms of renewable energy project approvals, given such a strong imperative to see those projects green-lit and rolled out?

KIERSTEN FISHBURN: In terms of approvals, I am really pleased with the work that is done in the department, and I'm delighted to get this on the record for my team that works on it. We have significantly improved the time that's taken for approvals for solar, wind and BESS. We are moving at real pace to make sure that we are part of the solution in the transition to renewables. I'm also very, very pleased with the guidelines that were introduced, I think it's now about 18 months ago. That's provided a lot of certainty to councils, to community and to proponents. They've been very well received, and I think they've helped with our capacity to be able to undertake assessment without as much community concern. Although, I'm not naive; I know that that still remains in play.

The issue that we see at the moment is not one of assessment, it's one of translation, and that's around whether approvals are translating into actual projects on the ground. Our understanding—and I'll just say our understanding; really, these questions are best taken to EnergyCo at a further detail—is that feasibility issues affect the renewable energy sector as well. But from the perspective of what the department can do, which is to get approvals in a timely fashion in a way that provides assurance for community and community benefit, I'm very proud of what we are doing. I'm going to put it on the record: I thank Chris Ritchie and his team for the work they've done, and Clay and his team for the work in previous years.

CLAY PRESHAW: Can I just add, in terms of the issue that Ms Faehrmann was raising around the rate of construction, some stats that I think are interesting? You've asked this in previous versions of this forum. There are 134 approvals of wind, solar and battery that we've done at the SSD level. Of the 134, only 47 of those projects are actually operational, so that's 34 per cent. I guess good news is that quite a few have now moved to the construction phase, so 28 are now under construction, which is roughly 13 per cent. There are some 70-odd projects that are yet to commence construction. More than half have not commenced.

The CHAIR: I know I should ask EnergyCo in terms of that, but have you got any rumours or are you getting any feedback in terms of that? I know it's difficult because there isn't a formal system.

KIERSTEN FISHBURN: The predominant feedback we get is around feasibility. It is an area that—

The CHAIR: When you say feasibility, is it the cost factor?

KIERSTEN FISHBURN: Yes. It is a fairly marginal investment at this point in time in terms of being able to build out the renewables. It is an area that there is whole-of-government interest on and we do discuss these matters with EnergyCo and our colleagues and try to work towards solutions together and to better understand it. It's something that has work well underway.

The CHAIR: Because Ms McCaughey, in the estimates with Minister Sharpe, was indicating some positivity around what was happening in terms of the uptake.

KIERSTEN FISHBURN: I think you've got that from the figures from Mr Preshaw. We are seeing more under construction now, and I think EnergyCo are really doing a terrific job in starting to really explain the renewables transition to work more actively with communities. I think that will then translate into more projects actually occurring on the ground. We all need to do our part. I'm very proud that the department has done what we need to do in making sure those assessments are there. Then we will continue to work collectively across government to see those translate into renewable energy for the State.

The CHAIR: I received some suggestions to put to you about community consultation, where it's proponent led, which it naturally often is, that early engagement—whether you're seeing improvements in that or whether you think there should be. The suggestion was to introduce minimum statutory standards for early stage community engagement. Do you think that's already been addressed in the guidelines or do you think we could be doing better?

KIERSTEN FISHBURN: I think the guidelines have been very well received and certainly have improved the level of consultation and the level of engagement. They make it quite clear what is the expectation

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of the department and that makes an enormous difference. Happy to take any comments or suggestions. I think the Minister said when he was speaking, we believe in continuous improvement, we will continue to look at things. I will say I'm not hearing the same level of unrest or disquiet that I was hearing a few years ago, but if it still exists, of course we will have a look at that—we're always open to new ideas.

CLAY PRESHAW: If I could add, some of these things take a while, particularly the early engagement piece, to really take hold. There was two big tranches of work that happened in 2024 and 2025. The first was the Rapid Assessment Framework, where you get the new scoping report guidelines and the new undertaking engagement guidelines. In combination with the renewable energy framework that we introduced later on, I think together those things are working in a way that you are seeing better engagement from applicants with the community and with affected stakeholders. I think that probably is borne out in the faster assessment time frames and the ability to get some really big projects through the system. I think we are gradually seeing improvements in that space because of the work the department has previously done in getting that guidance published.

The CHAIR: The question was around should those early engagement requirements become—should there be standards that are enforceable rather than discretionary?

CLAY PRESHAW: The issue we had prior to 2025 is that a lot of the projects were in the system before those guidelines became enforced and they were saved as "transitionals" that sort of saved those old projects. Now those guidelines are enforceable. They are referenced in the SEARs and they are things that the department can make the applicant do because they were in force when the projects first started coming into the system.

The CHAIR: Your view at this point is, now that everything is being implemented, we are actually seeing improvements?

KIERSTEN FISHBURN: That would be my observation, though we haven't done any analysis that would be anything outside of observation. That's why I'm saying if you're hearing concerns otherwise, please provide it to me.

The CHAIR: Have you got at the moment any applications for pumped hydro?

KIERSTEN FISHBURN: Yes, we do.

The CHAIR: Do you know what they are?

KIERSTEN FISHBURN: I'll have to take that on notice but there are four pumped hydro applications in some shape or form in the system, unless Mr Preshaw can get to the note faster than me. One, of course, being Snowy Hydro.

The CHAIR: I was going to say excepting Snowy Hydro.

KIERSTEN FISHBURN: Then another three. I think two are preparing EIS and another is in pre-SEARs scoping.

CLAY PRESHAW: Two that I can find right now are Stratford pumped hydro and Muswellbrook pumped hydro. I'll endeavour to get back to you on the others.

The CHAIR: So they're still very early? You've done SEARs for those?

KIERSTEN FISHBURN: We've done SEARs for those two.

CLAY PRESHAW: There's also Oven Mountain pumped hydro.

The CHAIR: That's the one up north, as well, isn't it?

CLAY PRESHAW: Yes.

The CHAIR: With the SEARs for pumped hydro, can I ask what did you as the department look to in order to get—I've obviously got Snowy Hydro, but that one is obviously quite unique compared to the others.

KIERSTEN FISHBURN: It's quite a distinctive project, Snowy Hydro.

The CHAIR: Where did you go to try and create and ascertain what best practice SEARs were for pumped hydro?

KIERSTEN FISHBURN: I will have to take that on notice, but we certainly would have looked to what best practice looked like. It is a fairly new industry. We may be best practice ourselves. I will find out and we will take that on notice for you.

CLAY PRESHAW: Could I just clarify, there are two more where SEARs have been issued: Lake Lyell and Yarrabin, or Phoenix, pumped hydro.

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The CHAIR: So that's five in addition to Snowy.

CLAY PRESHAW: Correct.

The CHAIR: Just going back to that Marsden Park North development, I have received so much concern about the wetland there. I actually went and visited the wetland with some absolutely wonderful, incredible bird enthusiasts—birdos is what they're called.

KIERSTEN FISHBURN: Is that a self-given name—the birdos?

The CHAIR: Apparently.

KIERSTEN FISHBURN: They're twitchers, though.

The CHAIR: No, these were birdos. It was wonderful. These were some really incredible young people. When we were there, they were telling me all these incredible birds that I could hear and that I could see. In terms of the scoping and what's happening there, there is real concern around what is already in the pipeline and what will actually or potentially happen around that wetland. The idea that the flood mitigation work and the flood proofing in the area is going to have a really significant impact on that wetland, and the idea that the wetland is a product of a development from years ago, so it's more of a constructed site over time—how is that going to be properly considered in any proposal?

MONICA GIBSON: We've received submissions about the migratory shore habitat, and concerns about the relocation of settlement ponds and how that might affect that habitat, and the alternate proposal. There are a number of matters for us to consider, including current safety and public health concerns on their existing location. They're on private land that is not regularly monitored and may include contaminants. There are quite a number of matters for us to consider in addition to the habitat that's provided, but also public safety matters. We'll be looking at all of those as we work towards the finalisation of this proposal. The finalisation of the proposal is expected during this year, but later this year.

The CHAIR: With the finalisation of the project, will there be any more engagement with the community, or is that part done?

MONICA GIBSON: We've done the formal exhibition of the planning proposal. We will consider, if there is anything that changes with the proposal, about whether there's a need for targeted consultation with affected landowners or community groups, or whether there would be any other formal public exhibition of a revised proposal. We haven't made a decision about that at this stage, and we wouldn't make that decision until we're further through our assessment.

The CHAIR: Are you aware of the current Land and Environment Court proceedings around the Redbank proposal? When the IPC, a proponent and any other third parties are in that kind of Land and Environment Court proceedings, does the department have to assist the IPC?

KIERSTEN FISHBURN: We're not party to that particular proceedings, to my knowledge. I'll make sure I check that for you, but it's not—

The CHAIR: I know this sounds trite, but it's been a while since I've been in that world and I'm just trying to get a grasp of the back end of the system. Who provides the assistance to the IPC as they're navigating the class 1 merits jurisdiction in the court now?

KIERSTEN FISHBURN: This is not an area that is my strength, so I do just want to take that on notice so I don't give you an incorrect answer—unless I get an answer back in a second, but I don't think I will.

CLAY PRESHAW: Typically, in those instances where it's an IPC decision, the department does a submitting appearance and leaves it to the IPC. Typically—I'd have to check the exact numbers on that.

KIERSTEN FISHBURN: Yes, let's check those.

The CHAIR: Would you have a particular procedure where the department recommended approval but the IPC refused it and then the proponent is challenging it? I certainly know to the community it would be seen as a terrible conflict if the department was then at all engaged in assisting the IPC. Would you agree?

CLAY PRESHAW: I think I would have to take this on notice. I don't think there is a particular procedure. It's quite an unusual circumstance that you're describing there.

KIERSTEN FISHBURN: It is not the norm that a department recommendation is not accepted by the IPC. It is an unusual circumstance, so let us just get some further advice to you about that one.

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The CHAIR: Thank you, I'd be curious. If you could please let me know if the department currently has any role in assisting, even if it's a secretariat role or whatever that role is. I know that relationship is generally the way it works, but now we're in that class 1 jurisdiction. Is the department assisting the IPC and, if so, to what extent?

KIERSTEN FISHBURN: I'll get some advice from my lawyers and my general counsel on that one.

The CHAIR: The other thing I just wanted to say—and I'm not trying to be a complete smarty here—is when we referred earlier to that Coffs jetty proposal, three of the buildings that are in that proposal at the north end of the precinct are, in fact, on that RE1 public recreation land.

KIERSTEN FISHBURN: Okay, thank you.

The CHAIR: I just wanted that to be clear, because there are people out there that are very concerned about the way this matter is being handled. Thank you, government officers, for your attendance today. The Committee secretariat will be in touch, as always, in the near future regarding any questions taken on notice and any supplementary questions. We are very grateful in Portfolio Committee No. 7 for your attendance, your diligence and your assistance.

KIERSTEN FISHBURN: Thank you very much, Chair. Could I just have on the record my thanks to departmental staff, who work very hard to get us all up to speed and to make sure we can provide information to you in a timely fashion. I also thank Mr Rath and Ms Maclaren-Jones for their first time on this particular Committee. Thank you for treating my staff with courtesy and respect the whole way through. It is always appreciated. Generally we have, as much as you can in budget estimates, a fairly pleasant time. We appreciate being able to explain the work of the department.

The Hon. CHRIS RATH: I've been quoting you a lot recently because I love this quote—"We need to build everything, everywhere, all at once."

The CHAIR: Except on high-conservation-value lands, of course.

(The witnesses withdrew.)

The Committee proceeded to deliberate.