

**UNCORRECTED PROOF
GENERAL PURPOSE STANDING COMMITTEE NO. 5**

Thursday 11 October 2012

Examination of proposed expenditure for the portfolio area

LOCAL GOVERNMENT, THE NORTH COAST

The Committee met at 2.00 p.m.

MEMBERS

The Hon. R. L. Brown (Chair)

The Hon. J. Barham
The Hon. R. H. Colless
The Hon. S. Cotsis
The Hon. S MacDonald

The Hon. S. Moselmane
The Hon. Dr P. R. Phelps
Mr D. Shoebridge

PRESENT

The Hon. Donald Page, *Minister for Local Government, and Minister for the North Coast*

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 the hearing for the inquiry into budget estimates 2012-13 open to the public. I welcome Minister Page and accompanying officials to this hearing. Today the Committee will examine the proposed expenditures for the portfolios of Local Government and The North Coast. The Local Government portfolio will be examined from 2.00 p.m. to 2.30 p.m., with questions in relation to The North Coast portfolio to be examined from 2.30 p.m. to 3.00 p.m. Before we commence, I will make some comments about procedural matters. In accordance with the Legislative Council's 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 photographs. In reporting the proceedings of the Committee, media must take responsibility for what you publish or what interpretation you place on anything that is said before the Committee.

Any messages from advisers or members' staff seated in the public gallery should be delivered through the Chamber and support staff or the Committee clerks. Minister, I remind you and the officers accompanying that that you are free to pass notes and refer directly to the 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. I remind everyone, that is, Committee personnel, witnesses and people in the public gallery, to turn off their mobile phones—no exceptions. 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 as you have already sworn an oath to your office as a member of Parliament. I will ask all witnesses, each in turn, to state your full name, job title and agency; and then I will ask you to either swear an oath or make an affirmation.

ROSS KEITH WOODWARD, Chief Executive Officer, Division of Local Government, Department of Premier and Cabinet,

STEVEN JONATHON ORR, Deputy Chief Executive, Division of Local Government, Department of Premier and Cabinet,

GRAHAME RUSSELL GIBBS, Manager, Investigations and Performance, Division of Local Government, Department of Premier and Cabinet, and

MICHAEL SIDNEY PEARCE, Senior Regional Coordinator, Department of Premier and Cabinet, sworn and examined:

CHAIR: I declare that the proposed expenditure for the portfolios of Local Government and The North Coast are open for examination. As there is no provision for a Minister to make an opening statement before the Committee commences questions, we will begin with questions from the crossbench.

Mr DAVID SHOEBRIDGE: Minister, what action have you taken to ensure that local councils are meeting their obligations to protect the community from dangerous dogs?

Mr DONALD PAGE: I firstly make the observation that we in New South Wales have the toughest dangerous dog legislation in Australia. We are very open and transparent about the way in which the recording of dangerous dog attacks has occurred, unlike previous administrations. We are conducting a task force into companion animal legislation at the moment, which is primarily designed to look at why we have so many dogs and cats being euthanased in this State. In addition, as a result of concerns with dangerous dogs, the task force is also examining that issue. The Government is conscious of the issue of dangerous dogs in our community. We have tough legislation. Councils are required to do certain things when dangerous dogs are reported to them. That is pretty much it at this point.

Mr DAVID SHOEBRIDGE: What is your department doing to ensure that councils are living up to their obligations in relation to dangerous dogs? Doing the things that you said they should be doing when a notification has happened?

Mr DONALD PAGE: We do have a section of the Division of Local Government that looks after the Companion Animals Act. I will defer to one of my officers for the detail of what they do in terms of compliance in relation to dangerous dogs.

Mr WOODWARD: The Division of Local Government reports on dangerous dog attacks on a quarterly basis, all dog attacks on a quarterly basis, and we follow up with councils to make sure that the reporting is accurate to start with because that is one of the most important things we need to get right. It has only been in recent times that compulsory reporting has been required, so at least now we are getting accurate information. The first step I suppose is that any dog can be dangerous. We have empowered rangers with sufficient powers to declare the dogs dangerous and to take whatever action is appropriate. If we become aware that a council is not doing that we follow up directly with those councils.

Mr DAVID SHOEBRIDGE: How are you becoming aware?

Mr WOODWARD: Usually through complaints or through the reporting process because with our reporting process we often find that there has been some misreporting of dangerous dogs. Through that process we find out whether or not a council is doing a job correctly. For instance, if we have had a trend of a council reporting dog attacks over a period of time and suddenly there is none, we specifically give a call to make sure they have not misreported it for a start and, secondly, what have they been doing about some of them. We look at the trends. We are now reporting and analysing the information we are getting with a view to seeing what policy directions we need to take with that. But we also have, of course, the responsible pet ownership program, which is really tapping in from the other end to make sure that the whole issue of education is the focus, I guess. As I have said, any dog can attack. It is not only dangerous dogs that attack, it is actually any dog. We want to make sure that the community, particularly through the school process and young children, understand the dangers of dogs. A lot of effort is being put into the education end as well as the penalty end.

Mr DAVID SHOEBRIDGE: Have you been looking at any particular breeds or types of dogs that are more often than not appearing in those statistics?

Mr WOODWARD: We definitely do. That is part of the analysis we do.

Mr DAVID SHOEBRIDGE: What are they?

Mr WOODWARD: I could not list the names now but they are certainly on our website.

Mr DAVID SHOEBRIDGE: Will you take that question on notice?

Mr WOODWARD: We will take it on notice. We report on those because what we do is we look at the dog attack statistics to see whether or not there has been any change in the breeds. The whole issue of breed specific needs to be looked at, and has been looked at. We have not noticed any change in that trend. I have to say usually in the top category of dogs, it is usually the same types of dogs in that category. We have not noticed any trend but we can certainly take it on notice and get back to you. But I have to say that the task force is now moving its attention to this whole issue of dangerous dogs as the next focus.

Mr DAVID SHOEBRIDGE: Who is on that task force? How many representatives from local government?

Mr DONALD PAGE: It is chaired by the member for Charlestown, Mr Andrew Cornwell, a former veterinary surgeon. In terms of the composition, we have the Australian Companion Animal Council, the Australian Institute of Local Government Rangers, the RSPCA NSW, the Animal Welfare League NSW, the Pet Industry Association Australia, Dogs NSW, the Australian Veterinary Association, the Cat Protection Society and the Local Government and Shires Associations of NSW.

Mr DAVID SHOEBRIDGE: Minister, will you commit to making the report from that task force public?

Mr DONALD PAGE: Absolutely.

Mr DAVID SHOEBRIDGE: When do you expect it to report?

Mr DONALD PAGE: We are expecting it in November, are we not?

Mr WOODWARD: Yes.

Mr DONALD PAGE: I think it is on track.

Mr DAVID SHOEBRIDGE: Are you concerned about the large number of reports of dangerous dog incidents compared with the quite substantially lower reports of actual declarations of dangerous dogs? Do you look at those two figures?

Mr WOODWARD: That is part of the analysis that we are currently doing. That is part of what the task force will be looking at and whether or not policy areas need to be addressed because the dog attack statistics are from any attack. There is a broad definition of "attack". A dog rushing, for instance, is included. So it means a threatening action by a dog. In the dog attack statistics it is not just the major dangerous attacks, if you like; it covers a whole lot of things. The task force will specifically look at that issue to see whether or not some policy areas need to be addressed to finetune those issues.

Mr DAVID SHOEBRIDGE: Or further material is required in the reporting that identifies the nature of the incident? Have you considered that?

Mr WOODWARD: We do get reporting on the nature of the incident, and we report on that on a quarterly basis, which is on the website.

Mr DAVID SHOEBRIDGE: My office has received many complaints from people who have made complaints about a dangerous dog to their council and local police and neither organisation has taken action, yet they do not have any private entitlement to bring an action in relation to the dangerous dog. Minister, what can

people do in those circumstances or do they just have to suffer without remedy living next to a dog that they believe to be seriously dangerous?

Mr DONALD PAGE: As I understand it, and I am not an expert in this area, when a person reports a dangerous dog to the council, the council has certain obligations in relation to notifying and doing various other things required under the Companion Animals Act. If there is a disconnect between the number of dogs that have been reported and action thereafter, then that is certainly something that I as Minister would be more than happy to take on board.

Mr DAVID SHOEBRIDGE: There was an incident, which you may or may not be aware of, at Lake Macquarie where a person had made repeated complaints to the police, to the council and, I believe, to the department about a dangerous dog. No action was taken and a mauling incident happened following that. Has the department had a review of that incident?

Mr WOODWARD: Yes, we did, because we became aware of that after the event. We were not aware before about the issue of a dangerous dog.

Mr DAVID SHOEBRIDGE: That was a systems failure, was it not?

Mr WOODWARD: It was a systems failure, and we stepped into that process with that particular council. We are now looking to see whether or not there are, once again, any policy ramifications. That was an individual systems failure by that council, there is no question about that.

Mr DAVID SHOEBRIDGE: Have you looked at other similar incidents in other local government areas?

Mr WOODWARD: Not specifically because that was a particular failure in the way that council dealt with that particular matter so it was really a training issue there in that sense around the role of the rangers. So in terms of a broad system there is certainly an area of training for rangers, understanding what their roles are and what powers they do have. We take that very seriously. We provide guidance to rangers, we deal with rangers on a regular basis. My staff stay in touch with rangers to make sure they are aware of their obligations and we also provide training at conferences and so forth because that is the key to it—making sure the rangers understand the powers they have and that they actually use them.

Mr DAVID SHOEBRIDGE: Minister, has the task force been asked to consider whether or not members of the community should be allowed an option of taking their concerns about dangerous dogs to the Local Court after the local council and the police have failed to act?

Mr DONALD PAGE: As I understand it, the Companion Animals Taskforce is looking at the things that were specifically identified in the terms of reference but they have identified during the course of their inquiry that the issue of dangerous dogs needs to be looked at in more detail. Am I correct in saying that they are actually going to do that towards the end?

Mr WOODWARD: They are about to start on it now.

Mr DONALD PAGE: And the Committee Chair would be more than happy to take on board your suggestion.

Mr DAVID SHOEBRIDGE: How often have you met with the local government review panel?

Mr DONALD PAGE: I think I met them once when they were appointed and I think I have had one subsequent meeting with the chairman.

Mr DAVID SHOEBRIDGE: Are you committed to making public all of their recommendations and reports?

Mr DONALD PAGE: The process is that they have put out a discussion paper in relation to the issues.

Mr DAVID SHOEBRIDGE: And I think there are two more iterations.

Mr DONALD PAGE: There are two more to come—one, I think, will be called the Case for Change. Bear in mind this is an independent panel; it is not a government panel, it is independent of government so I cannot give assurances in relation to what they might do but certainly we are committed to an open and transparent process. To come back to the second part of the consultation process from the panel, they will issue a paper shortly, the Case for Change, and then get more feedback. Then they will issue what I understand will be some recommendations, which again will go out to the community before coming back to the Government with a final recommendation.

Mr DAVID SHOEBRIDGE: Will you commit to engaging with that process, particularly that final report, and where recommendations are put forward by the panel that the Government does not agree with or does not adopt, will you commit to putting on the public record why it is that recommendations are not adopted?

Mr DONALD PAGE: I do not think I would have any problem doing that. They are going to make recommendations; they are an independent panel. The Government gets lots of recommendations from time to time. They accept some and not others, so I do not have a problem with identifying why a government would not accept a particular recommendation.

Mr DAVID SHOEBRIDGE: I ask that question because in relation to the planning review a detailed white paper was obtained by the Government, but then the Government's response and a green paper failed to identify why a good many of those recommendations had not been adopted and I was just wondering if you were going to adopt that process for the local government review or if you were going to adopt a process of clearly identifying why recommendations were not adopted?

Mr DONALD PAGE: No, the independent panel will be actually making recommendations initially to the public.

Mr DAVID SHOEBRIDGE: Then you will either be accepting them or not, though, Minister.

Mr DONALD PAGE: Yes, coming back to us. I do not have any difficulty with making both their recommendations and the Government's decisions public, no problem at all.

Mr DAVID SHOEBRIDGE: Have you had meetings with the Business Council of Australia or any other organisation that has been urging the Government to engage in forced amalgamations?

Mr DONALD PAGE: I do not know that I have met with any business group, not that I can recall. I have read about it in the paper, but I do not think I have met with them.

Mr DAVID SHOEBRIDGE: Would you like to take it on notice?

Mr DONALD PAGE: Yes, but I am pretty sure I have not met with them. I have certainly read it in the paper and I have seen what various luminaries around the place have been advocating. I stress again this is an independent panel, requested by the Local Government Association.

Mr DAVID SHOEBRIDGE: I am asking independently of that process.

Mr DONALD PAGE: We said, "Yes, we'll give you an independent inquiry." It is an independent inquiry. They will come up with their recommendations. They have our full confidence.

Mr DAVID SHOEBRIDGE: I am not challenging the process of the inquiry; I am just asking independent of that inquiry whether you have had any meetings with the Business Council of Australia or any other body or person, in your capacity as Minister, who has been urging the Government to support forced amalgamations of local councils?

Mr DONALD PAGE: I will take it on notice. My recollection is that I have not actually met with anyone formally who has said that, but of course you run into people on the social circuit who think they know more about local government than all of us put together in this room.

Mr DAVID SHOEBRIDGE: There are many of those people, Minister. And if you have, could you just identify who those people or organisations were?

Mr DONALD PAGE: Sure.

Mr DAVID SHOEBRIDGE: Minister, what is your Government doing to ensure that councillors are not voting on items where they have a direct pecuniary interest in the outcome?

Mr DONALD PAGE: We come back to this perennial issue.

Mr DAVID SHOEBRIDGE: If you go changing the law and allowing councillors to vote on matters where they have a pecuniary interest it will be a perennial issue, Minister.

Mr DONALD PAGE: Can I just say because this is a bit complex that the concerns that have been raised about the recent amendment to section 451 are misplaced. In fact, whether by accident or design The Greens have been making misleading statements about the amendment. The need for the amendment has arisen from the requirement of all councils to implement a standardised local environmental plan [LEP] for their local government area and this generally means changes to the development potential of land in the local government area. Normally if a councillor has a pecuniary interest in a matter being considered at a council meeting he or she must declare the interest and not participate in the consideration of the matter. As most councillors live and own property in the council area covered by the local environmental plan and the issue of a pecuniary interest inevitably arises because most people own property and they have to consider the whole of the local environmental plan, the pecuniary interest provisions have meant that many councils have been unable to form or maintain a quorum—

Mr DAVID SHOEBRIDGE: You know, Minister, we put forward an amendment to allow for a quorum in those circumstances?

Mr DONALD PAGE: —to discuss and vote on their standard local environmental plan. There is provision in the Act for dispensations to be granted so councillors can participate in discussion of or vote on a matter before the council despite having a pecuniary interest in the matter. Obtaining those dispensations—which they get from me—were causing significant delays to the implementation of standard instrument local environmental plans across New South Wales. The amendments to the Act aim to facilitate the approval of local environmental plans. Can I indicate to you that my view is that the current arrangements are more transparent than was previously the case. Previously someone could apply to the Minister, whoever it was, for an exemption, so to speak, to be able to vote on an issue in which they had a pecuniary interest. There was no transparency about what motivated me or previous Ministers in relation to that process. I could give an exemption without ever having to explain why it was that I gave an exemption.

Now—and we are only talking about local environmental plans of major areas; we are not talking about individual developments here and there—in order to overcome this issue of being able to get a quorum and to get some common sense into the situation the person has pecuniary interest has to declare that pecuniary interest upfront and it has to be noted in the minutes. I might add that even if they do all that and they are still concerned about it, it is not the council that actually signs off on the local environmental plan; it is the Minister for Planning and Infrastructure who actually signs off. If the Minister for Planning and Infrastructure had any genuine concern about a person on council who had a major pecuniary interest that covered a large section of the local environmental plan and who was favourably going to benefit, you would find the Minister would be very concerned about sending that local environmental plan back to the council to make sure that everything was done appropriately.

The Hon. SOPHIE COTSIS: On 14 August this year you said on radio station 2UE that half the councils in New South Wales are struggling financially. Can you tell me which ones?

Mr DONALD PAGE: I can. How much time have you got? I will read them out. Percy Allan back in 2006 indicated that 25 per cent of the councils—

The Hon. SOPHIE COTSIS: But do you have—

Mr DONALD PAGE: I have a list.

The Hon. SOPHIE COTSIS: Could you table that list?

Mr DONALD PAGE: I could certainly table the list. I just add that Percy Allan indicated at the time that 25 per cent of councils were unsustainable and that a further 50 per cent were vulnerable. That was 2006. What we are very keen to do as a government is to make local government as strong as it possibly can be and if we keep going the way we are going, with at least 50 per cent of our councils really struggling financially—

The Hon. SOPHIE COTSIS: But you have that list?

Mr DONALD PAGE: —we will end up having ratepayers in those councils who cannot afford to do anything other than maintain the most basic of services, being in the have-not class and having other councils that are reasonably wealthy—and there are some of them—that are the have-class.

The Hon. SOPHIE COTSIS: Thank you very much, but I have a number of questions to ask you. You will table that list of councils—

Mr DONALD PAGE: It is in the Percy Allan report, you can access it yourself; but I will table it for you.

The Hon. SOPHIE COTSIS: Last year I asked you a similar question and you said that it can show you, in terms of the Division of Local Government, at any point in time exactly which councils are struggling, so you have an updated list of where councils are financially struggling?

Mr DONALD PAGE: What happens, and the chief executive officer can comment, is that the Division of Local Government constantly monitors councils' financial situation and at any one time there can be up to 20 or 25 councils that are being watched—you might say a credit watch almost. On top of that we have a number of councils that are struggling and may have been on credit watch in the past but have now taken certain measures at the recommendation of the Division of Local Government, or Treasury possibly in more recent times.

The Hon. SOPHIE COTSIS: On that point, will you look at the recommendations that the Auditor-General has made regarding better, stronger oversight of council finances?

Mr DONALD PAGE: Absolutely. I think the Auditor-General's report was very positive in terms of recommendations. I put out a media release upon reading that report saying that I thoroughly endorsed and supported the recommendations and a number of recommendations go to the sorts of things that were being discussed—

The Hon. SOPHIE COTSIS: Yes, so will you introduce legislation to strengthen the Division of Local Government's powers?

Mr DONALD PAGE: I am not sure whether we need legislation. I will defer to the chief executive officer in relation to the Division of Local Government's response to the Auditor-General's report, but I will say that the Government supports the recommendations.

Mr WOODWARD: We welcomed the Auditor-General's report. This year we have restructured our organisation into two broad areas, I suppose. One is about innovation and support in the sector and the other is around our compliance end, so the Auditor-General's report really came at a very welcome time to focus on our compliance part. We absolutely accept all the findings and recommendations and we are currently working through to make sure we can deal with those things, because some of those things are about some policy areas and some practice areas within the division and some other things are about powers. We are looking at that whole range of things to work through. We are already acting on some of those recommendations and we have already put together, for instance, our intervention strategy, which was one of the recommendations about how do we know when to intervene and in what circumstances, so we are working through all of those things, including any additional powers that might be appropriate.

The Hon. SOPHIE COTSIS: Are you going to introduce anything before the end of this year?

Mr WOODWARD: Introduce anything?

The Hon. SOPHIE COTSIS: Yes, in terms of legislation.

Mr DONALD PAGE: I do not think we will have time.

Mr WOODWARD: I do not introduce legislation.

Mr DONALD PAGE: No, the Government. I think I can say with certainty, because of the constraints imposed by the upper House actually, we will not be able to get legislation—

The Hon. SOPHIE COTSIS: Why are you pointing at the Chairman?

Mr DONALD PAGE: Because you have certain cut-off points, remember? My guess is that legislation, should it be necessary, would not be able to come through this time.

The Hon. SOPHIE COTSIS: Thank you, that is all I need.

Mr DONALD PAGE: Except perhaps for the code of conduct, which has been around for a long time.

The Hon. SOPHIE COTSIS: The Local Infrastructure Renewal Scheme was originally funded or promoted as \$70 million. Is the money still coming from TCorp?

Mr DONALD PAGE: Yes, it comes from Treasury. It is \$100 million. We got an extra \$30 million in the last budget, so all up we have \$100 million for that project.

The Hon. SOPHIE COTSIS: How much will that unlock?

Mr DONALD PAGE: Over a billion dollars.

The Hon. SOPHIE COTSIS: Do you have an exact figure?

Mr DONALD PAGE: You cannot give an exact figure because \$65 million has not yet been spent and the interest rates will vary from council to council. What I can tell you is that in the first round we had \$35 million invested by the State Government and that generated \$439 million worth of investment on the ground.

The Hon. SOPHIE COTSIS: Is the \$439 million how much councils are going to borrow?

Mr DONALD PAGE: That is right, and they are borrowing that to put infrastructure on the ground.

The Hon. SOPHIE COTSIS: I understand that, but you have given the green light for councils to borrow \$439 million. Is that right?

Mr DONALD PAGE: Sixty-two councils in total borrowing that amount, that is right.

The Hon. SOPHIE COTSIS: Are any of those 62 councils financially struggling?

Mr DONALD PAGE: The way it works is that TCorp does a financial assessment of every council that applies, and this is actually a very positive thing for councils because then they get some objective and professional advice from Treasury about whether they can take on more debt or not and, if so, how much more.

The Hon. SOPHIE COTSIS: I understand that, but you opened applications a number of months ago, back in January, and you have gone through the process. Then over the last couple of months you have introduced an assessment by TCorp as part of your review of council finances. Is that right?

Mr DONALD PAGE: No, the TCorp assessment occurs as they apply.

The Hon. SOPHIE COTSIS: But are you not currently undergoing a financial review of council finances?

Mr DONALD PAGE: We are doing an infrastructure backlog audit, which is a slightly different thing.

The Hon. SOPHIE COTSIS: Are you not doing a financial review?

Mr DONALD PAGE: As I said before, the Division of Local Government carries out financial reviews on a continuous basis. What I am saying is that—

The Hon. SOPHIE COTSIS: That is fine.

Mr DONALD PAGE: This is important: The Treasury actually does an assessment of these councils' finances as they apply—

The Hon. SOPHIE COTSIS: This is important as well—

Mr DONALD PAGE: Hang on—to see that they can afford to pay for the money that they are wanting to borrow from the bank with our interest rate subsidy.

The Hon. SOPHIE COTSIS: Yes, but there are 62 councils that you have green lighted, as is stated in the media releases of your members, a number of National Party members.

Mr DONALD PAGE: Correct.

The Hon. SOPHIE COTSIS: And you have stated that the Government has green lighted borrowings, so in total the Government is allowing councils to borrow \$439 million. There are 62 councils that have applied and have been approved. Are a number of those councils financially struggling?

Mr DONALD PAGE: The short answer basically is no when it comes to the size of borrowing that we are talking about because every single loan is subject to Treasury Corp assessment.

The Hon. SOPHIE COTSIS: So can you tell me why—

Mr DONALD PAGE: Hang on, this is important, because they are not allowed to borrow the money unless TCorp signs off on it and when they borrow the money they borrow it from whichever bank they like and then the Government in this first round pays 4 per cent interest.

The Hon. SOPHIE COTSIS: Sure.

Mr DONALD PAGE: They are typically borrowing at 6 per cent and paying 4 per cent.

The Hon. SOPHIE COTSIS: I am concerned about ratepayers, and my question to you is that there are a number of councils—such as Port Macquarie council, Coffs Harbour council, Wingecarribee council—that have been approved to go and borrow funds, and these are councils that have gone through the CDO experience, so do they come under financially struggling councils?

Mr DONALD PAGE: All those matters are assessed by TCorp. If you are telling me that you have a better understanding of whether councils can borrow than TCorp, then good luck to you.

The Hon. SOPHIE COTSIS: No, I am asking you questions on behalf of ratepayers of New South Wales because, as we have seen, Port Macquarie-Hastings Council was under administration because of financial mismanagement. It has applied to borrow \$24 million. There are news reports about Port Macquarie council financially struggling. You have given the green light for it to borrow \$24 million and my questions are valid because ratepayers need to know, if this council and any of the other councils cannot afford to repay the loans in five years, what happens? Does the Government underwrite the borrowings? If a council cannot afford to pay back its loan, who will pay it back?

Mr DONALD PAGE: I think you are pre-empting the whole situation.

The Hon. SOPHIE COTSIS: No, I am not.

Mr DONALD PAGE: Yes, you are.

The Hon. SOPHIE COTSIS: This is a risk assessment.

Mr DONALD PAGE: Treasury Corp assesses whether they can afford to take on the borrowings or not.

The Hon. SCOT MacDONALD: Point of order: We now have a pattern of talking over the Minister, who is trying to answer the question.

Mr DONALD PAGE: It is a hypothetical situation you are raising.

CHAIR: Generally speaking, witnesses should be allowed to answer a question before moving on to the next question, so I ask members to be a little patient with the answers from the panel.

The Hon. SOPHIE COTSIS: Thank you, but unfortunately we only have 15 minutes to ask very important questions regarding local government.

Mr DONALD PAGE: As I said, Treasury Corp assesses every application to see whether the council is in a financial position in which to be able to pay its share of the loan, and some councils will be knocked back and others have been approved.

The Hon. SOPHIE COTSIS: Sixty-two councils have been approved.

Mr DONALD PAGE: Sixty-two councils have been approved in the first round.

The Hon. SOPHIE COTSIS: Councils such as Ballina shire, Bega Valley, Blayney shire, Cabonne, Brewarrina shire—

The Hon. RICK COLLESS: You have got the list there?

The Hon. SOPHIE COTSIS: No, you do not know what you are talking about. Minister, Brewarrina Shire Council has applied for a \$550,000 loan to upgrade its community centre, and I think that is fantastic because we need to be supporting rural and remote councils.

You have given approval for them to borrow the money. This is a struggling council. How much interest will they pay?

Mr DONALD PAGE: They will pay their share of the interest.

The Hon. SOPHIE COTSIS: How much interest?

Mr DONALD PAGE: If they borrow at interest of 6 per cent and the State Government gives them a 4 per cent subsidy in the first round they will pay 2 per cent.

The Hon. SOPHIE COTSIS: Is it not better for councils such as these remote councils to be provided with a grant by the Government? That way their ratepayers do not have to pay the interest bill.

Mr DONALD PAGE: You seem to be suffering under the misapprehension that somehow the Local Government Infrastructure Renewal Scheme is the only source of revenue for councils. Councils get rates, Federal grants, financial assistance grants and a whole raft of income. This is not the only issue.

The Hon. SOPHIE COTSIS: You have been promoting this program around New South Wales—

Mr DONALD PAGE: Absolutely. It is an excellent program.

The Hon. SOPHIE COTSIS: —and you have been asking councils to put in applications and you will green-light them if they go through an assessment process—

Mr DONALD PAGE: Hang on. I do not green-light them. It is an independent panel that comprises Treasury Corporation and the Department of Local Government and other experts in the field who give the green light. The Government does not give the green light; they are assessed externally to government.

The Hon. SOPHIE COTSIS: Basically there is \$439 million worth of borrowings, so I am asking you about risk assessment.

Mr DONALD PAGE: It is not just borrowings; it is infrastructure going on the ground.

The Hon. SOPHIE COTSIS: Yes, but it has to be economic infrastructure.

Mr DONALD PAGE: And jobs, by the way.

The Hon. SOPHIE COTSIS: If the councils cannot service their loans what will happen?

Mr DONALD PAGE: I think it is highly unlikely that that will arise because Treasury has made sure that councils have enough freeboard to be able to pay back their loans. We are talking about a 10-year period here, 10-year loans; we are not talking about 25-year loans.

The Hon. SOPHIE COTSIS: In the TCorp document—the Department of Local Government circular—it talks about this being over five years whereas your media releases talk about a 10-year period. Is it five years or 10 years?

Mr DONALD PAGE: Can I just make this point? If the Local Government Infrastructure Renewal Scheme was not there and there was no interest subsidy and these councils you are worried about had to put the infrastructure on the ground, they would not have any government subsidy. They would be paying for it 100 per cent and the ratepayers of those councils would be more endangered than they would be under the Local Government Infrastructure Renewal Scheme by a long way.

The Hon. SOPHIE COTSIS: Hang on a minute. If these councils cannot afford to service their loans, what will happen?

Mr DONALD PAGE: They would not get the loan. They would not try; they would not get the subsidy on the loan.

The Hon. SOPHIE COTSIS: Will you rule out ratepayers having to pay more in rates if their councils cannot afford to pay back those borrowings?

Mr DONALD PAGE: The bottom line is the councils enter into arrangements with the banks. The banks do their homework as well in relation to whether a council can afford to repay the loan.

The Hon. SOPHIE COTSIS: But you will sign off—

Mr DONALD PAGE: No, I will not. I do not sign off on any of this. It is all done by financial people who know what they are talking about.

The Hon. SOPHIE COTSIS: Which comes first, the bank loan or the assessment from TCorp?

Mr DONALD PAGE: The assessment.

The Hon. SOPHIE COTSIS: So they take the certificate from TCorp and go to the bank and say TCorp has signed off on this and they want to borrow \$20 million. Is that right?

Mr DONALD PAGE: I think the bank obviously also does its own homework in relation to whether it believes that even with the interest subsidy the council is in a position to be able to repay the loan over a 10-year period.

The Hon. SOPHIE COTSIS: This is a worry because this looks like you are creating a council financial crisis.

Mr DONALD PAGE: The last financial crisis we had was with CSDs and that was when you were in government.

The Hon. SOPHIE COTSIS: No, CDOs. There are a number of collateralised debt obligation situations that you need to report on with regard to what is happening with some of these councils who have been approved to go out and borrow more money. You came into government saying you were going to fund infrastructure directly. Now you are going to allow councils to borrow money. It is a disgrace.

Mr DONALD PAGE: You quite obviously do not have any faith in TCorp's assessment of councils' ability to repay.

CHAIR: Order! The member's time has expired. We will now move on to the portfolio of North Coast.

The Hon. SHAOQUETT MOSELMANE: Minister, are you aware of the requirements of the ministerial code of conduct?

Mr DONALD PAGE: Broadly, yes.

The Hon. SHAOQUETT MOSELMANE: Have you ever disclosed a conflict of interest at a Cabinet meeting?

The Hon. Dr PETER PHELPS: Point of order—

Mr DONALD PAGE: I have, yes.

The Hon. SHAOQUETT MOSELMANE: On what matter did you disclose a conflict of interest?

The Hon. Dr PETER PHELPS: Point of order: The member knows very well that Cabinet discussions and associated papers are confidential documents and if he wants in 30 years time when the minutes are released he can find out exactly what happened.

The Hon. SHAOQUETT MOSELMANE: To the point of order: I am not asking about Cabinet-in-confidence discussions; I am asking whether the Minister has ever disclosed a conflict of interest at a Cabinet meeting.

CHAIR: Order! I will rule on the point of order. The Minister is capable of knowing whether he can or cannot answer the question under the government rules.

Mr DONALD PAGE: I am a bit vague about what I am allowed to declare in relation to Cabinet confidentiality. My understanding is that I am not supposed to say anything about Cabinet confidentiality including whether one has declared a conflict of interest.

The Hon. SHAOQUETT MOSELMANE: Well, have you ever declared—

Mr DONALD PAGE: I said I have declared one.

The Hon. SHAOQUETT MOSELMANE: Have you ever excused yourself from a Cabinet discussion due to a conflict of interest?

The Hon. Dr PETER PHELPS: Point of order: It is the same point. The established conventions around Cabinet are longstanding and well known and took place under previous governments. The Minister is not obliged to say anything that may or may not have happened at a Cabinet meeting.

The Hon. SHAOQUETT MOSELMANE: To the point of order: I am not asking anything in relation to the Cabinet discussions. I am asking whether the Minister has excused himself from a Cabinet discussion due to a conflict of interest.

CHAIR: Order! I will rule on the point of order. The Minister is the representative here of the Government. Therefore, the Minister can choose whether to answer or whether to claim Cabinet-in-confidence.

Mr DONALD PAGE: It is appropriate that I indicate in keeping with my swearing-in requirement that everything that happens in Cabinet is confidential and therefore I should not be speaking about it.

The Hon. SHAOQUETT MOSELMANE: But you said you generally have declared conflict of interest in Cabinet meetings.

Mr DONALD PAGE: That is right.

The Hon. SHAOQUETT MOSELMANE: On what matter?

Mr DONALD PAGE: I have just answered that question.

The Hon. Dr PETER PHELPS: Point of order: The member is badgering the Minister.

The Hon. SHAOQUETT MOSELMANE: I am not badgering; I am asking a question.

Mr DONALD PAGE: You asked me a procedural—

The Hon. Dr PETER PHELPS: He badgered the Minister about Cabinet-in-confidence and now he is badgering for the third time to find out what particular matter.

CHAIR: Order! I have already ruled on this. The Minister is capable of deciding which questions he will answer and which questions he will defer on the basis of Cabinet solidarity.

Mr DONALD PAGE: The first question was essentially about process, on which I was happy enough to say yes, I have. The next question was about substance, which I am not prepared to divulge.

The Hon. SHAOQUETT MOSELMANE: Did you attend all the Cabinet meetings between February and April this year?

Mr DONALD PAGE: I cannot recall exactly. I assume I would have. There is a Cabinet meeting every Monday. I may have been sick one Monday. I cannot recall.

The Hon. SHAOQUETT MOSELMANE: Did the Treasurer, Mr Mike Baird, disclose a conflict of interest before recommending the appointment of a major political donor, Mr Roger Massy-Greene, to a highly paid government position?

The Hon. Dr PETER PHELPS: Point of order: Again, that falls foul of the rules relating to Cabinet-in-confidence.

The Hon. SHAOQUETT MOSELMANE: I am asking the Minister—

The Hon. Dr PETER PHELPS: Yes, but you should not badger the witness into answering questions.

The Hon. SHAOQUETT MOSELMANE: That is a separate question.

CHAIR: Order! I will decide who is badgering whom and what the game plan is. I have already ruled on this twice so I am not about to do it again. Minister, if you feel you can answer the question, answer it; if you do not, then do not.

Mr DONALD PAGE: I most definitely cannot answer that question, and should not.

The Hon. SHAOQUETT MOSELMANE: Do you accept that the Government's position on uranium exploration is out of step with the views of the people on the North Coast?

The Hon. SCOT MacDONALD: Point of order: This Minister has many fine qualities but he is not the Minister for Resources and Energy.

The Hon. SHAOQUETT MOSELMANE: He is the Minister for the North Coast.

CHAIR: Could you repeat the question?

The Hon. SHAOQUETT MOSELMANE: Yes. Would you accept that the Government's position on uranium exploration is out of step with the views of people living on the North Coast? You are the Minister for the North Coast.

CHAIR: I rule the question in order.

Mr DONALD PAGE: The Government's policy in relation to uranium exploration is a statewide policy. It has nothing to do with mining uranium. It is only a case of seeing what is out there. There would be very little likelihood of any uranium exploration happening on the North Coast. In fact I have not heard of any proposal at any time anywhere in relation to the North Coast. In relation to it being a burning issue on the North Coast, it just does not rate. It is not an issue.

The Hon. SHAOQUETT MOSELMANE: Do you support the decision to allow uranium exploration?

Mr DONALD PAGE: I cannot see any reason—

The Hon. Dr PETER PHELPS: It is a Cabinet decision.

Mr DONALD PAGE: The Government has made a decision to assess what uranium resource might be out there, and it is more relevant to the western part of New South Wales than it is to any coastal area.

The Hon. SHAOQUETT MOSELMANE: My question to you: Minister, do you support—

Mr DONALD PAGE: I support the Government.

The Hon. SHAOQUETT MOSELMANE: And the Government supports it?

The Hon. RICK COLLESS: He is a member of the Cabinet.

Mr DONALD PAGE: The Parliament has passed legislation.

The Hon. SHAOQUETT MOSELMANE: Yes. My question is clear: Minister, do you support the decision to allow uranium exploration?

Mr DONALD PAGE: Of course I do.

The Hon. SHAOQUETT MOSELMANE: Of course you do.

Mr DONALD PAGE: I am part of the Government. Legislation has gone through.

The Hon. SHAOQUETT MOSELMANE: Did you participate in discussions relating to the decision to overturn the uranium exploration ban?

Mr DONALD PAGE: What are you talking about? In Cabinet again?

The Hon. SHAOQUETT MOSELMANE: No, I never mentioned Cabinet.

Mr DONALD PAGE: I am not divulging any discussions that happened in Cabinet.

The Hon. SHAOQUETT MOSELMANE: No, I will repeat the question. Did you participate in discussions relating to the decision to overturn the uranium exploration ban? Did you, Minister?

Mr DONALD PAGE: Where are you talking about? What sort of discussions? Any discussions anywhere? Have I ever had a discussion with anyone about whether uranium exploration should be given the go ahead? Quite possibly.

The Hon. RICK COLLESS: I think I discussed it with you.

Mr DONALD PAGE: I might have discussed it with Rick Colless over a cup of tea one day. It is possible.

The Hon. SHAOQUETT MOSELMANE: Did you discuss this with other colleagues? Did you discuss this with members of the Cabinet?

Mr DONALD PAGE: These matters that go before Government are regularly discussed among my colleagues.

The Hon. SHAOQUETT MOSELMANE: Minister—

Mr DONALD PAGE: In fact, the stuff that goes through the Government has to go through a joint party room. Everyone is aware of what is happening.

The Hon. SHAOQUETT MOSELMANE: As the Minister for the North Coast, do you oppose the overturning of the ban on uranium mining?

Mr DONALD PAGE: Sorry, do I what?

The Hon. RICK COLLESS: He is a member of Cabinet.

CHAIR: Order!

Mr DONALD PAGE: I have already answered that question.

The Hon. SHAOQUETT MOSELMANE: I am not sure whether the Minister—

Mr DONALD PAGE: I support the Government's position.

The Hon. SHAOQUETT MOSELMANE: —is suffering from some hearing problems, but my question is clear: As Minister for the North Coast, did you oppose the overturning of the ban on uranium mining?

The Hon. RICK COLLESS: He is a member of Cabinet.

Mr DONALD PAGE: I am a member of the Cabinet, and the Government has made a decision that it is going to look and see what resources are there. I highlight the fact that this in no way gives the green light to uranium mining. It does happen in other States, as a matter of interest.

The Hon. SHAOQUETT MOSELMANE: Did you oppose the overturning of the—did you personally oppose it?

Mr DONALD PAGE: I am a member of Cabinet. I am bound by Cabinet solidarity. The Government has made a decision.

The Hon. SHAOQUETT MOSELMANE: Minister, did you oppose it at the time, or did you oppose it—still support it?

Mr DONALD PAGE: I just answered your question. I support the Government's decision.

The Hon. SHAOQUETT MOSELMANE: The Minister is clearly avoiding the question.

The Hon. RICK COLLESS: Listen to what he is saying.

Mr DONALD PAGE: I have answered your question three times.

The Hon. SHAOQUETT MOSELMANE: Is it appropriate—

The Hon. Dr PETER PHELPS: You cannot even disagree with your own party room, let alone Cabinet.

The Hon. SHAOQUETT MOSELMANE: Is it appropriate that you have approved an application for uranium exploration when you hold shares in BHP Billiton?

Mr DONALD PAGE: This goes—no. I have made a declaration to Cabinet, as I indicated before.

The Hon. SHAOQUETT MOSELMANE: No, you did not indicate.

Mr DONALD PAGE: Yes, I indicated—

The Hon. SHAOQUETT MOSELMANE: You did not indicate. I asked you a few times. I gave you an opportunity a number of times to declare—

Mr DONALD PAGE: I am still not going to answer your question.

The Hon. SHAOQUETT MOSELMANE: —what did you declare, and you refused.

Mr DONALD PAGE: I have indicated to you that I have a declaration.

The Hon. SHAOQUETT MOSELMANE: You refused to tell—

Mr DONALD PAGE: I am not going to talk about it.

The Hon. SHAOQUETT MOSELMANE: You refused to disclose—

Mr DONALD PAGE: I am not going to talk about the detail of the substance—

The Hon. SHAOQUETT MOSELMANE: —on what you declared interest on.

Mr DONALD PAGE: —of what happens in Cabinet. I am telling you—

The Hon. SHAOQUETT MOSELMANE: Minister, how can the people of New South Wales—

The Hon. RICK COLLESS: Point of order, Mr Chairman.

The Hon. SHAOQUETT MOSELMANE: —have confidence in you—

The Hon. RICK COLLESS: Point of order—

The Hon. SHAOQUETT MOSELMANE: —when you do not disclose—

CHAIR: Order! Point of order has been raised Mr Colless.

The Hon. RICK COLLESS: Mr Chairman, once again we see the questioner not allowing the Minister to answer the question. He is trying very hard to answer the questions as the member puts them, and the member consistently interrupts him without giving him time to answer.

The Hon. SHAOQUETT MOSELMANE: That is rubbish. I did not consistently interrupt at all.

CHAIR: Response to the point of order?

The Hon. SHAOQUETT MOSELMANE: In response to that, Mr Chairman, I asked the questions without interrupting the Minister and waited for him to answer, but I was badgered by the members of the Government.

CHAIR: There is no point of order. Members are reminded that interjections are disorderly at all times. Members are also reminded that they should not respond to interjections. Please ask your question of the Minister.

The Hon. SHAOQUETT MOSELMANE: Minister, is it appropriate that you approved an application for uranium exploration when you hold shares in BHP Billiton?

Mr DONALD PAGE: I did not approve any application.

The Hon. SHAOQUETT MOSELMANE: You participated in discussions.

Mr DONALD PAGE: I have not approved—hang on, I am not a consent authority. I do not approve—

The Hon. SHAOQUETT MOSELMANE: But you—

Mr DONALD PAGE: —applications for exploration for uranium. I am a member of the Government, and I support the Government.

The Hon. SHAOQUETT MOSELMANE: I asked you whether you declared that interest, and you—

Mr DONALD PAGE: I have declared an interest. That goes to process. In terms of the detail about the subject of the declaration—

The Hon. SHAOQUETT MOSELMANE: It is a question of trust.

Mr DONALD PAGE: —I am not prepared to go there, nor should I go there because of Cabinet confidentiality.

The Hon. SHAOQUETT MOSELMANE: No, I was not asking you about Cabinet confidentiality or anything.

Mr DONALD PAGE: Yes, you were. You were asking about whether I declared interest.

The Hon. SHAOQUETT MOSELMANE: I was asking about whether you have declared any interest while you were at Cabinet meetings, particularly when you have shares in BHP Billiton, knowing full well that exploration licences are about to be given.

Mr DONALD PAGE: It is a very long bow you are trying to draw. I have already indicated to you that I have made a declaration.

The Hon. SHAOQUETT MOSELMANE: Minister, let me tell you, this is why the people of New South Wales—

The Hon. Dr PETER PHELPS: Is this a question or is this a statement?

The Hon. SOPHIE COTSIS: Let him go on. We only have 15 minutes.

The Hon. SHAOQUETT MOSELMANE: Mr Chair, can I ask the question?

CHAIR: I will just remind all members that everybody has their go. We will allow the member to ask the question. Please ask your questions clearly and as succinctly as you can and, Minister, please answer in a similar vein. Thank you.

The Hon. SHAOQUETT MOSELMANE: Minister, how can the people of New South Wales have confidence in you when you participate in discussions when you have a clear conflict of interest?

Mr DONALD PAGE: That is a presumption on your part, which is not founded.

The Hon. SHAOQUETT MOSELMANE: Minister, you have declared an interest. You have declared it. It is in here. You have declared an interest that you have shares in BHP Billiton, yet you do not disclose it in your meeting.

The Hon. RICK COLLESS: As do a number of Australians.

Mr DONALD PAGE: I have already indicated to you I was prepared to concede that I have made a declaration in a Cabinet discussion. In terms of the subject matter of that declaration, I am not prepared to go there because it is Cabinet in confidence.

The Hon. SHAOQUETT MOSELMANE: Sure. I gave you many opportunities but you refused to answer, Minister.

The Hon. Dr PETER PHELPS: Good luck. Bring back Luke Foley.

The Hon. RICK COLLESS: Have you got any other questions?

The Hon. Dr PETER PHELPS: At least Luke Foley has some idea.

The Hon. SHAOQUETT MOSELMANE: Now I will move on to other questions. Minister, last weekend, on 6 October, more than 200 people attended a community fundraiser in Rock Valley near Lismore to rebuild Australia's smallest post office, which was destroyed in a suspicious fire on 28 September. The tiny post office was originally built in the 1930s and was relocated to its present location in Rock Valley on the New South Wales North Coast about three years ago. The timber building, which was just 3.6 metres by 3.6 metres, served about 200 people local people and was also a tourist attraction due to its status as Australia's smallest post office. Labor has called on the New South Wales Government to provide emergency financial assistance from its main tourist body, Destination NSW, as it is an important tourist attraction. Their insurance is for about \$25,000, but they will need more than \$100,000 to rebuild. Minister, has your office made contact with the tiny community of Rock Valley to support them?

Mr DONALD PAGE: I am not aware of any contact that has been made. No doubt if they were concerned to seek my assistance, they would contact my office.

The Hon. SHAOQUETT MOSELMANE: Minister, the member for Lismore, Thomas George, said he would take up their case. Have you had representations from Mr George?

Mr DONALD PAGE: He is a good local member.

The Hon. SHAOQUETT MOSELMANE: Have you had representations from Mr Thomas George? I am not asking whether he is a good local member or not.

Mr DONALD PAGE: I cannot recall.

The Hon. SHAOQUETT MOSELMANE: So you have not had?

Mr DONALD PAGE: I am not sure. I would have to check my files.

The Hon. SHAOQUETT MOSELMANE: Minister, are you planning to make a donation from the State Government?

The Hon. RICK COLLESS: Why doesn't Julia make a donation? It is a Federal matter.

Mr DONALD PAGE: I am actually not the portfolio Minister, so I suggest you direct—

The Hon. SHAOQUETT MOSELMANE: The question is clear.

Mr DONALD PAGE: I suggest you direct that question to the Minister for Tourism, if you think that is why it should be—

The Hon. SHAOQUETT MOSELMANE: It is the North Coast. You are the Minister for the North Coast.

Mr DONALD PAGE: Yes, I know.

The Hon. Dr PETER PHELPS: It is a heritage thing. You missed heritage; it was on earlier.

CHAIR: Order!

Mr DONALD PAGE: I can indicate that I am due to meet Thomas George on 17 October in relation to tourism matters.

The Hon. SHAOQUETT MOSELMANE: Including the Rock Valley Post Office?

Mr DONALD PAGE: He has not given me an agenda at this point. It is about tourism, so presumably he will raise the issue.

The Hon. SHAOQUETT MOSELMANE: In relation to the Mullumbimby Hospital, when will the final decision be made on the trial of the replacement of the emergency overnight doctor in Mullumbimby Hospital's emergency department?

Mr DONALD PAGE: It will be made on 28 November by the local district board after consideration of all the issues surrounding that proposed trial. I attended a public meeting in Mullumbimby where the community were concerned about the teletrial. I indicated that the concerns that were raised needed to be addressed and the CEO gave an assurance that he would talk to the people involved—the clinicians and the nurses, in particular. My understanding is, and I am sure it is pretty solid, that the matter will go before the district board on 28 November and this will be a decision that will be made by the district board.

The Hon. SHAOQUETT MOSELMANE: Thank you.

The Hon. JAN BARHAM: I refer to concerns that have been raised with your office with regard to the Brunswick Heads ferry reserve and the encroachment of Crown land. What is your view of the licence requirements? Can you update the Committee about that situation?

Mr DONALD PAGE: As you and I know, this has been an issue for some time. The council met just before or after the local government elections.

The Hon. JAN BARHAM: That was about the licence area. The Crown has now taken the area and used it without approval. That is the point. Council resolved specifically that the licence would not include the road area. It has now been blockaded, which means that people cannot access the foreshore. That is the concern.

Mr DONALD PAGE: Council has asked the Minister to apply conditions of approval on the licences for the three caravan parks, which are located on Crown land and operated by the North Coast Accommodation Trust. I have referred the council's applications to the Division of Local Government in the Department of Premier and Cabinet for assessment. The council is seeking to impose additional conditions and the Division of Local Government is assessing the situation. I have had representations from people in Brunswick Heads supporting the council's proposed conditions. I have also had representations from Crown Lands about the impact. The Division of Local Government is assessing the council's request for special conditions to be imposed. I believe that the council and Crown Lands should have further discussions and negotiations because we do not want this to end up in court, which is a real possibility.

The Hon. JAN BARHAM: Thank you for making representations. Have you made any contact with local councils in relation to the environment zones in the new local environmental plans? It appears that you and the local member, Thomas George, made representations to Mr Hazzard, the Minister for Planning and Infrastructure, and an announcement was then made that the environment zones would be ruled out of local environmental plans based on landowner concerns. I do not know that the accuracy of that information was checked with local government. That is a real concern given that the council has spent eight years doing a local environmental plan and that will now be struck out.

Mr DONALD PAGE: I will clarify the situation. As you know, the new template put in place by the former Government was designed to reduce the number of zones. That created a few problems because it involved simplifying a sophisticated planning system. As part of that process councils should be trying to combine similar zones. For example—

The Hon. JAN BARHAM: Councils have been doing that. My question is whether you checked with the councils about the accuracy of the information that has been made public at meetings and in newspapers. There is a lack of understanding about how the new templates work.

Mr DONALD PAGE: With respect, the lack of understanding comes from the presumption that we are pushing for the abolition of E2 and E3 from local environmental plans. We are not. We are saying that where there is genuine farmland that is zoned, for example in your area, 1A or 1B, and it has subsequently been zoned E2 or E3—

The Hon. JAN BARHAM: That is not true.

Mr DONALD PAGE: It is true.

The Hon. JAN BARHAM: No, it is not.

Mr DONALD PAGE: It is true.

The Hon. JAN BARHAM: You have not checked that with the council. You have made public comments but you have not checked the information.

Mr DONALD PAGE: I have.

The Hon. JAN BARHAM: The council says that you have not.

Mr DONALD PAGE: A number of people in your council area have real concerns.

The Hon. JAN BARHAM: I have checked with the acting general manager and the Minister for Planning and Infrastructure.

Mr DONALD PAGE: I have even had people who have had their land zoned RU1 and RU2 and have a range of environmental overlays imposed—

The Hon. JAN BARHAM: But I have asked the council—

Mr DONALD PAGE: —that mean they cannot farm the land.

The Hon. JAN BARHAM: That is untrue.

Mr DONALD PAGE: It is not.

The Hon. JAN BARHAM: It is my understanding—

CHAIR: Order! The problem with cross-table discussions is that it makes it very difficult for Hansard. Members should allow the Minister time to answer the question.

The Hon. JAN BARHAM: Mr Chair, I ask you to ask the Minister to answer my question. I asked him whether he consulted with those councils to find out whether the information put in the public arena by landowners was accurate or whether he relied on their information rather than on the council's.

CHAIR: I will take that as a point of order and will rule on it. Unfortunately, I cannot direct the Minister how to answer the question. I again ask members and witnesses not to engage in debate.

Mr DONALD PAGE: This is simple. Some landowners feel that their land has been devalued because an environmental zone has been imposed on what was previously farmland. The Government has said that those areas will be deferred. If a council still wants to gazette its local environmental plan on the other areas, it can do so pending further discussion with the stakeholders. That is all that has happened.

The Hon. JAN BARHAM: That is not true.

Mr DONALD PAGE: The use of the term "excised" is rather unfortunate. It is a term used by planners to indicate that something can be excised out of the gazettal process so that it can be examined in more detail. That is the situation with the five councils. I have not spoken to the honourable member's council, but I did speak with Ballina Shire Council yesterday. I have also spoken with many landowners who have provided

sufficient evidence for me to tell the Minister that this does not look right in terms of people being able to carry on their normal farming practices because of the imposition of an E2 or E3 zone on what was formerly farmland. That devalues people's property and restricts its use.

It is not unreasonable for a government to say to a council, "Look, we are getting a lot of backwash from landowners about this matter. Please go back and consult with these people." In fact, I heard your former general manager, Ray Darney, on the radio yesterday morning saying that that is precisely what he intends to do. It is not a question of the E2 and E3 zones being removed from the local environmental plans. We are simply saying that where E2 and E3 zones are inappropriate they should be reconsidered. They will be put back in the new local environmental plan as E2 and E3 and they will represent what they should represent, which is environmental values rather than farming values.

The Hon. JAN BARHAM: Has the Department of Planning and Infrastructure explained to you the difficulties of translating clauses into zones when the template has stripped away some of those provisions and they must now be placed in different zones? That is the complication that the residents do not understand. The department has done a lousy job of explaining. My concern is that you have reinforced misinformation in the public arena. That is why I asked the question about the consultation.

Mr DONALD PAGE: This is a difficult situation because we are moving from many zones to fewer zones—

The Hon. JAN BARHAM: And clauses.

Mr DONALD PAGE: —and different purposes for which land can be used. It is not just about zoning; it is also about the uses that apply in those zones.

The Hon. JAN BARHAM: That is correct. That is why this is misinformation.

Mr DONALD PAGE: I was with the Minister yesterday and he acknowledges that some councils have had difficulties. It is also true to say that some councils have sought to impose their own ideological position on environmental planning. Because a new template is being implemented they have taken the philosophical view that it is an opportunity to put in place what they genuinely believe—

The Hon. JAN BARHAM: Which councils?

Mr DONALD PAGE: Hang on a minute. We are saying that they should be replacing like with like. If they want to rezone someone's land as environmental then they should do that using a transparent process. They should consult with the people concerned. It should not be done as part of this process, which involves converting the old local environmental plan into a template local environmental plan.

The Hon. JAN BARHAM: That is correct. That is why many landowners who have not complained are concerned about your support for a minority of people who are making comments in the public arena and who do not understand how planning principles work. This is a translation done by council staff, no ideology, no philosophical —

The Hon. SCOT MacDONALD: Point of order: We have moved beyond a question to what seems to be an extensive statement.

CHAIR: A point of order has been taken.

The Hon. JAN BARHAM: Has the Minister made any representations or expressed his concerns about activities in Tweed Shire Council areas of repeated alleged activities by a developer who has removed vegetation from Cudgen Nature Reserve. Recently the developer was alleged to have built unlawfully a 20-metre wide road at Cobaki. Have those matters been brought to your attention? Will take up action with the relevant Minister about these alleged actions by Leader that are going unaddressed by Tweed Shire Council?

Mr DONALD PAGE: I am happy to take that up on your behalf.

The Hon. JAN BARHAM: I referred to this matter last year, and I know you are a great supporter of creative industries, but have you been made aware of the concerns of Northern Rivers Arts about the

Government's move to remove TAFE courses from the North Coast? In the five-year process of the creative industry strategy, training was identified as a major issue and this removal of TAFE courses will have a dramatic impact on the North Coast in relation to future jobs. Has that information been made available to you? Can I pass it on?

Mr DONALD PAGE: Please pass it on.

The Hon. JAN BARHAM: I ask for affirmation, and I know you have stated it before, do you support that future employment area for the North Coast.

Mr DONALD PAGE: Yes.

The Hon. JAN BARHAM: In relation to the Byron Bay bypass I believe you have received a request from council about whether any additional support might come from Government, hopefully under infrastructure funding to do a trial. Has that progressed?

Mr DONALD PAGE: There have been so many meetings about this proposal and I am not sure whether you were present at a meeting where I indicated that I needed to get from council specific recommendations so that I could take it to the State Government. Council came back to me with recommendations to go to the so-called mini bypass. I am happy to take that forward. I have spoken with the Minister for Roads and Ports about that. As is typical in Byron Bay not everyone agrees that that is the right option. I say to Byron Shire Council that this would be an ideal project for it to apply under the Local Government Infrastructure Scheme because, as you know, it is a local government responsibility. It is a local road, it is not a State road. Whilst the State Government is happy to help out because we do have some genuine issues with traffic management, as you know, in Byron Bay particularly as you are accessing Byron Bay from the north, I would urge council to put in an application in the second round under the Local Infrastructure Renewal Scheme for the interest subsidy. From memory we are talking about \$5 million or thereabouts for that project?

The Hon. JAN BARHAM: It should not be; it is a trial.

Mr DONALD PAGE: Maybe less, and with the interest subsidy at 3 per cent in the second round it would make sense for council to be applying for that particular project.

The Hon. JAN BARHAM: It would. I am seeking your support for that. The infrastructure scheme is a very good one. In relation to tourism, apart from traffic, another thorny issue is alcohol consumption in not only the Tweed but also cross-border. There seems to be a focus from Government to address statewide alcohol issues and not recognise the different approaches for regional areas rather than just metropolitan areas. Have you had any input on that? Today the Australian Drug Foundation held a forum in Victoria and I got online about it. Local people attended and were really concerned about the regional impact and whether governments can take a broader approach.

Mr DONALD PAGE: I am happy to have a look at that. I was pleased to see that the Dan Murphy application in the central business district of Byron Bay was knocked back by the State Government Office of Liquor and Gaming after some pretty cogent arguments were presented, including a submission from me. Byron Bay has an unacceptably high level of alcohol-related violence. I think in Johnson Street alone there have been something like 196 assaults in the past 12 months to June. The last thing that Byron Bay needed was a great big Dan Murphy's right in the middle of town that, combined, would have been bigger than the total floor space available for alcohol sales that currently exist. This would have been more than all of those put together, particularly given that it would have been right underneath the theatre that a lot of children attend. I suspect that was a very positive outcome.

I have no difficulty with Dan Murphy's actually being in Byron Bay, but it should not be in the centre of town: It should be somewhere out in the industrial estate or further away from the central business district. I will take on board what you are saying in relation to alcohol-related problems in the regions. My observation is that you do have hotspots and Byron Bay is one of them because a lot of young people go there for a good time. They drink too much and often they drink at home before they go out, as you know, and a whole raft of things happen. My guess is that the Government will probably be better to target those areas initially rather than just generally regional areas. Identify where are the hotspots and seek to do what we can to assist them. Even though

it was separate from the Government, I think the Office of Liquor and Gaming decision was a good one in relation to Dan Murphy's in the centre of Byron Bay.

(The witnesses withdrew.)

The Committee proceeded to deliberate.
