

## GENERAL PURPOSE STANDING COMMITTEE NO. 5

Monday 12 August 2013

Examination of proposed expenditure for the portfolio area

### LOCAL GOVERNMENT, THE NORTH COAST

The Committee met at 9.00 a.m.

#### MEMBERS

The Hon. R. L. Brown (Chair)

The Hon. J. Barham  
The Hon. R. H. Colless  
The Hon. S. Cotsis  
The Hon. A. R. Fazio

Mr S. MacDonald  
The Hon. Dr P. R. Phelps  
The Hon. A. Searle  
Mr D. Shoebridge

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#### PRESENT

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

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## **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 into the inquiry into the budget estimates 2013-2014 open to the public. Before I commence I would like to acknowledge the Gadigal clan of the Eora nation who are the traditional custodians of this land. I also pay respect to the elders past and present of the Eora nation and extend that respect to other Aboriginal persons present. I welcome Minister Page and accompanying officials to this hearing. The Committee will examine the proposed expenditure of the portfolio of Local Government, the North Coast. 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 this Committee, members of the media must take responsibility for what they publish or the interpretation they place on anything that is said before the Committee. The guidelines are available at the table by the door.

Today's hearing is open to the public and is being webcast live via the Parliament's website. Before we commence I will make some comments about procedural matters. Any messages from advisers or members' staff seated in the public gallery should be delivered through the Chamber support staff or the Committee clerks. Minister, I remind you and the officers accompanying you that you are free to pass notes and refer directly to your advisers seated at the table behind you. The transcript of this hearing will be available on the parliamentary website from tomorrow morning. The House has resolved that answers to questions on notice must be provided within 21 days. I remind everyone to turn off their mobile phones. All witnesses from the department, 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.

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

**MICHAEL SIDNEY PEARCE**, Senior Regional Coordinator, Department of Premier of Cabinet, Delivery and Implementation Group, North Coast,

**CORIN ELIZABETH MOFFATT**, Manager, Innovation and Development, Division of Local Government, Department of Premier and Cabinet, and

**GRAHAME RUSSELL GIBBS**, Manager, Investigations and Performance, Division of Local Government, Department of Premier and Cabinet sworn and examined:

**CHAIR:** I declare the proposed expenditure for the portfolio of Local Government, the North Coast open for examination. The questioning on the portfolio of Local Government will run from 9.00 a.m. to 10.00 a.m. and, if all staff are present, we will then move to the portfolio of the North Coast from 10.00 a.m. to 11.00 a.m. The Committee has agreed to the Government's request that no government questions will be asked. The hearing will finish approximately one-third earlier as questions will be asked only by the Opposition and crossbench members. 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 Opposition.

**The Hon. SOPHIE COTSIS:** Minister, there have been more than 9,555 reportable dog attacks since July 2011. For instance, Mr Nelson from Ashcroft was recently savagely attacked by a dog and a paramedic who responded to that incident said it was the most vicious attack he had seen. Last week there was also the terrible tragedy involving toddler Dion Higgins. Minister, is it not a fact that you have done nothing to implement the recommendations of the task force on dangerous dogs in New South Wales?

**Mr DONALD PAGE:** Firstly, can I just say that the Government inherited a mess in this area. The Government is being transparent and is looking to reform the whole system in relation to companion animals management generally but—

**The Hon. SOPHIE COTSIS:** Can I refer you to—

**Mr DONALD PAGE:** You asked me a question; I am answering it. In relation to dangerous dog attacks as well—

**The Hon. SOPHIE COTSIS:** No, you did not inherit a mess. We introduced regulations in 1998 and 2008.

**The Hon. Dr PETER PHELPS:** Point of order: The member is supposed to be asking questions of the Minister, not making statements about the achievements or otherwise of the previous Government.

**CHAIR:** I uphold the point of order. The Minister should be allowed to answer the question.

**Mr DONALD PAGE:** If I could make the observation as well that in 2007 under the Labor Government dangerous dog attacks were supposed to be reported on the Government's website. They were never reported either on a quarterly or annual basis. When I became Minister I decided that we needed to have transparency in this area. From that point on we have seen the number of dog attacks being recorded on the website and being made available publicly—

**The Hon. SOPHIE COTSIS:** Minister—

**Mr DONALD PAGE:** —which were never made under your Government. I make that observation and I think it is telling because—

**The Hon. SOPHIE COTSIS:** Minister, let me take you up on that point.

**Mr DONALD PAGE:** —it goes to the heart of our approach which is open and transparent, as opposed to your approach.

**The Hon. RICK COLLESS:** Let the Minister answer the question.

**The Hon. SOPHIE COTSIS:** He did.

**Mr DONALD PAGE:** Now, can we go to the dog attacks.

**The Hon. SOPHIE COTSIS:** I have got the answer that I need.

**Mr DONALD PAGE:** It is true that there has been an increase in dog attacks up to the last year—

**The Hon. SOPHIE COTSIS:** What are you doing about it?

**Mr DONALD PAGE:** —but in the last 12 months there has actually been a decrease in this State in dog attacks of 6 per cent.

**The Hon. SOPHIE COTSIS:** Minister, you have had a report on your desk since February.

**The Hon. Dr PETER PHELPS:** Point of order: If a question is asked the Minister should be allowed to answer it. If he is being irrelevant then you, Mr Chair, can step in at that stage. But I have heard nothing so far from the Minister which would indicate irrelevancy in his answer on dog attacks, the history of this issue and what he is doing about it. In that regard, the Hon. Sophie Cotsis should stop intervening.

**The Hon. ADAM SEARLE:** To the point of order: the Minister has now taken some time in his answer and he has not yet disclosed any course of action, taken either by him or by his agency, in connection with the implementation of the report, which was the question asked.

**CHAIR:** Order! I uphold point of order and remind all members that they should allow the witness to answer the question without interruption.

**Mr DONALD PAGE:** The answer to the question is that when we came to government we realised there were serious issues in relation to the Companion Animals Act. Together with the Minister for Primary Industries, I appointed a Companion Animals Taskforce which was chaired by Mr Andrew Cornwell, MP, and which did a lot of good work. During the course of the deliberations of the task force, it became apparent that more work needed to be done in relation to dangerous dogs. I indicated to the task force that I wanted them to do that report. So far from doing nothing, we have done a lot of work in this space, so much so that I am in a position to take something to Cabinet within the next couple of weeks in relation to this matter.

We are talking about a comprehensive review of the whole system. This will involve, for example, the creation of a new category of dogs called "menacing or potentially dangerous dog". I will explain to the members of the Committee how the system works in relation to dog attacks and dangerous dogs. We have three types of dogs: ordinary dogs, dangerous dogs—and those are dogs that have been identified as having committed an attack so they are defined as dangerous because of their actions and their aggressive behaviour—and restricted dogs. There are five breeds of dogs that are restricted dogs.

The task force has made 14 recommendations. I encourage the Opposition spokesperson to read the recommendations because if she reads them she will see how good they are and what great things we can do by implementing those sorts of recommendations. The key recommendation is, as I said, to introduce a new category of dog called "menacing or potentially dangerous dog". There are quite a few reasons for that, but the main reason is that we will then be able to identify a dog that is behaving in an aggressive fashion. It is not necessarily a dangerous dog and it is not necessarily one that has a proven history of attacks; it is one which has shown aggressive tendencies. If council officers and rangers have a capacity to say, "That is a menacing or a potentially dangerous dog," we can take preventative action to ensure that dog does not attack.

If a dog is a dangerous dog there are certain strict compliance arrangements that apply. It has to be secured in a childproof enclosure; it has to be on a lead; it has to be muzzled when it goes out in public; and it has to be under the supervision of a person 18 years of age or older. If we introduce that new category of menacing dog, there will be compliance arrangements for those types of dogs as well. Those arrangements will probably not be as tough as those for a dangerous dog—for example, possibly you would not have to have the dog in a childproof enclosure in your own backyard with a 1.8 metre fence. But if you took a menacing dog out into the public then, I believe, the community would expect that you would have that dog on a lead. It may need

to be muzzled or it may not. Certainly it would need to be under the control of a person over 18 years of age. That is just one of 14 recommendations. So far from just sitting on our hands, as you allege, we have been very busy in this space—

**The Hon. SOPHIE COTSIS:** But you have not done anything.

**Mr DONALD PAGE:** —so much so that I am in a position now to go to Cabinet with a raft of very positive proposals to fix up the mess left to us by the previous Government.

**The Hon. SOPHIE COTSIS:** After community pressure. Minister, you are wrong about last year. The Division of Local Government missed two quarters of reporting disclosing the number of dog attacks. I put out a media release about that. So you did mislead the Committee.

**Mr DONALD PAGE:** Can I take up that point?

**The Hon. SOPHIE COTSIS:** On another point, you have been sitting on a report since February—

**The Hon. Dr PETER PHELPS:** Point of order: It is a very serious allegation to say that a Minister has deliberately misled a committee.

**The Hon. ADAM SEARLE:** To the point of order: The member did not say "deliberately".

**The Hon. SOPHIE COTSIS:** No, I did not say that.

**The Hon. Dr PETER PHELPS:** If she wants to do that there are substantive motions which she can move at a different time and in a different place in relation to the Minister's alleged behaviour. But she cannot get away with just ad hominem attacks on the Minister.

**The Hon. ADAM SEARLE:** Further to the point of order: The Hon. Sophie Cotsis did not say that the Minister had misled the Committee deliberately. She pulled him up on something that he had said in an earlier answer, which she is entitled to do.

**CHAIR:** Order! There is no point of order. The Hon. Sophie Cotsis will proceed.

**The Hon. SOPHIE COTSIS:** Minister, the Victorian Government legislated in August 2011, and again in July this year made proposals to increase powers regarding dangerous dog laws. Premier Napthine went even further and suggested banning certain breeds. Do you agree with him?

**Mr DONALD PAGE:** The task force has made a number of recommendations and it is up to the Cabinet to determine what we do with those recommendations. I am not going to pre-empt what the Cabinet decision might be. I am not in a position to do that, and nor should I do that. The Victorian experience is interesting. Some of the things they have done there have worked and some have not. I noticed the other day that you were out there calling for a hotline.

**The Hon. SOPHIE COTSIS:** That was proposed two years ago.

**Mr DONALD PAGE:** All right; whenever you called for a hotline.

**The Hon. SOPHIE COTSIS:** It was the Victorian Coroner who made that recommendation.

**Mr DONALD PAGE:** Victoria actually introduced a hotline. On information provided to me, I have to say that that has turned out to be a waste of money. I think it is costing \$15,000—

**The Hon. SOPHIE COTSIS:** I also said that we should strengthen the laws.

**Mr DONALD PAGE:** You asked a question about Victoria and I am talking about Victoria. What has happened is that people are ringing the hotline and then they have to go back to the council. Frankly, it is much smarter to have the council as the hotline. If you have an issue then rather than ringing a hotline and having them go back to the council you are better off going straight to the council. This has been the Victorian experience. They found that their hotline initially had some business but now, as I understand it, there is only

one call to the hotline about every three days. It is a very expensive exercise to have a hotline that is not being used when a faster and more genuine alternative would be to go straight to the council.

**The Hon. SOPHIE COTSIS:** Minister, will you expand the restricted dog list?

**Mr DONALD PAGE:** Again, that is something that is under consideration.

**The Hon. SOPHIE COTSIS:** And will you also increase the penalties, like they are increasing penalties in Victoria? For example, for owners who encourage restricted dogs to attack will you increase jail terms or fines?

**Mr DONALD PAGE:** The situation with penalties in New South Wales is that under the Companion Animals Act a person can be subject to a fine of up to \$55,000 or sent to prison for two years.

**The Hon. SOPHIE COTSIS:** Will you increase those penalties?

**Mr DONALD PAGE:** We are looking at increasing penalties. I also point out—and I am sure our learned legal friend here will appreciate—that under the Crimes Act if there is an intention on the part of a dog owner to create damage or injury to a person, in other words, if there is intent, that person can be charged under the Crimes Act. The maximum penalty for such an offence is 10 years in jail.

**The Hon. SOPHIE COTSIS:** Have you spoken to the Attorney General and the Minister for Police and Emergency Services about increasing powers and about dangerous dog laws?

**Mr DONALD PAGE:** I understand that the Division of Local Government has been in discussion with other agencies during the course of their preparations—

**The Hon. SOPHIE COTSIS:** Minister, have you spoken to the Attorney General or the Minister for Police and Emergency Services? I understand that the Minister for Police and Emergency Services was out there last week talking about this. Have you spoken to the Minister for Police and Emergency Services?

**Mr DONALD PAGE:** I have had informal discussions. They know that I am bringing forward a Cabinet minute shortly. We have had discussions between the agencies and—

**The Hon. SOPHIE COTSIS:** One of the recommendations from the Companion Animals Taskforce states that a cross agency working group between police, Attorney General and animal welfare organisations be used. So you have not spoken to them?

**Mr DONALD PAGE:** I am advised by my chief executive that the office has spoken with the Minister for Police and Emergency Services.

**The Hon. SOPHIE COTSIS:** But you have not?

**Mr DONALD PAGE:** I have had informal discussions with the Minister for Police and Emergency Services. We have not sat around the table to nut out all the proposals. It is the job of the Department to do that and then to come forward with proposals. As you would know, or perhaps you would not know because you have never been in Cabinet, when things come to Cabinet—

**The Hon. SOPHIE COTSIS:** You have been here for 25 years.

**Mr DONALD PAGE:** —the agencies all have their input into a Cabinet minute. In most cases any differences are resolved before the matter comes to Cabinet, but that is not always the case.

**The Hon. SOPHIE COTSIS:** So here we are seven months after the task force report was handed to you in February and you have not spoken to the Minister for Police and Emergency Services or the Attorney General, as recommended in the task force report?

**Mr DONALD PAGE:** I have had numerous discussions with the Minister for Police and Emergency Services and the Attorney General—

**The Hon. SOPHIE COTSIS:** Were those discussions about this issue?

**Mr DONALD PAGE:**—informally about a range of issues.

**The Hon. SOPHIE COTSIS:** Have you got correspondence?

**Mr DONALD PAGE:** The process is for the departments to be able to have these discussions.

**The Hon. SOPHIE COTSIS:** I refer you to the Companion Animals Act 1998 and the provisions for enclosure requirements for restricted and dangerous dogs as prescribed by clause 24 of the Companion Animals Regulation 2008. It states:

Owners of restricted dogs and those dogs declared dangerous are to comply with the prescribed enclosure requirements within 3 months from date of the declaration and must obtain a compliance certificate for the enclosure from council.

Do you have a database of those compliance certificates?

**Mr DONALD PAGE:** I will have to defer to my advisers on that in relation to the Division of Local Government [DLG].

**The Hon. ADAM SEARLE:** In relation to the task force report and the actions that may or may not be taken by Cabinet, how is that going to be resourced? I know the task force report talked about councils increasing fees for companion animal registration, but that cannot possibly cover all council costs. Will you provide extra resources for councils for the new enforcement role that they may have, or will this just be another exercise in cost shifting to local ratepayers?

**Mr DONALD PAGE:** I am glad you have raised the issue of resources, because in New South Wales at the moment we have about 1.6 million dogs that have been microchipped. We have about a million dogs that have been registered. Therefore, we have about 40 per cent of our dogs that are microchipped but are not registered. The money that goes into the Companion Animals Fund comes from the registration fees that people pay. The system that your Government gave us is one where a third of the potential registration funding for the Companion Animals Act—80 per cent of which goes back out to councils for the administration of the legislation—is not available. We need to have a better system than we have at the moment so we can provide the resources that we need to enable the councils to be more proactive.

Having said that, the councils have indicated to me and the division that one of the difficulties they have is the actual classification of dogs. That is in the sense that if it is a dangerous dog there is a pretty high standard to meet, because the person who owns a so-called dangerous dog that has been declared that way by council has a right to go to the court to challenge that decision. The introduction of a menacing dog or a potentially dangerous dog would make it easier for council compliance officers to take dogs off the street and stop them from potentially harming the public and therefore I think it would be very helpful to council rangers and the like.

**The Hon. ADAM SEARLE:** Will you be providing extra resources to council?

**Mr DONALD PAGE:** The point about resources is that the system we have is actually leeching a third of the potential revenue that the State should be getting from the registration. We are looking at what we can do to fix that up.

**The Hon. SOPHIE COTSIS:** Why have you cut the Companion Animals Fund from \$6.4 million to \$6.3 million?

**Mr DONALD PAGE:** We have not cut it.

**The Hon. SOPHIE COTSIS:** You have; it is in the budget papers.

**Mr DONALD PAGE:** You have asked me a question and I will explain. The amount of money that is in the Companion Animals Fund is totally a function of the registration that occurs each year. The number of dogs that are registered each year varies, so you will have slight variations. It could be 6.2 million, 6.4 million or 6.1 million depending on how many dogs are registered each year.



**The Hon. SOPHIE COTSIS:** As you know, the *Daily Telegraph* is running a campaign. Will you implement those recommendations?

**Mr DAVID SHOEBRIDGE:** The *Daily Telegraph* recommendations?

**The Hon. SOPHIE COTSIS:** It is running a campaign.

**CHAIR:** Order!

**Mr DONALD PAGE:** If I understand what you are talking about, there are probably two sets of things that I have read in the *Daily Telegraph*. One was the result of discussions with the task force chair in relation to the sorts of things that the task force recommended. The other was a proposal by Miranda Devine in relation to buyback, which had not been recommended by anyone up until that point but, in the interests of transparency, I have asked the division to have a look at that proposal.

**The Hon. SOPHIE COTSIS:** This is the number of reviews and consultant reports and committees that you have established since 2011.

**CHAIR:** Hansard will note that the member is holding up a chart.

**The Hon. SOPHIE COTSIS:** How much has been spent on the reviews and consultant reports since 2011?

**Mr DAVID SHOEBRIDGE:** How much was spent on that chart?

**Mr DONALD PAGE:** The chart looks pretty impressive. There is a lot happening in this space.

**The Hon. SOPHIE COTSIS:** There is a lot, and rates are going up. Can you please tell us how much has been spent on the reviews and consultants?

**Mr DONALD PAGE:** I might need to defer to the officers to get the direct details.

**CHAIR:** Does the member wish to table that document?

**The Hon. SOPHIE COTSIS:** Yes.

**Mr DONALD PAGE:** My recollection of the independent review panel that was put in place at the request of the local government sector off the back of Destination 2036 is that there is an amount of \$1.8 million allocated for that particular review. I think about \$1.4 million or thereabouts has been spent to date. That review, which is a very important review—as I said, it was independent and requested by the Local Government and Shires Associations—will be reporting to me in early October.

**The Hon. SOPHIE COTSIS:** And the local government review panel has also commissioned seven consultant reports. Do you know how much those consultant reports cost?

**Mr DONALD PAGE:** I do not.

**Mr WOODWARD:** We can certainly provide that. I do not have it in front of me but I can certainly provide it.

**The Hon. SOPHIE COTSIS:** How does the process work? Mr Woodward, does the panel approach you to commission private consultants?

**Mr WOODWARD:** Yes, that is what happens. It is within the \$1.8 million budget funding, so it is not additional funding. The panel puts a proposal and I sign off on it.

**The Hon. SOPHIE COTSIS:** In Budget Paper No. 3 under Local Government there has been a variance of 127 per cent from \$18.1 million to \$41.1 million. Can you provide us with an itemised list of where the money is being spent?

**Mr DONALD PAGE:** I am sure we can. The major variation in the budget this year has been the slight underexpenditure in the Local Government Infrastructure Renewal Scheme of around about \$9 million. That is not really an underexpenditure; it is just a timing issue. The money will be spent in round three of the Local Infrastructure Renewal Scheme [LIRS] applications. As you know, we have had two applications so far. The third one will be—

**The Hon. SOPHIE COTSIS:** You will provide us with an itemised list?

**Mr DONALD PAGE:** We can provide you with whatever financial information you need.

**The Hon. SOPHIE COTSIS:** Minister, will you commit to publicly releasing the Future Directions final report that is due out in September? Will you publicly disclose that report?

**Mr DONALD PAGE:** My basis of operation is to be transparent and so my natural personal inclination would be to do that, but it will not be my decision. It will be a decision of Cabinet, because it will be a Cabinet document that will come to Cabinet from the independent panel. It will be up to Cabinet whether that is released. But my personal view is that I would like to see it released and I would certainly like to have some discussions with key stakeholders about the final recommendations.

**The Hon. SOPHIE COTSIS:** I refer you to the dozen or so reports that you have commissioned. Can you explain how these reviews and reports will put downward pressure on council rates?

**Mr DONALD PAGE:** One of the big challenges to local government in this State is the long-term economic viability and, in some councils' cases, the short-term economic viability. One of the five key issues that came out of Destination 2036 was economic viability. One of the main reasons why the independent panel was commissioned—as I said, it was sought by the Local Government and Shires Associations as it then was—was to address this question of economic viability. Economic viability involves the costs to deliver local government services but also involves revenue streams. The independent panel is looking at all of that stuff.

If you are saying to me that somehow or other the expenditure of \$1.8 million on a panel that has done some very good work to date and I expect will give me an excellent report at the end is in some way going to add to the cost of council rates, it is just the opposite. The reality is that by making recommendations such as shared services, collaborative agreements, combined procurement arrangements and all those things they are all going to save councils money and therefore put downward pressure on rates.

In relation to rates, I hope you would all know that the rates that councils can charge are subject to a rate peg. At the moment it is 3.4 per cent. If councils want to go beyond that they go to the Independent Pricing and Regulatory Tribunal [IPART] for a special rate variation. If they can justify it to IPART then they can put their rates up.

**Mr DAVID SHOEBRIDGE:** Minister, are you satisfied with the current process of councils going to the Independent Pricing and Regulatory Tribunal [IPART] and the review that the Independent Pricing and Regulatory Tribunal has undertaken for special rate variations?

**Mr DONALD PAGE:** Generally, I am satisfied. But it is not up to me to be satisfied under the legislation. It is up to the Independent Pricing and Regulatory Tribunal to be satisfied that the council in a special rate variation can justify it. For the most part, councils have been getting what they have been asking for; not always. There have been a couple that have been knocked back because they could not prove that on previous special rate variations they actually delivered on what they said they would do. In some other cases, councils have actually received less money than they asked the Independent Pricing and Regulatory Tribunal for. But as a general observation I think the system, at the moment, works pretty well.

**Mr DAVID SHOEBRIDGE:** Do you agree that one of the biggest concerns for local councils going forward is their financial viability?

**Mr DONALD PAGE:** Absolutely. We commissioned a report to find out exactly how good or how bad local government finances were. TCorp came back to us and told us 24 per cent of our councils are either weak or very weak financially and if we do nothing, within two years 50 per cent of our councils will be weak or very weak. As the Minister for Local Government, I cannot have that situation continue to occur; otherwise, we end up with ratepayers who are in the haves in some parts of the State where councils are reasonably well off

and other councils with ratepayers where they do not have sufficient revenue to be able to provide basic services. It is really important for the ratepayers across the State that we have a strong local government sector.

Everything I have done since I have become the Minister for Local Government is to try to strengthen the role of local government because we are a decentralising government as much as possible. We need councils to be up to the task and they have to be strong to do that. But as well as that, they need to be able to deliver more than just the most basic of services.

**Mr DAVID SHOEBRIDGE:** Are you aware of any report that suggests amalgamation is of itself, or even significantly, a solution to financial viability? Do you believe amalgamations assist in financial viability?

**Mr DONALD PAGE:** As you know, our policy is no forced amalgamations. The independent panel in making its determinations has to, through its terms of reference, have regard to the Government's policy of no forced amalgamations. The Government's policy is very clear in that regard. I did note with interest, though, the independent panel's recommendations as far as suggested amalgamations because they obviously are of the view that regional capacity can be increased and some savings can be achieved. But their main argument is that it is not so much about the savings; it is more about increasing capacity into the future.

**Mr DAVID SHOEBRIDGE:** But you are not saying amalgamations are a solution to financial viability, are you?

**Mr DONALD PAGE:** No. I am not saying that, no.

**Mr DAVID SHOEBRIDGE:** In fact, do you know of any report in the last three years that has supported amalgamations as a solution for any local council's viability?

**Mr DONALD PAGE:** One of the reports that the panel committed was the Tate report, which did a study on the amalgamations that were put in place by the previous Labor Government in 2004. Essentially what it found was that you do not achieve a lot in terms of costs savings, but you do increase capacity. The concern that some people have about loss of jobs, for example, was not borne out by that particular report. For example, that report said that in the northern part of New South Wales around the Grafton area, there was an 11 per cent increase in employment as a result 10 years after, or almost 10 years after, the amalgamation compared to before the amalgamation.

There is I think a report that was commissioned by Randwick City Council which looked at potential savings for Randwick, Woollahra, Botany Bay and Waverley councils. Interestingly that report showed that there were very significant savings to be had and the capacity to reduce infrastructure backlog was very significant. That report indicated they would actually have serious reserves within a decade that they would not have if they continue the way they are going.

**Mr DAVID SHOEBRIDGE:** Is that an amalgamation you are considering?

**Mr DONALD PAGE:** It is not so much whether I am considering it. Three of those councils are considering their own amalgamation.

**Mr DAVID SHOEBRIDGE:** Are you concerned about any constitutional impediments for local councils to receive direct Federal funding?

**Mr DONALD PAGE:** I am on the public record as saying I am concerned about some of those issues surrounding direct funding from the Commonwealth. Firstly, if you take on board what Professor Twomey says, she has indicated that for large States like New South Wales and Victoria the direct funding arrangement would mean that we would move away from per capita grants, the financial assistance grants [FAG] for example, into horizontal fiscal equalisation, which would be the basis on which GST is allocated. Therefore the local government sectors of the two larger States would end up with less money. That was of real concern to me as the Minister for Local Government in New South Wales—that we would end up with less money going to our councils from the Commonwealth.

But the other point is that the current arrangement whereby the Federal funding comes through the States via the financial assistance grants or through Roads to Recovery is not actually broken. That is happening at the moment. The administration costs associated with New South Wales handling that Federal money and

passing it on are very minimal: I think I saw a figure of \$200,000 in costs. If we did have direct funding from the Commonwealth to local government, you not only would have potential change in the formula under which it is allocated but also would have the administration costs associated with those funds being borne by the Federal Government presumably. Therefore there would be less money going out to local government.

The other thing is that if you have direct Federal funding to local government, bearing in mind that local government is a creature of State governments under the Local Government Act, you could have quite easily a situation where a Federal Government would think it a good idea to put money into a project that it saw as politically significant—for example, the construction of a particular bridge in metropolitan Sydney that is in a couple of marginal seats—but it may not be in any way consistent with the State Government's transport plans. In that case, you have a conflict between Federal and State bodies with money and with no capacity to resolve such a conflict. It also muddies the waters in terms of who is responsible for local government. If the Federal Government is giving money directly, there will be strings attached to it.

**Mr DAVID SHOEBRIDGE:** You would like the State Government to have those strings.

**Mr DONALD PAGE:** That is right. But local governments are a creature of the States. The reason we have local government is because we have a Local Government Act. They are not a creature of the Commonwealth. They are the sorts of issues that I think local government in New South Wales needs to be mindful of.

**Mr DAVID SHOEBRIDGE:** Minister, you do not support there being a capacity for the Federal Government to directly fund local councils. Is that the summary of that lengthy response?

**Mr DONALD PAGE:** That is the New South Wales Government's position because they are being funded now.

**Mr DAVID SHOEBRIDGE:** You believe the administration of Federal funding is improved by having to pass it through an additional bureaucracy, the State Government. Is that your view?

**Mr DONALD PAGE:** I have just indicated that there would be no net gain by passing it directly to local government because there is an administration charge.

**Mr DAVID SHOEBRIDGE:** It comes from a Federal bureaucracy to a State bureaucracy—

**Mr DONALD PAGE:** Hang on. There is an administration charge whatever you do.

**Mr DAVID SHOEBRIDGE:** —to a local bureaucracy. That is your view of improvement.

**Mr DONALD PAGE:** Whether we pay it or whether the Commonwealth pays it, local government is no better off. At the moment, it is minimal because of the arrangements that we have with the Federal Government going out to other institutions in any event, not just local government.

**Mr DAVID SHOEBRIDGE:** Minister, are you concerned that local government may lose money if the constitutional recognition is not passed at this coming Federal election?

**Mr DONALD PAGE:** I think the only money that local government would lose would be the money that they put into a fighting fund to try to support the referendum, which the Labor Party—as it has done with so many things—completely stuffed up by selecting an election date that means that the referendum cannot now occur. That is where the cost to local government is. They decided that they would put in, I think it was, \$11 million. I do not know how much of that has been spent, but there needs to be some arrangement in relation to that.

**Mr DAVID SHOEBRIDGE:** If a referendum was held to constitutionally recognise local government and the ability of the Commonwealth Government to directly fund local government, would you support it?

**Mr DONALD PAGE:** I do not support the constitutional recognition of local government.

**The Hon. SOPHIE COTSIS:** That is a broken promise.

**Mr DONALD PAGE:** It is not a broken promise.

**Mr DAVID SHOEBRIDGE:** Minister, do you think the current regime in relation to dangerous dogs is working?

**Mr DONALD PAGE:** No, I do not. I spent some time earlier explaining why I think it does not work and the fact that the Government will consider in the very near future a series of proposals to help to remedy some of the problems that we have in the system already.

**Mr DAVID SHOEBRIDGE:** You would be aware, would you not, that there have been many complaints in local government areas like Lake Macquarie where residents have been frightened and scared by local dogs and have made numerous complaints to the local government authority and failed to get any action from the local government authority?

**Mr DONALD PAGE:** I am aware that you are aware of it, and that you are concerned about it, and that you would like to see people being able to take councils to court for inaction.

**Mr DAVID SHOEBRIDGE:** You have followed those complaints in Mirrabooka, have you not? You are laughing now.

**Mr DONALD PAGE:** No. I am not laughing.

**Mr DAVID SHOEBRIDGE:** You know that people were mauled.

**Mr DONALD PAGE:** I am not laughing.

**Mr DAVID SHOEBRIDGE:** You know that a woman was mauled by a dog that she had made multiple complaints about and the local government had failed to act. That is not a laughing matter, Minister.

**Mr DONALD PAGE:** No, no. Of course it is not.

**Mr DAVID SHOEBRIDGE:** You are aware, are you not, of instances where people have made multiple complaints about dangerous dogs but no action has been taken by local government?

**Mr DONALD PAGE:** I am not sure about "multiple". I would have to take advice on that. There may have been complaints to councils and the councils have deemed that the complaint about activity did not meet the standard that is in the Companion Animals Act for it being identified as a dangerous dog and all that flows from that.

**Mr DAVID SHOEBRIDGE:** And people have been living in fear of a pet that either attacked their pets or frightened their children or frightened them in their homes and, despite repeated complaints, they have not been able to get councils to act. That is not acceptable, is it?

**Mr DONALD PAGE:** No, it is not acceptable. However, part of the solution to that problem is the creation of this new dog category: potentially dangerous dog. If councils find it easier to meet a lower bar, as it were, to say that a dog has attacked but does not warrant a dangerous dog classification—with the implications that flow from that, in terms both of compliance and the capacity to appeal the courts—then I think that will make councils be more proactive in dealing with the sorts of things that you and I want to see happen.

**Mr DAVID SHOEBRIDGE:** But if a council has not acted and there have been multiple complaints and someone is in fear of a dangerous dog next door and concerned for their children, should not people be able to bring their own action, if council fails to act, and seek a declaration? Why would you stop people having that power?

**Mr DONALD PAGE:** I would have to take advice on whether that is appropriate. I have just been advised that, in relation to the issue that you raised, there is an acknowledgement that the council actually did not respond appropriately in that particular instance. I am not sure whether that justifies moving to a new regime where an individual could take a council to court because they did not believe that the council had acted appropriately or whether that that would work in practice but we could have a look at it.

**Mr DAVID SHOEBRIDGE:** Minister, when I raised the issue with you about the dangerous dog attacks in Mirrabooka your response in correspondence was simply, "The council is best placed to explain its decisions and processes" and you took no action. Do you think that was acceptable?

**Mr DONALD PAGE:** I would stick by the fact that council is normally the best placed body to explain why they did or did not do something.

**Mr DAVID SHOEBRIDGE:** But when they fail to act and that failure is brought to the attention of your office and you fail to act where does that leave residents who are scared by dangerous dogs?

**Mr DONALD PAGE:** I think there are two things that might help.

**Mr DAVID SHOEBRIDGE:** Yes—one would be the local government working and the other would be you working to protect them. Both those things would assist.

**Mr DONALD PAGE:** My workload is pretty solid. I think that we need to accept that some councils are better than others, whether it is in relation to dog attacks or any number of services that are being provided.

**Mr DAVID SHOEBRIDGE:** I think that is a truism.

**Mr DONALD PAGE:** As I have had advice in the case of Lake Macquarie, the council did not respond well at all in that situation. I think we probably could do more—and I would be interested to know what the division thinks about this—to try to encourage councils to be more proactive and more responsive. As I said before, if we change the legislation to make it easier for them to do that then that would be a positive thing. In terms of whether they should have the right to take a council to court—

**Mr DAVID SHOEBRIDGE:** No, one would take the dog owner to court and one would seek a declaration to protect one's family. No-one is talking about taking the council to court. One would take the dog owner to court because the council had failed to act. People should be able to protect their families.

**The Hon. Dr PETER PHELPS:** Hear, hear. Support changes to the firearms law then, David.

**Mr DAVID SHOEBRIDGE:** I do—fewer firearms.

**Mr DONALD PAGE:** I am not sure whether an individual can take another individual to court on that basis.

**Mr DAVID SHOEBRIDGE:** They cannot. You need to change the law to allow it to happen.

**Mr DONALD PAGE:** I suspect they may be able to. I am not sure what the charge would be.

**Mr DAVID SHOEBRIDGE:** Will you consider that as part of your review?

**Mr DONALD PAGE:** Okay, we will consider—I am a very reasonable person and I am prepared to consider anything intelligent that is put up.

**Mr DAVID SHOEBRIDGE:** You said you had had advice that there have been failures in the way Lake Macquarie council dealt with its dangerous dogs regime.

**Mr SCOT MacDONALD:** Point of order: As a matter of caution, I understand this matter might be before the courts. Are we wise to be pulling this apart?

**CHAIR:** I will have to take some advice from the secretariat.

**The Hon. ADAM SEARLE:** The first question is whether or not, as a matter of fact, the matter is before the court and at what stage. It is only if it is a matter of a live hearing that it would raise the sub judice rule.

**Mr DAVID SHOEBRIDGE:** I am asking about the actions of the council, not about the court proceedings, and I want to know what you have done about the matter.

**CHAIR:** Order! There is no point of order.

**Mr DONALD PAGE:** I think I have answered that question.

**Mr DAVID SHOEBRIDGE:** No, what have you done about the failures that have been identified in Lake Macquarie?

**Mr DONALD PAGE:** Well, I put in place a task force that has come up with 14 recommendations that are going to help address the inadequate management arrangements we have around dangerous dogs in this State. I think that is a pretty big step forward.

**Mr DAVID SHOEBRIDGE:** What have you done about Lake Macquarie? Your department has identified failings in Lake Macquarie council—

**Mr SCOT MacDONALD:** Point of order: We are talking about a specific incident that I think is before the court.

**Mr DAVID SHOEBRIDGE:** I am not. I am asking about what the Minister has done about the identified defects in Lake Macquarie.

**Mr SCOT MacDONALD:** I think most people would infer this is about that particular incident.

**CHAIR:** Order! I uphold the point of order. My advice is that we could get ourselves into trouble with anything that strays towards something that may well be before a court at the moment. We will proceed with a different line of questioning.

**Mr DONALD PAGE:** I am advised that the Division of Local Government does talk to councils that do not do the right thing. We recently passed the early intervention legislation that provides the Government with an opportunity to issue a performance improvement order—in this case, for example, it could have been a lack of activity in relation to complaints about dangerous dogs—and if a council does not comply with that performance order, then potentially—worst case—it could be suspended for three months. So we do now have a new mechanism in place that would help the Division of Local Government, and the Government generally, to make councils comply with actions that they should comply with.

**Mr DAVID SHOEBRIDGE:** Minister, are you aware of the distinction between community land and operational land in local government?

**Mr DONALD PAGE:** Yes.

**Mr DAVID SHOEBRIDGE:** And that the importance of the classification of community land means that communities can be assured that that land cannot be sold without their being consulted. You understand that?

**Mr DONALD PAGE:** Yes.

**Mr DAVID SHOEBRIDGE:** Is that a protection that you support, for important community assets like parks and public space?

**Mr DONALD PAGE:** As a general principle, yes.

**Mr DAVID SHOEBRIDGE:** So you would have been concerned, would you not, when the recent report was released by the four member task force—

**Mr DONALD PAGE:** The Local Government Act task force.

**Mr DAVID SHOEBRIDGE:** —proposing to abolish the distinction between operational and community land? That would have troubled you, would it not?

**Mr DONALD PAGE:** That task force was set up to have a look at the Local Government Act as it is. Their papers—two of them so far—do not indicate Government policy. I am personally of the view that community land should be protected. Operational land is a different ball game. There is a lot more flexibility around that space, as you know. But just to assume that because it is in a discussion paper from a task force it somehow or other is going to translate into Government policy is not a valid assumption.

**Mr DAVID SHOEBRIDGE:** I am not assuming that it will transfer; I am hoping to get a statement from you about your position, in support of the current protections for community land.

**Mr DONALD PAGE:** The task force has put up a number of options for community discussion. So that is the status of that recommendation. My personal view is as I indicated before.

**Mr DAVID SHOEBRIDGE:** Are you aware though that a number of councils have made submissions supporting removing the protections for community land and wanting to be able to sell land that is currently classified as community land with a simple vote of council, as opposed to consultation with the public?

**Mr DONALD PAGE:** Yes, I know that a lot of councils are looking for new ways of making money because they have been left in a parlous situation financially. That does not make it right.

**Mr DAVID SHOEBRIDGE:** Minister, in relation to that important distinction between community and operational land, is that a matter that you intend to consult directly with residents on, rather than simply allow your primary consultation to be with councils, many of whom obviously would have a financial advantage in removing the distinction?

**Mr DONALD PAGE:** Let us wait and see what the task force comes up with. You are assuming that they are going to make some sort of recommendation that is going to involve that proposal and then you are asking me whether I would go out and talk to the community, rather than to the councils. Of course, where councils have a vested interest in a particular outcome, then one needs to go beyond the councils, doesn't one?

**Mr DAVID SHOEBRIDGE:** Yes.

**The Hon. SOPHIE COTSIS:** Minister, earlier I asked you about the dozen or so reports you have commissioned and how they were put down with a question on council rates. Recently, the Liberal-dominated Blacktown council increased the pensioner rebate policy and council rates for pensioners in the Blacktown City Council have increased by up to 50 per cent. What are you going to do about this increase? I have the rates for a couple that has lived on acreage for 40 years at Riverstone. For the period July 2012 to 30 June 2013 their council rates were \$2,578.

**Mr SCOT MacDONALD:** Point of order: Rates are very much under the purview of the finance department valuation.

**The Hon. SOPHIE COTSIS:** No they are not. It is under the Local Government Act.

**Mr SCOT MacDONALD:** I sit on the committee.

**CHAIR:** Order! There is no point of order.

**The Hon. SOPHIE COTSIS:** This year this same couple that has been living there for 40 years received from Blacktown City Council a rate notice for the period 1 July 2013 to 30 June 2014 that has increased the rates to \$4,668.20. The rates of another couple that lives in Kings Langley for July 2012 to June 2013 were \$784.50 and this year have increased to \$938.50. Can you explain why the Liberal councillors voted to increase council rates for pensioners?

**Mr DONALD PAGE:** I would be happy to take that question on notice because you have just provided a lot of detail. As you know, councils are bound by the rate peg.

**The Hon. SOPHIE COTSIS:** By the Independent Pricing and Regulatory Tribunal [IPART], that is right.

**Mr DONALD PAGE:** By the Independent Pricing and Regulatory Tribunal's rate peg.



**The Hon. SOPHIE COTSIS:** This is way above the Independent Pricing and Regulatory Tribunal.

**Mr DONALD PAGE:** But within that 3.4 per cent this year they can make variations in relation to rating decisions. Did you mention the pensioner rebate in your introduction?

**The Hon. SOPHIE COTSIS:** No.

**Mr DONALD PAGE:** My observation is that we would like to be able to do more for pensioners with rebates. They get \$250 on their rates and I think it is \$87.50 on their sewerage.

**The Hon. SOPHIE COTSIS:** Minister, will you—

**Mr DONALD PAGE:** Hang on. In 16 years you did not put it up once. So let us not have you pretending that you are the friend of the pensioners and low-income earners.

**The Hon. SOPHIE COTSIS:** We are the friend of the pensioners.

**Mr DONALD PAGE:** For 16 years you did not put up the pensioner rebates.

**The Hon. SOPHIE COTSIS:** You have commissioned three reports—

**Mr DONALD PAGE:** It was introduced by a Coalition Government. The only time it ever went up was under a Coalition Government. You did not do anything for 16 years.

**The Hon. SOPHIE COTSIS:** There are three reports calling on your Government to remove the pensioner rebate. Will you use the early intervention powers to call on Blacktown City Council to reverse its decision? There are 11,000 pensioners whose rates have gone up by more than 50 per cent. Will you intervene?

**Mr DONALD PAGE:** As I indicated earlier, if you give me the details I will ask the division to have a look at it.

**The Hon. SOPHIE COTSIS:** I will.

**Mr DONALD PAGE:** Councils do have certain flexibility in the way they run their affairs. As I said, they are bound by the rate pegging arrangements at the moment. That is all under review.

**The Hon. SOPHIE COTSIS:** But that is a huge increase in their rates.

**Mr DONALD PAGE:** From what you are saying it does sound like a large increase. I am prepared to have—

**The Hon. SOPHIE COTSIS:** So you agree with me that it is a large increase.

**Mr DONALD PAGE:** No. I am not agreeing with anything you say.

**The Hon. SOPHIE COTSIS:** It is here.

**Mr DONALD PAGE:** What I am saying is if you give us the information—

**The Hon. SOPHIE COTSIS:** I will give you the information.

**Mr DONALD PAGE:** —we will have a look at it to see whether you are telling the truth.

**The Hon. SOPHIE COTSIS:** I will give you the information. I refer you to swimming pool registration. I understand that there about 360,000 pool owners who have until the end of October to register their pools. Can you advise the Committee how many have registered so far?

**Mr DONALD PAGE:** We do not know how many pools there are in New South Wales. There is speculation about how many there might be.

**The Hon. SOPHIE COTSIS:** But it is reported in your—

**Mr DONALD PAGE:** I have never heard a figure quite as high as that. We do not know. That is one of the main reasons I am introducing a register, but there are other reasons as well to educate people about their compliance and so on. My information is that as of a few days ago 65,000 pools have been registered, which is slightly ahead of a comparable experience in Queensland at the same stage in the registration process. I indicate to you and to the Committee that the Government will be continuing our promotion campaign as we come into the summer months and people become more conscious of the need to maintain their pools and get them ready for the summer season.

There will be more promotion about the need to register your pool by 29 October. Of course, Royal Life Saving is part of our promotion and it is supporting us in a joint venture there. I am confident that we will be able to get a lot of pools registered by then. Whether we get them all in is a matter for speculation at this point in time. Queensland did not quite get all its pools registered on time, so a little extra time was allowed to enable people to be able to register their pools. But at the moment the cut-off point is 29 October. We are ahead relative to Queensland at the same stage. But there are still quite a few to be registered.

**Mr DAVID SHOEBRIDGE:** Minister, through you I will ask Mr Woodward: Last year at budget estimates hearing when I asked questions about dangerous dogs you indicated that there had been improved data coming through to local government as a result of compulsory reporting. Can you update the Committee on where that is at?

**Mr WOODWARD:** Yes. Compulsory reporting began in 2009. It took some time for councils to get right on board with that. We used to chase councils quite a lot for reporting in those early days. It is really now in the last 12 to 18 months that we are fairly confident that we are getting more accurate reporting from councils because it is mandatory, they understand the process and we have simplified the system to make it easier for them to report. We constantly stay in touch with councils to make sure they understand their obligations. If we suspect that there might be under-reporting, we are straight on the phone to those councils and say, "Hey, it doesn't seem to be accurate. There's no reporting in your council" and they absolutely go back and check it. We now are at the stage where we think reporting is pretty well as good as it is going to get.

**Mr DAVID SHOEBRIDGE:** If we look at the figures to try to get a sense of trend, we probably should be very careful about the figures from 2010 and 2011; is that your position?

**Mr WOODWARD:** Correct. I think really we are only going to get trend analysis from this point on as we are now getting the data for the 12 months that has just finished. Once we get that report finalised I think then we will get some better trend data. I have to say that the trend data is fairly consistent with the sorts of dogs that are attacking and the number of attacks, which has been increasing up until this point, commensurate with the increasing number of dogs. As the Minister pointed out earlier, our raw data for the 12 months just finished shows a 6 per cent decrease in dog attacks for the period.

**Mr DAVID SHOEBRIDGE:** I am trying to work out what you mean by the last 12 months; the data that applies for the financial year ending 30 June?

**Mr DONALD PAGE:** Just now.

**Mr DAVID SHOEBRIDGE:** Just finished?

**Mr DONALD PAGE:** Yes.

**Ms MOFFATT:** Yes.

**Mr DAVID SHOEBRIDGE:** That is good robust data.

**Mr WOODWARD:** Yes.

**Mr DAVID SHOEBRIDGE:** What about for the previous financial year?

**Mr WOODWARD:** I would be cautious. The experts who look at the statistics say to be cautious about comparing one year to the next until we have a few years of accurate data.

**Mr DAVID SHOEBRIDGE:** I ask now about pig dogs, particularly in areas such as Orange and the central west where people have concerns about the growing size and number of pig dogs. Have you been considering that in your analysis of dangerous dogs?

**Mr WOODWARD:** Our analysis of the dangerous dogs tends to be done on a statewide basis, but the individual figures are provided to council. We do individual reports by local government area. As time goes by we will be able to identify areas where some sort of policy correction, if you like, or some sort of action needs to be taken. Councils themselves have that data and should be implementing any policies that are required in their local areas.

**Mr DAVID SHOEBRIDGE:** But councils are not doing the comparative analyses; that is your job, is it not, to work out—

**Mr WOODWARD:** We do it, but there is nothing to stop councils from doing it because the information is all there for them.

**Mr DAVID SHOEBRIDGE:** Code of conduct complaints at different times have been crippling for certain local government areas. Since the implementation of the new code of conduct rules have you noticed any trend in the number of code of conduct complaints?

**Mr WOODWARD:** Once again it is a bit early because it is also in a different part of the electoral cycle as well. We tend to find more code of conduct complaints come towards—

**Mr DAVID SHOEBRIDGE:** Coming up to an election?

**Mr WOODWARD:** —the end of the term, if you like. So we are in that phase. But I have to say that the feedback we have broadly is that the code is working very well and anecdotal evidence is that there are fewer. But once again, we are only just introducing mandatory reporting about that as part of this new process as well. So we will get first reports very shortly. I think end of September we will get the first reports.

**Mr DAVID SHOEBRIDGE:** What notifications have you given to councils about their mandatory reporting? Are you comfortable that councils are complying with mandatory reporting?

**Mr WOODWARD:** I have emailed general managers to remind them.

**Mr DAVID SHOEBRIDGE:** They get a lot of emails.

**Mr WOODWARD:** No, I do specific emails to general managers. So there are not very many of those. They know to take attention when they get those. It is the next step down from a circular. We are about to issue a circular as well so it is all transparent out there as to what is required. What we have done is tell the councils what the process will be. We have set up a way to make it easy for them to report directly to us so they do not have to set up their own manual processes. The councils are very well aware of it, but we will only find out how they comply by the time of the reports. Once again, we will follow that up, chase them up and make sure we get an accurate report.

**Mr DAVID SHOEBRIDGE:** When will we get the first public reporting on numbers of code of conduct complaints? Will they be publicly reported and, if so, when are we likely to get them?

**Mr DONALD PAGE:** My understanding is that the first manager reporting will be at the end of this year, so we will have an idea then, but the anecdotal evidence as I travel round to councils is that the new model code of conduct is quite popular, especially with general managers, because they are not so involved as they used to be and the independent assessor means that an independent assessment is done rather than the general manager having to assess the behaviour of a mayor.

**Mr DAVID SHOEBRIDGE:** Everybody thinks that is a better outcome, Minister.

**Mr DONALD PAGE:** Do you think that is a better outcome?

**Mr DAVID SHOEBRIDGE:** I do.

**Mr DONALD PAGE:** Thank you. I appreciate your support.

**The Hon. SOPHIE COTSIS:** Green-National alliance, I do not know about that.

**CHAIR:** Order! Minister, thank you, and thanks to your staff for agreeing to give evidence today. I will close this section of the hearing and remind you that answers to questions on notice are to be provided within 21 days of your receiving the transcripts of those questions.

**CHAIR:** We will now move on to the portfolio of North Coast. Minister, it is the same procedure as before. The Government members have agreed not to ask questions, so the time will be split 50:50 between the Opposition and the crossbench.

**Mr DAVID SHOEBRIDGE:** Minister, you understand there was meant to be a review released in March about E3 environmental zones on the North Coast. What has happened to that review?

**Mr DONALD PAGE:** That review is taking longer than the consultants thought it would. For the benefit of other members of the Committee, the background here is that as councils move away from the old local environment plans into the new template local environment plan, they need to reduce the number of zones that they had previously.

**Mr DAVID SHOEBRIDGE:** Minister that is not a requirement. There is E3 in the template. So the issue is the directive that they not include E3 in the template.

**Mr DONALD PAGE:** I am giving some context to your question. In five councils on the North Coast there was evidence that in moving from the old local environment plan to the new local environment plan, particularly in relation to E zones, there was a substantial increase in the E zones under the new local environment plan compared to the old local environment plan, and the Minister for Planning has indicated that he says, as a principle, it should be like for like. Taking a case like Byron Shire Council, for example, previously about 14 per cent of the total area of the local environment plan was zoned environmental zones and under their new arrangements it was 30 per cent, so there had been a substantial increase.

Often that had been over land that was used for farming, so the Minister took the view that we needed to appoint consultants. Parsons Brinckerhoff was appointed to look at that whole issue. They have been consulting affected landowners, environmentalists, councils, and councillors. It has been a long process. It is quite complicated, because you are talking about a total local environment plan and all the E zones that exist, whether it is E2, E3, or E4 in the case of Byron council. We are interested and are eagerly awaiting their report.

**Mr DAVID SHOEBRIDGE:** What is the current time frame for the report, Minister?

**Mr DONALD PAGE:** I do not know exactly; I do not have a date. They have indicated to the Government, and I met with them recently, that they needed more time to do further consultation and deliberations in relation to the matter.

**Mr DAVID SHOEBRIDGE:** That includes with the local councils?

**Mr DONALD PAGE:** Absolutely. The councils have been consulted. In fact the landowners' view is that the councils have been consulted too much.

**Mr DAVID SHOEBRIDGE:** Will you take it on notice and give an indicative time for the release of the report?

**Mr DONALD PAGE:** I will take it on notice.

**Mr DAVID SHOEBRIDGE:** Are you aware there is concern about case worker vacancies for child protection services on the North Coast?

**Mr DONALD PAGE:** I have heard some concerns in relation to that matter, but I am certainly not in a position to give any detailed answer on that. It should really be referred to the Minister for Family and Community Services.

**Mr DAVID SHOEBRIDGE:** In your capacity as Minister for the North Coast, have you raised that issue with the Minister for Family and Community Services?

**Mr DONALD PAGE:** I do not recall raising it. I may have in correspondence; I do not remember.

**Mr DAVID SHOEBRIDGE:** Minister, there is a great deal of concern about alcohol-related violence on the North Coast, particularly in some of the tourist areas such as Byron. What have you done to work with

the local councils to reduce alcohol-related violence, and what have you done in particular to reduce the amount of dangerous drinking?

**Mr DONALD PAGE:** I live in Byron Bay so, arguably, I probably understand—

**The Hon. Dr PETER PHELPS:** Point of order: Is that not a matter of more direct relevance to the Police Minister?

**The Hon. ADAM SEARLE:** To the point of order—

**CHAIR:** There is no point of order.

**Mr DONALD PAGE:** As I indicated, Chair, I live in Byron Bay, so I live with this problem—

**Mr DAVID SHOEBRIDGE:** You are part of the problem.

**Mr DONALD PAGE:** —day in and day out.

**The Hon. ADAM SEARLE:** You make friends everywhere you go, do you not?

**Mr DAVID SHOEBRIDGE:** I withdraw that.

**Mr DONALD PAGE:** That is according way too much influence. It is a complex issue, because Byron Bay is a very popular tourist destination and it attracts, unfortunately, a lot of people who are predisposed to often drink cheap alcohol before they go out and they then go out late at night and often do things that they might not do when they are sober. That has led to a relatively high incidence of alcohol-fuelled violence. I have been liaising with the Police Commander over quite a while and he has indicated that, in broad terms, it is not a police resourcing issue. He says it is more of a behavioural issue with some aspects of the life of Byron. By the way, his view is slightly different from the police on the ground who believe they need more resources, but that is another story.

Certainly I have been in touch with the Minister for Tourism, Major Events, Hospitality and Racing, the Hon. George Souris. He has issued show cause certificates to five premises in Byron Bay because they were involved in irresponsible promotion of alcohol. There is quite a lot happening in that space. They have a liquor accord in Byron. I was involved in discussions with members of the liquor accord, and they put in place a lock-out period from 1.30 a.m., so that if you go to premises after 1.30 a.m. you will not be admitted. So you have to be in there before then, otherwise you will not be admitted. There is a raft of other things they have put in place for a six-month trial. I can go through the things that they have put—

**Mr DAVID SHOEBRIDGE:** But the ultimate problem in Byron—

**Mr DONALD PAGE:** Can I just finish by saying that the early indications are that as a result of the trial that has been put in place, for example, involving the lock-out at 1.30, the illegality of serving shots, and not serving intoxicated people who are approaching premises, the preliminary indications are that the alcohol-fuelled assault figures are down to the lowest they have been in five years. The bottom line is that we need to be proactive in Byron in a way that Newcastle was proactive and put in place certain measures that will give Byron Bay back what it always has been, which is a laidback, safe place that is popular with tourists. If we do not do that and get this issue under control, then it will not have that reputation. That is something that I, as a resident of Byron Bay, never want to see happen.

**Mr DAVID SHOEBRIDGE:** It still has a fine reputation. In the long term the real issue to be addressed is the density of liquor outlets and the availability of liquor, is it not?

**Mr DONALD PAGE:** I think it is one of the issues; it is not the only issue. Since you have raised that particular point, I came out publicly against Dan Murphy's. Dan Murphy's wanted to put an alcohol-selling outlet just near the cinema in Byron Bay. I came out publicly and opposed that. I sent a letter to the council opposing it. Thankfully, it did not happen. The NSW Office of Liquor, Gaming and Racing knocked that application back, which I thought was a very good thing. Certainly there is an issue with the density of people in a small area and there are also quite a few alcohol outlets. That is not the only problem. There are issues other

than alcohol, issues associated with drug use and so on, which impact on the level of violence in Byron Bay, mainly on Friday and Saturday nights and mainly between about 11.00 p.m. and 4.00 a.m.

**Mr DAVID SHOEBRIDGE:** But the ability of local communities such as those in Byron Bay, on the South Coast and in western Sydney to join together and oppose a development application for a bottle shop is a fundamental democratic right, is it not?

**Mr DONALD PAGE:** I would have thought so, yes. That is what happened here.

**Mr DAVID SHOEBRIDGE:** Are you concerned that the planning Minister has put forward a proposal to take away people's rights to have a say in those kinds of development applications?

**Mr DONALD PAGE:** I think we have a little way to go before we know exactly what the final planning laws are going to look like. There are white papers and there are—

**Mr DAVID SHOEBRIDGE:** But the draft planning bill would have taken away the right of residents to have a say in opposition to that bottle shop in Byron Bay. That would have been a tragedy, would it not?

**Mr DONALD PAGE:** I think it was a good thing that the community had an opportunity to oppose that. Whether that opportunity would be taken away by the new planning laws I am not able to comment. I would be concerned if they were taken away. Maybe that is an issue you should refer to the Minister for Planning and Infrastructure.

**The Hon. AMANDA FAZIO:** Beach erosion is a serious problem on the North Coast. What actions have you taken as the Minister for the North Coast to rectify beach erosion on North Coast beaches controlled and managed by Crown land trusts?

**Mr DONALD PAGE:** The beach erosion is a serious issue for communities up and down the New South Wales coast, including the North Coast. Certainly I have been involved with the issues at Belongil Beach at Byron Bay, which some of you would be familiar with. When we came to government we realised that the current Coastal Protection Act has a lot of problems in its lack of flexibility and capacity for landowners and councils to be able to respond to immediate challenges when cyclones hit or we have very high tides combined with big swells. The New South Wales Cabinet appointed a subcommittee of Cabinet to look specifically at coastal erosion issues, chaired by Minister Parker. I am on that committee. We are consulting with an expert panel. We have had the first round of recommendations, which is to do with temporary works. The essence of that has been to give local councils and individuals the capacity to better protect themselves in an emergency situation.

Round two really goes to the longer-term arrangements that need to be put in place. The previous arrangements instituted by the Labor Government were quite complex and virtually made it almost impossible for anyone to be able to do anything. The second round is under consultation now and the subcommittee of Cabinet will again meet at the end of this month to consider the expert panel's recommendations in relation to the second series of reforms. Frankly, they are more important reforms because they deal with what we need to do in the longer term to try to address this really complex issue of coastal erosion up and down the coast.

**The Hon. AMANDA FAZIO:** Who are the members of that subcommittee of Cabinet?

**Mr DONALD PAGE:** Minister Parker chairs it, the Minister for the Central Coast, I am on it, the Minister for Planning and Infrastructure, and the Minister for Crown lands is on it when he can be there.

**CHAIR:** Ex officio.

**Mr DONALD PAGE:** I think he is technically on it but he is often very busy. A fair bit of the land along the coast is actually Crown land so it is quite important that they have a say.

**The Hon. AMANDA FAZIO:** Have you personally met with the responsible Crown Land Reserve Trust that deals with the North Coast to determine what assistance is required to deal with this issue?

**Mr DONALD PAGE:** I will ask Mike Pearce, who is the regional coordinator for the Department of Premier and Cabinet, to comment because he has been involved in this.

**Mr PEARCE:** Sorry, what was the question?

**The Hon. AMANDA FAZIO:** The question was about meeting with the Crown Land Reserve Trusts responsible for those areas on the North Coast being affected by beach erosion. How many meetings have you had with them?

**Mr PEARCE:** Personally I have not had any meetings with them on coastal erosion.

**Mr DONALD PAGE:** As I understand it, each of the local areas has its own trust; I do not think there is one trust that deals with everything.

**The Hon. AMANDA FAZIO:** Yes, there are different trusts.

**Mr DONALD PAGE:** Yes.

**The Hon. ADAM SEARLE:** What actions have you taken as the Minister responsible for the North Coast in relation to the problems being experienced along the Kingscliff foreshore?

**Mr DONALD PAGE:** As I indicated before, the subcommittee of Cabinet is looking at not just Kings Cliff or Belongil but also Old Bar—all those areas which have serious issues.

**The Hon. ADAM SEARLE:** When do you think some decisions might be made?

**Mr DONALD PAGE:** As I indicated before, we have already made decisions in relation to the capacity of councils and individuals to take short-term measures. I think that has been generally pretty well accepted. Possibly the more challenging issue is how we manage it long term. We are not the first government to wrestle with how to deal with this issue. There are certain limits to government's capacity to have an impact on coastal erosion and so on. Believe me; we have this issue in front of us as a very serious issue. I would expect the subcommittee of Cabinet to be coming forward with proposals based on the expert panel's advice to us in the not too distant future so that we can put in place a management regime that provides protection for properties but also enables, in a realistic way, the natural coastal processes to occur.

**The Hon. AMANDA FAZIO:** Have you read the Legislative Council's select committee report into the downsizing of the Grafton Correctional Centre?

**Mr DONALD PAGE:** I think I read the executive summary some time ago, quite a while ago.

**The Hon. AMANDA FAZIO:** What written representations did you make as the Minister for the North Coast about your Government's decision to downsize the Grafton Correctional Centre?

**Mr DONALD PAGE:** I cannot recall written representations but I certainly had discussions with the relevant Ministers when I became aware of the situation at Grafton jail.

**The Hon. AMANDA FAZIO:** Did you meet with any of the local people such as the mayor, the Chamber of Commerce or the Community Union Alliance?

**Mr DONALD PAGE:** In Grafton?

**The Hon. AMANDA FAZIO:** Yes.

**Mr DONALD PAGE:** Not that I recall, but I was kept informed on a daily basis by the local member who was obviously not terribly happy with the decision that had been made.

**The Hon. AMANDA FAZIO:** Have you met with anyone since the decision in your capacity as the Minister for the North Coast to discuss the way forward for Grafton generally?

**Mr DONALD PAGE:** I am on the Cabinet subcommittee for decentralisation and development—we are having a 10 year decentralisation and development—and issues, for example, like Grafton come up from



time to time. My recollection is that we have put 70 new jobs into Grafton since the Grafton jail was downscaled.

**The Hon. AMANDA FAZIO:** Would you be able to give us the details of exactly where those jobs are and where they have been relocated from in answer to a question on notice?

**Mr DONALD PAGE:** I would be more than happy to do that. From memory, I think some of them are in Crown lands and some of them are private sector jobs that have been come onstream as a result of government assistance. I will get you the details.

**The Hon. AMANDA FAZIO:** Minister, how many times in the past 12 months have you met with the Cross-Border Commissioner in your capacity as the Minister for the North Coast?

**Mr DONALD PAGE:** I have met with him at least two or three times, or maybe it is four times. I had discussions with him as recently as last Friday afternoon. I think Steve Toms is doing a very good job as the Cross-Border Commissioner. This is something that is close to my heart, having introduced legislation when in opposition to create a cross-border commission. That legislation was, I might note, voted down by the then Labor Government, which was a disgrace.

So I do have an interest in and a long track record of trying to address cross-border commission issues. They are real issues for people, particularly in the border towns, whether it be in Tweed Heads, down in Albury-Wodonga, or in the Australian Capital Territory or South Australia. We put in place a Cross-Border Commissioner. He is doing a good job, and we meet with him regularly.

**The Hon. AMANDA FAZIO:** I might table some more questions about the Cross-Border Commissioner for you. Seeing as we are talking about the areas that are on the border, I want to talk about the Tweed Heads Motor Registry and the job cuts that have resulted there from the establishment of one of these new general-purpose government centres called Service NSW. Have you made any representations about the loss of government jobs in the Tweed as a result of the closure of the Tweed Heads Motor Registry?

**Mr DONALD PAGE:** To my knowledge, there are no jobs being lost in the Tweed as a result of the closure of the Tweed Heads Motor Registry. There has been some discussion around whether the registry does a very good job but, to my knowledge, there has been no suggestion that the registry be closed or relocated anywhere. In relation to other jobs in the Tweed, there was some discussion earlier in the year about police numbers. I think that was a furphy. All that happened was that they took the highway patrol out of the local operational police numbers. Some people said that there had been a cut in the number of police available, but in fact all that had happened was that people had been relocated—not in a geographical sense; they are still there—to highway patrol, which is a discrete section of the NSW Police Force these days.

**The Hon. AMANDA FAZIO:** Getting back to the issue of the Tweed Heads Motor Registry, five members of staff have lost their jobs at the Tweed Heads Motor Registry as a result of the changes introduced by your Government. They are temporarily being sent to the Murwillumbah Motor Registry for employment but there is no guarantee of long-term jobs. How can you justify cutting public service jobs and reducing the level of service for people in the Tweed in your role as the Minister for the North Coast?

**Mr DONALD PAGE:** I am not acceding to your assertion, because I do not know about job cuts and I would want to take some advice on that. To my knowledge, there are no job cuts in the Tweed. It is a growing area. But I can make a general observation that governments have to live within their means, and from time to time that means that we do have to rationalise our services to produce better outcomes. That is the reality of it, and I am proud to be part of a government that has been able to control its expenses—unlike the previous Government, which could never control its expenses.

**The Hon. Dr PETER PHELPS:** All sensible governments live within their means.

**The Hon. AMANDA FAZIO:** I did not ask you any questions, Dr Phelps, so just keep quiet.

**CHAIR:** Order!

**The Hon. AMANDA FAZIO:** Minister, I would like to ask you about another issue that is of concern to a lot of people on the North Coast—that is, coal seam gas mining. As the Minister for the North Coast, have

you made any representations on behalf of local community groups and local constituents opposing the development of coal seam gas in the North Coast area?

**Mr DONALD PAGE:** Coal seam gas on the North Coast has been a pretty hot issue. Certainly I have received numerous requests for interviews, done lots of interviews and had numerous discussions with local residents on this issue. Obviously it is a matter that has been discussed in Cabinet several times. I cannot talk about what happens in Cabinet, but you can rest assured that, as the Minister for the North Coast, I have made it plain where a lot of people on the North Coast are coming from on that issue. I have to say that, as a result of the concerns that have been raised, we have put in place in New South Wales the best regulatory arrangements across any State in Australia. We have in this State the toughest regulations applying to coal seam gas.

I point out to you, since you are a member of the Labor Party, that when we arrived in government there were 44 exploration licences that the previous Labor Government put in place virtually without any conditions attached to them, whereas we have put in place such a tough regulatory regime that two of the mining companies on the North Coast have said, "It is too tough and we do not want to be here." So Gasco has left the North Coast as a result of the government regulations, and it has said that publicly. Dart Energy has also indicated that the regulations are too tough.

So I am proud of the fact that, as a government, we have put in place a really tough regulatory regime. That is our role. It is not our role to support the mining companies; it is our role to put in place a regulatory regime that protects our land and water and provides some protection for landholders. As you know, we have a New South Wales Land and Water Commissioner who looks after access arrangements. We have an aquifer interference policy. We have agricultural impact statements. We have so many things that protect our environment. We have, of course, a residential exclusion: you cannot extract coal seam gas near any residence on the North Coast. That includes a buffer of two kilometres around any land that is zoned residential. We have been very proactive as a government to try to protect the interests of our people, our land, our water and our environment. I have certainly been at the forefront of discussions within the Government in relation to that issue.

**The Hon. AMANDA FAZIO:** As the Minister for the North Coast, what have you done about the appallingly low vaccination rates of children on the North Coast of New South Wales?

**Mr DONALD PAGE:** I have been very supportive, both publicly and within the Government, of increasing the vaccination rate. I am very concerned about the low level of vaccination rates in parts of the North Coast. As we all know, we need a vaccination rate of about 90 per cent—

**The Hon. ADAM SEARLE:** We need a 95 per cent vaccination rate.

**Mr DONALD PAGE:**—to guarantee herd immunity, so to speak. Unfortunately, in some places on the North Coast we do have very low rates of vaccination. It is as low as 50 per cent in some places. So that is a concern and I have been publicly encouraging people to vaccinate.

**The Hon. Dr PETER PHELPS:** Is there a correlation between the Greens vote and the level or lack of vaccination?

**The Hon. AMANDA FAZIO:** Just be quiet.

**CHAIR:** Order!

**Mr DONALD PAGE:** I think there are a lot of people who just take a philosophical objection to vaccination. I think they see it as something that is abnormal and therefore should not be supported. But I think if those people had a look at what happened with polio, and some of the big problems we have had in the past when vaccinations were not available, they might change their views. Certainly I am concerned about the low rate of vaccination on the North Coast.

**The Hon. ADAM SEARLE:** Minister, what are you doing to address that?

**Mr DONALD PAGE:** Basically I am doing everything I can within government.

**The Hon. ADAM SEARLE:** Have you made written representations?

**Mr DONALD PAGE:** Yes, I have.

**The Hon. ADAM SEARLE:** Can you table them or provide them to the Committee? I am happy for you to take that question on notice.

**Mr DONALD PAGE:** Yes, okay; I will take that question on notice.

**The Hon. SOPHIE COTSIS:** Minister, a number of North Coast councils applied and were successful in getting the green light from you for funding under your Local Infrastructure Renewal Scheme [LIRS]. I raised my concerns with you at the budget estimates last year. In April a report came out from the New South Wales Treasury Corporation [TCorp] which suggested that 20 out of the 62 councils had a negative outlook, and seven out of the 20 had a weak and negative outlook.

One of the councils that I was concerned about last year was the Port Macquarie-Hastings Council. I raised the issue that they had applied to borrow \$24 million for a couple of projects. I was concerned that they had just come out of financial administration and they had just elected a new council. You said to me that I was pre-empting the whole situation and I said that I was not. In July you approved the Port Macquarie-Hastings Council borrowing \$24 million for two projects. But on 8 October the Port Macquarie-Hastings Council received a report from TCorp saying, and I quote from page 5:

In our view, the Council does not have the capacity to undertake the combined additional borrowings—

**Mr SCOT MacDONALD:** Is this a question or a long speech?

**The Hon. SOPHIE COTSIS:** I would like the Minister to explain why he gave approval in July for the council to borrow for two projects and the TCorp report said that the council did not have the borrowing capacity for the two projects.

**Mr DONALD PAGE:** Firstly, can I correct you. I do not approve anything in the Local Government Infrastructure Renewal Scheme. Councils apply and they are assessed by an independent panel that consists of Treasury and the Division of Local Government [DLG] and Planning NSW. I am not involved in the approval process at all. For you to suggest that I am is really quite wrong.

**The Hon. SOPHIE COTSIS:** Can you explain why the assessment panel gave approval for Port Macquarie council to borrow \$24 million, the member for Port Macquarie put out a media release on the same day that the division had issued the circular and then in October a report was given to Port Macquarie council suggesting that it did not have the borrowing capacity for the two projects. Who is right and who is wrong?

**Mr DONALD PAGE:** When councils apply they are assessed by TCorp as to whether or not they can afford the borrowings. Frankly, if they cannot afford to borrow they should not be borrowing. TCorp has now completed its assessment of all councils' financial liability, as you know. As I said before, 24 per cent of them came up weak. That does not mean they cannot apply for an interest subsidy. It is all done on assessment by professional people. Whether one local member is of the view that something may or may not be good or bad, I prefer to rely on the advice of the independent panel as to whether a council should go ahead.

**The Hon. SOPHIE COTSIS:** But it did approve it.

**Mr DONALD PAGE:** It has approved it, which means that it believes that Port Macquarie-Hastings Council can source its loan. It is normally a 10-year loan and we provide a 3 per cent subsidy on the loan. They obviously believe Port Macquarie council can pay for that loan satisfactorily.

**The Hon. SOPHIE COTSIS:** Are you saying TCorp is wrong? I will table the report. TCorp is saying that the council does not have the borrowing capacity for the projects. You approved it in July.

**Mr DONALD PAGE:** If I understand it correctly, there were two projects and TCorp recommended only that one proceed. That is what has happened.

**The Hon. JAN BARHAM:** I will ask about an issue that is of great importance to the North Coast; that is, tourism and the Visitor Economy Taskforce recommendation that a special rate variation be made

available for tourism infrastructure. The report refers to the fact that information will be specifically tailored to assist councils who wish to apply. Is that something that you support and is it going through your channels to make it available to local government?

**Mr DONALD PAGE:** You and I have talked about this many times over the years. It always has been of concern to both of us that places such as Byron Bay which house huge numbers of tourists—anywhere between 1.3 million and 1.5 million and as high as 1.8 million visitors annually depending on which year you look at—have limited capacity to get a contribution from daytrippers and people who stay longer towards helping council with their local infrastructure. I think that you and I both agree that is an issue.

In broad terms, I support what can be done to assist councils in that regard. I know that under the current arrangements councils can put in place a special rate variation. I think I am right in saying that Gosford has done that. They have obviously taken the view that that is justified. In relation to your question, I am happy to do anything constructive to try to assist in addressing that issue.

**The Hon. JAN BARHAM:** Recommendation 20 referred to assistance being made available due to the Independent Pricing and Regulatory Tribunal [IPART] process. I was not sure whether IPART did that or it came back through to local government.

**Mr DONALD PAGE:** I might make a general comment and then ask Mr Woodward to say something. One of the few good things the Labor Party did while it was in this space was to introduce Integrated Planning and Reporting for local councils. That basically is about providing budgets going forward for services that are being provided and how they will be paid for over a longer period. As you know, councils do a 10-year community strategic plan, then a four-year delivery plan and then a one-year operational plan. Integrated Planning and Reporting is at the heart of all that.

In developing those plans, they need to consult with the community. If the new Local Government Act is amended in the way that I anticipate it might be, Integrated Planning and Reporting will be central to how councils operate. If a council has an Integrated Planning and Reporting framework that identifies a particular problem—for example, impact on local infrastructure—it will be able to put that in its Integrated Planning and Reporting and have it signed off. Therefore there would be more flexibility around that space into the future. At the moment we still have rate pegging, but you have that capacity to make a special rate variation. Gosford has gone down that route. But, yes, we need to be innovative in our thinking about how we can assist those councils that have particular problems that other councils do not have.

**Mr WOODWARD:** The Independent Pricing and Regulatory Tribunal process follows guidelines that we specify. Part of those guidelines specifically talks about things that are included, as the Minister says, in their integrated planning documents, particularly their delivery program and their community consultation. If a community supports tourism being part of that special variation application, we specifically make reference to that in our guidelines. Councils certainly can, and there is a process for how they do it.

**The Hon. JAN BARHAM:** I am aware of that, but this is specifically in the Government's response to the Visitor Economy Taskforce Action Plan. Recommendation 20 refers to that provision and support for that but states that there will be advice and support to councils about delivering that special rate variation. You may take that question on notice.

**Mr WOODWARD:** That is covered by our guidelines and also our manual on integrated planning reporting, which also talks about that specific area.

**The Hon. JAN BARHAM:** I just think there might be disappointment because councils are waiting for something to come from you as a result of that action plan report. I can follow up with the Minister on that, because it is not just Byron. A number of North Coast councils are feeling the pinch and would like some support.

Minister, apart from the hospitals that have been identified in the budget paper can you clarify what other specific North Coast funding is available? I am particularly interested in social housing or homelessness programs. Are they identified specifically for the North Coast?

**Mr DONALD PAGE:** My understanding is that they are not identified specifically for the North Coast—in other words, from Port Macquarie to the Queensland border—but the budget provides assisted

housing and subsidised housing for people. From memory, there is some in Ballina that I announced at the last election. It is identified on an electorate-by-electorate basis. I would be happy to take that question on notice and find out what allocations were made in the last budget to assist with social housing.

**The Hon. JAN BARHAM:** The Creative Industries Action Plan refers to some good funding support but most of it is city centric. We know that the North Coast has the highest number of creative industries people, it is an alternative or complementary economic development program with tourism, but there are very few funds. I know you are a great advocate for the creative industries. Are we going to see more funding made available to the North Coast region for creative industries, and can you comment on the concerns about the loss of TAFE funding?

**Mr DONALD PAGE:** At the moment we provide \$51 million worth of regional arts funding for activities in the regions generally, including the North Coast. I am aware, as you said, of the perhaps city-centric nature of the funding bucket as a whole across the State. I am certainly aware of the high number of creative people on the North Coast. We are certainly the highest per capita outside of any capital city. If you include Sydney, we are just behind Sydney as having the highest number of creative people per capita.

Minister Souris, to his credit, has been very strong in supporting regional tourism and regional arts funding wherever possible and he has instituted a review of the current arts funding program. I am hopeful that some decisions will come out of that. The public consultation phase, from memory, closed on 26 July for the review. I would be hopeful that the North Coast would get some benefits out of the new arrangement. I know that quite a few people from the North Coast have had input into that plan, I have discussed it with them personally and their ideas and given them guidance, if that is the right word, in terms of how to go about suggesting that we might be able to get more money out of the State bucket of funds for the arts and creative industries.

**The Hon. JAN BARHAM:** The point on which I am seeking clarity is what people are asking. As the Minister for the North Coast, are you a strong advocate for the cross-portfolio recognition where arts is not a stand-alone? It works with employment, with the jobs, with cultural and community resilience. This is where the regions differ. We are looking for that sort of real advocacy from you as the Minister.

**Mr DONALD PAGE:** I understand what you are saying and I agree with you. Certainly I have heard Minister Souris on several occasions, but particularly when he came to Byron Arts Theatre, address that very issue among a lot of very creative people there. The interconnection between the creative industries, the arts and the economy and just how it presents huge opportunities for us on the North Coast means we have to think how we are going to provide the jobs in the next 10 or 15 years. Tourism and creative arts for the North Coast is a really big opportunity and we need to do whatever we can to make sure that happens.

**The Hon. JAN BARHAM:** Considering that the North Coast creative industries strategy identified that training and education is the number one priority for securing a sustainable future in that area, are we going to see a change or a reversal of that funding deficit for the North Coast in terms of TAFE positions and TAFE training? That is really hitting hard with that long-term package of actions that the strategy developed and seems to have been ignored by government.

**Mr DONALD PAGE:** Look, I understand what you are saying. My understanding is, though, that TAFE courses in that area are still quite well patronised. I will take advice on that, but that is the preliminary advice I have—I would like to have a look at the record myself—but we need to do whatever it takes. In Minister Souris we have a Minister, because he comes from the country, who knows the North Coast and knows how important it is in achieving his objectives. As I have said to him personally, if he wants to double visitor nights by 2020, if you think about it and if you are going to achieve that objective, there will be some areas where he will have to have better than that outcome and there will be other areas where you will not get that outcome. As I have indicated to him, if he wants to meet that statewide target of doubling visitor nights by 2020, we will have to make sure that places like the North Coast get their fair share of funding.

I know you are not just talking about visitor nights. You are talking about the bigger picture. But in order to get the visitor nights up, you need to provide that special experience that we do provide on the North Coast to make it attractive for people to come and to enjoy themselves in a laid-back atmosphere, not one where we have a reputation for alcohol-fuelled violence, which you and I have spent years trying to make sure does not take over the reputation of Byron Bay.



**The Hon. JAN BARHAM:** Thank you. I just want to follow up on the question of vaccination, but my internet is not working in here for me to be able to grab it. There was a report recently that funding was taken away for vaccination on the North Coast. I saw reports in the *Northern Star* about that funding being removed at a time when we have an outbreak in Nimbin.

**Mr DONALD PAGE:** I think you are referring to a situation where, going back a few years, it was regarded as something of a crisis for whooping cough in particular, and 2,000 comes to mind in terms of the number of cases. Now I think it has dropped to 200. We are talking about a vaccination program.

**The Hon. JAN BARHAM:** This is whooping cough.

**Mr DONALD PAGE:** For pregnant ladies? Is that the one you are talking about?

**The Hon. JAN BARHAM:** Yes. There was a recent report from Ballina.

**Mr DONALD PAGE:** Yes.

**The Hon. JAN BARHAM:** But this is at a time when there is such a focus on the North Coast.

**Mr DONALD PAGE:** I will just make two comments. Firstly, I am seeking some clarification around the decision in relation to that because of our low immunisation rate. The other point to make is that if, even when vaccination is free for pregnant women, you still have a vaccination rate of 50 per cent, you have got to wonder, whether it is free or paid for, would it have made any difference? In the meantime, I would encourage people to have the vaccination. These are vaccinations that are not particularly expensive.

**The Hon. JAN BARHAM:** It does seem to be having an impact.

**Mr DONALD PAGE:** If the Government has provided them free in the past, but now they are not free, I would still encourage people to have the vaccination because I know personally people who have lost a child through whooping cough, and it is not funny.

**The Hon. JAN BARHAM:** But in relation to that one, I think it does send out a message that it is not considered as high a priority as before. The other point is: What action is being taken to develop a targeted education campaign? We know Mullumbimby is the highest area and there is a lot of cynicism about intervention. Is the Government and are you advocating for a targeted education campaign to that area? If the confidence is there in terms of the science, then something is falling short in that information not getting through to people. I think it needs a very targeted campaign because we are at risk in relation to herd immunity in that area. But I have not seen a targeted campaign.

**Mr DONALD PAGE:** Can I ask the Minister for Health for some details on that? I am aware that they are conscious of the need to target the North Coast because of our low immunisation rate.

**CHAIR:** Minister, are you taking a question on notice that you are going to refer to another Minister?

**Mr DONALD PAGE:** Yes, please. I would like to do it.

**The Hon. JAN BARHAM:** Thank you. My next question refers to North Coast holiday parks. There is a high degree of concern in some communities up north about the operation—and I know some of this information has been brought to your attention—of park management, which is now under the Crown, proceeding with works including tree removal, expansion of sites and reduction in public access to some of the foreshore areas without an adopted plan of management. Are you aware of this and able to comment on whether the Government is allowing what it never allowed local government to do when it had management—to proceed with works without an adopted plan of management?

**Mr DONALD PAGE:** I will just make a brief comment on that and I will ask Mike Pearce, who has been involved in negotiations and discussions with the Byron council, Crown lands and North Coast holiday parks, particularly in relation to the three parks that are at Brunswick Heads, to comment. My understanding is that we have, with council and Crown lands, got agreement on what is to happen there, both in the Terrace Reserve and Massey Greene park, but the Ferry Reserve park has not yet been finalised. There are discussions happening. In terms of your concerns about things that are happening—

**The Hon. JAN BARHAM:** Without a plan of management, and it is not just in Byron shire. It is on the North Coast. There is this general principle of the Crown being able to do what previous managers were never able to do—activate redevelopment without an adopted plan of management—which means no community consultation and no adoption of a plan that everyone is able to see. Works are going on without that full accountability, so that is a concern. That is a key issue.

**Mr PEARCE:** I cannot obviously talk in the broader sense. I have only been involved with Byron council on the three Brunswick parks where we have been trying to get the parties together. Obviously it is a longstanding issue.

**The Hon. JAN BARHAM:** Yes.

**Mr PEARCE:** What we have done is brought the three—the Crown lands, the trust and the Byron council—together. We have been having discussions as to how we might resolve some of these longstanding issues. I think it is fair to say that there has been good will in all parties. We have actually got to a stage—

**The Hon. JAN BARHAM:** It is probably not fair to say that.

**Mr PEARCE:** I beg your pardon?

**The Hon. JAN BARHAM:** It is probably not fair because I think the community feels totally left out in that they are not engaged with the process when they previously had a draft plan of management put before them. They have soundly opposed it, and since then the works have just been proceeding without a plan.

**Mr PEARCE:** Well, no. Understand that I cannot answer on the works, but I can say that with Terrace and Massey Greene, the council and the trust all agreed on a process, and they have agreed to a one-year licence while the plan of management is done and is displayed for community consultation. That is my understanding of the process that we have just entered into.

**CHAIR:** The Opposition will now have 10 minutes in which to ask questions.

**The Hon. SOPHIE COTSIS:** With respect to the Local Infrastructure Renewal Scheme [LIRS] and the North Coast councils, can you provide me with the names of the people who sat on the LIRS assessment panel?

**Mr DONALD PAGE:** I am sure I could, yes.

**The Hon. SOPHIE COTSIS:** What is the name of the probity adviser who was appointed to oversee the assessment process?

**Mr DONALD PAGE:** We can take that on notice, we just do not have the name in front of us.

**The Hon. SOPHIE COTSIS:** Returning to the issue of Port Macquarie-Hastings Council, I understand that the member for Port Macquarie put out a media release on 16 July stating that there would be an upgrade of Hastings River Drive and the replacement of Stingray Creek Bridge, following a successful bid for funds under the LIRS program. Is that still going ahead after the New South Wales Treasury Corporation [TCorp]—

**Mr DONALD PAGE:** With the LIRS program, the councils put forward their projects. These are council projects and if they are successful in getting the interest subsidy then the presumption is that the council will go ahead with the project. I cannot see any reason why, if a council has been successful under LIRS, the project would not proceed.

**The Hon. SOPHIE COTSIS:** Because in July these projects were approved but there was a TCorp report that stated that Port Macquarie-Hastings only had capacity to borrow for one of those projects.

**Mr DONALD PAGE:** Which one are you talking about, the one that was approved or the one that was not approved?

**The Hon. SOPHIE COTSIS:** There were two projects, so the member for Port Macquarie put out a media release.

**Mr DONALD PAGE:** So this is the bridge? The bridge is going ahead.

**The Hon. SOPHIE COTSIS:** So what is not going ahead?

**Mr DONALD PAGE:** The best advice I can give you at the moment—I can confirm this—is that the bridge was confirmed but the road application was not.

**The Hon. SOPHIE COTSIS:** Can you tell me the date when that decision was made?

**Mr DONALD PAGE:** It would have been the date the local member announced. It would be the date that the approval was officially given. In addition to the local member announcing it, Ross Woodward writes to all the general managers and indicates to them, at the same time, that their application has been approved. Whatever date that was would be the official date.

**The Hon. SOPHIE COTSIS:** On 16 July the assessment panel obviously made an assessment to support both applications for the road and the bridge. TCorp said in October—and TCorp released its report in April—that Port Macquarie council only had capacity to borrow for one project. So, there is a difference. How can the assessment panel, that you have so strongly supported, have made that kind of mistake?

**Mr DONALD PAGE:** I am not sure that they have. I will ask Ross to comment on that.

**Mr WOODWARD:** As part of the application process, TCorp does an analysis—separate from the other exercise that TCorp did—to see whether or not the council has the capacity to pay back the loans. In that case it came to the view that they did not have the capacity to pay back both loans so, therefore, that advice went to the assessment panel and the assessment panel recommended approval for only one of the projects—based on the TCorp advice.

**The Hon. SOPHIE COTSIS:** But Mr Woodward, on 16 July the member for Port Macquarie—and a circular from you—announced two projects. Is that correct?

**Mr WOODWARD:** I would have to double check the details. Is this last year's program?

**The Hon. SOPHIE COTSIS:** This is 2012.

**Mr WOODWARD:** Yes, there were a couple of projects on which the TCorp analysis had not been finalised prior to the announcements. If you look at the detail of the letter and in the announcements, it is always subject to the final TCorp assessment. This year we have made sure that all the announcements are being made having had the TCorp assessment. However, there were a couple of projects last year that were announced subject to the TCorp assessment. The TCorp assessment said it could not be done and so it was not approved.

**The Hon. SOPHIE COTSIS:** The member for Port Macquarie had made an announcement stating that those two projects were successful. We are looking at close to \$500 million to \$600 million worth of borrowings. This is a backdoor way for the Government to use councils' credit cards to put more debt onto ratepayers. Will you ensure that all work in progress on the projects for which councils have had approval to borrow will be disclosed on the website so that any variation to projects and any cost blowouts will all be disclosed on the Division of Local Government website?

**The Hon. Dr PETER PHELPS:** Should they perhaps use the Health Services Union's credit card? That seems to have been getting a bit of a workout over the last period of time.

**CHAIR:** Order!

**Mr DONALD PAGE:** I indicate to you that the Local Infrastructure Renewal Scheme has been a tremendous success, despite your disparaging comments about it. Councils have been supportive and I take this opportunity—since you are saying negative things about local government—to read a letter from the executive officer of the Southern Councils Group.



**The Hon. SOPHIE COTSIS:** Minister, can I bring you back to the question that I asked? Yes or no?

**Mr DONALD PAGE:** This is a number of councils in the Illawarra and South Coast region: Bega Valley, Kiama, Shellharbour, Shoalhaven, Wingecarribee and Wollongong City councils. They resolved that that group of councils:

Congratulate the State Government on the New South Wales Local Infrastructure Renewal Scheme and encourage the retention of the scheme into the future. Member councils and their communities have found the scheme of enormous benefit. Delegates to the Southern Councils Group [SCG] express the need for continuation of the scheme to ensure that other asset infrastructure backlog across New South Wales is addressed.

I have a series of letters along the same line—

**The Hon. SOPHIE COTSIS:** You can table those.

**Mr DONALD PAGE:** —from councils thanking us for putting in place this very progressive scheme—something that your Government did not have the foresight to do.

**The Hon. SOPHIE COTSIS:** Will you disclose the projects? Will you disclose the work in progress of all those projects—yes or no?

**Mr DONALD PAGE:** What do you want? The work in progress?

**The Hon. SOPHIE COTSIS:** Yes.

**Mr DONALD PAGE:** All these projects are council projects that have been put in place.

**The Hon. SOPHIE COTSIS:** But they are funded—there is \$100 million—

**Mr DONALD PAGE:** Some of them have been delivered in round one. I have actually opened a couple of them myself—a couple of aquatic centres.

**The Hon. SOPHIE COTSIS:** The concern is that if there are variations in the costings it will change the costing to the LIRS program. Will you disclose that information? Will you disclose the work in progress?

**Mr DONALD PAGE:** The loan subsidy is given, based on a firm proposal put in by council.

**The Hon. SOPHIE COTSIS:** I have asked, yes or no. Will you disclose the work in progress of those projects?

**Mr DONALD PAGE:** There is a lot involved there.

**The Hon. SOPHIE COTSIS:** Yes or no?

**Mr DONALD PAGE:** I am not going to ask my department to commit resources at this time when we have got so much on our plate—

**The Hon. SOPHIE COTSIS:** Councils have to submit—

**Mr DONALD PAGE:**—to go back to every council and say: What do you want to know? Are you 10 per cent complete? Are you 15 per cent complete, 20 per cent? The question, frankly—

**The Hon. SOPHIE COTSIS:** We need to know if there are cost blowouts; if there are project variations. We are talking about councils that are going to borrow up to \$20 million. That is a lot of money and we need to know. The public needs to know.

**The Hon. Dr PETER PHELPS:** Why do you not ask the councils themselves?

**The Hon. SOPHIE COTSIS:** Will you disclose that information?

**The Hon. JAN BARHAM:** Councils have to—they have to do a report to their own council.

**The Hon. SOPHIE COTSIS:** Yes, but we want it centralised.

**Mr DONALD PAGE:** I am advised by the Chief Executive Officer that the councils report to the Division of Local Government anyway on a regular basis, so we can provide that information to you.

**The Hon. Dr PETER PHELPS:** You are too kind.

**Mr DONALD PAGE:** I know—too kind.

**The Hon. SOPHIE COTSIS:** That is good; you are living up to your transparency point. TCorp has assessed that Clarence Valley council, Coffs Harbour council, Port Macquarie council, Nambucca Shire and Greater Taree have "a weak and negative outlook". These councils have been given the tick-off to borrow close to \$20 million to \$30 million. How do you justify that?

**Mr DONALD PAGE:** I do not have to justify it because I am not the one who is doing the assessment. Just because a council has a classification, according to TCorp, of being weak, does not mean that they cannot borrow money into the future, provided they have the income streams to be able to support it. Your assumption, that because they are determined to be weak by TCorp means they should not be able to participate in the LIRS program, is fallacious.

**The Hon. SOPHIE COTSIS:** Are you saying that TCorp is wrong?

**Mr DONALD PAGE:** No, I am not saying TCorp is wrong. I am saying that TCorp, together with the other people on the independent panel, assess a council's ability to repay the loans that they are taking out, whether their financial classification is strong, weak, moderate or whatever it is. And if a council is not able—as we have seen in a couple of examples, where the panel has suggested that a council should not take on borrowings—then that is how it is. But where councils are given the green light to go ahead because they can repay the loan over a 10-year period, with the interest subsidy, then there is no reason why that council should not be able to go ahead.

**The Hon. AMANDA FAZIO:** You stated earlier that you live in Byron Bay. I am a regular visitor to that area. One thing that always concerns me is the number of young people hitchhiking in that region because there is no community transport. As the Minister for the North Coast and given that you are the first person to hold this position, what have you done to try to improve the provision of community transport in North Coast areas?

**Mr DONALD PAGE:** In the past we have put on community transport or buses. Bat Bus, for example, came into town and around town specifically to service young people. We provided a government subsidy to enable that to occur. Unfortunately, the patronage of that service was not as strong as it should have been. Actually, it was the previous Government that withdrew that service. I know there is an issue. It is not just Byron Bay; there are a lot of country areas that are very weak on public transport. I can check with the Liquor Accord, but I know some members of the Liquor Accord are interested in providing and I think do provide some transport. I think the Buddha Bar, for example, provides a courtesy bus so that people can get home late at night to wherever they are going. I think there is one other premises that does that as well. Your point about public transport in the country generally is a fair one. It is difficult to put in place public transport if the patronage levels are low or people are wedded to their cars if that is what they want to do, and that is part of the problem. Your point is taken regarding public transport. It is an issue.

**CHAIR:** Time for this session has expired. I thank you, Minister, and your staff for attending. I remind you that answers to questions taken on notice are to be provided within 21 days of notification.

**(The witnesses withdrew)**

**(The Committee proceeded to deliberate)**