

UNCORRECTED PROOF
GENERAL PURPOSE STANDING COMMITTEE NO. 1

Monday 8 October 2012

Examination of proposed expenditure for the portfolio area

PLANNING AND INFRASTRUCTURE

The Committee met at 3.45 p.m.

MEMBERS

Reverend the Hon. F. J. Nile (Chair)

The Hon. C. Cusack
The Hon. M. R. Mason-Cox
The Hon. M. J. Pavey (Deputy-Chair)

The Hon. P. Primrose
The Hon. A. Searle
Mr D. Shoebridge

PRESENT

The Hon. Brad Hazzard, *Minister for Planning and Infrastructure, and Minister Assisting the Premier on Infrastructure NSW*

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**

CHAIR: I declare this hearing of the inquiry into the budget estimates 2012-13 open to the public. I welcome Minister Brad Hazzard and accompanying officials to this hearing. Today the Committee will examine the proposed expenditure for the portfolio of Planning and Infrastructure. Before we commence, as required I will make some comments about procedural matters. In accordance with the Legislative Council guidelines for the broadcast of proceedings, only committee members and witnesses may be filmed or recorded. People in the public gallery should not be the primary focus of any filming or photos. In reporting the proceedings of this Committee, you must take responsibility for what you publish or any interpretation you place on anything said before the Committee. The guidelines for the broadcast of proceedings are available on the table by the door.

Any messages from advisers or members' staff seated in the public gallery should be delivered through the Chamber or support staff or the committee clerks. Minister, I remind you and the officers accompanying you that you are free to pass notes and to refer directly to your advisers seated at the table behind you. Transcripts of this hearing will be available on the web from tomorrow morning. Minister, the House has resolved that answers to questions on notice must be provided within 21 days and the Committee has agreed to that. I remind everyone to turn off their mobile telephones. All witnesses from departments, statutory bodies or corporations will be sworn prior to giving evidence. Minister, I remind you that you do not need to be sworn because you have already sworn an oath to your office as a member of Parliament. However, I ask the other witnesses to state their full name, job title and the agency they represent and to swear an oath or make an affirmation.

SAM HADDAD, Director General, Department of Planning and Infrastructure, sworn and examined; and

RICHARD PEARSON, Deputy Director General, Department of Planning and Infrastructure, affirmed and examined:

CHAIR: I declare the proposed expenditure for the portfolio of Planning and Infrastructure open for examination. As there is now no provision for a Minister to make an opening statement before the Committee commences questioning, we will begin with questions from the Opposition unless the Minister wishes to make a brief comment on any matter to clarify our hearing.

Mr BRAD HAZZARD: No, thank you.

The Hon. PETER PRIMROSE: I ask Mr Haddad a question. Your departmental executive group meets regularly, is that the case?

Mr HADDAD: Yes.

The Hon. PETER PRIMROSE: Can you tell me the name of that group? Does it have a title?

Mr HADDAD: We have two executive group meetings. One is what we call the board meeting and it constitutes the deputy directors general. At the moment we have Mr Ian Reynolds, Richard Pearson—present here—me and Marcus Ray, who is our legal counsel. We have a larger one, which currently consists of nine people in total—the people I have indicated plus the executive directors.

The Hon. PETER PRIMROSE: Does that larger group have a name or a working title?

Mr HADDAD: It is called the planning executive.

The Hon. PETER PRIMROSE: If I can ask the Minister a question, please? In estimates last year you said your title of Minister for Planning and Infrastructure was "not just a title; I was sworn in under the Constitution". Obviously that is still correct, is it not?

Mr BRAD HAZZARD: That is very observant of you, Mr Primrose.

The Hon. PETER PRIMROSE: Thank you. Were you at the announcement of Infrastructure NSW's 20-year State Infrastructure Strategy on 3 October?

Mr BRAD HAZZARD: No.

The Hon. PETER PRIMROSE: Were you invited to the media event that the Minister held with the Treasurer later that day?

Mr BRAD HAZZARD: I was invited earlier, not on that day, to come to the announcements but I did not attend.

The Hon. PETER PRIMROSE: Can you give us some idea why you were unavailable to attend?

Mr BRAD HAZZARD: On 3 October I was in either Canada or the USA, I cannot remember which—looking, by the way, at planning- and infrastructure-related issues.

The Hon. PETER PRIMROSE: In estimates last year you also said of Infrastructure NSW—

Mr BRAD HAZZARD: Otherwise I would have loved to have been there.

The Hon. PETER PRIMROSE: In estimates last year you said of Infrastructure NSW, "Infrastructure NSW is probably the single biggest difference as to what has been done in the past in major infrastructure and what will be done in the future". Do you still hold to that view?

Mr BRAD HAZZARD: Yes.

The Hon. PETER PRIMROSE: What priority do you give to a second rail crossing over Sydney Harbour?

Mr BRAD HAZZARD: The very question you ask shows the ignorance that you have, unfortunately, about the process that is around Infrastructure NSW and what we intend Infrastructure NSW to do.

The Hon. PETER PRIMROSE: Thank you for being prescient but could you please answer the question?

Mr BRAD HAZZARD: I can answer the question, just to remind you, in any way I like and I am about to do that. The Infrastructure NSW structure is something that nobody in the Labor Party would have any understanding of because they spent 16 years not doing anything to deliver any infrastructure. Infrastructure NSW was born of a concept that we developed from Opposition—the Liberals and The Nationals—whilst we watched you people completely fail year after year to deliver on any infrastructure. Of course, we well remember the excellent example of the then Premier Kristina Keneally announcing, by press release, the new metro with a great deal of preparation—I do not think so—and then a year later, after half a billion dollars of taxpayers' money was wasted, she then proceeded to announce, by press release, that the metro was now off.

Whilst that was happening the New South Wales Liberal-Nationals Opposition was developing policies around how we could best ensure identification of the infrastructure that would value-add to the State and also ensure that the other related matters—such as procurement and ensuring that there was an attractiveness to coming and doing business in New South Wales—would come into being if we came to government. I visited at the time Partnerships BC in British Columbia and a little later I visited Infrastructure Ontario. I also talked to the people who were at that time Partnerships UK. That latter group has since been rolled into Treasury. What I found was that whilst the Labor Party in New South Wales had been asleep at the wheel for the past 16 years other countries and other provinces in Canada and so on had actually developed independent organisations to give advice and guidance to governments in those regimes or those areas on the sort of infrastructure modelling and requirements for their particular provinces, or in the case of the United Kingdom for their country, and also to advise on the issues around particularly procurement

The Hon. PETER PRIMROSE: I told you he didn't know.

Mr BRAD HAZZARD: I really do not think you know too much about anything so I think you actually ought to pull your head in, but that is by the bye.

The Hon. PETER PRIMROSE: Minister, is there any chance you have a view on this or have you not got one in relation to a Sydney Harbour crossing?

Mr BRAD HAZZARD: I have just given it to you, but apparently you do not have the wherewithal to hear what I am saying.

The Hon. CATHERINE CUSACK: Point or order: The Hon. Peter Primrose has asked a question about the priority of infrastructure and the Minister is answering. Mr Chair, I ask that you request the member to show courtesy to the Minister by listening to his reply.

The Hon. PETER PRIMROSE: I have asked a question in relation to the priority given by the Minister to a second rail crossing over Sydney Harbour. I would be seeking for that to be answered. But, of course, if the Minister is unable or unwilling to commit himself, that is fine.

Mr BRAD HAZZARD: The Minister is happily and gleefully answering the question so that you become a bit more aware of the circumstances of Infrastructure NSW and what it does. With that background, we established Infrastructure NSW, whose role it is to provide independent advice to Government on what it considers to be the priorities for infrastructure. Not for one moment have we ever said that Government will accept it. That would be ridiculous. We would be abdicating our responsibility as a government if we accepted every bit of advice that would necessarily come from an independent body. The beauty is that it is an independent body. In fact, I rejoice in the fact that it is an independent body. I rejoice in the fact that they are actually able to make independent recommendations to Government—which you should be aware of from public statements, I assume you have read the paper, I read them and I was away. In due course the Government

will make assessments on what the priorities for infrastructure are and those will be made public. But that is exactly what the Premier has announced already.

The Hon. PETER PRIMROSE: Do you have a priority that you give to a second harbour crossing?

Mr BRAD HAZZARD: I am not going to jump ahead of what the Government is already assessing. That would be the same half-witted approach that was undertaken by the former Government, so no.

The Hon. PETER PRIMROSE: Can you say when you expect construction to commence?

Mr BRAD HAZZARD: I do not intend to say anything about construction or anything else.

The Hon. PETER PRIMROSE: You have no concept as the Minister for Planning and Infrastructure of the likely—

The Hon. CATHERINE CUSACK: Point of order: The Premier has already indicated that the Government is reviewing this and will have a formal response by Christmas. He is asking questions of the wrong Minister. I ask him to be relevant. The response he seeks will come by Christmas.

CHAIR: Order! The member has the opportunity to ask questions and is not bound by any statements by the Premier.

The Hon. PETER PRIMROSE: As Minister for Infrastructure and Planning, which is more than just a title as you have indicated, you have no views on the priority that should be given and you cannot say when construction will commence. Have you any idea what the estimated cost will be?

Mr BRAD HAZZARD: Why don't you have a little look at the Transport Master Plan. It is all out on public exhibition at the moment and you can make submissions like everybody else. Maybe coming from you, Mr Primrose, it may be valuable, but not from the Labor Party. You certainly can make submissions on it and you can have your two bob's worth, which is more than your Government ever did for anybody else.

The Hon. PETER PRIMROSE: You are not able to say what the estimated cost is?

Mr BRAD HAZZARD: I am able to say whatever I think is appropriate. What I am saying to you at the moment is it is out on public exhibition for public discussion. I do not intend to buy into that sort of juvenility.

The Hon. PETER PRIMROSE: I think it is very clear from your response what your attitude is.

Mr BRAD HAZZARD: I hope it is. I think the question is juvenile and clearly you do not understand what Infrastructure NSW is about.

The Hon. ADAM SEARLE: Minister, your election policy regarding strategic regional land use said that it would provide certainty to local communities that cumulative impacts are being taken into account. The Strategic Regional Land Use Policy released by the Government has no cumulative impact assessments. Why haven't any of those assessments been undertaken?

Mr BRAD HAZZARD: As you are well aware, because I have made it available and I think you attended the briefings, the Coalition has massively consulted. In fact, one of the senior public servants involved indicated that in his 25 years in the public service there had never been so much public consultation around getting a policy right. This particular policy gives the certainty that there is now an independent process and a process that of course again for 16 years under your Government, happily supported year after year by The Greens, there was nothing at all to protect.

Mr DAVID SHOEBRIDGE: It was you who voted for Part 3A.

Mr BRAD HAZZARD: Mr Shoebridge, I look forward to you making some comments about Part 3A. Bring it on, but wait for your turn.

Mr BRAD HAZZARD: As to the issue around strategic lands, for the first time in the history of the State and certainly not as a result of any work that you people did—not you personally of course but your Government did in 16 years, I accept that that is not you—the position is that we have developed a policy that will bring into account all of the necessary issues and weigh up the relevant issues. We have mapped for the first time in more than 200 years strategic agricultural lands. We have identified critical cluster industries including viticulture and the equine industry. Of course this brings into play now a process where there is scientific oversight. A scientific committee will step in and ensure that it is taken out of the hands of politicians and there is objectivity about the process. All of the relevant issues—all of them—will be taken into account at that stage by the scientific committee.

I add to that the fact that the Federal legislation, the Environmental Protection Biodiversity Conservation legislation requires at this stage a secondary oversight. I have discussed this with the Federal Minister for the Environment and everybody is keen to see an efficient process. If we can integrate the process between the Federal and State levels of scientific committee we certainly will, and we will ensure that all of the impacts that should be considered are being considered. Those aspects will, where appropriate to be considered by the Scientific Committee, take into account the cumulative impacts.

The Hon. ADAM SEARLE: So, you say the Scientific Committee will definitely take into account cumulative impacts?

Mr BRAD HAZZARD: It would be completely insane to not have the Scientific Committee. We are not limiting the Scientific Committee.

The Hon. ADAM SEARLE: But you are also not requiring it to look at that particular dimension.

Mr BRAD HAZZARD: We are asking them. It is a genuine, open process. I have just had the director general say that is right, but I know it is right, because we have engaged in a completely open and transparent process where not for one moment have we hidden anything from anyone, anyone at all, including the Labor Party. You have had opportunities. We have talked to you and I respect the fact that you have been very reasonable in those meetings. We have nothing to hide. This process is designed to make sure there is a real sense of protection of strategic agricultural lands. As I said before, it is interesting that farmers thought they already knew what strategic agricultural lands were. I think what they knew, from the intuitive aspect of being farmers, was what land was good land.

But to be able to develop a process, we have had to have half a dozen different agencies go out and identify all of the objective criteria around what makes up the best agricultural land in the upper Hunter, which was the first region, and the north-west, which is the second region, that we have mapped. More than two million hectares have been identified as strategic agricultural land in those areas. That acts as the catalyst, the indicator, that we should go into this process. It is a fully scientific process. It is objective and fair dinkum, and we are completely committed to making sure that all sides to it have confidence in it, which is why I have indicated to the president of NSW Farmers that she and the chap who heads up the Minerals Council should preferably agree on a new position of land and water commissioner. If they can be in agreement on somebody who has the confidence of farmers, the scientific understanding and the necessary expertise to understand the issues for both farmers and the mineral industry, we can hopefully strike the balance.

Again, without being disrespectful to the two gentlemen present on behalf of the Labor Party, the broader Labor Party made no effort to do that in the preceding 16 years. That is why issues like, for example, the Water Management Act 2000—which technically does not sit under my portfolio but which was one of the many portfolios I was involved in when we brought this process to fruition—I was advised by officers from the Office of Water that under the Act they had no objective criteria, for example, around the words "minimal harm." Those issues have now been addressed through objective criteria. All in all, it has been a productive outcome but all of those issues will be in the hands of scientists. They will not be getting direction from us as to how they should do it. It is about the biophysics of the soil, it is about ensuring water integrity and protection of the aquifers, groundwater and so on. That will be done in a way that is open to public scrutiny, complete transparency, and we think it is a policy that delivers the right balance to the community.

The Hon. ADAM SEARLE: During the election campaign you promised to return planning powers to local communities. Can you categorically rule out any reduction in the capacity of local communities and local residents to have their say on specific development applications under proposed reforms?

Mr BRAD HAZZARD: We have made quite a number of efforts to increase the community involvement in a whole range of areas. For example, you will well recollect that your Government removed a lot of those powers by, for example, the introduction of various arm's-length groups, but one of them was the Joint Regional Planning Panel, which operated around the State. Your former Labor Government had a \$10 million figure, which was the point at which a development application would move from the local council to the Joint Regional Planning Panel. We more than doubled that. On behalf of the New South Wales Coalition, with the full support of my Coalition colleagues sitting around the table, and all those who are not present today, we doubled it. That was a pretty clear indication as to our attitude when it comes to the local community's right to be involved. At the same time you would be well aware—and again no disrespect to the gentlemen present—that was coming off the back of the lowest housing starts in 50 years.

Moving away from the broader issues, let us focus on what matters to individual mums and dads. That is, in 1995 when the Coalition Government was last in office, we were producing roughly double the number of houses we were producing in the final year of Labor. Under the former planning Minister and Premier, the Hon. Kristina Keneally, it got down to just over the 24,000 mark for the whole of New South Wales, when we needed about 50,000. So, we are now seeking to identify where the blockages are in producing housing. If we do not have enough houses to house our populations, we see the upward pressure on prices and the upward pressure on tenants. Both sides of politics would say that we are here to ensure that we produce the best possible outcome for those who want to buy homes or those who want to lease.

But one government, one political party, managed to make sure there was an enormous pressure by halving the number of houses that were being produced. That is the New South Wales Labor Party. We have now gone about doing something which the former New South Wales Labor Party had not even envisaged. That is, overhauling the New South Wales planning system. In the process of doing that, again we have consulted very broadly across the State. I am sure you are very aware because you were consulted, as were The Greens, as were everybody in New South Wales Parliament, on that process. You might recollect I appointed one former Labor Minister, an esteemed Labor Minister, that is Ron Dyer, and I also appointed a former Liberal Minister, Tim Moore, also extremely esteemed. I think both gentlemen have regard from both sides of politics.

I appointed them with no more instructions other than to say go forward into the State and talk to the community about what they see as being problems for planning in New South Wales. They attended more than 100 consultations across the State. They briefed the New South Wales Labor Party in this very room on what they were doing. I think they reported back to the Labor Party twice, and that was entirely consistent with my instructions to them, that they would be open and treat the Labor Party, The Greens and everybody else, with total equality. There would be no political partisanship, and there was not. They made recommendations that underpinned the Green paper that was issued at the same time as the comprehensive two volumes of work done by them. What that and the green paper made clear was that we were trying to overhaul our planning system with a new strategic planning approach.

The issue I think you are addressing is that there has been a perception among some that that might mean people will miss out on their right to have a say. The reality is quite the opposite. We are aiming to address how you ensure the community does have a maximum say. In that regard, I acknowledge that one of the challenges is to ensure that the community can have an adequate say, a proper say up front, about how they wish to see their community evolve. The difficulty, of course—and I think this is a given is that worldwide governments who have addressed strategic planning have had to be innovative about how to engage the community. Particularly in our State, after 32 years of the current legislation, it is unfortunately the position that more often than not the community does not switch on to issues around development until it is basically occurring within a couple of hundred metres of them.

So, what I have been doing, both during the period when the review was going on and since that time, is to be making investigations all over the world as to how you achieve that community input. Indeed, only three or four weeks ago, I brought together a group of 30 people who are experts in community consultation. One of them is a former Labor Premier, Geoff Gallop, who now lectures at Sydney university. Geoff had some insightful comments about the challenges and how we might address them. I am happy to go through those at length if you are interested, but the community's consultation aspect is an issue for me that is absolutely paramount because we have to have a planning system in which people have confidence and that means they have to actually be consulted.

Mr DAVID SHOEBRIDGE: Just building on that answer—

Mr BRAD HAZZARD: Ask me about part 3A, David. I would love to actually clarify that for you.

Mr DAVID SHOEBRIDGE: —giving citizens a right to be engaged in strategic planning does not necessarily mean limiting their rights to be involved and consulted on individual DAs, yet that is your Government's clearly stated position in the green paper. Why are you proposing to limit people's rights to have a say on individual DAs?

Mr BRAD HAZZARD: I think what you are missing, Mr Shoebridge, is the idea that there would be maximum consultation like nothing this country has ever experienced in putting together proposals around what is anticipated or expected as to the evolution of an area. I think—

Mr DAVID SHOEBRIDGE: But why does that come with removing the rights on individual DAs?

Mr BRAD HAZZARD: You can obviously do what you do, which is run around doing the spoiler, the nay-sayer routine and claiming credit for things you have not done, but the reality is that some of the finest communities in the world, including where I went last week, talk about this precise issue. If you have read the green paper, and I am sure you have given it somewhat of a cursory glance, you might have noted that we highlighted in it that there was some incredible consultation going on around the world, particularly in Vancouver, British Columbia, Seattle, Washington State, and Portland, Oregon. We also found in our discussions as a result of that group I brought together a few weeks ago, which, by the way, was completely open to the community, that we had—

Mr DAVID SHOEBRIDGE: But, Minister, why are you taking away individuals' rights to have a say on individual DAs? Putting the strategic planning in place—

Mr BRAD HAZZARD: You are not listening.

Mr DAVID SHOEBRIDGE: —why are you taking it away?

Mr BRAD HAZZARD: You are not listening. This is like you running around on your website where you say that you got rid of part 3A—forced the Coalition Government to get rid of part 3A—and we had announced it four years before you even arrived in this place.

Mr DAVID SHOEBRIDGE: You voted for it Minister.

Mr BRAD HAZZARD: What?

Mr DAVID SHOEBRIDGE: You voted for part 3A.

Mr BRAD HAZZARD: Hey, David.

Mr DAVID SHOEBRIDGE: You put up your hand and voted for it.

Mr BRAD HAZZARD: David, you are—

Mr DAVID SHOEBRIDGE: You voted for part 3A.

Mr BRAD HAZZARD: You are—

Mr DAVID SHOEBRIDGE: You voted for part 3A.

Mr BRAD HAZZARD: You are—

Mr DAVID SHOEBRIDGE: I think you are denying the history.

Mr BRAD HAZZARD: You are a little light on substance, David. I remember you came in here in August 2010 and started rushing around about part 3A, which we had announced back in 2008. If you like, I can read the press release to you. Then you wrote me a lovely letter asking will I support your bill. I remember I actually wrote back to you saying, "If you've got a bill and you can address all these issues" and I listed the

issues and asked you to respond as soon as possible and said, "Of course we'd support it if you could address these issues." David, you never responded. You are rather empty. You are a rattling can, mate.

Mr DAVID SHOEBRIDGE: So why are you taking people's rights away—

Mr BRAD HAZZARD: We are not.

Mr DAVID SHOEBRIDGE: —to have a say on individual DAs?

Mr BRAD HAZZARD: You have just heard what I said.

Mr DAVID SHOEBRIDGE: That is your proposal.

Mr BRAD HAZZARD: We are making sure that there is consultation upfront so that people know how their area is going to develop. Of course, there are issues—

Mr DAVID SHOEBRIDGE: Well, it was not in your green paper, Minister. There is no mention of the public—

The Hon. CATHERINE CUSACK: Point of order: Can the Minister just answer the question rather than there be a debate. It is a question and answer process.

Mr DAVID SHOEBRIDGE: He is not answering a single question.

The Hon. MATTHEW MASON-COX: Hansard is having great difficulty following the discussion.

The Hon. CATHERINE CUSACK: If we could deal with the normal courtesies.

Mr DAVID SHOEBRIDGE: On both sides. Minister, why is it that you are proposing to take away people's rights to have a say on individual DAs?

Mr BRAD HAZZARD: David, read the green paper.

Mr DAVID SHOEBRIDGE: That is your green paper.

Mr BRAD HAZZARD: What you will see is that we have out for consultation discussions about how the planning system should evolve. You obviously have put as much time into the green paper as you did into your part 3A—waffle, waffle, waffle.

Mr DAVID SHOEBRIDGE: What is your role in assessing the different infrastructure priorities between the NSW Transport Master Plan and the Infrastructure NSW 20-year infrastructure strategy? What is your role in assessing the different priorities?

Mr BRAD HAZZARD: My role is as part of the Government and we have indicated that there is a review. While I was looking at the issues around community consultation, which I am sure you have not done, except run around carrying on as you are today—

Mr DAVID SHOEBRIDGE: Perhaps if you had less sotto voce insults and more answers, we would get through this quickly.

Mr BRAD HAZZARD: It is very difficult with you because everything I pick up from you is just rubbish. I love this Greens—

Mr DAVID SHOEBRIDGE: What is your role in assessing the different priorities?

Mr BRAD HAZZARD: Do you want me to read your press releases, David? I have them here.

Mr DAVID SHOEBRIDGE: What is your role?

Mr BRAD HAZZARD: No, I did not think you would.

Mr DAVID SHOEBRIDGE: I want you to answer the question, Minister.

Mr BRAD HAZZARD: I would love to read them.

Mr DAVID SHOEBRIDGE: What is your role in assessing the different priorities?

Mr BRAD HAZZARD: You probably are not familiar with the Executive Government role, but Ministers actually have a role in making final decisions. But where we are at at the moment, David, is that we have a review process that is now going on and that review process, the Premier made clear in fact while I was overseas last week, that he would be reporting or making sure there is a report back to the community before the end of the year. But I also did not tell you, David, because you—

Mr DAVID SHOEBRIDGE: I am glad you are making it personal, Minister, but could you answer the question: What is your role?

Mr BRAD HAZZARD: Because you and your Greens supported Labor, who did absolutely nothing on this—

Mr DAVID SHOEBRIDGE: What is your role?

Mr BRAD HAZZARD: —for 16 years.

Mr DAVID SHOEBRIDGE: What is your role?

Mr BRAD HAZZARD: I have just given you the answer.

Mr DAVID SHOEBRIDGE: Okay, so you have given me the answer.

The Hon. CATHERINE CUSACK: Mr Chair, can you ask the member to ask his questions and listen to the answer.

Mr DAVID SHOEBRIDGE: The Minister is generally digressing and not answering the question.

Mr BRAD HAZZARD: No, I am enjoying myself immensely with someone who is vacuous asking me questions he does not understand.

Mr DAVID SHOEBRIDGE: What is your role then on the Newcastle inner city rail line and when will the residents of Newcastle have an answer from this Government about the future of that rail line?

Mr BRAD HAZZARD: The railway line in Newcastle is challenging because a recently former senior Labor member informed me that the Labor Party of course were in Government because the Greens kept giving them preferences and had been looking at this issue 20 years ago and jokingly said to me that they never managed to make a decision. We intend to make a decision, but the issue is that there are some in the community who I think are fearful and concerned that if the railway were to be removed at any point—I think the logical point that has been proposed would be round about Wickham, if it were going to happen—it may create some issues for access to the central part, that is, literally central Newcastle. You would be familiar with how many stations there are, Mr Shoebridge, would you not, at that point?

Mr DAVID SHOEBRIDGE: I am aware that there is Wickham and Central, Minister. Are you proposing—

Mr BRAD HAZZARD: Yes, and do you know how many stations there are between the two?

Mr DAVID SHOEBRIDGE: Are you proposing to end the line at Wickham?

Mr BRAD HAZZARD: Do you know how many stations there are between the two?

Mr DAVID SHOEBRIDGE: Are you proposing to end the line at Wickham?

Mr BRAD HAZZARD: I am just interested to know: Do you know how many stations there are?

Mr DAVID SHOEBRIDGE: Are you proposing to end the line at Wickham as in your stated Government proposal?

Mr BRAD HAZZARD: You tell me how many stations there are.

Mr DAVID SHOEBRIDGE: Minister, answer the question. Are you proposing to end the line at Wickham?

Mr BRAD HAZZARD: Empty dribble.

The Hon. ADAM SEARLE: Point of order.

Mr BRAD HAZZARD: Anyway, back to this.

The Hon. ADAM SEARLE: No doubt this is very entertaining, but it might reflect better on the process and on the Minister if he answered the question or at least try to do so.

The Hon. CATHERINE CUSACK: It is very difficult.

Mr BRAD HAZZARD: I would like to have some questions from some people who actually understand the issues in the first place.

Mr DAVID SHOEBRIDGE: Are you proposing to end the line at Wickham? Is that one of the proposals you are considering?

Mr BRAD HAZZARD: I am considering, as we speak, along with the Cabinet and along with the Government, what would be in the best interests of Newcastle and its residents, but there has been no decision taken on that. What I have done is to work with various government members and also the community to look at the pros and cons. I have made no secret of this; I have talked about it publicly. Presumably you have read the Newcastle papers? Maybe not. I have indicated that there are quite challenging issues. If you stand in the Hunter Street mall and look towards the harbour and the river, there are buildings that are obstacles, but there also are fences around the railway line. So the question becomes: Can we provide an energy, an excitement, a renewal to Newcastle by removing the railway line or will it be counterproductive? There has been no final decision on that, but you will be amazed to know Mr Shoebridge that governments—contrary to the former Government that you supported—should actually consider these issues with a degree of depth and consideration and that is what I am doing.

Mr DAVID SHOEBRIDGE: What is the time frame for an answer on that issue? What is the time frame for an answer? When do you expect to complete—

Mr BRAD HAZZARD: Do I need to give you a time frame?

Mr DAVID SHOEBRIDGE: When do you expect to have an answer?

Mr BRAD HAZZARD: As soon as I can.

Mr DAVID SHOEBRIDGE: When are you expecting that to be?

Mr BRAD HAZZARD: I have no intentions of announcing that to you.

Mr DAVID SHOEBRIDGE: What about announcing it on the record to the parliamentary committee?

Mr BRAD HAZZARD: I will announce it—

Mr DAVID SHOEBRIDGE: When are you expecting to have an answer?

Mr BRAD HAZZARD: I will announce the decision when the decision has been properly weighed up, but I do not have any obligation to tell you, least of all someone who does not even know how many stations there are between Wickham and Central. Why would I bother?

Mr DAVID SHOEBRIDGE: Of the Lower Hunter Regional Strategy, which was a five-year strategy from 2006, which was to have a review in 2011, has your Government commenced a review of the lower Hunter transport strategy?

Mr BRAD HAZZARD: The answer is yes.

Mr DAVID SHOEBRIDGE: When will it be completed by?

Mr BRAD HAZZARD: The departmental officials are doing what they can now to achieve that as soon as possible and they are in a consultation phase at the moment. So we will announce that in due course.

Mr DAVID SHOEBRIDGE: Mr Hazzard, when does the department expect—

Mr BRAD HAZZARD: I just answered that question.

Mr DAVID SHOEBRIDGE: When does the department—

Mr BRAD HAZZARD: I have just answered that question.

The Hon. CATHERINE CUSACK: Mr Chair, can you remind the member that the questions are directed to the Minister and it is up to the Minister to refer them if he chooses.

Mr DAVID SHOEBRIDGE: No, it is not.

Mr BRAD HAZZARD: Yes, it is. The questions are to the Minister and if I choose to refer it to the director general I can, and I have not chosen to do that.

Mr DAVID SHOEBRIDGE: Minister, the Rozelle Village development in Balmain includes some development on government-owned land at 170 Victoria Road. Has the Government granted consent to the current Rozelle Village development in relation to the land that it owns?

Mr BRAD HAZZARD: I do not know the answer. I have not been involved in that if it has so I will take the question on notice and let you know.

Mr DAVID SHOEBRIDGE: Does Mr Haddad know whether the Government has granted consent to the current development application?

Mr BRAD HAZZARD: I have just answered the question: I have said that I will take it on notice.

Mr DAVID SHOEBRIDGE: Minister, you have Mr Haddad sitting there, why are you seeking to avoid the question going to him?

Mr BRAD HAZZARD: I just do not want him to have to put up with your questions actually.

Mr DAVID SHOEBRIDGE: I ask the Chair to have the Minister refer the question to the two sworn witnesses.

The Hon. CATHERINE CUSACK: The Minister has answered the question, Mr Chair.

Mr BRAD HAZZARD: Mr Shoebridge, it is not a matter of protecting—

Mr DAVID SHOEBRIDGE: You are a disgrace.

Mr BRAD HAZZARD: No, actually you are a disgrace.

Mr DAVID SHOEBRIDGE: You are treating this process with contempt.

Mr BRAD HAZZARD: You are tedious.

Mr DAVID SHOEBRIDGE: You have the head of the department there.

The Hon. ADAM SEARLE: Mr Chair, we are in Opposition time now and we would like to ask some questions.

Mr BRAD HAZZARD: Mr Chair, the director general has said he wants to make comment. I do not care if it takes extra time.

Mr HADDAD: I will have to check whether it is applicable, but no we have not granted consent.

Mr DAVID SHOEBRIDGE: Landowner's consent.

Mr HADDAD: I will have to check exactly which part of the development proposal it is, but we have not, to the best of my knowledge, issued any landowner's consent as yet—if it is applicable. I will take it on notice and check which part of the development it is and come back to the Committee.

Mr BRAD HAZZARD: This is what I said. Can I ask you which agency's land is involved?

Mr DAVID SHOEBRIDGE: I understand it is land owned by the Ministry of Transport but the department has an obligation to check for landowner's consent before advancing the matter through.

Mr BRAD HAZZARD: Not necessarily. With a development application—and you would know the decisions of the court because I understand you are a Land and Environment Court lawyer—we do not have to have the consent when the proceedings are underway. We will find out. It is something I do not know anything about. I am happy to tell you.

CHAIR: Take the question on notice. In the budget papers it talks about assessing and determining State significant development and infrastructure. Could you define "State significant development"? Does that have a value you mentioned earlier of increasing the \$10 million to \$20 million? Do they have a set value?

Mr BRAD HAZZARD: If I could explain, that is not related to joint regional planning panels. Joint regional planning panels are the panels that the former Government established. So you would have—it varies—maybe eight, nine, 10 or 11 councils in an area and there is a joint regional planning panel that consists of five persons, three of whom are appointed by the State Government and two of whom are appointed by the particular council in whose area the development is. That is not State significant development.

CHAIR: I am aware of that.

Mr BRAD HAZZARD: Under the former Government, State significant development was the infamous part 3A.

Mr DAVID SHOEBRIDGE: Part 4.

Mr BRAD HAZZARD: Part 3A was State significant development. It could be part 4 but the particular provisions we are talking about were part 3A. When we delivered on our promise within the first 100 days of government we removed part 3A and established two new categories: State significant development and State significant infrastructure. State significant development is generally, but not always, development worth more than \$100 million. There are other categories but it is private development that would include things like mines. It would include residential but the Government removed residential coastal and commercial from the State significant development regime—that went back to local government. Major infrastructure such as the T4 in Newcastle is a State significant development.

State significant infrastructure is generally lineal public infrastructure such as rail and road—the sort of things that you generally identify as government infrastructure and that the community would expect to be dealt with by government—in that sense I am the consent authority for those. That is State significant infrastructure. The sort of major development that was private that caused so much grief under the former Government has

gone back to council or it is now categorised as State significant development and goes to the Planning Assessment Commission.

CHAIR: Is there a list of State significant developments?

Mr BRAD HAZZARD: Since I became the Minister everything in the way of State significant development and State significant infrastructure, once an application is lodged, goes up on the website. There is nothing at all that does not go up on the website. If there are any particular issues you are interested in or you would like a list I am happy to make it available to you and the Committee.

CHAIR: Could you take that question on notice.

Mr BRAD HAZZARD: We will make a copy available.

CHAIR: In the green paper there is a small section discussing enterprise zones. Will you explain what enterprise zones are and what their proposed use is?

Mr BRAD HAZZARD: The green paper is part of the Westminster system of developing major legislation. The green paper we put out is the strategic direction of the Government; it is not the detail around what we are talking about. There is still much to be determined. We have had numerous submissions to the green paper in regard to how we might implement parts or not implement parts of the strategic direction that was set out. The enterprise zone is a concept aiming to look at how we might encourage commerce and business into particular areas. Potentially it requires some crossover with Treasury and finance as to what sort of economic opportunities and incentives might be available and accelerated development approval processes. It would be in areas that would not have impacts on neighbours, for example. It would be difficult to do that in a residential area; it would be ridiculous. That would be my view at this point. We are looking at those options, we are getting submissions and we will see how we go.

CHAIR: Would it have relevance to development in the Ryde shopping centre? There is controversy over the proposed development.

Mr BRAD HAZZARD: The Ryde development I think you are talking about is the old council chambers. No, that is well and truly underway in terms of consideration by the local council at present. The problem has been politics on the council. I think there were two groupings of councillors who were in mortal combat before the election. I have not heard since the local government election how it is going, so I am not sure. The enterprise zone would not have relevance to that particular issue.

CHAIR: Can you give an example of an enterprise zone?

Mr BRAD HAZZARD: I think it would be pre-emptive at this stage.

Mr DAVID SHOEBRIDGE: You gave examples in the green paper.

Mr BRAD HAZZARD: There have been examples that have not been successful. For example, there was Cessnock. I think the green paper can speak for itself.

CHAIR: The budget papers talk about facilitating private sector investment in projects, particularly in the Hunter and Central Coast region. Can you outline what some of those projects might be?

Mr BRAD HAZZARD: I am sorry, what was the question?

CHAIR: In the budget papers one of your objectives is facilitating private sector investment in projects that contribute to economic growth. You specify the Hunter and the Central Coast region.

Mr BRAD HAZZARD: There are some potentially big projects in both areas. In the Hunter, of course, there is the Hunter Infrastructure and Investment Fund that has been established with a board chaired by Peter Blackmore, the Mayor of Maitland. They are identifying various projects that may benefit from the Hunter Infrastructure and Investment Fund. There are the additional funds we have made available through the budget process—for example, the Urban Activation Precincts program. There are funds available now to allow councils

to borrow funds at low interest and there are opportunities for packages up to \$5 million to be paid to support infrastructure.

In Warnervale there is a project that was stymied under the former Government that clearly offered major opportunities. The former Government had made a number of promises up there to deliver new residential opportunities and a new shopping centre and there were some issues around the junction that led in there and the road access. Woolworths was looking to putting a major shop in there but it needed to make sure that there was road access. Off the top of my head, I think 800 homes were a possibility. The infrastructure funds will open up that opportunity. The funds may be available in the area around the Central Coast with the Gosford Challenge. They are funds available to stimulate and support a range of infrastructure delivery programs.

One of the things that came out of the former Government was that there was insufficient preparedness to put funds in to meeting infrastructure generally but particularly to remove infrastructure blockages. There were numerous opportunities and we are effectively saying to the community to come forward with those. It will be done through local government generally and we will be happy to partner local government and work with the community on infrastructure delivery that will particularly unblock the housing but also the jobs. It is a pointless exercise to deliver houses across the Hunter, the Central Coast and New South Wales unless we can provide jobs for those who are going to take up those residences.

CHAIR: In opening up land for housing is there any conflict with the number of native title claims in New South Wales? I understand there are thousands now.

Mr BRAD HAZZARD: Native title claims are not in my area. You will have to address the Minister responsible for lands. It has not been a major issue from my point of view as the planning Minister. The bigger issue for me as planning Minister is the former Government's practice of announcing that they had rezoned thousands of hectares of land but nothing ever happened because it failed to look at the concurrence issues—that is, the silos of government in terms of concurrences. The Government also failed to look at issues around the delivery of infrastructure. We have tried to address all those issues through a subcommittee of cabinet, which I am happy to tell you more about later in the session if you like.

The Hon. PETER PRIMROSE: How much additional funding will be provided for local councils to conduct community consultation on the development of subregional plans?

Mr BRAD HAZZARD: There is quite a bit of money, Mr Primrose. I have forgotten the precise figures but it is in the millions. I will ask the director general whether he has the detail on that, otherwise I will take it on notice.

Mr HADDAD: Are we talking about what is in the green paper?

The Hon. PETER PRIMROSE: Yes.

Mr HADDAD: Obviously the regime will still have to be developed.

Mr BRAD HAZZARD: You were talking about the green paper. I thought you were talking about the current plans. We have not identified that. We are at the stage—

Mr DAVID SHOEBRIDGE: You do not know what the public participation charter will do.

CHAIR: The discussion paper.

Mr BRAD HAZZARD: It is a discussion paper. I would hate to agree with Mr Shoebridge at any point during this session but I will on that one. Until we have been through that phase of full discussion and worked out precisely what is necessary we will not know what funding is available.

The Hon. PETER PRIMROSE: How about we go back and talk about the funding currently available?

Mr BRAD HAZZARD: The issue at the moment is that we have made extra funding available to deal with the strategic planning issues in each of the council areas. You are probably aware that under your

Government, in the four years up to 2011, there were 31 local environmental plans under the new template regime that was introduced by, I think, Frank Sartor—but I am not sure about that.

Since I became Minister in April last year I have been very keen to try to encourage the Department of Planning to work with local government to get as many of those template local environmental plans done as is possible. The reason is that, in order to move forward with the new planning regime, it would be best to have the entire template local environmental plan process complete. I will check this in a moment with the two gentlemen sitting beside me, but I think under your Government there were 31 over four years, and I think we have done about 40 in the 18 months of this Government; so we are up to about 70. About another 60 of what are called section 65 certificates are out on exhibition at the moment; so that is about 130-odd likely to be finished within the next six to 12 months. There are 152 councils, so there may be another 20 or 30 we have to do.

There have been difficulties because some councils, particularly regional councils, do not have planning staff. Some have not shown a remarkable interest in doing the template local environmental plan. I sympathise with them because I acknowledge that what your Government was doing was trying to get better definition or consistency. That was admirable; it was the right thing to do in that sense. I do not think having the template was necessarily the best outcome. So what we have done is said to the councils: Here is some extra money to help you. In fact, I have asked the department to put in planning staff where necessary. The financing of that is not easily calculated, because it might be a departmental person who works for weeks with someone or with a particular council. The summary is that there is extra money, because in the last budget—as you would know from having read it, and I do not think there is any reason to go back over that again—there was extra money for that. We are trying to drive completion of the template local environmental plans so that we can go on to the next stage that hopefully will come out of the green paper. Does either the director general or the deputy director general want to add anything to that?

Mr HADDAD: The total budget allocated for that is about \$8 million. I think we have allocated, from memory, over \$6 million of that. In addition, there is funding of \$30 million by way of loans, on a dollar-for-dollar basis, to help councils with infrastructure provisions.

The Hon. ADAM SEARLE: Minister, in relation to the Standard Instrument Local Environmental Plan Program, will the Blue Mountains community, should they choose and should their council choose, be able to retain something like their current local environmental plan?

Mr BRAD HAZZARD: Should they be able to?

The Hon. ADAM SEARLE: No. Will they be able to, under your Government?

Mr BRAD HAZZARD: Mr Searle, under your Government it was a very constrained process.

The Hon. ADAM SEARLE: I understand. But just so that you are fully informed, previous Government planning Minister Sartor gave commitments to successive Blue Mountains mayors, including me, that we would not be forced into the standard local environmental plan template. What I want to know from you, as the planning Minister, is: Has the policy of the New South Wales Government changed? If the Blue Mountains community and council choose to retain their current local environmental plan, will they be able to do so?

Mr BRAD HAZZARD: I am sorry, but I am genuinely not aware of this undertaking of former Minister Frank Sartor. I thought I knew most things that the former Minister had given undertakings about; but I was not aware of that.

The Hon. ADAM SEARLE: Mr Sartor gave me the commitment, and he gave my predecessor, Jim Angel, a commitment as well.

Mr BRAD HAZZARD: I am more than happy to have a look at that, because the Blue Mountain is a pretty unique area, and some of the problems—

The Hon. ADAM SEARLE: I think the current mayor is keen to retain it as well.

Mr BRAD HAZZARD: Who is the current mayor?

The Hon. ADAM SEARLE: He is a Liberal mayor.

Mr BRAD HAZZARD: I was not interested in that. Who is it?

The Hon. ADAM SEARLE: Daniel Myles.

Mr BRAD HAZZARD: Having World Heritage listing and so on was one of the issues that bothered me a bit. The template system, for example, did not have a zoning that allowed for the event that took place on the mountain at Bathurst.

The Hon. MELINDA PAVEY: They had a race meeting there yesterday.

Mr BRAD HAZZARD: Yes, I know. I was still recovering from jetlag, but I did hear it. He has done well to win his fourth consecutive race. I am happy to look at that and I am happy to see what we can do. Can I tell you though what we did do when I became the Minister and we became the Government? The Coalition members were very keen to see some more flexibility. We accepted that the process for the template LEP was well advanced and, unfortunately, we could not really turn that upside down at that point because a lot of work had been done. But what I did do was I got the general manager from Canada Bay council to bring together a group of people who were expert in the planning area and asked him to start an open public consultative process about what other zonings should be necessary to provide individual councils with that capacity to address the sorts of issues you are talking about for the Blue Mountains. They have made a number of recommendations, and in some cases I literally stepped in and said, "Just do it". So if that was given as an undertaking from the former Government I am more than happy to look at it. I think probably you can strike a balance by still having the template LEP but making sure there are decision zonings in the template LEP to give that necessary protection for the community in the Blue Mountains.

The Hon. ADAM SEARLE: So we can expect to hear more from you and your department about that?

Mr BRAD HAZZARD: I will obviously make some inquiries about that after this meeting now that you have drawn that to my attention. I might talk to Roza Sage too, if that is all right.

The Hon. ADAM SEARLE: That is a matter entirely for you. Under reform proposals a developer would be able to apply for a strategic compatibility certificate when their proposal is not technically compliant but they consider it to be strategically compliant. This idea would give the Director General of Planning the authority to overrule local and regional planning instruments to approve developments—at least potentially. Does that not undermine the integrity of those instruments and the upfront community consultation process that you say is at the heart of these ideas that you are putting forward?

Mr BRAD HAZZARD: It is one of the challenges. You would know that your former Government had SEPP1, and SEPP1 allowed some flexibility in the planning system but it also had the potential to cause a degree of anxiety in communities. I think the difficulty is, and we have talked about this with other jurisdictions overseas, there is a general view that in any planning system there has to be a little bit of flexibility. The problem with SEPP1 was that it meant you could go right outside the strategic planning that might have gone on, if there had been some. What the green paper is attempting to put out there for discussion is that if something sits within the overall regional strategy—so there is an overall planning strategy in place but for some reason that particular site has not been identified in the process along the way as the zoning—then there is some capacity to review it. That is why I am looking forward to getting the submissions in before we proceed to the white paper stage just to make sure that we do strike the right balance.

The Hon. ADAM SEARLE: Just on that issue about the white paper, I understand the white paper and the draft bill are to be released in late October/early November, which is less than a month after the submissions on the green paper close. That is a pretty tight time frame and it is suggestive that some of it has already been written.

Mr BRAD HAZZARD: No, it has not. I will check with the director general to make sure he has not, but there is no white paper that is in existence. But what we have got is a whole lot of people doing a whole lot of work and doing parts thereof in response to submissions as they come in. The issue at the moment would be that quite a substantial number of submissions came in and there are still people asking whether we will take on

board their submissions even though they are outside time, and I am trying to be as flexible as I can there because it is a big overhaul and if people put in genuine submissions I think they should be taken into account if we can do it. So the time that you said—late October/early November—at various stages I have been hopeful of that but I have got to say at this stage it is more likely to be probably now late November/early December.

The Hon. ADAM SEARLE: My next question is probably redundant then. I think the white paper was originally going to be open for submissions over the December/January period with a view that the legislation would be then debated in February next year—again, another very tight time frame and one that suggests the legislation may have already been written before—

Mr BRAD HAZZARD: I wish it had been: it would save me a lot of trouble. I am quite prepared to accept help from anybody on this one.

The Hon. MELINDA PAVEY: Except?

Mr BRAD HAZZARD: I am going to be nice: I am not going to say it.

The Hon. ADAM SEARLE: Please do not be distracted by personalities, Minister.

Mr BRAD HAZZARD: I will not. I am prepared to accept help from anybody on this because at the end of the day it needs to be a bipartisan thing, and there is nothing being hidden, nothing whatsoever. I have offered briefings to the Labor Party at every stage of this and if you want a briefing, if Linda Burney wants a briefing at any point, whenever she asks, I am more than happy to do it.

The Hon. ADAM SEARLE: I suppose the real question is that you do not actually have the solution in the top drawer just waiting for the—

Mr BRAD HAZZARD: No. I wish I did. Around the white paper issue, the planners—whom I respect enormously and who have done amazing work generally, as a whole lot of other groups have—the Planning Institute of Australia said to me originally that to overhaul an entire planning system like this might take four or five years and I said we cannot afford to wait because we have got the lowest housing starts in 50 years, we have got employment opportunities that need to be brought forward, and we were going to do all we could. I was told that we could not get the consultation done or the green paper done in the time we did. We managed to achieve it, but it was hard work by a whole lot of people.

The white paper stage and the draft bill are being equally demanding, which is why I spent one week away last week talking to people in Canada, Seattle and Portland, Oregon, about how they do their community consultation and how they do their planning. It is extremely challenging. But we are still trying as hard as we can to get it done as quickly as possible. I have not demurred: I want the white paper to be out with the draft bill for about three months anyway so there is adequate consultation.

The Hon. ADAM SEARLE: I do not want to go back over old ground but just returning to the strategic compatibility certificates, what safeguards will be put in place to ensure that facility will not be able to be used to undermine the integrity of local—

Mr BRAD HAZZARD: As I said, it is in the green paper and it is being sorted through at the moment. But I am conscious of the issues you are raising and we will do what we can to address them. If you have any suggestions I am happy to take them on board—from the New South Wales Labor Party or you particularly.

The Hon. ADAM SEARLE: On the \$13 million allocated for clearing the backlog of existing part 3A development applications, do you expect all of those backlog applications to be determined in the current financial year or do you envisage that further allocations of money will be needed in future years to clear that backlog?

Mr BRAD HAZZARD: We are doing everything we can. When your Government left office there were just under 540, I think, part 3As in the queue and you would remember that a number of them—about 50 or 60—did not fit the criteria we put around it so we sent them back to local government, and the balance have been dealt with—of course, now not by me: they are no longer being dealt with by a Minister behind closed doors. It is all being done independently through the Planning Assessment Commission. I think we are down to about 170, but I will ask the director general or the deputy director general to confirm that.

Mr HADDAD: One hundred and seventy-four.

Mr BRAD HAZZARD: I have asked the director general to take steps to try to expedite them. Part 3A is a process that I think caused grief for your former Government, grief for the community, and it is a system that we really do not need to have sitting around, so I would like to get rid of it as quickly as possible. The money that was put in is to clear that. Having said that, I also acknowledge that as we deal with them and as the decisions are made by the Planning Assessment Commission it does also mean jobs when the decisions are made. Whether it is through the Planning Assessment Commission or whether it is through the Land and Environment Court, jobs and opportunities come with it. So there have been very substantial amounts of business and energy and jobs created through this process of trying to accelerate them and get rid of the current unacceptable process of part 3A.

The Hon. PETER PRIMROSE: Minister, I note that in the budget papers there is a \$3 million allocation for establishing a gateway process. The amount of funds is also for concluding the Upper Hunter and New England North West strategic plans and releasing drafts for the Central West and Southern Highlands. Does this amount include the establishment and operational costs of the gateway panel?

Mr BRAD HAZZARD: It does. This is the panel I was talking about before, the scientific committee, and establishing the process. Effectively, what will happen is a proponent will put in an application and if it is red flagged in the sense that it is on strategic agricultural lands then the application will go to the independent scientific gateway process. The money that has been allocated is to support that process.

The Hon. ADAM SEARLE: In a submission to the green paper the Independent Commission Against Corruption [ICAC] expresses concern about the proposed new enterprise zones where development would be subject to few controls. Is this proposal not just providing a rubber stamp for developers potentially?

Mr BRAD HAZZARD: I read that ICAC submission and I think it is an interesting issue. The Independent Commission Against Corruption clearly has a role in ensuring that governments pay heed to wherever there are potential risks. I am very conscious of that. I put in place measures that have never been done before by any government in this State to ensure that there is full transparency and openness about the processes of development approvals or development considerations. Whilst I am conscious of ICAC's view, my view at the moment is that we can address those issues through transparency and openness. I have had meetings with some of the officers from ICAC because sometimes what ICAC has said has been misinterpreted. I think that is understandable and I do not mean to be unkind to the former Government, but based on the matters that are currently down there I can understand why people would be concerned. But we also have to make sure that we do not react in a way or let public servants react in a way that uses ICAC and the quite proper guidance from ICAC to shut down development approval or consideration of processes.

In many councils—there are 152 of them so it is not a blanket rule—some local government officers have told me, for example, that if you have Mr and Mrs Smith who want to put in their development application and they go into a council these days more often than not the council officer at the front desk will not give them any guidance on what should be in the application. They are more likely to simply say they cannot give them any advice and they should see a planner or planning lawyer about what they can do. The interpretation given to me from the group of local government planners who meet with me regularly—they used to meet with Kristina Keneally and the former Government, although not as regularly—is that local government officials have interpreted the ICAC declarations of the last decade to mean they cannot ever really sit down and talk to a proponent about how they can get their approval done, which is a bit silly. I think there is a balance here and I am certainly working with ICAC to ensure that we strike that balance. Hopefully we can achieve it because we do not want New South Wales continually tied up with red tape. We want New South Wales to be honest, open and transparent and producing the houses that we want and we need.

Mr DAVID SHOEBRIDGE: Minister, you said in evidence earlier that it would be ridiculous to put an enterprise zone in a residential area, yet your green paper proposes as one of the options enterprise zones over entire local government areas. Can you indicate any local government area where it would be appropriate for an enterprise zone?

Mr BRAD HAZZARD: I think we should just take our time and realise that it is a green paper. It is out for discussion. I would even extend to you, Mr Shoebridge, that if you think there are measures that we should put in place that will make sure it is open and transparent and has integrity I am more than happy to look

at those processes. I think you and I would at least share that view, even though you are taking a position that it is going to cause grief. Instead of the nay-saying aspect, please have a think about it and put in a submission. I am happy to discuss it with you.

Mr DAVID SHOEBRIDGE: We have put in a submission.

Mr BRAD HAZZARD: I have not seen your submission yet but I will look at it.

Mr DAVID SHOEBRIDGE: Are you moving back from the position in the green paper that is proposing enterprise zones for entire local government areas?

Mr BRAD HAZZARD: I am not moving away from anything because it is out there for public discussion at the moment and I am happy to look at it. If you think there are some issues around that we are happy to look at it. I take you back to the green paper. The green paper was put together off the back of bipartisan input and, most importantly, public consultation the like of which has probably never occurred in the history of New South Wales Parliament. What is in there is a genuine effort to try to take the planning system out of the quagmire. If you have concerns about some issues by all means I am happy to look at any of those aspects. I will listen to those concerns because they are obviously genuine concerns, but please do not turn this into a jump up and down political foray because that is not what the green paper is about.

Mr DAVID SHOEBRIDGE: The Moore and Dyer planning review entailed enormously broad consultation across the State with all stakeholders. When did the Government receive their two-volume review?

Mr BRAD HAZZARD: As they were proceeding both of them were talking to me about it and telling me how they were going. I do not exactly remember when I received it, but it had to be printed. I think I probably saw the final draft maybe two or four weeks before it was issued publicly. I do not know exactly. I cannot remember.

Mr DAVID SHOEBRIDGE: How long did you have with that review before you put out your green paper in large part responding to it?

Mr BRAD HAZZARD: Sorry, I do not quite understand you.

Mr DAVID SHOEBRIDGE: The green paper in large part responds to that review. I am just asking how long there was between the two.

Mr BRAD HAZZARD: We had the submissions that were happening. I think there were over 1,000 submissions, from memory, although I cannot really remember now. We were taking on board those submissions as they were coming in. You would also probably remember that there was a questions paper issued in—

Mr DAVID SHOEBRIDGE: By Moore and Dyer, yes. It has hundreds of questions and issues in it.

Mr BRAD HAZZARD: We had that, I think, in October or November of the previous year. We had all the submissions coming in. We had a whole lot of work that we were doing as we were going. As they developed theirs they were obviously talking to us about some of the major issues. That is when we commenced the work on our green paper so that it all came as part of the same opportunity for the community to see what they were saying and we were saying.

Mr DAVID SHOEBRIDGE: Why did the green paper not adopt the recommendation from the planning review to have ecologically sustainable development as the overarching objective for a new planning Act?

Mr BRAD HAZZARD: In fact, I just today signed off a letter to Jeff Angel, who has expressed a view similar to what you are saying now. I wrote a personal note on the bottom of it saying that if it was his interpretation that we were not looking at environmental sustainability as one of the prime issues then that was the wrong interpretation. I and the Coalition take the view that environmental sustainability, biodiversity and conservation are paramount. In fact, there are issues exercising my mind at the moment about some of the logic of what has gone on in the past.

There is no question that what has driven the planning review is the need to get on with jobs and get on with housing. I guess in that sense the green paper has focused on that but you would be aware that at every opportunity I have had representatives involved—not you but other representatives. I had Pepe Clarke from the Nature Conservation Council [NCC] and Jeff Angel from the Australian Conservation Foundation [ACF]. I had Mr Smith from the Environmental Defender's Office [EDO]. I have had all of them involved at every level. There is nothing that has been done that is not utterly and completely transparent.

My 18 months as Minister has been marked by more consultation with the environment movement than probably has ever occurred, and it is genuine consultation. They have provided some substantive input to various issues. I can tell you that—and you would be familiar with the fact that the former Government established lines around maps called the growth centres—I am currently quite concerned. I am looking to see how we might deal with it during the evolution from the green paper to the white paper and how we address some of those sustainability issues and agricultural issues that currently sit within the area. In the end there is no suggestion that we are going to be moving, for example, native vegetation or threatened species or any of the other myriad legislation that ensures, as far as is reasonable at the present time, the conservation and biodiversity issues of the State. My first degree was in environmental science. I will not be walking away from that one, so I think you can relax on that.

Mr DAVID SHOEBRIDGE: Dyer and Moore—

Mr BRAD HAZZARD: Mr Moore and Mr Dyer.

Mr DAVID SHOEBRIDGE: —proposed that the overarching objective should be environmentally sustainable development, but the green paper does not pick up that proposal. I am wondering why that is.

Mr BRAD HAZZARD: What I am saying to you is that perhaps it is interpretation—the way you are interpreting it. I am sorry if that is what you interpreted, but I just note that on 14 July when I issued the green paper the Environmental Defenders Office, Jeff Smith, actually said, and I quote from the front page of the *Sydney Morning Herald*:

The big idea is getting communities involved, that you do your planning up front and then you say, "These are the green light areas and these [are] the bits that may or may not be developed."

I can assure you that we will not be seeking to develop areas that are of high biodiversity or conservation value. They remain as paramount. The land speaks first, in my view. The land speaks first.

Mr DAVID SHOEBRIDGE: In relation to many of your proposed changes, they are proposing greater flexibility in the planning system to allow for the delivery of more development.

Mr BRAD HAZZARD: True.

Mr DAVID SHOEBRIDGE: Is that correct?

Mr BRAD HAZZARD: Yes, true.

Mr DAVID SHOEBRIDGE: The Independent Commission Against Corruption [ICAC] in its submission said this about that:

... introducing flexibility to the system will create a corruption risk, especially when combined with the potential for proponents to obtain huge windfall profits through obtaining an approval.

So the Independent Commission Against Corruption has made it very clear that the greater flexibility, which really is the cornerstone of much of the green paper, will open up corruption risks. How do you respond to that suggestion from the Independent Commission Against Corruption?

Mr BRAD HAZZARD: I think I did before.

Mr DAVID SHOEBRIDGE: You responded about process, but I am asking here about the substance of the planning laws—greater flexibility in the substance of laws producing that corruption.

Mr BRAD HAZZARD: Are you saying that you do not think there should be greater flexibility? Is that what you are saying?

Mr DAVID SHOEBRIDGE: Indeed, I am saying the enterprise zones and the dumbing down of local environment plans are a very backward step for environmental protection.

Mr BRAD HAZZARD: So you want a very rigid planning system?

Mr DAVID SHOEBRIDGE: Clear and precise controls, which cannot be rorted by developers or become corruption risks when consent authorities grant approval for inappropriate developments and deliver windfall profits for developers—exactly.

Mr BRAD HAZZARD: Well, I do not—

Mr DAVID SHOEBRIDGE: How do you respond to the position of the Independent Commission Against Corruption?

Mr BRAD HAZZARD: I do not differ in the sense that we need to make sure that it is corruption proof—that is for sure. I think that is why I am more than happy to be working with Independent Commission Against Corruption and to be discussing these sorts of issues with it, as I think I said to the Hon. Adam Searle or the Hon. Peter Primrose earlier. Every step I have taken as Minister, with the strong support of my Coalition colleagues—all of them, every one, to a man and a woman—has been to do whatever I can to get the system moving, to get the housing moving, to get the jobs and employment lands moving, but not in any manner, shape or form, Mr Shoebridge, to risk any corruption activities whatsoever. I can assure you that, as we proceed through this very challenging issue, we will be doing what we can.

Can I tell you also that, interestingly, that precise topic came up in discussions either in Seattle or Portland last week. They could not believe that we could be feeling that we could not have some flexibility in the system, and they have some of the finest planning systems in the world with some of the finest outcomes. They do not think it is a problem. I am pretty confident that we will work our way through it, but I can assure you that Independent Commission Against Corruption will be fully engaged in whatever we are doing so that we strike the balance.

CHAIR: Following up on the discussion we have just been having, concern has been raised about the introduction of environmental protection zones or conservation zones. Could you explain how you are approaching that particular issue?

Mr BRAD HAZZARD: I am sorry, I do not understand your question.

CHAIR: Are you establishing or supporting environmental protection zones or conservation zones?

Mr BRAD HAZZARD: Those issues are certainly likely to be there, but that is part of it. There have been some submissions about those issues through the many, many submissions that have come in on the green paper and also on the public submissions. It is highly likely that there will be, in one form or another, the additional protection, if we can do it. But the current areas that are subject to conservation and protection areas will certainly continue, and we will be looking to see whether there is some possibility of extending that. The Director General says he would like to say something.

Mr HADDAD: Mr Chairman, one of the main challenges that we have now in regard to those zones is that in many cases they are located a bit in isolation in the absence of a bit of a framework where we can guarantee a real value-adding to conservation and to protection. What has been suggested in the green paper is a move towards a much more strategic approach. If we can protect or lock in those areas at the strategic level and at the regional level then the delivery of the conservation outcome is usually better in terms of what they can deliver at the strategic level, keeping all the legislative protections and the regulatory protections. But that is what we are aiming to do. If we can guarantee green corridors, for example, everybody will be clear where the highest value-adding protection could be achieved at the strategic level rather than having a haphazard, individual, one-by-one allocation of those zones.

CHAIR: Those zones would prevent farming in those areas?

Mr BRAD HAZZARD: Well, no. It depends. For example, there are similar issues, but not precisely the same ones, occurring up on the North Coast at the moment where the E2 and E3 zonings have been broadbrushed across agricultural lands.

CHAIR: That is why I am asking you the question.

Mr BRAD HAZZARD: That is a little different from what we are proposing. In a sense, that is the current situation. Mr Chairman, of course that comes out of what I was saying to the Hon. Adam Searle earlier. The conversion of old local environmental plans [LEPs] to the new template local environmental plans has been very challenging, particularly for rural councils. As I said, I am not convinced that it was absolutely necessary, because the real definitional consistency benefit came more in the 43 councils that sit, for example, in the Sydney basin because that is where most of the housing development is occurring. In the regional areas you often find a different attitude anyway: they want to get on with housing.

Because the former Government established—I think in good intent, but, as I said, I would not have done it that way—the desire to translate the old local environmental plans into template local environmental plans they went from what really amounted to hundreds if not thousands of zonings to a suite of about 15 or 16, which was very restrictive. Then the local government councils had to work out what they should do and how they would translate the myriad zonings they already had in their existing local environmental plans into this much more constrained group of zonings. I think maybe in some council areas there might have been a bit of a political philosophy issue that perhaps came into their consideration as well. Councils on the North Coast have broad brushed the E2 and E3 zoning. It has gone onto agricultural land which may have had some very high conservation value land. There is some remnant vegetation on there.

But instead of recognising that that was protected already under, for example, the native vegetation legislation, they broad brushed it with an E2 or and E3 zoning. Understandably, that has been of considerable concern to farmers. Again, it is striking the balance between getting the conservation land and the biodiversity issues protected, which is critical, but also equally critical is making sure that farmers' land which is cleared and used for agricultural purposes is actually used for that purpose without farmers feeling constrained. On one day this week I am due to go up to the North Coast and have a look on the ground and talk to local people about some of these issues. Again, it is like most things in planning: it is about trying to strike the balance.

Mr Chairman, I know that you are interested in corruption issues. I wish to raise one other issue with you as a result of questions that I have been asked about corruption and the Independent Commission Against Corruption. I point out to you, as chairman, that the Independent Commission Against Corruption produced a number of reports that highlighted the need for local councillors perhaps not to get involved in development approvals. That is another balancing act I am trying to achieve through the green paper process. I am looking at the whole issue because I know Mr David Shoebridge and some others have taken the view that only elected councillors should be the people who consider development applications.

Mr DAVID SHOEBRIDGE: I have never taken that view.

Mr BRAD HAZZARD: I am sorry. I withdraw that, if that is the case. Is that not your view?

Mr DAVID SHOEBRIDGE: They should have a role. Currently they do only 2 per cent or 3 per cent of development applications.

Mr BRAD HAZZARD: That is true. But are you saying that they should do those?

Mr DAVID SHOEBRIDGE: They have an important part to play in a democratic planning process.

Mr BRAD HAZZARD: I think that is an entirely appropriate position to argue but I am just pointing out that about a decade ago the Independent Commission Against Corruption highlighted in one of its reports some corruption risks associated with that. As Minister for Planning and Infrastructure I am trying to listen as intently as I can to the Independent Commission Against Corruption and also strike a balance to achieve jobs, housing and protection of the environment.

CHAIR: I note in the budget papers that you are spending \$75 million through the Sydney Region Development Fund to acquire land for regional open space and transport corridors. The transport corridor issue has always concerned me. I was very appreciative of Roads and Traffic Authority officers who, many years ago,

planned for expressways and so on. Many of those were sold off by previous Labor governments. Now we have to dig huge tunnels, which carry with them many negative health factors. The budget papers refer also to acquiring transport corridors and disposing of surplus sites. Will you ensure in this transport plans for roads, railways and so on, that these transport corridors are sacrosanct and are not sold as surplus, as has happened in the past?

Mr BRAD HAZZARD: I understand what you are saying about the issue, but it is not solely my decision. I do not run the New South Wales Government; it is a matter for Cabinet to determine in its final decision-making. I think the figure you are talking about relates to issues, for example, concerning the North West Rail Link. Land is being bought up for that. Other acquisitions occur from time to time. Under the former Government the Office of Strategic Lands quite properly bought up substantial amounts of land for the Western Sydney Parklands and for other conservation issues. In response to your request, all I can say is that I will convey your concerns to Cabinet and ensure it understands that you place significance and importance on the preservation of corridors.

CHAIR: And those corridors should be above ground. There is now a debate about upgrading Parramatta Road and about having a sunken development.

Mr BRAD HAZZARD: It is an important factor. One of the issues raised with me as planning Minister—raised by a most excellent Labor Party member, Alison McLaren, who was heading up the Western Suburbs Regional Organisation of Councils until recently—

The Hon. ADAM SEARLE: She still is.

Mr BRAD HAZZARD: Is she? She has a couple of weeks to go? Alison is one of those people who might be a member of the Labor Party but who has never put politics in front of her policy acumen. She has raised with me the importance of getting some corridors across regions in western Sydney. That is an issue that the former Government failed to do and I am looking at those at the moment. Those sorts of issues cannot be done overnight. Getting the corridors right makes it a lot less expensive for taxpayers and ratepayers, because it is a lot more expensive to tunnel underground than to be building on the surface when it is not in private ownership. I totally agree with you. It is an important issue and I will keep it in mind as we make our deliberations on how to move forward.

CHAIR: It is a lot healthier too when you look at the M5 and all the problems with pollution.

Mr BRAD HAZZARD: Agreed. It is always easier with the benefit of hindsight but I will make sure your foresight is considered in the process.

(The witnesses withdrew.)

The Committee proceeded to deliberate.
