

REPORT OF PROCEEDINGS BEFORE

**SELECT COMMITTEE ON THE PLANNING PROCESS IN
NEWCASTLE AND THE BROADER HUNTER REGION**

**INQUIRY INTO THE PLANNING PROCESS IN NEWCASTLE AND
THE BROADER HUNTER REGION**

At Newcastle on Friday 7 November 2014

The Committee met at 10.30 a.m.

PRESENT

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

The Hon. C. Cusack
The Hon. G. J. Donnelly
The Hon. G. S. Pearce
Mr D. M. Shoebridge
The Hon. L. Voltz

CHAIR: Welcome to the first hearing of this Committee's inquiry into the planning process in Newcastle and the broader Hunter region. Before I commence, I acknowledge the Awabakal and Worimi people who are the traditional custodians of the land and water of Newcastle. I also pay respect to the elders past and present and extend that respect to other Aboriginals present. Today is the first of three hearings we plan to hold for this inquiry. Our second public hearing will be held in Newcastle on 21 November, followed by a public forum. Information on the public forum, including how to register your interest in speaking at the forum, can be found on the Committee's website. There are also flyers explaining the forum available on the table to the left as you enter the room. The final hearing will be held at Parliament House in Sydney on 24 November.

Today, we will hear from representatives of the Hunter Development Corporation, Newcastle City Council, Lake Macquarie Council and a number of community organisations based here in Newcastle. Before we commence, I will make some brief comments about the procedures for today's hearing. I remind everyone that committee hearings are not intended to provide a forum for people to make adverse comments about others under the protection of parliamentary privilege. I therefore ask witnesses to focus on the issues raised by the inquiry terms of reference and avoid naming individuals. I also remind the witnesses and members of the media that parliamentary privilege does not apply to what witnesses say outside the committee hearing, so please be cautious about any comments you make to the media and others after you complete your evidence.

In accordance with the broadcasting guidelines, while members of the media may film or record committee members and witnesses, people in the public gallery should not be the primary focus of any filming or photography. I would also remind media representatives that you must take responsibility for what you publish about the committee's proceedings. It is important to remember that parliamentary privilege does not apply to what witnesses may say outside of their evidence at the hearing. I urge witnesses to be careful about any comments they may make to the media or to others after they complete the giving of their evidence, as such comments would not be protected by parliamentary privilege if another person decided to take an action for defamation. The guidelines for the broadcast of proceedings are available from the secretariat.

There may be some questions that a witness could only answer if they had more time or with certain documents to hand. In these circumstances, witnesses are advised that they can take a question on notice and provide an answer within 21 days. I remind everyone here today that committee hearings are not intended to provide a forum for people to make adverse reflections about others under the protection of parliamentary privilege. I therefore request that witnesses focus on the issues raised by the inquiry terms of reference and avoid naming individuals unnecessarily. Witnesses are advised that any messages should be delivered to committee members through the committee staff.

CORRECTED

BOB HAWES, General Manager, Hunter Development Corporation, and

PAUL BROAD, Chairman, Hunter Development Corporation, sworn and examined:

CHAIR: Do either of you wish to make a brief statement?

Mr BROAD: A very brief statement. As the Committee knows the Hunter Development Corporation [HDC] grew out of the old Honeysuckle. As the Committee would have seen on the tour this morning, Honeysuckle came out of a vision that Brian Howe and others had of \$100 million to revamp the old railway yards and revitalize Newcastle. The job of the Hunter Development Corporation is to revitalise Newcastle. The vision, the grandeur, the thought process has not changed. The things that we do at HDC are all about revitalising Newcastle and ensuring that we can provide for our future generations the jobs and opportunities that we all had as kids. That is our job and we don't resile from it.

The Hon. LYNDA VOLTZ: Mr Hawes, this morning as we were travelling here I heard media reports on the radio about some property interests of yours. I know you explained it to the Committee earlier on the bus tour but in order to record it on the public record would you outline what those properties are?

Mr HAWES: Yes, if that is appropriate. I have some interest in some properties in Newcastle west in the vicinity of the block bounded by Beresford Street, Hunter Street, Beresford Lane and Hammel Street.

Mr BROAD: Mr Chairman, just so we are absolutely clear, that matter is on the public record; it was fully disclosed at all times. There was nothing at our board level or any matter that came up which would imply that Bob holding that piece of real estate in any way affected him.

The Hon. Greg Donnelly: Point of order: The Opposition member asked a question of one of the witnesses and the other gentleman is jumping in. That is inappropriate. We are entitled to ask our questions and have them answered.

The Hon. Greg Pearce: To the point of order: The question was, For the purpose of the public record could you clarify—

The Hon. Greg Donnelly: Yes. The question was not directed to Mr Broad.

The Hon. Greg Pearce: The point is that it has been publicly and properly disclosed in the past.

The Hon. Greg Donnelly: There are no imputations here.

The Hon. Greg Pearce: He is entitled to make that point.

The Hon. Greg Donnelly: Mr Broad should not be jumping in.

CHAIR: He was only doing that to assist the Committee and I thank him for that.

Mr David Shoebridge: The integrity of the board process will no doubt be investigated later.

Mr BROAD: Absolutely.

The Hon. LYNDA VOLTZ: Was a cost benefit study done on the use of public funds to close a public transport rail line?

Mr HAWES: I think that question would have to be directed to Transport; it is not something that we would have firsthand knowledge of.

The Hon. LYNDA VOLTZ: You do not know of any costs for doing it?

Mr HAWES: I know there has been a lot of work done in the economics sphere around the work that has been done but we are not in a position to comment on the specifics of the work that has been done. You would have to direct that question to Transport.

The Hon. LYNDA VOLTZ: In today's hearing schedule your submission is identified as No. 235, which is the New South Wales Government's submission. I am assuming we can go to issues that form part of those submissions, is that correct?

Mr BROAD: Mr Chairman, again I would suggest it is a Department of Planning submission, of which we are a part. We are happy to deal with the bits that refer to us. Other matters to do with planning or transport should be addressed to them.

Mr HAWES: Or urban growth.

The Hon. LYNDA VOLTZ: Okay, we will go to urban growth.

Mr BROAD: The point I am making is that urban growth is a question for UrbanGrowth, not for us.

The Hon. LYNDA VOLTZ: So you will not answer questions about any land held by UrbanGrowth?

Mr BROAD: No, that is true.

The Hon. LYNDA VOLTZ: Okay, we will go to lands owned by the Hunter Development Corporation. The Hunter Development Corporation is arguing that the rail line should be truncated, is that correct?

Mr BROAD: There is a renewal report, as I said in my opening remark, going back to when Honeysuckle was first formed back in 1992. We did another renewal report back in 2008-09, which again re-emphasised that the redevelopment of Newcastle and the connection of Newcastle to the harbour as part of the renewal would require truncating the railway line—I think the initial report said Civic but we were looking more at Wickham—and that would allow the connection, the joining up of Honeysuckle and the city as part of the revitalisation of our beautiful city.

The Hon. LYNDA VOLTZ: So it is not actually about allowing access to the harbour, it is about linking Honeysuckle with the other side of the railway?

Mr BROAD: No, it is allowing access to the harbour. It allows the crossings to be in places; it allows the free movement of people. As you see in our report, we have three different precincts. We talk about a precinct up this end of town—this used to be a hospital right here, now look at it. So we are about revitalising our city. People are living up here now and we would like to connect the city.

The Hon. LYNDA VOLTZ: In terms of access to the harbour, from Civic to Wickham how much of the foreshore land currently owned by the Hunter Development Corporation has no development on it?

Mr HAWES: Just under eight hectares.

The Hon. LYNDA VOLTZ: No, what sites have no development on them?

Mr HAWES: Just under eight hectares.

The Hon. LYNDA VOLTZ: On the harbour side of that road how many of those sites would not have any development on them?

Mr HAWES: What are you defining as harbour side? The rail line or the—

The Hon. LYNDA VOLTZ: From the rail line back where is there a site owned by the Hunter Development Corporation that is going to be total open space.

Mr HAWES: I would have to get a detailed plan and show you. As I explained on the bus tour this morning, there are extensive public reserve corridors, including a promenade to go along the entire frontage of the land. There is a 50-metre wide public reserve corridor. If we were able to give you a copy of the zoning map you would see clearly that the land is already zoned for public recreation following the line of Cottage Creek. There is Figtree Park to the west of the Throsby area, which is an extensive parkland, and there is also Worth

CORRECTED

Place Park, which is immediately in front of that temporary car park which I pointed out when we were driving along as well.

The Hon. LYNDA VOLTZ: Those open space promenades will have behind them what exactly?

Mr HAWES: They are potentially development sites. We do not have development applications for any of them but under the zoning plan, under the master plan going back to the early 1990s they have always been shown to be development sites.

The Hon. LYNDA VOLTZ: Do you think that that is opening the site up for people to have access to the waterfront?

Mr BROAD: Absolutely.

Mr HAWES: If you go back to 1980 that whole area was old, decrepit mercantile wharfs and a railway goods yard and people were not encouraged to go anywhere near the waterfront let alone walk along the edge of it, as they are now able to do with the promenade. We will shortly have a link that will allow people to walk from Tighes Hill all the way around to Nobbys, and if they want to continue on the Newcastle Council Bathers Way they can get all the way down to Merewether on a continuous walk.

The Hon. LYNDA VOLTZ: But that is because it was a working harbour, was it not?

Mr HAWES: Correct.

The Hon. LYNDA VOLTZ: And that site was used for industry?

Mr HAWES: Correct.

The Hon. LYNDA VOLTZ: So now it is not going to be used for industry and jobs, it is going to be used for residential development?

Mr HAWES: No, it is not exclusively residential development; there are mixed-use zones in there. We have been very deliberate about trying to encourage commercial, retail and other uses. It is not about a single dimensional opportunity for residential; it is about a variety of opportunities that allows that renewal across a number of sectors in the city.

The Hon. LYNDA VOLTZ: What are the Hunter Development Corporation's projections for annual demand for apartments in the CBD?

Mr BROAD: Can I just add to that point? Just to be absolutely clear: In your tour this morning you would have seen three major buildings; one was NIB. That provides magnificent employment opportunities for our kids. NIB now is expanding rapidly down in Victoria and in Western Australia—even outer Newcastle.

The Hon. LYNDA VOLTZ: How many jobs are provided at NIB?

Mr BROAD: You can ask the head of NIB and find that out.

The Hon. LYNDA VOLTZ: You are telling me that is driving development. I would like to know how many jobs are involved in it.

Mr BROAD: Secondly, you will see the other, Sparke Helmore—the law firm—represented out of Newcastle and expanding rapidly. In that precinct, what the opportunity does is allow at the white collar end of our spectrum job opportunities in Newcastle which were not there before. People, unfortunately, see us as blue collar; they downgrade us and they have a view of us which is not correct. We are professional people, we have a wonderful university. What frustrates us more and more is people heading down to Sydney for white collar jobs. You would have seen the opportunities—

CHAIR: Can we move back to questions from the member?

CORRECTED

The Hon. LYNDA VOLTZ: What are Hunter Development Corporation's projections for annual demand for apartments in the CBD?

The Hon. GREG PEARCE: They might have to take that on notice.

Mr HAWES: Not only take it on notice but I think the question needs also to be more specific about the currency of the information, because over the last 20 years that figure has changed enormously.

The Hon. LYNDA VOLTZ: But you would have projections.

Mr HAWES: We certainly have estimates. I do not have a contemporary study at hand but we can take it on notice and if you could please be specific about the timing of what you need we will get that information back to you.

The Hon. GREG PEARCE: That would include hotels and serviced apartments.

The Hon. LYNDA VOLTZ: No, I am asking about apartments.

Mr HAWES: If you are only asking about apartments we can take that on notice and get that information back to you.

The Hon. GREG PEARCE: And student housing.

The Hon. LYNDA VOLTZ: Point of order: Mr Chair, would you ask Government members to stop interrupting?

The Hon. GREG PEARCE: I am just trying to help you.

CHAIR: She does not need your help.

The Hon. LYNDA VOLTZ: What would be the impact of the tripling of the heights in the west end residential development? There has been a tripling of the height at the GPT site. What will that impact on in the west end development?

Mr HAWES: I think we would have to understand the floor space of what you mean by tripling of the height. I do not know whether tripling means 300 square metres because you are tripling 100, or 30,000 because you are tripling 10,000. You would have to be more specific on what the nature of that tripling is for us to be able to provide that information.

Mr DAVID SHOEBRIDGE: "Tripling" means a threefold increase.

Mr HAWES: On what? A threefold increase on what?

Mr DAVID SHOEBRIDGE: On what was there prior to the—

Mr HAWES: What was there prior? I am not aware of what was there. I am asking you what the threefold is. I think it is a very reasonable question for me to be asking. A threefold increase on what?

CHAIR: You would have to give a date. What period of time you are talking about.

The Hon. LYNDA VOLTZ: Let us go to the State environmental planning policy [SEPP] 2012 and then the amendments that were put into the SEPP 2014. What have been the changes to the East End site in the SEPP 2014?

Mr HAWES: You would have to direct that question to UrbanGrowth. As we have already said, we are not involved in that site.

The Hon. LYNDA VOLTZ: So Hunter Development Corporation, which owns significant pieces of land along the waterfront of Newcastle and which is planning to build residential development, has no idea about any changes within the SEPP in an amendment that happened in 2014. Is that what you are telling me?

Mr HAWES: No.

The Hon. LYNDA VOLTZ: So you do have knowledge of what the changes were in the SEPP?

Mr HAWES: I am aware of changes that are current across the entire CBD with the local environmental plan [LEP] and the development control plan [DCP] changes. As to their direct impact, that will depend on what development applications are put forward on those specific sites, whether they actually materialise and over what time period.

The Hon. LYNDA VOLTZ: What is your understanding of the amendments to the SEPP in 2014?

The Hon. CATHERINE CUSACK: Point of order: The witnesses have told the member three times now that they are not answering UrbanGrowth questions. They are here as a courtesy to answer on their portfolio.

Mr DAVID SHOEBRIDGE: This relates to the SEPP.

CHAIR: Let the member continue asking the questions.

Mr HAWES: We have a clear understanding of what the implications are for Honeysuckle. As to what other people who own properties across the CBD do with their sites is particular to their particular circumstances. We are not in a position to comment contemporaneously on what those impacts might be immediately as opposed to our continued support for renewal and further growth in the Newcastle CBD.

The Hon. GREG DONNELLY: Have you done any modelling or what are your projections about what that might be?

Mr HAWES: On our site we have, yes, quite a lot of modelling and detailed projections.

The Hon. GREG DONNELLY: Are you able to provide them to the committee?

Mr HAWES: Yes. We can provide you with the estimates for the Honeysuckle site and HDC's interest, absolutely.

The Hon. GREG DONNELLY: The whole lot?

Mr HAWES: No. We have not done them. You would have to direct that question to either the Department of Planning or UrbanGrowth because we have not done those projections.

The Hon. GREG DONNELLY: So you have done none at all, notwithstanding the fact that you own large parcels of land?

Mr HAWES: I have just said that we have done extensive projections on Honeysuckle, Hunter Development Corporation's land ownership, but we have not done them across the whole breadth of the LEP or the DCP changes.

Mr DAVID SHOEBRIDGE: I suppose the question is: Have your projections taken into account the increased development on the East End site, because clearly that would be relevant to what return you get on your site? You have been boxing around about that, but that is the issue and I think it would be good if you addressed it.

Mr HAWES: Okay, I will clarify it. Our projections are based on what the capacity and the capability of our sites are in terms of the zoning, the DCP and the development controls that will apply to our sites. As to what other people do who have other sites across Newcastle, how they develop them and when they develop them, no, I do not have that information.

The Hon. GREG DONNELLY: In regard to that projection material that you have developed, that modelling, you have done some work, from what you have just described. Are you able to provide that to the committee?

Mr HAWES: Yes. As far as HDC's interests are concerned we can.

Mr BROAD: Can I also clarify, because we seem to be running down a track that is only residential: We have other visions, like a six-star motel down one end, which has the capacity to put in—not an entertainment centre but to change the nature of it round there next to the yacht club, in that area, back the other way. The complexity in which these things evolve over time is such that we are looking for a multi-use right along that precinct, and with universities coming into town making sure we cater for the kids, and the movements are going to happen down in that part of town.

The Hon. LYNDA VOLTZ: Let us just go to the development. There is a property developer that says that the apartments run at about 200 per annum, which is basically for demand, and the GPT and university sites will have 500. What impact is that going to have on other developers such as you?

Mr HAWES: The university has 500 units?

The Hon. LYNDA VOLTZ: Yes, and GPT.

Mr HAWES: The university?

The Hon. LYNDA VOLTZ: Combined, those changes to the university and GPT site allow 500.

Mr HAWES: Five hundred what, sorry?

The Hon. LYNDA VOLTZ: Residential apartments.

The Hon. GREG PEARCE: Do we have any evidence for that?

Mr HAWES: I think the university sites are completely exclusive of residential development.

The Hon. LYNDA VOLTZ: It is a compliance of the changes that were made to the university and GPT site that they have 500.

The Hon. GREG PEARCE: Where is the evidence for that?

The Hon. LYNDA VOLTZ: I have been provided with—

The Hon. GREG DONNELLY: Greg, we are asking the questions.

Mr HAWES: I cannot comment on the specifics of either the university or UrbanGrowth's development application, I am sorry. I am aware that certain documents have been lodged with the department. You will have to direct that question to the department if you want specific information about what their yield or estimated yield is out of their developments. I do not have that information.

The Hon. LYNDA VOLTZ: So you do not have any information on how many apartments they would be allowed?

Mr HAWES: Why would I?

The Hon. LYNDA VOLTZ: Because you hold significant lands, I assume for the people of New South Wales, that will return money to the State and I would assume that the people of New South Wales would be interested to know what they are getting for their investment given they are losing their railway line.

Mr BROAD: Just a point of clarity, the money we earn all goes back to Newcastle; none goes back to the State. What we generate we invest.

The Hon. LYNDA VOLTZ: I have got news for you. The people of Newcastle are part of the State and the funding is their money.

Mr HAWES: We are not budget funded.

The Hon. LYNDA VOLTZ: It does not matter if you are budget funded. You hold land in the public interest.

Mr BROAD: For once in our history we actually hold the money in Newcastle, and if you do the economics of what goes out of Newcastle and the State and what they get back we are miles behind.

The Hon. LYNDA VOLTZ: That is lovely little semantics, Mr Broad, but how about we just deal with the question on what is going to be the return for public moneys that you have responsibility over?

Mr BROAD: We can show you that from \$100 million we have turned it into \$2 billion. If you like, we can give you a detailed analysis of it—\$100 million to \$2 billion is not bad.

The Hon. GREG PEARCE: I would like to see that.

The Hon. LYNDA VOLTZ: What are the people of Newcastle getting, besides their railway line truncated, in regards to this money that you are holding?

Mr BROAD: It is really interesting; we had a survey done by that Hunter Valley Research Foundation, which if you had read our papers you would have picked up that 93 per cent of people did not want the street to stay as it is; they saw it as a disgrace.

The Hon. LYNDA VOLTZ: So you cannot provide me a cost benefit study but you can give me these figures. Is that correct?

Mr BROAD: Mr Chairman, do you want the answer to the question or not?

The Hon. CATHERINE CUSACK: Is the witness allowed to answer the question?

The Hon. LYNDA VOLTZ: The witness has had the opportunity to answer the cost benefit study analysis that we asked for as the first question. He is now going to evidence that he says is a cost benefit study, which he says he does not have.

Mr BROAD: It is a community survey.

Mr HAWES: It was not a cost benefit study. We would not have a transport cost benefit study. Why would we?

CHAIR: We will move on to questions from Mr David Shoebridge.

Mr DAVID SHOEBRIDGE: Thank you for coming today. Mr Hawes, we might go back to where Ms Voltz started, which is in relation to your property interests. Can you explain to the Committee—and I know you did it in a brief way on the bus this morning—your property interest around the Wickham station?

Mr HAWES: I think it is pretty difficult without a detailed map but, as I said, it is a site of about 1,300 square metres in a CBD of 235 hectares. On my measuring, it is about 0.05 per cent of the measure of the city. It is a small landholding; it is currently tenanted.

Mr DAVID SHOEBRIDGE: Can we start with the address?

Mr HAWES: It is 1 to 9 Beresford Street.

Mr DAVID SHOEBRIDGE: You say it is a site?

Mr HAWES: Yes.

Mr DAVID SHOEBRIDGE: Do you have interests in one lot or two?

Mr HAWES: There is another lot on Hunter Street.

Mr DAVID SHOEBRIDGE: So there is another one?

Mr HAWES: It is 780 Hunter Street, which is a tenanted building.

Mr DAVID SHOEBRIDGE: Where is that in relation to Wickham station?

Mr HAWES: Around the corner, past Bank Corner and up the street.

Mr DAVID SHOEBRIDGE: If I understand your role on the Hunter Development Corporation as general manager, do you participate in board meetings?

Mr HAWES: Yes.

Mr DAVID SHOEBRIDGE: You have an obligation as general manager to drive forward the vision of the Hunter Development Corporation. Is that right?

Mr HAWES: Yes.

Mr DAVID SHOEBRIDGE: Which is, according to the mission, to facilitate growth, investment and renewal in the Hunter region, is that right?

Mr HAWES: Yes.

Mr DAVID SHOEBRIDGE: There is no reference there about public interest, public open space or heritage, is there?

Mr HAWES: I think you will find our record in each of those areas is pretty good. When we drove through Honeysuckle you would have observed the museum buildings and the old railway sheds down the East End of Honeysuckle, the public reserve area. Out of 50 hectares of land, when we are finished there will be 13.5 hectares of public open space, which if you measure that by any average across other cities, not only in New South Wales but in Australia, you will find that we are well above average. As to the record in trying to preserve that and do an interpretation while we are developing, I think the corporation does a very good job.

Mr DAVID SHOEBRIDGE: Where Wickham Station currently is, it is proposed that that will be upgraded to public open space and greatly improved?

Mr HAWES: What do you mean, sorry?

Mr DAVID SHOEBRIDGE: I am asking you; it is your vision. What is your vision for what you are going to do with where the current station is?

Mr HAWES: On the Honeysuckle side of the railway line? Do you mean on the Hunter Development Corporation [HDC] land?

Mr DAVID SHOEBRIDGE: What is the HDC supporting—I am not talking about your land—in terms of the redevelopment of the Wickham station site? I know it is not your land, but what have you supported in terms of the redevelopment of that site?

Mr HAWES: Our master plan, which covers the Throsby and Cottage Creek area, shows it as being vastly unchanged apart from the development controls that have changed as a consequence of the work the Department of Planning has done over the last two decades. The land use opportunities up there show mixed use. There are some recreation areas, and, as I said, there is a public reserve area destined for the area either side of Cottage Creek. But we have not yet marketed those sites so I cannot tell you what sort of building it will be and what sort of use it can have. The zoning currently allows for residential, commercial, retail, hotel or serviced apartments—just about any use that can be contemplated in an inner city environment.

Mr DAVID SHOEBRIDGE: The proposal is that there will be substantial investment in that public space in order to improve the public space and provide development opportunities in the surrounding area. Is that what you are proposing for that part of the site?

CORRECTED

Mr HAWES: The master plan prescribes that those sites will be put to the market and developed at some time in the future, yes.

Mr DAVID SHOEBRIDGE: Mr Hawes, do you see that you have a direct conflict of interest as an owner of land right at the centre of the proposed redevelopment of Newcastle? Can you not see that that direct conflict of interest grossly compromises your position serving the public of New South Wales?

Mr HAWES: No, I do not agree.

Mr BROAD: As chair of the board—

Mr DAVID SHOEBRIDGE: I am not asking you, Mr Broad, but I will ask you about the board later on.

Mr BROAD: Bob would be required to not participate in the board discussion on that point.

Mr DAVID SHOEBRIDGE: I will get to how on earth the board managed to deal with such a gross conflict of interest with its general manager in due course, Mr Broad.

Mr BROAD: You can get to anything you like.

Mr DAVID SHOEBRIDGE: Mr Hawes, you own 100 per cent of the No. 1 to 9 Beresford site, is that right?

Mr HAWES: No, that is not correct.

Mr DAVID SHOEBRIDGE: How much do you own?

Mr HAWES: It is 50 per cent.

Mr DAVID SHOEBRIDGE: And how much do you own of the other site?

Mr HAWES: About 7 per cent.

Mr DAVID SHOEBRIDGE: Is there a development application in place for the Beresford site?

Mr HAWES: Yes, there is.

Mr DAVID SHOEBRIDGE: When did you put the development application in?

Mr HAWES: That development application was put in in 2005 or 2006.

Mr DAVID SHOEBRIDGE: Have you disclosed the existence of that development application to the board?

Mr HAWES: Yes.

Mr DAVID SHOEBRIDGE: When?

Mr HAWES: I have a pecuniary interest register that is available.

Mr DAVID SHOEBRIDGE: Does it include the development application?

Mr HAWES: Yes.

Mr DAVID SHOEBRIDGE: Mr Hawes, given your property ownership and given the centrality of what is proposed at Wickham, how could you possibly participate in any discussions as the general manager of the Hunter Development Corporation in relation to the revitalisation process for Newcastle? What happens at Wickham is central to it, and you have a property ownership—a direct conflict of interest—right at the heart of it. Have you participated in issues in relation to the broader revitalisation project as general manager?

CORRECTED

Mr HAWES: As Mr Broad has explained, my interest has always been disclosed. It has been there for everyone to see. There has been nothing hidden. My interest in the renewal of Newcastle and my interest in advancing Newcastle and building a future for my children has not changed—

Mr DAVID SHOEBRIDGE: Where would I find the disclosure in the annual report?

Mr HAWES: On the things that people want out of Newcastle, as Mr Broad has explained, the indication from the community is that 93 per cent of people support renewal and support change. It is no different to my own view. So I see a significant alignment with a large section of the community in Newcastle. Yes, I have to deal with that in terms of what I have in Newcastle; and sometimes it is a small fishpond or a small duckpond, whatever you want to call it. I think I manage it appropriately. There is nothing being kept from public view. There is nothing being kept from the board. There is nothing being kept from the disclosure of documents I have to give to the department or my employers in government. I started with the Hunter Development Corporation of March 2011. I completely refute any claim you are making that somehow I am gaining some sort of advantage or interest from this. If you have some time outside of this then maybe I can sit down with you and fully explain to you these circumstances—

Mr DAVID SHOEBRIDGE: I do not want a private conversation about it, Mr Hawes; I want it on the public record for once.

Mr HAWES: It has been on the public record since March 2011, when I commenced employment with the Hunter Development Cooperation; and prior to that when I worked for them as a consultant through the period up to 2007. So there has never been anything hidden. It is just interesting that it happens to come out now.

Mr DAVID SHOEBRIDGE: Mr Broad, in terms of how the board deals with a conflict of interest when your general manager owns property at a site central to the proposed redevelopment, are you saying that every time the conflict of interest arose Mr Hawes stated the conflict of interest and then stepped out of the board meeting?

Mr BROAD: Absolutely. And it was the same with me when I was appointed chief executive officer of Snowy Hydro. Before I took the job with Snowy Hydro they started looking at land that the Hunter Development Cooperation owns. I have been excluded from those discussions. The board papers, and I can show them to you, show I have been deliberately excluded from those components. To the extent that we were doing something that affected Bob's land in any way he would be expected to be excluded. I am not sure how much experience you have with governance issues—

Mr DAVID SHOEBRIDGE: This is more like the Warren Harding administration or the Bob Askin administration than it is about good governance in New South Wales.

CHAIR: Order! Let the witness answer the question.

Mr BROAD: When you have worked with boards as long as I have, you run these things really clearly. We are deliberate on this. It goes right to the heart of governance on our board. Every board member is responsible for maintaining that clear record. We have it on the record. People can see it and make their own judgement call.

Mr DAVID SHOEBRIDGE: Will you provide to the Committee the minutes of the board that show each occasion that Mr Hawes has declared his conflict of interest and exited the board meeting by reason of that conflict of interest? Mr Broad, will you provide those minutes to this Committee?

Mr BROAD: If they are in the minutes, the Committee can have them. We can get the minutes of the last five years, no problem.

Mr HAWES: Just to clarify, I am not an executive board member so my interest is disclosed through the department as a member of staff.

Mr DAVID SHOEBRIDGE: We will wait and see the disclosures, Mr Hawes. I will be interested to see them.

CORRECTED

Mr HAWES: I am just explaining to you so that you understand my position in relation to the cooperation.

Mr DAVID SHOEBRIDGE: So you sat there even when there was a conflict of interest? Is that what you are now telling me?

Mr HAWES: No, that is not what I said.

Mr BROAD: No.

The Hon. CATHERINE CUSACK: Mr Shoebridge, will you be offering an apology when you get the evidence. This is a disgraceful smear, Mr Shoebridge. It is a personal smear.

Mr DAVID SHOEBRIDGE: It is inconceivable that there would be such a direct conflict of interest at the heart of this.

The Hon. CATHERINE CUSACK: It is disgusting and Mr Shoebridge should apologise when he gets the evidence.

Mr DAVID SHOEBRIDGE: You should apologise when we write the report.

CHAIR: Order! Members should desist from speaking over each other. We are not having a discussion across the Committee. We are here to question witnesses. Mr Shoebridge's time for questions has expired. I just want to clarify some of the questions that have been asked. If the railway line terminates at the Wickham interchange, does that increase the value of those properties in that area around the Wickham interchange?

Mr HAWES: I could not answer that.

Mr DAVID SHOEBRIDGE: Mr Hawes, you own the property.

Mr HAWES: Can I just say that it is interesting that there are advocates around the city who say doomsday will come when the rail is closed—that there will be gridlock and that the city will be wrecked. Yet now it is being suggested that when there is change there is going to be a massive increase in property value.

Mr DAVID SHOEBRIDGE: Don't, there will be a train station right at the door of your property.

Mr HAWES: And I am supposed to know exactly what the impact is going to be. Give me a break.

CHAIR: Order! Members should not harangue the witnesses.

Mr HAWES: So is it doomsday or is it sunshine?

Mr DAVID SHOEBRIDGE: It depends where your property is, I suppose, Mr Hawes.

Mr HAWES: I doubt it.

CHAIR: Following up on some of the other points made in the Government's submission, which has a section entitled "Hunter Development Corporation". It talks about the master plan and says that on 13 April 2012 in Newcastle consultation was held with over 100 members of the community regarding the railway line, the integrated modern transport system and so on. The implication of the way the submission has been put to us is that all of these 100 members of the community were happy with the termination of the railway line at Wickham. Were you involved in that?

Mr HAWES: No, the design Newcastle process was run by UrbanGrowth, I think with the assistance of the Department of Planning. Hunter Development Corporation was, like others, a participant stakeholder, but we did not run the design Newcastle event.

CHAIR: But you would agree that there is a difference of opinion amongst the residents of Newcastle about the termination of the railway line? It is not an issue on which the public is unanimous.

Mr HAWES: No, there is certainly a difference of opinion about the rail line.

Mr BROAD: There is a lot of passion on the issue, and there has been for 20 years. But as I said earlier, the Hunter Valley Research Foundation has conducted independent research which said that 67 per cent were in favour. I understand that people are interested and have objections, and as part of our democracy that is very healthy. I can think of many projects that were opposed at the time—for example, Darling Harbour in Sydney.

Mr DAVID SHOEBRIDGE: Or the monorail, for example.

Mr BROAD: We can look at the cross harbour tunnel, which people objected to. We cannot lose sight of the fact that while we have the railway line, the majority of travel is by car. I think 95 per cent of movements in the Hunter are by car. I know that does not sit well with some members of the Committee but that is the truth.

CHAIR: Following up on another point in the Government's submission, it announces that the heavy rail truncation works will begin on Boxing Day 2014. Is that date fixed? Can it be moved? Is it optional?

Mr BROAD: That is the Government's decision, not ours.

Mr HAWES: The Minister the Transport announced that.

CHAIR: How does that affect the Hunter Development Corporation? Does it have any impact?

Mr BROAD: We support it.

CHAIR: Yes, but if it was delayed, would that have any impact on your development plans?

Mr BROAD: It has been delayed for 20 years; it is time to move.

CHAIR: So you are insisting that the Boxing Day date be maintained?

Mr BROAD: We do not insist; it is the Government's decision. We just support it.

CHAIR: The submission talks about a number of redevelopment projects, and one is the University of Newcastle facilities to be developed in the city. We saw those this morning. Can you explain if there is any provision for parking or transport for students to get to the university?

Mr HAWES: As I said earlier, we are not acutely aware of the details of the development application that has been lodged by the university. We are aware of the speculation in the newspaper about issues around car parking but we cannot specifically comment. We are supportive of the development, and always have been. It was one of the pillars of the 2009 renewal report. Through the Hunter Infrastructure and Investment Fund the Government has seen fit to contribute to that facility. We see a whole range of benefits from moving the university to the city and it would be a shame to lose those for the sake of a shortfall in car parking or the like. It is going to be a fantastic development and a fantastic opportunity.

CHAIR: Yes, I am not criticising the development of the university.

Mr HAWES: No, I was not saying that you were.

CHAIR: I am only concerned about whether there has been transport planning. Students use the city railway station, which will not exist if the railway line is cut.

Mr BROAD: Again, I think the transport plans are for a major terminal down at Wickham and light rail—the Government has announced a light rail option. The good thing about alternative transport is that it can be far more flexible. While university users are important, when you start to survey people's movements you see that, for example, older people are using transport to get to the hospital. It is about satisfying all the integrated transport needs that need to be satisfied from a modern, efficient, functioning terminal. The reason we are all travelling around in cars is that we do not have public transport designed around where people want to move. The Minister now is trying to design things to fit people's needs so that we can get the passenger numbers up.

CORRECTED

The number of people who travel by public transport is appallingly low. We should be better at this. We should get it right, and this is our chance.

CHAIR: I understand that the Minister announced that the Government would consider light rail within the next five years. Are you aware of any timetable for light rail? If there is no light rail for at least five years—

Mr BROAD: I am not sure about that specifically. I think the economic benefits analysis has been done and the cost benefit analysis has been done. I think they have now finally decided on the route. They have worked out a compromise on the route from public consultation. So I think it is fairly advanced. But again you would have to direct that question to the department of transport.

CHAIR: So you are working on the basis that when the heavy rail is stopped light rail is going to appear after Boxing Day?

Mr BROAD: No, what I expect to happen is that bus transport will move people around from multiple spots and the planning and details for light rail will be progressively rolled out as the Minister determines. The light rail decision is not an easy decision to make. We need to get that right the first time. If you want to get some feel for it, watch what happens in George Street in Sydney as the light rail project starts down there—it is a complicated exercise, mainly because of the details of the facilities in the ground et cetera. We have to get this right. We do not want to build a white elephant; we want to build a system that meets the needs of the future, not the past.

CHAIR: In your frank estimate, if the light rail did go ahead, when would it be built?

Mr BROAD: Again you would have to ask the Department of Transport. It is not for me to make those calls.

CHAIR: Would you like to offer an estimate knowing all of the conditions?

Mr BROAD: I would like to say tomorrow, as you describe. But it has to be done properly so you would have to ask the Department of Transport.

CHAIR: So it will be at least five years?

Mr BROAD: Again, you would have to ask the Department of Transport. The difference here is that we actually have the money for the first time. Under previous regimes we never got any money.

CHAIR: If you are not sure when it will be built, when do you think the light rail is needed? When should it be built?

Mr BROAD: It is interesting.

CHAIR: On Boxing Day the heavy rail stops and there is nothing there in the long run?

Mr BROAD: The university will not be there in five minutes. It will progressively come as it becomes more attractive. Again the numbers, you have to put it to Transport.

The Hon. GREG PEARCE: I take it from your evidence earlier that the corporation is owned by the people of New South Wales?

Mr BROAD: Yes.

The Hon. GREG PEARCE: And you indicated that over several years you have been able to reinvest significantly in Newcastle?

Mr BROAD: Yes.

The Hon. GREG PEARCE: You indicated that you might be able to give a description of the activities of the corporation and the economic benefit that has come to Newcastle and the Hunter as a result of your activities.

Mr BROAD: It is powerful to look at the pictures. If you look at those old goods yards of days gone by—I know a lot of people think of yesterday and the creation of tomorrow—it took a vision at the time. It was Gough Whitlam and his vision for urban cities at the time. And those of us who are old enough to be around in those days, urban growth, concepts of revitalising cities became a hallmark, and that came some time later when they bravely made a decision. It was the political parties. It was the conservatives in New South Wales, Labor federally and they came together, not continually throwing rocks at each other. They came together for the good of Newcastle. That was \$100 million back in those days so it is a couple of hundred million today, and out of that economic multiplier effects were ginormous.

The Hon. GREG PEARCE: If you can take that on notice.

Mr BROAD: We will bring you a good model and show you in some detail.

The Hon. GREG PEARCE: You mentioned the bipartisan nature of a lot of that. I have this report, which I think was part of your submission, the March 2009 report. If I can just take you to it for a moment because we have had some questions about cost benefit analysis and so on. Can you go to page 6 and outline for the Committee what the report, which was only 2009, said about cost benefit? I note that that was a report to the Hon. Kristina Keneally and the Hon. Jodi McKay, who was then Minister for the Hunter.

The Hon. LYNDA VOLTZ: What document are you referring to?

The Hon. GREG PEARCE: It is the report to the New South Wales Government of March 2009.

The Hon. LYNDA VOLTZ: Is that document before the Committee?

The Hon. GREG PEARCE: That is what I just asked. Yes.

Mr HAWES: Yes, it is the renewal report.

Mr BROAD: Surely you have read it.

The Hon. LYNDA VOLTZ: What submission number is it?

The Hon. GREG PEARCE: It is with their submission.

The Hon. GREG DONNELLY: No, it is not with their submission.

The Hon. GREG PEARCE: Well, it is.

The Hon. LYNDA VOLTZ: We have the submissions here.

Mr DAVID SHOEBRIDGE: Direct us to the number.

The Hon. GREG PEARCE: I do not have the number with me.

The Hon. GREG DONNELLY: We are not being smart.

The Hon. GREG PEARCE: If you have not read the submissions I cannot help that.

The Hon. GREG DONNELLY: No, I am saying it is not attached to the—

CHAIR: Is it part of submission No. 253?

The Hon. LYNDA VOLTZ: Is it part of No. 253, which is what we referred to as their submission?

CORRECTED

The Hon. GREG DONNELLY: Submission No. 253—the Hon. Greg Pearce is playing loose and fast, as usual.

The Hon. CATHERINE CUSACK: The member is saying that this is an attachment to a submission. Are you challenging that?

The Hon. GREG DONNELLY: No, I am not.

The Hon. LYNDA VOLTZ: Yes, I am. I am asking where it is because I have read the entire submissions.

The Hon. CATHERINE CUSACK: He has attested—

The Hon. GREG DONNELLY: It is not part of No. 253.

The Hon. CATHERINE CUSACK: I ask you to rule that the question be allowed to proceed.

CHAIR: Let's go back to the document that exists, but it may not be part of the submission.

The Hon. GREG PEARCE: If it is not part of the submission, I will ask that it be produced by the witnesses.

The Hon. LYNDA VOLTZ: Can I just ask for clarification about which document it is? Can you go to the title of the document?

The Hon. GREG PEARCE: It is the March 2009 report by the Hunter Development Corporation to Kristina Keneally and Jodi McKay.

The Hon. LYNDA VOLTZ: Is it a Cabinet document?

The Hon. GREG PEARCE: It is the Newcastle Centre Renewal Report.

The Hon. GREG DONNELLY: What attachment is it?

Mr DAVID SHOEBRIDGE: It is referred to in the list of documents but not attached to the documents to the Government.

The Hon. LYNDA VOLTZ: So it is not in the documents.

The Hon. GREG PEARCE: Stop wasting time and let the witness answer.

The Hon. LYNDA VOLTZ: We are not wasting time. You said it was in the submissions. It is not.

CHAIR: We have clarified that. You are asking a question based on—

The Hon. GREG PEARCE: I would like you to read out the information about the cost benefit analysis at that time when the Labor Party was adopting a policy of ending the railway line?

The Hon. LYNDA VOLTZ: Point of order: The member clearly stated that the Labor Party adopted a policy of ending the rail line. The Labor Party never adopted a policy of ending the rail line. So while the member is talking about a document that has been provided by HDC, this is not a Labor Party or a Government document.

CHAIR: We will note that that is not necessarily Labor Party policy.

The Hon. GREG PEARCE: If we ask Mr Foster about it—

The Hon. LYNDA VOLTZ: You do not want to tell the truth. Mr Foster was not even in government.

CHAIR: Just ask the question. Leave the commentary out.

Mr HAWES: Would you like us to provide that?

Mr DAVID SHOEBRIDGE: You asked him to read the document that you have.

The Hon. GREG PEARCE: Have you got it?

Mr HAWES: Yes. The section begins:

The economic impact of retaining the rail line (with additional pedestrian crossings and an overpass at Stewart Avenue) and the preferred option of removing the rail line to west of Stewart Avenue and creating a new terminus at Wickham have been tested.

By retaining the rail line (with additional pedestrian crossings and overpass at Stewart Avenue) the Net Present Value of doing so is -\$182.2 million (under a discount rate of 7%). Under the higher and lower discount rates ...

The preferred rail option results in a Net Present Value of +\$163.4 million.

The Hon. GREG PEARCE: So we have some evidence on the cost benefit in relation to the project.

The Hon. LYNDA VOLTZ: Point of order—

The Hon. GREG PEARCE: You were asking the questions and now I have got you the answer.

The Hon. LYNDA VOLTZ: I asked if we had a cost benefit analysis. I was told no. You have now referred to a document that is not before the Committee and not in submissions and you say you now have the document.

The Hon. GREG PEARCE: Do you really want to know or were you just trying to grandstand?

The Hon. LYNDA VOLTZ: When I asked the witness the question why did he not answer the question then?

CHAIR: Let the member get back to questions.

Mr DAVID SHOEBRIDGE: Point of order: Could the member tender the document to avoid all the difficulty with it?

The Hon. GREG PEARCE: Me tender it?

Mr DAVID SHOEBRIDGE: Yes.

The Hon. GREG PEARCE: I think you mentioned a survey report by the Hunter Valley Research Foundation, which was about 2008 or 2009. I believe it was commissioned by the then Minister Jodi McKay?

Mr BROAD: Yes.

The Hon. GREG PEARCE: Can you repeat for us what you are aware of as the outcomes of that survey?

The Hon. LYNDA VOLTZ: Point of order: What document are you referring to?

The Hon. GREG PEARCE: I am asking about a survey. I am asking what the witness knows to be the results of that survey.

The Hon. LYNDA VOLTZ: Is this the Hunter Development Corporation survey?

The Hon. CATHERINE CUSACK: Can you let the Hon. Greg Pearce ask his question?

The Hon. LYNDA VOLTZ: I just want to know.

The Hon. GREG PEARCE: I am not a witness here. I have asked the question. Let the witness answer.

The Hon. CATHERINE CUSACK: He is not asking you; he is asking the witness.

Mr HAWES: Within the submission it was noted that there was a community survey done in relation to the Newcastle city centre renewal report. At that time the respondents indicated a negative impression of the current city centre, with more than 60 per cent disagreeing that the city centre presented a positive image of Newcastle. But the overwhelming majority of respondents, 93 per cent, also believed that action needed to be taken. The transport interchange and the termination of the rail line were generally supported by 67 per cent of the respondents. That community survey was part of a broader communication and consultation strategy that the Government was undertaking at the time in relation to the renewal report.

The Hon. GREG PEARCE: So that was a consultation process the then Government was conducting.

Mr HAWES: Correct.

The Hon. GREG PEARCE: Was that 2008 or 2009?

Mr HAWES: It was July 2009.

The Hon. GREG PEARCE: So the community was surveyed by a professional survey outfit?

Mr HAWES: Yes.

The Hon. GREG PEARCE: And the response was overwhelmingly in favour of the renewal process being considered.

Mr BROAD: Yes.

The Hon. GREG PEARCE: Earlier we spoke about the sites that you continue to own. I think the Opposition was asking you about the development potential of those sites. Would you be able to give us a map—again you could take this on notice—and identifying the sites that you own? We can then, if necessary, come back to you on notice if there are further questions about any of those sites.

Mr HAWES: We can do that.

CHAIR: Can you mark them on the map or would that be too difficult?

Mr HAWES: We will accompany it with a plan, which will focus on the HDC-owned sites.

The Hon. GREG PEARCE: There were some questions earlier on the East End development site. Can you outline what proportion of that is owned by the people of New South Wales?

Mr BROAD: No, we cannot. That is mainly UrbanGrowth, so they will be able to fill in the details.

The Hon. GREG PEARCE: So it is UrbanGrowth?

Mr DAVID SHOEBRIDGE: He has already said that.

Mr BROAD: UrbanGrowth, yes. It is interesting. When GPT originally proposed that, they withdrew because the connection to the harbour was never guaranteed. There was \$800 million worth of private sector money and the then Labor Government agreed to step in and buy out GPT. I think GPT might own a relatively small percentage of it.

The Hon. GREG PEARCE: So as far as you are aware GPT is not involved in any significant way any longer?

Mr BROAD: At best I understand it.

The Hon. GREG PEARCE: And the Labor Government facilitated that.

Mr HAWES: Yes.

The Hon. GREG PEARCE: So the development application that is in with the council that needs to go to the regional planning panel would have been lodged by UrbanGrowth, do you know?

Mr BROAD: My understanding is that that is the case. You may want to double check that.

The Hon. GREG PEARCE: I also noticed that in one of the CBD strategy documents that you prepared in March 2009, you talked about the possibility of cruise ships, of the renewal allowing for cruise ships. I know that neither of you was working for HDC at that stage, but can you give us any more information on what might be possible there?

Mr HAWES: The corporation at the time was part of a group that included Newcastle council, tourism and economic development sections, the port corporation and others that believed that the concept of a cruise facility or the cruise industry being more prevalent in Newcastle would benefit the city. I think the work that was done indicated, looked at it, scoped across a number of locations where that could happen in the city. Even though we have a fantastic harbour, unfortunately not every site can accommodate the modern cruise ship, and I think the work that was done suggested the Dyke Point facility where cruise ships currently visit the city and are now berthed.

There still is ongoing talk, ongoing discussion and a lot of people in the community believe it would be a good idea to try to bring the cruise ships so that they can berth on the city side of the harbour. But that report showed that there were considerable constraints and costs in doing so, notwithstanding the benefit of having one or two thousand people getting off a cruise ship and wandering around the CBD, as happened last week, for example. I think there is a general unison of support for having the facility in the city. It is just a question of how we develop it and how we move it forward, given that we are in our infancy and fewer than 20 ships are forecast to visit in the current cruise season.

The Hon. GREG PEARCE: But the termination of the rail terminal would open that up as another potential possibility?

Mr HAWES: Anything of that seamlessness so that the city can just act as one in terms of getting from one side to the other would be of enormous benefit. Yes, absolutely.

The Hon. GREG PEARCE: Can you give me your understanding of what the difference is and what would be driving the question of whether you would terminate the railway at Wickham on that side of Stewart Street or the next station? What are the key—

Mr HAWES: The next station east or next station west?

The Hon. GREG PEARCE: The city side.

Mr BROAD: Civic.

The Hon. GREG PEARCE: Yes.

Mr BROAD: There is a major road connection across and they have to work out space. Wickham itself is constrained for space, so a lot of that will come into the considerations. There was a big debate about whether you would move it to Broadmeadow and then have Hamilton redeveloped. There has been a massive amount of discussion and debate, and I think Transport has got all that and they will be filling in some detail. There has been, amongst all the professionals, not a unison view about where you would do it but I think it has all been west of Stewart Avenue so you get the throughput across that connection.

The Hon. GREG PEARCE: I am going to catch the train back to Sydney today. I guess it will terminate at Central and I will hop on another train or I will walk or get a bus for the rest of my journey. It is not such an unusual proposition, is it, when you get the sort of benefits that you get—

Mr BROAD: I dare say, it is very interesting. The train you will get on is the slower 1951 flyer, unfortunately. In my other hat when I was running Infrastructure NSW I looked to models to make that train half an hour quicker, if we can make the train as competitive as the road. Secondly, in dollars it does not make

CORRECTED

economic sense. You have to make it bigger. They have to pay out a bit more here, and if we did that we would make our train service to the Central Coast and to Sydney so much more attractive. If we do that, I am telling you, people will load up on it. We all hate driving. I drive on that freeway all the time. We hate it. We would rather be on a train.

The Hon. GREG PEARCE: Now you have your Opal card courtesy of Gladys Berejiklian you can seamlessly get on them.

Mr BROAD: Absolutely correct.

CHAIR: You are not a witness, Mr Pearce. Ask a question.

The Hon. GREG PEARCE: I am sorry.

The Hon. GREG DONNELLY: He's reminiscing.

The Hon. GREG PEARCE: In relation to the East End development, do you have any views on what should go there? I know you were questioned about it earlier and you do not have any preconceived notions.

Mr BROAD: Obviously it is not a matter for us.

Mr DAVID SHOEBRIDGE: Do not ask them a question about any of their land.

Mr BROAD: Before, when GPT came to town, most of us saw it as a generational change. Most of us saw it when the shops were closing in the mall and became very isolated and obviously quite depressing. The streets were abandoned shops. When that environment was created we saw the GPT idea as a once-in-a-generation change. So we are obviously supportive of it. I think the point has been made earlier that the trade-off between development at one end and development at the other end you have to work that out. These things are never sorted in five minutes.

The Hon. GREG PEARCE: I guess from what you are saying that you think it was probably a lost opportunity.

Mr BROAD: Absolutely. The private sector spending \$800 million in the middle of Newcastle, we have not had that before.

The Hon. GREG PEARCE: And we are certainly not having it now.

CHAIR: That brings us to the end of our allocated time. We thank you both for your attendance and for your assistance this morning at our site inspection.

Mr BROAD: Thank you. It is always a pleasure.

(The witnesses withdrew)

CORRECTED

PETER CHRYSTAL, Director of Planning and Regulatory, Council of the City of Newcastle, and

JILL GAYNOR, Manager of Strategic Planning Services, Council of the City of Newcastle, affirmed and examined:

CHAIR: Thank you for your attendance. Do either of you wish to make a brief statement?

Mr CHRYSTAL: I am the Director of Planning and Regulatory Services at Newcastle council. I was appointed to this position on 19 June 2014. I am joined by my colleague Ms Jill Gaynor, the Manager of Strategic Planning Services. Thank you for the invitation to respond to any questions you may have regarding the submission of 24 October 2000 from council's general manager. The general manager is currently overseas on annual leave and sends his apologies. For the Committee's information I advise that the submission was not, as requested in the Chair's invitation, provided to any other person including the elected council until being made publicly available on the Committee's website.

I would like the Committee to note that with respect to items 2 (a), 2 (b) and 2 (e) contained within the terms of reference these were matters where the New South Wales Government and its relevant administrative department was the decision-making authority. UrbanGrowth NSW is the lead agency for the Newcastle Urban Renewal and Transport Program. Item 2 (d) with reference to the Newcastle East End development application [DA] is a matter where the Joint Regional Planning Panel and not council is the determining authority. As indicated in our submission, this DA is not yet determined and stands deferred pending receipt of additional information.

I do not wish to speak at length to the submission or take the Committee members through it item by item other than to reaffirm that to the best of my knowledge and abilities all council submissions and assessment decisions have been made in compliance with the relevant local government and planning legislation, and council remains committed to driving the future prosperity of the city.

The Hon. LYNDA VOLTZ: You said that the submission you made had not been provided to the elected councillors before it was submitted.

Mr CHRYSTAL: That is correct.

The Hon. LYNDA VOLTZ: What is your reason for that?

Mr CHRYSTAL: The request was to the general manager and it was made clear in the Chair's invitation that the information in the submission was not to be made available to other persons until that matter had been before the Chair and either posted on the website or he had received advice back from his Committee that it was okay to do so.

The Hon. LYNDA VOLTZ: When the Committee wrote to Newcastle city council the general manager formed the view that we wanted his opinion and not that of the elected councillors?

Mr CHRYSTAL: I was overseas at the time the letter was received. I cannot speak for the general manager and the view he formed but that is the advice that was provided to me, yes.

The Hon. LYNDA VOLTZ: In terms of elected representation and a plebiscite, would the council normally reflect the views of the councillors elected by the people to direct them?

Mr CHRYSTAL: If matters are called and placed on the agenda then that is where the matter would go.

The Hon. LYNDA VOLTZ: But these issues that you have brought before us now are not those of the elected councillors?

Mr CHRYSTAL: They reflect them as best they can. Where policy decisions and resolutions of council have been made they were included in the attachments that were provided with the submission.

CORRECTED

The Hon. LYNDA VOLTZ: Have there been any recent decisions from council regarding the truncated rail line?

Mr CHRYSTAL: The council I believe at the last meeting—I would need to confirm the record—resolved to write either to the Premier or the Minister in relation to a number of items, one of which included the rail line.

The Hon. LYNDA VOLTZ: What was the view of the council at that meeting regarding the truncated rail line?

Mr CHRYSTAL: I would have to confirm the minutes. I am sorry, I do not recall it.

The Hon. LYNDA VOLTZ: You do not recall that at the last meeting of council a letter was written by the elected councillors opposing the truncation of the rail line?

Mr CHRYSTAL: I believe—and again I would need to confirm this—that it related to the view in the submission from the councillors on the notice of motion that they believed achieving some of the targets for public transport would be difficult with the removal of the heavy rail line.

The Hon. LYNDA VOLTZ: Basically, they opposed it?

Mr CHRYSTAL: I would have to confirm that. I do not want to read into what the councillors' view is. They have asked us to write and say that they believe it is difficult.

The Hon. LYNDA VOLTZ: That is fine but we were hoping to get the council's view at the moment.

The Hon. CATHERINE CUSACK: Did you ask for them as a witness in a submission?

The Hon. GREG DONNELLY: It is not your time for questions. Stop interrupting.

CHAIR: Let the Labor members ask their questions.

The Hon. GREG PEARCE: Point of order: Can I clarify that the witness has said that the council put a submission in to the Committee. At the time that the council put the submission in to the Committee its earlier decision was the February decision in which it supported the truncation of the rail line.

Mr DAVID SHOEBRIDGE: That is not a point of order.

The Hon. LYNDA VOLTZ: I have no idea what you are talking about, Greg, but the witness has clearly stated that the views that have been presented are not those of the elected council but those of the general manager.

The Hon. CATHERINE CUSACK: Because the letter was addressed to the general manager. If you wanted the elected council why did you not ask for a submission from the elected council? It was open to you to do that.

The Hon. LYNDA VOLTZ: I am not going to have an argument with you but I would have thought when we asked for the views of the council we would get the views of the council.

The Hon. CATHERINE CUSACK: You had the opportunity to ask for the views of the council and you did not do that. It is not the witness's fault.

CHAIR: Let the member ask the questions, please.

The Hon. LYNDA VOLTZ: Let us accept for the moment that the last meeting of the council decided the line should be truncated. Did the elected councillors have any input into the State Environmental Planning Policy [SEPP] 2014 amendments that relate to the East End development?

Mr CHRYSTAL: I understand the elected council received a briefing on 18 February from members of the Department of Planning talking about the process that they would follow to amend council's local

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environmental plan [LEP] through the State environmental planning policy. In terms of the councillors having input into the development of that State environmental planning policy at that point, I would say no.

The Hon. LYNDA VOLTZ: The amendments in 2014 did not go before the elected councillors and they had no input into any amendments of it? In fact, your submission states that it was only a two-week period so there was no ability for the elected councillors to have that input?

Mr CHRYSTAL: That is correct.

The Hon. LYNDA VOLTZ: What would the council's view be on those changes now that the elected councillors are aware of them regarding the tripling of the height on the General Property Trust [GPT] site?

Mr CHRYSTAL: I apologise but I am not at liberty to speak on behalf of the elected council. That would be a matter that the council would need to reconsider and put as a matter for resolution.

The Hon. CATHERINE CUSACK: You can call them as a witness.

The Hon. LYNDA VOLTZ: How many residential development applications have you received for the Newcastle central business district [CBD] in the past year?

Mr CHRYSTAL: I have not got that number. I would have to take that on notice.

The Hon. LYNDA VOLTZ: Let us look at it another way. What has been the increase in the population of residents in the Newcastle CBD?

Mr CHRYSTAL: Again, I do not have the specific details before me.

The Hon. LYNDA VOLTZ: Okay. Let us look at it another way. There has been significant development in Newcastle, is that correct? Roughly how many DAs would have been approved for medium- to high-rise density in the Newcastle CBD in, say, the past five years?

Mr CHRYSTAL: We approve in the order of 2,000 applications a year across the local government area and a number of those, as you can imagine, will not commence in the year that they are approved. I do recall there has been a report provided to the councillors in relation to the number of approvals and commencements in the CBD. I am happy, with the permission of the Committee, to provide that to you at a later date. I do not have that with me.

The Hon. LYNDA VOLTZ: It would be good if you could do that. This morning we went on a tour with representatives of the Hunter Development Corporation, who showed us the rail line. They are saying the light rail as proposed will essentially come up to this point. Does the council have a view about stopping a rail line so short of your beaches and the other areas of Newcastle?

The Hon. CATHERINE CUSACK: Can I seek a clarification: Is she again asking the views of the elected council or asking about the submission that has been made?

CHAIR: The submission we have states that it is the submission of the council. It is signed by the general manager but it states all through it "the council says" and "the council does".

The Hon. CATHERINE CUSACK: But the witness has said many times that he is not a spokesman for the elected council.

Mr DAVID SHOEBRIDGE: The council is the supreme governing body of the organisation. They are not distinct elements. The witness has been asked a fair question. He should be allowed to answer it.

The Hon. CATHERINE CUSACK: The elected council can answer for itself.

Mr DAVID SHOEBRIDGE: That is like suggesting that the board of a corporation is separate to the corporation. It is nonsense, Catherine, and you know it.

The Hon. LYNDA VOLTZ: Do you know if the council has a view on where the light rail should go?

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Mr CHRYSTAL: I am not aware. I understand that our submission to the relevant agency in relation to the public exhibition of the light rail options expressed the view that we would like to see the light rail continued through up to Parnell Place so you have a much closer connection to the beach and the esplanade.

The Hon. LYNDA VOLTZ: Do you know if any feasibility studies have been planned to look into that option?

Mr CHRYSTAL: I understand that Transport for NSW has been looking at those various options. I am not aware of any detail though.

The Hon. LYNDA VOLTZ: Did you have any role in the development of the Newcastle Urban Renewal Strategy with the other stakeholders?

Mr CHRYSTAL: From the time the City of Newcastle was announced as part of the urban renewal SEPP, which I think was 2010, the council was up to and including the original Newcastle Urban Renewal Strategy [NERS] a key partner with both the Hunter Development Corporation [HDC] and the department of planning and infrastructure at the time in developing the draft NERS itself and ultimately leading to a draft instrument.

The Hon. LYNDA VOLTZ: There has been a lot of talk about the building of retail within the East End of Newcastle. The land has been owned by GPT, which also owned the land that is being developed for the Charlestown shopping centre site. Is that correct?

Mr CHRYSTAL: I believe so.

The Hon. LYNDA VOLTZ: There is also the reasonably new Kotara which, by any stretch of the imagination, are very large retail sites. There is a view that has been put forward by one of the professors of economics in the submission that, in fact, GPT had looked at land banking that site. You are familiar with the term "land banking"?

Mr CHRYSTAL: Yes.

The Hon. LYNDA VOLTZ: Do you think, given the size of the Charlestown shopping centre, there may be some argument that, in fact, GPT had land banked that land around the East End, given their development in Charlestown?

Mr CHRYSTAL: I would not be in a position to speak on the reasons why GPT would make that call. I am aware that at the same time they were proposing a rather large development for their shopping centre at Wollongong, where I was employed at the time. And we were certainly urging them to spend large sums of money in that city as well. I cannot speak on their behalf though.

The Hon. LYNDA VOLTZ: Fascinating as Wollongong is and a great town, it is more that the face of Newcastle has changed over the last 20 years, there have been two huge retail developments both at Kotara and Charlestown that have not existed and there has also been, as we know, the aftermath in the early nineties of that tragic incident. So there has been a lot of development that has happened outside the Newcastle CBD and other regions. Given those two shopping centres and the fact that people would have to catch two modes of transport to get to the Newcastle CBD who might traditionally shop in these areas, do you think it is more attractive for them to jump in their car and go to Charlestown or Kotara or do you think it is more attractive for them to come to Newcastle?

Mr CHRYSTAL: I believe that the notion of having the East End more as a mixed use residential retail boutique kind of retail is consistent with the strategies that the council has endorsed and is consistent with the work done prior to my arrival at council and remains consistent with the NURS itself. The intention, I believe, of that strategy is that you would be encouraging more people to visit, to live and to spend their money in that area and it would be a matter of the attraction that is provided as part of that development to see whether you would get—

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The Hon. LYNDA VOLTZ: So the development you are looking to is more bringing tourism in, bringing residents to the centre of the CBD, as opposed to someone from Wallsend or Lambton coming shopping here rather than to Charlestown or Kotara?

Mr CHRYSTAL: It would provide that shopping opportunity experience for anybody from either Newcastle or Lake Macquarie or the Lower Hunter to come to Newcastle and obtain that. But the strategy, more broadly—which I am not sure is clear in whether HDC have talked about it previously—but the new CBD at the western end, the Civic Precinct, and then the East End is more of a boutique retail-residential. It is certainly changing the dynamic from what it was and this would be a very important development potential.

The Hon. LYNDA VOLTZ: So the amendments to the SEPP in 2014 changed the nature of the residential that could go into the GPT-UrbanGrowth site? That is correct, is it?

Mr CHRYSTAL: It changed the height requirements; it did not change the permissibilities.

The Hon. LYNDA VOLTZ: But that would increase the amount of residential that was provided there?

Mr CHRYSTAL: That is a potential outcome, yes.

The Hon. LYNDA VOLTZ: So would that increase in residential in the East End have an impact on the building of residential apartments in the West End, given demand and supply that any marketplace faces?

Mr CHRYSTAL: The West End was looking more for straight commercial and the opportunities with height and FSR would provide more commercial to encourage a higher yield commercial development, rather than the mixed use residential.

The Hon. LYNDA VOLTZ: What are the current height restrictions on the GPT site?

Mr CHRYSTAL: They vary but there were three specific AHDs [Australian height datum] that were provided. From the top of my head I do not recall, but I believe 55, 58, 65 are the kind of numbers but I would need to confirm.

The Hon. LYNDA VOLTZ: You say 55, 58, 65?

Mr CHRYSTAL: I would need to check to confirm in the SEPP.

The Hon. LYNDA VOLTZ: If you could provide what the maximum storeys are that were allowed on that site and what the increase was under the SEPP that would be good.

Mr CHRYSTAL: If I might, I am aware that they are inside, that information is contained in the Department of Planning's submission as well. They were responsible for the instrument.

The Hon. LYNDA VOLTZ: The figures we have been given are 17 with the 10 per cent concession, so 17 storeys. Would that sound about right?

Mr CHRYSTAL: In the ballpark, yes.

The Hon. LYNDA VOLTZ: That is on a high vantage point, so that would make them a very high development in the CBD?

Mr CHRYSTAL: Relative to other developments at the moment.

The Hon. LYNDA VOLTZ: Does council have a view on when residential parking is provided, whether car parking should be part of those residential developments?

Mr CHRYSTAL: We have the view that yes, they should. There is a concession provided for car parking rates within the CBD, as there are in other CBDs, to recognise that you are generally providing the services in a closer catchment, walking distance and other public transport is more readily available, but we still expect them to provide car parking.

The Hon. LYNDA VOLTZ: And you have argued for no cap on car parking within the CBD area?

Mr CHRYSTAL: We do not believe it is necessary at this point.

The Hon. LYNDA VOLTZ: So you are expecting that the increased demand will be catered for with the new development?

Mr CHRYSTAL: We would like to hope that developers would recognise the benefit of that but it is certainly a controlled requirement that we have.

The Hon. LYNDA VOLTZ: What about car parking at the university?

Mr CHRYSTAL: You will have noticed in our submission that we have concerns with that and we have expressed that in our submission to the department.

The Hon. LYNDA VOLTZ: Have you approached any State government agency about providing car parking?

Mr CHRYSTAL: No, I am aware that the general manager has had conversations with the Hunter Development Corporation [HDC] in relation to properties that might be available for that but beyond that I have not been involved in those discussions.

The Hon. LYNDA VOLTZ: There is also a report this morning that UrbanGrowth is keen to see that once the railway line is removed that development happen on that site. Do you have a view in regard to whether development should happen on that site?

Mr CHRYSTAL: I am not aware of what UrbanGrowth's proposal is, I am sorry.

The Hon. LYNDA VOLTZ: So what would Newcastle council's position be on any building on the current railway line site?

Mr CHRYSTAL: You would have to confirm in the submission. But in terms of the council itself, I do not believe the council has made a decision definitively in relation to that area.

The Hon. LYNDA VOLTZ: They have been saying that they are opposed now to the closure of the rail line, that they would be opposed to any development on that site, I guess. Has the council looked at any other options in regard to opening up the waterfront other than the removal of the train line?

Mr CHRYSTAL: In terms of historical, I would have to take that on notice. I am not aware of any but whether or not previous councils or other administrations have, I would have to confirm.

The Hon. LYNDA VOLTZ: If you could take on notice any other options that have been looked at and any cost benefit analysis that the council has done and provide that to the Committee?

Mr CHRYSTAL: I can do that.

The Hon. GREG DONNELLY: In terms of the procedures and in terms of requests to the council to make a submission to an inquiry like this one, do you know if it is usual practice for a general manager to inform council members that such a request has been made?

Mr CHRYSTAL: Speaking as this is the first experience for myself in 20 years, I cannot express a view as to whether it is normal or not.

The Hon. GREG DONNELLY: In terms of other inquiries that the council has had and participated in, are you aware of examples whereby a request has been made and the general manager has passed the information on to the council members?

Mr CHRYSTAL: As I said, this is the first inquiry of this nature I have been involved in, so—

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Mr DAVID SHOEBRIDGE: The general manager is a standard contact point for the council?

Mr CHRYSTAL: Yes.

Mr DAVID SHOEBRIDGE: Submissions and other documents are directed to the general manager and the general manager sends it to the appropriate person.

CHAIR: Mr Shoebridge, the witness has answered the question. Let the witness answer the question.

Mr CHRYSTAL: I accept that, but I am not at liberty to speak for what the general manager's decision is or is not and how it breaches that.

The Hon. GREG DONNELLY: Are you aware of the practice of the council in terms of informing councillors about requests to make submissions to inquiries?

Ms GAYNOR: Again, I agree with Mr Chrystal that it is the first time in this workplace that I have been aware council has been asked to provide information to an inquiry. So there is no standard practice that we could fall back on for that type of request.

The Hon. GREG DONNELLY: No standard practice or no standard practice that you are aware of?

Ms GAYNOR: No standard practice that I am aware of.

The Hon. LYNDA VOLTZ: Who sits on the joint regional planning body, do you know?

Mr CHRYSTAL: For council?

The Hon. LYNDA VOLTZ: Yes.

Mr CHRYSTAL: The council representatives are Councillor Luke and Councillor Waterhouse and I believe that Councillor Robinson is the alternate.

The Hon. LYNDA VOLTZ: And then there are three State government representatives?

Mr CHRYSTAL: Yes.

The Hon. LYNDA VOLTZ: You do not know, off the top of your head, who they are? Probably not?

Mr CHRYSTAL: No, generally there are five or six that are nominated and then three will be selected, based on their availability for that meeting. The chair is Mr Garry Fielding.

Mr DAVID SHOEBRIDGE: How long has the Lord Mayor had an executive assistant?

The Hon. Greg Pearce: There is no Lord Mayor.

The Hon. LYNDA VOLTZ: There is an Acting Lord Mayor.

Mr DAVID SHOEBRIDGE: How long has there been an executive assistant employed for the Lord Mayor or Acting Lord Mayor?

Mr CHRYSTAL: In terms of detail, I could not give you the exact dates. I was aware that the previous Lord Mayor had an assistant and the current Lord Mayor has had, I believe, an assistant from early in the term, but if you want details I would have to take that on notice.

Mr DAVID SHOEBRIDGE: Could you take it on notice?

Mr CHRYSTAL: Certainly.

Mr DAVID SHOEBRIDGE: And also could you provide a copy of the job description and whatever possible legal basis there is to provide an executive assistant, to provide political and strategic advice to the Lord

CORRECTED

Mayor and council's view on whether or not that is consistent with the Local Government Act and the restrictions on providing assistants to councillors and members. Would you be able to provide me with those?

Mr CHRYSTAL: I am happy to provide you with the job description and the dates.

Mr DAVID SHOEBRIDGE: The submission that has come to this committee was not taken to the council, it is common ground, isn't it?

Mr CHRYSTAL: Correct. It has been provided to the councillors post it being made publicly available on the website, yes.

Mr DAVID SHOEBRIDGE: You patted them on the head afterwards, gave them a cup of tea, and the submissions later, is that what happened?

The Hon. Catherine Cusack: Can I ask that the member not put so much sarcasm into his questions to the witness. It is not appropriate.

CHAIR: Order! Questions should be asked without commentary.

Mr DAVID SHOEBRIDGE: I put it to you, Mr Chrystal, that by putting a submission to something as important as a parliamentary inquiry and not taking it to the elected council, which is the governing body of your council, your administration has shown contempt for the governing body of your council. How do you respond to that?

The Hon. Greg Pearce: Point of order: This sort of hectoring of public servants is not appropriate.

Mr DAVID SHOEBRIDGE: I am asking a question and he is entitled to answer it.

The Hon. Greg Pearce: To the point of order: It is not appropriate and when I get the Government's time I will take the witnesses to the submission which clearly attaches to it the two then existent council decisions which were the basis of the submission.

Mr DAVID SHOEBRIDGE: That is not a point of order. It is the member's usual disruptive behaviour.

The Hon. Greg Pearce: Further to the point of order: It is perfectly normal that they have two council decisions that this submission was based upon. They were acting properly.

The Hon. Lynda Voltz: Point of order: They cannot just sit there and debate it.

The Hon. Catherine Cusack: They cannot sit there and smear the witnesses and not expect to be answered.

CHAIR: Order! The Committee will return to Mr Shoebridge's question. This is not a discussion by the Committee. Discussion by the Committee is kept for Committee meetings, not for the hearings. Mr Shoebridge will ask straight questions, without commentary.

Mr DAVID SHOEBRIDGE: Mr Chrystal, you know that the council is the governing body, the councillors collectively comprise the governing body of the council, correct?

Mr CHRYSTAL: Yes.

Mr DAVID SHOEBRIDGE: Surely it would be best practice before you make a submission as important as one to this parliamentary Committee that you take it to the governing body—surely?

The Hon. Greg Pearce: The submission was based on existing council decisions.

Mr DAVID SHOEBRIDGE: Be quiet. Mr Chrystal—not Mr Pearce and not Mr Donnelly—Mr Chrystal.

CORRECTED

Mr CHRYSTAL: The general manager, with the delegations he had, undertook to submit that and he had those delegations. It is a matter you would need to take up with the general manager.

Mr DAVID SHOEBRIDGE: But sadly he is not here, Mr Chrystal.

Mr CHRYSTAL: I appreciate that.

Mr DAVID SHOEBRIDGE: And you are representing the council. So I am asking you in your position representing the council, surely it would have been best practice to take it to the governing body?

The Hon. Catherine Cusack: He has answered that question.

The Hon. GREG PEARCE: Several times.

The Hon. Catherine Cusack: I really object to this badgering.

Mr DAVID SHOEBRIDGE: I am not asking the Hon. Catherine Cusack; I am asking Mr Chrystal.

Mr CHRYSTAL: The general manager made the decision. He was authorised and delegated the authority to make that submission.

Mr DAVID SHOEBRIDGE: Would it be true—and you can take this on notice—that council made an inquiry of the secretariat of this Committee about whether it was appropriate for the general manager to sign off on the submission and you were given advice to the effect that we would expect it to go through whatever approval process you have. You were given that advice. I am happy for you to take that on notice and provide an answer.

Mr CHRYSTAL: Thank you.

The Hon. Catherine Cusack: He just said he had the delegation.

Mr DAVID SHOEBRIDGE: As the Director of Planning and Regulatory at the City of Newcastle, how long have you had that role?

Mr CHRYSTAL: June of this year.

Mr DAVID SHOEBRIDGE: And who had it before you?

Mr CHRYSTAL: Miss Judy Jaegar.

Mr DAVID SHOEBRIDGE: And it would be important for staff, if they were asking council to make detailed and careful decisions about something as important as truncating the railway line or the urban renewal of the City of Newcastle, to ensure that councillors were properly advised and had all the relevant information to hand before they made that decision.

The Hon. Catherine Cusack: The member is just bullying the witness. He has repeatedly answered.

CHAIR: Order! Members will allow the member to ask his questions. That is how he prefers to ask his questions.

Mr CHRYSTAL: Can you repeat the question?

Mr DAVID SHOEBRIDGE: Before the council makes a decision on something as important as the urban renewal strategy or the truncation of the railway line, it would be important that the councillors be given appropriate information and briefing from staff, surely?

Mr CHRYSTAL: The council is not the decision-making body in relation to the decisions about the truncation of the line or to the NURS. They were matters that were decision-making by the State government agency.

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Mr DAVID SHOEBRIDGE: I do not mean to be oblique, Mr Chrystal, but the council on 25 February passed a five-point resolution in a Lord Mayoral Minute. Do you remember that?

Mr CHRYSTAL: Yes.

Mr DAVID SHOEBRIDGE: What briefing did the staff provide the council to assist them in making that decision?

Mr CHRYSTAL: There was a briefing on 18 February to the councillors, provided by, as I indicated, the Department of Planning and I believe planning consultants for UrbanGrowth-GPT were also present. On the 24th the council received a briefing from UrbanGrowth in relation to the pending public exhibition of the light rail route options.

Mr DAVID SHOEBRIDGE: Can you provide the Committee with whatever documents staff provided to council to assist them with their decision-making on 25 February 2014?

Mr CHRYSTAL: In relation to the Lord Mayoral Minute?

Mr DAVID SHOEBRIDGE: Correct.

Mr CHRYSTAL: The Lord Mayoral Minute is a matter that is brought to the chamber, in essence, at the behest of the Lord Mayor at that time.

Mr DAVID SHOEBRIDGE: No assistance was provided by staff?

Mr CHRYSTAL: I was not aware of any. Certainly we were not asked for any.

Mr DAVID SHOEBRIDGE: There is an urban design review panel under 65.

Mr CHRYSTAL: Design review panel, yes.

Mr DAVID SHOEBRIDGE: They provided a submission on the changes to the East End State Environmental Planning Policy [SEPP], do you remember that?

Mr CHRYSTAL: In July, yes.

Mr DAVID SHOEBRIDGE: Why did you not give that to the councillors at the time?

Mr CHRYSTAL: As a matter of course, we do not give urban design consultative committee advice to the councillors.

Mr DAVID SHOEBRIDGE: Would there have been a prior report from the design review panel?

Mr CHRYSTAL: I am sorry?

Mr DAVID SHOEBRIDGE: Would there have been a report prior to the July report?

Ms GAYNOR: Sorry, on what?

Mr DAVID SHOEBRIDGE: On the proposed SEPP and the changes to the East End development.

Mr CHRYSTAL: I am not aware of one, but I am happy to check the minutes.

Mr DAVID SHOEBRIDGE: If there was an interim report in February or March, could you please provide a copy of it to this Committee and an explanation, if it does exist, why it has not been provided before now to the councillors or the public?

Mr CHRYSTAL: I do not believe there was, but I will confirm that for you; I am happy to do so. We endeavoured on two separate occasions—March and April; I will confirm the dates—to have UrbanGrowth and

CORRECTED

the department present to the urban design consultative group, but the department was unable to attend on both of those occasions. I am not aware of any other report being made, but I will confirm our records.

Mr DAVID SHOEBRIDGE: Have either of you spoken to the previous Lord Mayor about his preferred route for the light rail in the City of Newcastle?

Mr CHRYSTAL: No, I have not.

Ms GAYNOR: I have attended one meeting where we discussed with the Lord Mayor the merits of the existing corridor and/or Hunter Street?

Mr DAVID SHOEBRIDGE: What was his view?

Ms GAYNOR: His view was that he preferred it down Hunter Street.

Mr DAVID SHOEBRIDGE: What did he do, as far as you can remember, to push that view on council?

Ms GAYNOR: I am not aware of any actions that he took.

Mr DAVID SHOEBRIDGE: Are there any minutes of the meeting?

Ms GAYNOR: No, it was an internal meeting.

Mr DAVID SHOEBRIDGE: Who else was present?

Ms GAYNOR: It would have been the general manager. I would have to check who else was there.

Mr DAVID SHOEBRIDGE: Unfortunately, the general manager cannot turn up today. Who authored council's submission on the East End SEPP?

Ms GAYNOR: That was put together by me and it was signed by the general manager. It reflected what the council had resolved on 25 February in relation to city centre revitalisation.

Mr DAVID SHOEBRIDGE: So it reflected the views of the council, expressed after a Lord Mayoral minute, which you had provided no additional briefing to the staff to support; is that correct?

Ms GAYNOR: That is correct.

Mr DAVID SHOEBRIDGE: Do you not accept that is a very flimsy basis to be making decisions that are so fundamental to the future of this city?

Ms GAYNOR: In terms of council process, Lord Mayoral minutes are not provided to staff beforehand. We had no notice that the Lord Mayor was going to present that item to that agenda, so staff were not asked to prepare or provide any information.

The Hon. GREG DONNELLY: An ambush?

Mr DAVID SHOEBRIDGE: Yes, it was effectively an ambush by the Lord Mayor, was it not?

Ms GAYNOR: I am not going to comment on that.

The Hon. LYNDA VOLTZ: Point of order: You cannot ask her that.

The Hon. GREG PEARCE: That is rubbish.

Mr DAVID SHOEBRIDGE: It is not rubbish, but she cannot answer it.

The Hon. GREG PEARCE: Your time is finished.

CORRECTED

CHAIR: Following up those questions about the Lord Mayoral Minute, was there any notice of motion or was the first time the council saw it when it was tabled at the meeting?

Ms GAYNOR: That is correct.

CHAIR: There was no notice of motion?

Ms GAYNOR: No.

CHAIR: I assume there was a vote?

Ms GAYNOR: Yes, there would have been.

CHAIR: What was the vote?

Ms GAYNOR: I would have to check council minutes to be accurate on that. We are happy to take that one on notice and provide it to the Committee.

CHAIR: Would you assume the motion was carried unanimously?

Ms GAYNOR: No, I would not assume that. As I say, I would need to check council minutes and provide that information back to the Committee.

CHAIR: Were you present when this motion was—

Ms GAYNOR: Yes.

CHAIR: From your memory, was there any dissent from the motion?

Ms GAYNOR: It was a number of meetings ago. I am sorry, I cannot remember.

The Hon. GREG PEARCE: But a decision is a decision, whether it is one vote or 10.

CHAIR: I am trying to establish whether all the councillors were in support of the Lord Mayor and his resolution.

The Hon. CATHERINE CUSACK: I think she has taken it on notice.

CHAIR: Can you take that on notice?

Ms GAYNOR: Yes.

CHAIR: Point (e) in the resolution locks the council into supporting the truncating of the heavy rail and establishing a transport interchange at Wickham, about which there has been a lot of difference of opinion in the community. It would seem strange that the council, if it represents the community, would be unanimous in supporting that resolution.

Ms GAYNOR: I cannot say.

CHAIR: Was there a prolonged debate on the motion? Did it take one minute or an hour?

Ms GAYNOR: Again, I would have to go back to my notes on the night.

CHAIR: I would have thought you would remember; it is only February. It did not make any impact on your memory? Was it done very quickly, on voices?

Ms GAYNOR: Again, in terms of the information that I provide to this Committee, I want to be accurate, so I would prefer to go back and check what notes I have from the night and ensure that the information I provide to you is accurate.

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CHAIR: These are the questions on notice: What was the vote on the motion? Was there any notice of motion? Was there any dissent from the motion and who was present?

Ms GAYNOR: Yes.

CHAIR: If there was any discussion on the motion, how long the discussion took and was there a vote on voices or any other method to pass the resolution?

Ms GAYNOR: Yes, our minutes will have all of that information.

CHAIR: Thank you. If the railway line is truncated, for which this Government is keen to happen, the council submission is that it is very pleased about the relocation of the University of Newcastle city campus on the former Civic Hotel site. Was there any discussion as to how the students would get to that new university location, which is right next to Civic station? If the line is truncated there would be no station there.

Ms GAYNOR: There would be no station but with the light rail solution there would be a replacement.

CHAIR: I know you say it is a State Government priority, but do you have any timetable on this light rail?

Ms GAYNOR: No.

CHAIR: In fact, will it ever occur or is it just a pipe dream?

Mr DAVID SHOEBRIDGE: Point of order.

Ms GAYNOR: I am aware of work underway by State government agencies to investigate the implementation of a light rail route.

CHAIR: If it did go ahead, it would take many years. Does the council have any calculations?

Ms GAYNOR: I am not a railway engineer; I could not say how long it would take. Yes, I would think it is a number of years but as to how many I could not say.

Mr CHRYSTAL: With respect, Mr Chair, that is a matter for which Transport for NSW is coordinating and doing the investigations. I am aware that we have asked for a timetable to assist with some of the capital works that council may be required to do. We do not have a timetable. In answer to the question, we are not aware of the timetable or the time it will take.

CHAIR: You have asked for a timetable?

Mr CHRYSTAL: We have.

CHAIR: When did you ask for it?

Mr CHRYSTAL: I would need to confirm.

CHAIR: Just roughly. Last month?

Mr CHRYSTAL: No, it would have been two weeks ago and a month before that in terms of meetings that we have had with UrbanGrowth and Transport for NSW at a planning information committee that UrbanGrowth is running for the public domain works.

CHAIR: Are you disappointed that you have not been given the time line for such a major project?

Mr CHRYSTAL: Giving information to council would assist for its planning and I would imagine also for those who have concerns about timing, but you would have to ask Transport for NSW.

CHAIR: Is there funding required from the city council for the light rail? Will it be funded by the State Government or will the funding come out of your money from the leasing of the port?

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Mr CHRYSTAL: I am an unaware of conversations at that level taking place. I certainly have not participated in any about that. It certainly would be council's view that the State Government would be funding it.

CHAIR: There is no allocation in the city of Newcastle's budget towards any costs for the light rail?

Mr CHRYSTAL: Not for the light rail. There will be ancillary works, I imagine, in relation to footpath treatments and road treatments that would be ours, but that is surmising at this point.

CHAIR: Is there some provision in the budget for those ancillary works?

Mr CHRYSTAL: More broadly in the capital works program there is money available for Hunter Street improvements. Council had money available, which they have laid on the table, pending the resolution of these matters.

CHAIR: It does not specifically say that it will assist the light rail development?

Mr CHRYSTAL: Not in relation to the issue of the light rail.

CHAIR: Ancillary aspects?

Mr CHRYSTAL: Yes.

CHAIR: Do you remember offhand how much money was set aside by the council?

Mr CHRYSTAL: I think it was 1.9, but I am happy to confirm.

CHAIR: \$1.9 million?

Mr CHRYSTAL: Yes.

CHAIR: I note that the council's submission is headed at the beginning of each paragraph with, "The council is committed", "The council's preferred role", "The council has passed", "The council confirms". So it certainly implies this is the submission of the council, it was not just the general manager doing it on behalf of the council.

Mr CHRYSTAL: I think I stated previously that it was not provided to the elected council at the time. We would need to follow that up more directly. The general manager will be able to answer questions. I cannot speak for his mind.

CHAIR: I notice the council's submission on page 3 talks about the light rail and a hybrid route. How would you describe a hybrid route?

Mr CHRYSTAL: As I understand, the hybrid route was defined in the draft options papers, which related to the route that uses part of the rail corridor at the western end and then at Worth Place, which moves on to Hunter Street and continues east towards the railway station.

CHAIR: At what point would they be using the original heavy rail area for the light rail?

Mr CHRYSTAL: My understanding is that would be from the eastern side at Stewart Avenue through to that point, which is Worth Place, roughly a third of the way along Hunter Street and then it breaks out at Worth Place on Hunter Street and continues east.

CHAIR: I was asking the Hunter Valley Corporation representatives this morning about the consultation, even though the council passed that Lord Mayor resolution supporting it, do you believe there has been sufficient consultation with the citizens of Newcastle and surrounding areas who use the rail, not just people who live in Newcastle? I understand people from Maitland, Dungog and many other areas use that rail to get to the heart of the city—not to get to Wickham—and young people use it to go to the beach. Are you happy there was sufficient consultation with the people?

CORRECTED

Mr CHRYSTAL: There was, I understand, three or four months of that route option being open for public comment and then the matters and submissions were taken on board by Transport for NSW and UrbanGrowth. I would say that three months as a public exhibition period is longer than normal.

CHAIR: Were you aware of the submissions? Even though they were not for the council, did the council get copies of them or did they look at the submissions?

Mr CHRYSTAL: I am unaware of what the elected members did. I certainly did not look at the submissions as they came in.

CHAIR: Do you think the council should have taken some interest in what the people were saying?

Mr CHRYSTAL: You would need—

CHAIR: As ratepayers and so on.

Mr CHRYSTAL: In terms of the council laws, it is a matter for councillors. In terms of the decision-making, it is a not a matter that the council makes a decision upon. Those concerns and submissions were to Transport for NSW.

CHAIR: You are not aware what the submissions had to say?

Mr CHRYSTAL: I have not read them in detail, no.

CHAIR: Do you think the council should have been made aware of what people were saying?

Mr CHRYSTAL: My view is that it is a matter for Transport for NSW to take on board those submissions and make their decision through the processes that apply to them.

The Hon. GREG PEARCE: They would not have been good councillors if they had not heard what the community was saying.

CHAIR: Did anybody in the council take any note of the submissions, even though they went to Transport for NSW?

Mr CHRYSTAL: As a matter of course we do not review all the submissions that are made to other public agencies in relation to matters upon which they made their decisions.

The Hon. GREG PEARCE: I do not want to leave here allowing an unnecessary smear on officers of the council to be unanswered. I draw your attention to the council's submission of 24 October which refers to attachment 1, which is the minute of 25 February 2014. Will you read out items (b) and (e) for me?

Mr CHRYSTAL: Paragraph (b) says partnering with New South Wales State Government to deliver the Newcastle Urban Renewal Strategy and various catalyst projects and infrastructure initiatives which will stimulate activity, jobs, development and investment in the city. Paragraph (e) reads, noting the New South Wales State Government's decision to lease the Port of Newcastle and support its decision to invest some of the proceeds in truncating the heavy rail and establishing a transport interchange at Wickham while consulting with the community about the community's preferred route for light rail.

The Hon. GREG PEARCE: As far as officers of the council are concerned, they had a decision of the duly elected council on which they were working?

Mr DAVID SHOEBRIDGE: It is "noting" not "supporting" if you read it.

The Hon. GREG PEARCE: I then refer to attachment 2 to your submission which is a further resolution which seems to be a follow-up. Will you read points 3 and 5 so that they are in evidence? Attachment 2 is the meeting of 12 March 2013.

CORRECTED

Mr CHRYSTAL: Generally supportive of the strategy, number 3. Strategy provides a unique opportunity for State, local government agencies and private sector and community members to work together under one strategy to achieve revitalisation for the city. Number 5, Wickham Interchange and public transport options, it is recommended that a multi-agency working party be established to work through the details of the Wickham Interchange.

The Hon. GREG PEARCE: That was a council meeting of 2013. My recollection, and the evidence of the previous witness, is that the process of considering this Urban Renewal Strategy for Newcastle had been going on at least since 2008-09 under the previous Government which did a lot of work. There had been public consultation and council had been involved in it. It would have been fairly remiss of any council not to have been aware of what was going on and to have been part of the consultations and all of the rest of it, I imagine.

Mr CHRYSTAL: I am aware that there have been studies from 2006, 2007, 2008 and beyond.

The Hon. GREG PEARCE: Further in your submission on page 3, you talk about the process for finalising the Urban Renewable Strategy. Will you read the second paragraph?

Mr CHRYSTAL: The Newcastle Urban Renewal Strategy [NURS] was released?

The Hon. GREG PEARCE: Yes, the strategy was released.

Mr DAVID SHOEBRIDGE: Point of order: Are you asking this witness to read the submission the Committee already has in writing?

The Hon. GREG PEARCE: Yes, I am because I want it on evidence because you have tried to smear council representatives today. It was totally appropriate for you to have done so when they were working through a proper process over a long period of time.

Mr DAVID SHOEBRIDGE: So asking questions about accountability is smearing, is it?

CHAIR: I will allow the Hon. Greg Pearce to continue to ask his questions.

The Hon. GREG PEARCE: I just want to put on the record some balance to make it plain that there was a considerably long public process to get to these decisions. They were not—

The Hon. CATHERINE CUSACK: Snatched out of the air.

The Hon. LYNDA VOLTZ: No, he should be heard in silence. The Hon. Greg Pearce should be allowed to ask his questions and highlight Jeff McCloy's work.

The Hon. GREG PEARCE: Will you take us through the first sentence and then the next paragraph?

Mr CHRYSTAL: The NURS was released for public comment in December 2012 with submissions open until April 2013 extended following community requests. Council's submission, endorsed by the elected council on 9 April 2013 is attached for your information.

The Hon. GREG PEARCE: Endorsed by the elected council?

Mr CHRYSTAL: Although light rail had not been announced during much of the investigative phase with the NURS, light rail as a public transport solution aligns with the NURS objectives to improve public transport provision and better connect the city to the waterfront by removing the heavy rail corridor and barrier it creates.

The Hon. GREG PEARCE: The next paragraph? I am sorry to ask you to read these but I just want the record clear.

Mr CHRYSTAL: Within the State Government, Urban Growth NSW has been given the role to co-ordinate delivery of the heavy rail truncation, the new Wickham Interchange, the light rail project and public domain improvements.

The Hon. GREG PEARCE: Will you read the second last paragraph on the bottom of the page?

Mr CHRYSTAL: The State Government announced the termination of the line at Wickham, a new Wickham Interchange and a light rail system for the Newcastle City Centre in 2013. Consultation on proposed routes for the light rail system was undertaken in early 2014. Council lodged a submission on its preferred route. A copy of the submission is attached in attachment D. Council's submission supports a hybrid route.

The Hon. GREG PEARCE: The Chair has asked you about that. An earlier witness said that in the past there has been little opportunity for Newcastle to have this sort of renewal because there has been no money. I refer to the first page of your submission, point 2. Will you read the first sentence?

Mr CHRYSTAL: The lease of the Port of Newcastle has made it possible for the State to make a commitment to spend \$340 million on the Newcastle Urban Renewal and transport program, being only part of the total net lease proceeds of \$1.5 billion.

The Hon. GREG PEARCE: Is that in addition to the \$120 million identified in the 2012 Hunter Investment and Infrastructure Fund. We have a long period of consultation, various decisions being made, plenty of opportunity, council making various decisions, and this Government delivering on the port transaction which has provided the money now to proceed with these projects.

Mr DAVID SHOEBRIDGE: Is that a question?

The Hon. GREG DONNELLY: A bit of editing.

Mr DAVID SHOEBRIDGE: You had a rising inflection on the last part.

CHAIR: If you are making a submission or asking questions?

The Hon. GREG DONNELLY: No, that is a submission.

The Hon. CATHERINE CUSACK: He is clarifying a lot of smear that has been going on at the table.

CHAIR: Any other questions from Government members?

The Hon. CATHERINE CUSACK: No, I just want to apologise for what the witnesses have been subjected to.

CHAIR: The Hon. Catherine Cusack does not need to do that. I refer to attachment 3, to which the Hon. Greg Pearce referred and the strong statement about council's opposition to any idea of running a light rail system on the existing corridor. The Committee has heard argument that developers may wish to get their hands on the land where the heavy rail is located. If light rail is shifted away then that land will be available for redevelopment. It is also land that has had no mining underneath it which means it is an option for high rise up to 20 storey buildings. Is that why council is adamant it does not want the light rail system to run along the existing corridor? It allows the existing corridor available for redevelopment.

Mr CHRYSTAL: I am unaware of any conversations that have occurred in relation to what is proposed in terms of development within the corridor. It is a conversation that is still out there. The council itself has not debated, and neither have I.

CHAIR: What do you believe will be built on that land where the heavy rail is located?

Mr CHRYSTAL: I was looking at attachment 3 which is just a repeat of the resolution. I am not sure which document you are referring to.

CHAIR: Submission No. 244, page 2, attachment 4, Route Selection.

Mr CHRYSTAL: Sorry, I was looking at attachment 3. The question relates to the route selection. That is the submission that council has made. Council's key goal for the city centre is revitalisation through attracting people to live, recreate, work and invest in our city. Council's view is hence the option to run a Light

CORRECTED

Rail system on the existing corridor does not deliver on the council's revitalisation goals for Newcastle and perpetuates the existing barrier to the waterfront.

The Hon. GREG PEARCE: Council made this submission to the working group which is obviously working through the long process that naturally these sort of large projects go through. Council's view at the moment may be informed by further studies and by a lot of details and by the public and their views as the process goes on?

Mr CHRYSTAL: I might offer that any development that would need to occur in that corridor would be subject to a planning proposal as the zoning does not permit at this point. So there would be a public consultation process applied by the legislation.

CHAIR: If any redevelopment did go on the existing corridor it will, in fact, create a barrier to the waterfront? That is the argument why you want to close down the heavy rail. If you build on it then there will be a barrier to the waterfront.

Mr CHRYSTAL: Yes.

Mr DAVID SHOEBRIDGE: A bit like that extraordinary existing barrier that is there with the Honeysuckle development. Do you realise that is the incoherence in the proposal?

Mr CHRYSTAL: Yes.

Mr DAVID SHOEBRIDGE: That you build the barrier after you so-called remove the barrier. Do you realise that is the incoherence?

Mr CHRYSTAL: I understand that.

Mr DAVID SHOEBRIDGE: What is council's view on that?

Mr CHRYSTAL: The matter has not been debated by council. I am not at liberty to offer—

Mr DAVID SHOEBRIDGE: But you made a submission supporting—

The Hon. LYNDA VOLTZ: Can I just ask a difference question? Was the Design Newcastle meeting on 26 July run by Newcastle City Council?

Ms GAYNOR: No.

The Hon. LYNDA VOLTZ: Who ran that meeting?

Ms GAYNOR: UrbanGrowth.

Mr DAVID SHOEBRIDGE: I do feel sorry for you both having to come here as directors and strategic planning services when I think the general manager should be fronting the Committee. When will the general manager come back from leave?

Mr CHRYSTAL: I would have to confirm. He is away overseas for at least three weeks, as I understand it.

Mr DAVID SHOEBRIDGE: Could you provide the Committee with the date the general manager is back from leave and when he is available to appear before the Committee?

The Hon. GREG PEARCE: He is actually on leave overseas?

Mr CHRYSTAL: Yes.

The Hon. LYNDA VOLTZ: Stockton is not overseas. It does not count.

CORRECTED

CHAIR: The Committee can submit questions to the general manager to answer even though he is not here if the Committees want to clarify the submission at any time.

(The witnesses withdrew)

CORRECTED

ELIZABETH JANE LAMBERT, Senior Town Planner, Development Assessment and Compliance, Lake Macquarie City Council, sworn and examined, and

WESLEY HAIN, Principal Strategic Land Use Planner, Lake Macquarie City Council, affirmed and examined, and

JOHN ANDREWS, Chief Development Planner, Development Assessment and Compliance, Lake Macquarie City Council, affirmed and examined:

CHAIR: I welcome representatives from Lake Macquarie City Council. Thank you very much for your attendance. We will proceed first with questions from Opposition members.

The Hon. LYNDA VOLTZ: Thank you for attending. One of the issues within Lake Macquarie City Council that I have been concerned about is the sale of land owned by the Roads and Maritime Services that is zoned conservation and abuts the Fernleigh Track. I know that is not land that Lake Macquarie City Council has on its books but in the House in answers to questions without notice the Minister for Roads and Freight has said that the matter of zoning for those lands is a matter for council. Could you just take us through the process of zoning and why the Minister for Roads and Freight thinks you can rezone land owned by the Roads and Maritime Services?

Mr HAIN: Council has authority under the Environmental Planning and Assessment Act to rezone land within its local government area. The process by which land can be rezoned is outlined in the Environmental Planning and Assessment Act. Typically it begins with a report to the council to initiate the process and then a decision by the Department of Planning to confirm, from the State Government point of view, they are happy for the rezoning to continue. It then goes through a process of environmental investigation and consultation with State government agencies and the public.

The Hon. LYNDA VOLTZ: So you can rezone their land outside of a request from government to rezone it?

Mr HAIN: Correct.

The Hon. LYNDA VOLTZ: So if there was State government land owned within the Newcastle City Government, Newcastle City Council could rezone that land for alternative uses?

Mr HAIN: Correct.

The Hon. LYNDA VOLTZ: And it would not constitute a compulsory acquisition?

Mr HAIN: Not necessarily.

The Hon. LYNDA VOLTZ: Not necessarily?

Mr HAIN: I am unsure of the terms of the compulsory acquisition Act.

The Hon. LYNDA VOLTZ: So you can change land use without the permission of the owner if it is owned by the State Government?

Mr HAIN: Correct.

The Hon. LYNDA VOLTZ: In regards to land that is owned by the State Government that abuts the Fernleigh Track that is currently zoned conservation 7 (2), you would be able to rezone that open space without a request from Roads and Maritime Services?

Mr HAIN: We can, however we typically rely on a request from the landowner to begin a process.

The Hon. LYNDA VOLTZ: You would be unlikely to do it without a request?

Mr HAIN: Yes.

CORRECTED

The Hon. LYNDA VOLTZ: There are other lands that are zoned 7 (2) conservation, which of course is not the highest conservation but it abuts an important area of conservation and sometimes separates residential from conservation land so it is important in terms of those areas such as the Fernleigh Track. However, some of those lands are currently in private hands, as opposed to being Roads and Maritime Services land, are zoned 7 (2) and abut the Fernleigh Track, is that right?

Mr HAIN: Correct.

The Hon. LYNDA VOLTZ: Has your council received any request from residents owning those lands to have them rezoned towards residential development?

Mr HAIN: Not recently. During the amendment process of amendment No. 53 to council's local environmental plan 2004 there was a submission received from landowners to have their land changed from a 7 (2) zone to a residential zone.

The Hon. LYNDA VOLTZ: Some pieces of land were put on the market by Roads and Maritime Services that were withdrawn. Does the council have any information on why some pieces of land were withdrawn but other pieces were not withdrawn?

Mr HAIN: No.

The Hon. LYNDA VOLTZ: No information whatsoever?

Mr HAIN: No, absolutely not.

The Hon. LYNDA VOLTZ: Have you had any approaches from the local community in regards to those lands?

Mr HAIN: Not that I am aware of.

The Hon. LYNDA VOLTZ: I understand that a development application has been submitted with respect to the site at Whitebridge shops that has been sold by the Government?

Ms LAMBERT: That is correct.

The Hon. LYNDA VOLTZ: You possibly do not have the details here but could you take on notice the development application and provide it to the Committee as well as the number of residences and commercial properties and the floor space ratio being used on that site?

Ms LAMBERT: Yes, sure.

The Hon. LYNDA VOLTZ: Are you aware off the top of your head whether that site has any conservation zoning on it?

Ms LAMBERT: There is a conservation zoning, so part of the land is zoned 7 (2).

The Hon. LYNDA VOLTZ: That is zoned 7 (2)?

Ms LAMBERT: Yes.

The Hon. LYNDA VOLTZ: So the Government has taken some blocks that are zoned residential, and certainly if you have residential land that is excess for a State Government people realistically do not have any objection to that being sold but they have attached conservation-zoned land to those residential sales, is that correct? Is that what is happening along Lonus Avenue at No. 14? Those pieces of land were small residential blocks with large conservation blocks attached to them?

Ms LAMBERT: I am not aware of what is happening at 14 Lonus Avenue. However, the development application DA 1774/2013 relates to some land at 144-146 Dudley Road and 2-4 Kopa Street. That land there

CORRECTED

does have three zonings over it—so a 3 (1) commercial core and a 2 (2) residential and a 7 (2) conservation zone.

The Hon. LYNDA VOLTZ: That piece of land is probably very important because that piece of land is actually at the access to the track where it narrows the most. It is probably the piece of land that abuts the entry to the Fernleigh Track the most?

Ms LAMBERT: That is correct.

The Hon. LYNDA VOLTZ: Does council have a view on how to resolve that access issue to the Fernleigh Track without narrowing it too much in terms of the development application? Does the development application deal with access to the track at that point?

Ms LAMBERT: Council has actually raised concerns regarding that part of the development application.

Mr DAVID SHOEBRIDGE: I ask you about the amendment to the local environmental plan that changed the rezoning for the site. When was the proposal put to the Department of Planning and the Minister by the council?

Mr HAIN: The process for which the rezoning progresses was on two occasions.

Mr DAVID SHOEBRIDGE: The gateway and then the final approval?

Mr HAIN: Correct.

Mr DAVID SHOEBRIDGE: When was the gateway approval, if I could call it that, obtained?

Mr HAIN: On 1 December 2008 council resolved to rezone the corridor and then there was a letter shortly after to the Department of Planning advising of council's resolution. Then on 18 April 2011 there was a gateway determination issued.

Mr DAVID SHOEBRIDGE: And then you went back out for community consultation after the gateway?

Mr HAIN: No. The gateway, I understand, specified that community consultation was not necessary as it had already been undertaken.

Mr DAVID SHOEBRIDGE: As to the properties that had been notified in the consultation about the proposed amendment, how did council determine which properties were to be notified and which were not?

Mr HAIN: Our standard practice is to notify the affected landowners and directly adjoining landowners.

Mr DAVID SHOEBRIDGE: And how did you determine who was affected in this case?

Mr HAIN: Those landowners—

Mr DAVID SHOEBRIDGE: That are adjoining?

Mr HAIN: —that apply to the land that was being rezoned.

Mr DAVID SHOEBRIDGE: So you really only notified those landowners that were actually directly adjoining the properties, is that correct?

Mr HAIN: Correct.

Mr DAVID SHOEBRIDGE: Do you not believe that this was going to have quite a significant change on the locality; therefore it would have been prudent to do a much broader notification process than what you did?

Mr HAIN: In retrospect perhaps. There was information in one of the council reports which outlined staff's thought at the time of giving landowners adjoining the corridor certainly that it was not going to be used as a proposed bypass.

Mr ANDREWS: If I can just say on that matter also, council also has a very clear policy in any circumstance where residents ask for an extension to notification periods. We quite often do that.

Mr DAVID SHOEBRIDGE: But if they had not been told about it they would not be able to ask about it. And that is the key problem, is it not, Mr Andrews? You cannot ask for an extension if you have not been notified about the fact that a proposal is going through in the first place?

Mr ANDREWS: That is assuming you do not know about it.

Mr DAVID SHOEBRIDGE: If you have not been notified by the council you would not know about it?

Mr ANDREWS: Not necessarily. Residents do speak to each other about proposals.

Mr DAVID SHOEBRIDGE: But that could not possibly be what you rely upon for notification—

Mr ANDREWS: No, no.

Mr DAVID SHOEBRIDGE: —for something as significant as this?

Mr ANDREWS: No, that is correct.

Mr DAVID SHOEBRIDGE: Who made the call about the narrow notification?

Mr HAIN: It would have been a staff decision at the time.

Mr DAVID SHOEBRIDGE: Could you provide us on notice with the rationale, if you can, about that narrow notification because it is the subject of quite strident criticism that I have received from the local community?

Mr HAIN: Yes.

Mr DAVID SHOEBRIDGE: In terms of the proposed amended LEP when it went to council, I have here there was a net community benefit that council provided an assessment to the Department of Planning, is that right?

Mr HAIN: The net community benefit was part of the planning proposal that was prepared for the rezoning.

Mr DAVID SHOEBRIDGE: There is a DA on the site at the moment. Can you tell me how many dwellings are proposed for the DA at the moment?

Ms LAMBERT: There are 91 dwellings.

Mr DAVID SHOEBRIDGE: If I read an extract from your net community benefit statement that you put in the LEP to the Department of Planning, it states: "Will the LEP be compatible with agreed State and regional strategic direction" et cetera and the answer is "Yes. The LEP will facilitate a small amount of infill development, approximately 50 dwellings and this is considered consistent with working towards achieving the Lower Hunter Regional Strategy 2006 targets for the region." How do we go from an LEP that is proposing approximately 50 dwellings to a DA that now has 91 dwellings? I do not understand it.

Mr HAIN: If I might just add, later on down the page the approximation of the number of dwellings is provided again. The methodology that was used quotes 12 dwellings per hectare figure—that is provided in the Lower Hunter Regional Strategy. That was certainly the basis of providing that advice in the planning proposal.

CORRECTED

Mr DAVID SHOEBRIDGE: It was dead wrong, was it not? You are nodding your head.

Mr HAIN: That was the figure that we used as quoted in the Lower Hunter Regional Strategy at that time.

Mr DAVID SHOEBRIDGE: Did you get the submission from the landowner—was it Mr Grugeon? Who was the landowner at the time?

Mr HAIN: The Roads and Traffic Authority.

Mr DAVID SHOEBRIDGE: Did they give you a submission about the 12 dwellings per hectare?

Mr HAIN: Not about that figure, no.

Mr DAVID SHOEBRIDGE: Did you think to test it and work out in reality what the impact would be on the local community, rather than just relying upon something in the strategy document? I mean you are the experts. Did you test it?

Mr HAIN: That figure, as I said, was provided. We needed to have a basis for providing those figures and the number provided in the Lower Hunter Regional Strategy was used in that instance.

Mr DAVID SHOEBRIDGE: It is sold on the basis that there will be 50 dwellings on it, on the basis of whatever assessment you have done, yet the developer then buys it and can miraculously put 91 buildings on it. That has got to be a bloody good deal for a developer, does it not? Do you not think it creates a probity issue as to how on earth it can be sold with a zoning that seems to so underestimate its development yield? The people of New South Wales look like they have been cheated.

Mr HAIN: The justification for the rezoning of the whole corridor was outlined in an environmental review that was undertaken, as well as taking direction from council's Lifestyle 2020 Strategy and also the Lower Hunter Regional Strategy, which talks about making use of land and infill permanent locations.

Mr DAVID SHOEBRIDGE: But the Lower Hunter Regional Strategy was not going to be the determining instrument here, the changes in the LEP were going to have the effect and it was your obligation as a statutory authority to properly analyse those so that the real impact of the proposal on the LEP could be considered by the neighbours and considered by the State Government that was selling it. You mucked it up, did you not? Mr Haines?

Mr HAIN: I did not write the document. As I said before, that is the figure that was used at the time when it was written.

Mr DAVID SHOEBRIDGE: Could you perhaps provide on notice a consideration of how it was you came to the figure and what information you relied upon to come to the figure? And, if possible, could you compare that with the current development application?

Mr HAIN: Yes.

CHAIR: Did the Minister for Roads' decision to not proceed with the Belmont and east Charlestown bypass have any impact on the council? Did the council just accept that or did they hold an opposing view that there was some value in having that bypass?

Mr HAIN: The view of the council is documented in the council report of 1 December 2008, which was included as part of the submission to the Committee.

CHAIR: Could you summarise the council's response to that?

Mr HAIN: That the council prepare a draft amendment to the Lake Macquarie Local Environmental Plan, notify the Department of Planning of council's decision, undertake environmental reviews in accordance with any specifications received from the director general of the Department of Planning, undertake consultation with government agencies and service authorities, and place the draft amendment on public exhibition.

CORRECTED

CHAIR: There is no indication there that the council had a view on the importance of having that bypass. Council just accepted the Government's decision but it probably had no choice.

Mr HAIN: There is discussion in the report about the Government's decision and the impact that may have on the local government area.

CHAIR: Was there any negative impact?

Mr HAIN: I cannot recall at the time if there was any commentary from the councillors.

CHAIR: Do you believe as a planner that it would have a negative impact?

The Hon. CATHERINE CUSACK: Was there a resolution?

Mr HAIN: Of the council to proceed with the amendment?

The Hon. GREG PEARCE: Yes.

Mr HAIN: Yes, there was.

The Hon. GREG PEARCE: And you recommended it?

Mr HAIN: That is right, yes. A staff member at the time recommended it.

CHAIR: So there was no disagreement with the council but you probably had no option other than to accept the State Government's decision.

Mr HAIN: That is correct.

CHAIR: I note in your submission you talk about rezoning the entire bypass corridor as part of a larger rezoning project and then you say, "Unfortunately delays with the Landcom project are impacting all landowners affected by the corridor and Landcom proposals are unlikely to be received in the short term." What impact were the delays with Landcom having on those landowners? Do you have recommendations as to what should be done to assist those landowners?

Mr HAIN: The decision to proceed with the amendment of the stages north of Dudley Road and south of Oakdale Road was a decision that council took to assist with the issues that some of the landowners were raising with the delays that we were experiencing in receiving an application from the RTA and UrbanGrowth or Landcom.

CHAIR: Some of those landowners were on the proposed original corridor?

Mr HAIN: Correct.

CHAIR: So they had been waiting assuming there was going to be a transport corridor and then there was not one. What impact has it had on them? Do they get any compensation or any other consideration?

Mr HAIN: The issue of compensation was never raised as far as I am concerned. They still had their land, it was never acquired. They had privately owned it. The RTA obviously did acquire certain parts of that corridor over time.

CHAIR: It would have prevented them from doing any redevelopment of their property while it was on the RTA list?

Mr HAIN: Yes, while it had the five infrastructure zone in the acquisition land for the RTA to acquire.

CHAIR: It probably has had an economic impact on them.

Mr HAIN: Yes.

CORRECTED

The Hon. CATHERINE CUSACK: A positive or negative impact?

CHAIR: A negative one.

The Hon. GREG PEARCE: No, positive.

Mr DAVID SHOEBRIDGE: The removal was probably positive but there had been a long restraint.

Mr HAIN: Correct.

CHAIR: I am talking about during the restraint period. So the council has not had any disagreement with the Government over that?

Mr HAIN: No.

CHAIR: It has not had any negative impact on the council?

Mr HAIN: Not of any kind that I am aware of.

CHAIR: But there may be some traffic congestion and other things in the future?

Mr HAIN: It was certainly identified in one of the council reports that the result of the Government choosing to remove the corridor could have traffic impacts upon the surrounding land.

CHAIR: The pattern in New South Wales seems to have been that many of the corridors were reserved, and then sold, and then we built some of the longest tunnels in the world under the land where the corridor was.

The Hon. GREG PEARCE: On 1 December 2008 council resolved to rezone the corridor. I gather it was in September 2006 that the then Labor Government decided not to proceed with the bypass?

Mr HAIN: Yes.

The Hon. GREG PEARCE: In that intervening two years who made the decision to consider rezoning? You got to a process where you made a decision, who initiated that process?

Mr HAIN: The correspondence from the Roads and Traffic Authority initiated consideration.

The Hon. GREG PEARCE: So the RTA initiated it?

Mr HAIN: Correct.

The Hon. CATHERINE CUSACK: What was the date of that?

Mr HAIN: 20 September 2006.

The Hon. GREG PEARCE: Was there any contact or submission or any other proposition from any developer or any other third party in that period that requested or in any way influenced the council to proceed with the rezoning?

Mr HAIN: There was—I will again check the council report—a notice of motion provided by one of the councillors at the time to expedite council's consideration of the rezoning of the corridor due to the Hon. Jill Hall, MP, member for Shortland, making representations on behalf of landowners at 42 Lonus Avenue, Whitebridge.

The Hon. GREG PEARCE: Is there anything in your review of the file that is unusual in the processing of the application and the rezoning after that, through until its resubmission in 2010 or 2011?

Mr HAIN: No.

The Hon. GREG PEARCE: Is there any contact with any developer or third party or anyone else in that period seeking to influence how the council officers dealt with the application?

Mr HAIN: None that I am aware of.

The Hon. GREG PEARCE: But you have reviewed the file?

Mr HAIN: Correct.

The Hon. GREG PEARCE: So you would be aware if there is anything in the file?

Mr HAIN: There is nothing on file.

CHAIR: Has the council had any concerns regarding the Whitebridge development?

Ms LAMBERT: Council has raised concern about the Whitebridge development. We issued a letter on 3 November to the applicant requesting additional information on the development proposal. That letter was in response to amended plans received from the applicant.

CHAIR: What is the council concerned about?

Ms LAMBERT: Council is concerned about the location of stormwater facilities within the 7 (2) zoned land and there are some other issues—

The Hon. GREG PEARCE: The normal course of argy-bagging over the detail of the plans—

CHAIR: No, please allow the witness to answer the question.

Ms LAMBERT: The Mine Subsidence Board has not issued its general terms of approval. There are issues, like I said, regarding stormwater management, trees and native vegetation, road design internal to the development, car parking areas, erosion and sediment control, impact on heritage, acoustic issues, landscaping, waste and recycling and some considerations regarding NSW Rural Fire Service requirements.

CHAIR: How many dwellings are in the Whitebridge development?

Ms LAMBERT: There are 91 dwellings over the whole of the land, there is 69 within the land zoned 2 (2) and 22 on the land zoned 3 (1).

CHAIR: Does the council see that as over development?

Ms LAMBERT: As far as council's present LEP—the LEP under which this application is being assessed and determined—Lake Macquarie LEP 2004, it is within the realm of what is considered medium density development.

Mr DAVID SHOEBRIDGE: So how on earth did you get the estimate so horribly wrong when you put the LEP up?

Ms LAMBERT: I did not write the LEP.

Mr DAVID SHOEBRIDGE: Why were you not looking at the development renewal for the LEP that you were proposing as opposed to some unenforceable lower Hunter strategy? Can you explain that?

Mr HAIN: The consideration in a rezoning is determining the most appropriate land-use zone. It is very difficult, if not impossible, to pin down exactly what type of development would occur on that land at the time the land is being rezoned.

Mr DAVID SHOEBRIDGE: This is New South Wales, it would foolhardy not to look at what the maximum yield could possibly be on land you are going to hand over to a developer. Why did you not look at the maximum yield under the LEP and get an accurate assessment?

CORRECTED

Mr HAIN: Council's local environmental plan 2004 does not have any density provisions or yield provisions contained in it.

Mr DAVID SHOEBRIDGE: But it is your LEP. You must know what kind of development density could be available under your own LEP. The developer has obviously worked it out because they have put 91 units on it, so why couldn't you? You are the council, it's your LEP? Can you explain how the developer knows more about your LEP than you?

Mr HAIN: The developer knows more about the land that they have acquired and what they can achieve. Like I said before, the consideration of an LEP amendment is to determine the most appropriate land-use zone, whether that be a conservation zone, open space zone or residential zone.

Mr DAVID SHOEBRIDGE: When you were looking at the most appropriate zone why did you not seek to protect the important environmental corridor between the Glenrock State Conservation Area, Awabakal Nature Reserve and Belmont Wetlands State Park, which has been severed by the rezoning and the proposed redevelopment? If you were considering the most appropriate use, why did you not protect that corridor?

Mr HAIN: During the determination of the most appropriate land-use zones there was a whole range of factors that were considered, those being the need for providing accommodation for a growing population, council's strategic direction: Lifestyle 2020 Strategy, as well as taking advice from our environmental staff and experts in-house and with a whole range of other staff members.

Mr DAVID SHOEBRIDGE: Could you provide the Committee on notice with what advice your environmental experts provided.

Mr HAIN: Absolutely.

(The witnesses withdrew)

(Luncheon adjournment)

CORRECTED

DANIELA HEIL, Treasurer, Newcastle Inner City Residents Alliance, affirmed and examined:

GEOFF EVANS, President, Newcastle Inner City Residents Alliance, and

BRIAN LADD, Newcastle Inner City Residents Alliance, sworn and examined:

CHAIR: Does a representative want to make a brief opening statement?

Dr EVANS: First of all, thank you for the opportunity to speak. The fact that this inquiry is happening is an important indication of people power and that some important democratic processes are still in place in this State, which is important given the recent allegations and airings of corruptions that have occurred. Newcastle Inner City Residents Alliance [NICRA] was formed in February this year when we heard about the high-rise towers that were proposed for inner-city Newcastle. We are supportive of development but we think it should be appropriate development and particularly in accord with the sort of principles that are in the Planning for People principles developed by the Better Planning Network, the Nature Conservation Council of NSW and other groups.

We are particularly concerned about the lack of transparency, the lack of evidence and the farcical so-called community consultation that has occurred around these high-rise developments and the changes to the planning controls that have been put in place to enable three high-rise towers to be built in the centre of the heritage area of Newcastle. Our members come from all over the Hunter; they are not all just inner-city residents. Most of our members—and there are nearly 500 of them—and many other supporters live all across Newcastle, Lake Macquarie and in the lower Hunter.

We are particularly disturbed that the Premier, Mike Baird, came to Newcastle after all the revelations at ICAC and claimed that he was very sorry about what happened and would make amends and that he would be available to meet with the community. He even said, and I will table this article from the *Newcastle Herald*, that he would go door to door, community group to community group to talk to people about our concerns about development in Newcastle. We feel that in this city a small cabal of developers and inside lobbyists have captured the development and planning processes and have shut out the community. So we welcomed the Premier's statement. We sought a meeting with the Premier. He did not meet with us but he referred us to Pru Goward. We had a meeting with her. We thought she was genuinely interested. We wanted to meet with the Premier but we were happy meeting with Pru Goward—we thought that was a good opportunity initially—but we were shocked that within a week of that meeting she, or her department, had approved the last piece of the planning control changes, that is, the development control plans for the enabling of three high-rise towers to be built.

We felt even though we had this meeting it was another example of a tokenistic consultation and that the views of the community were completely ignored by Government and decision-makers. It is obvious in all the submissions that have been made in response to the Newcastle Urban Renewal Strategy, including the truncation of the rail but also the proposals to build high-rise towers, that the overwhelming majority in this city do not want those things to occur, that the consultation process has simply ignored the overwhelming views of the majority of people in this city and that decisions are being made behind closed doors by insider networks with a lack of evidence and a lack of transparency about any documents that are being used to inform decisions by both the Department of Planning and the Newcastle City Council to deliver what is essentially a perverse subsidy to a failed investment by GPT in collaboration with UrbanGrowth.

We feel that the Minister, Pru Goward, has a clear conflict of interest as both the Minister responsible for the Department of Planning and Environment and the Minister responsible for UrbanGrowth. She is the regulator, developer and approver and this is a clear demonstration of the inadequacy of the decision-making processes that are occurring in this State. The Premier had said he would be willing to meet with the community. The next thing we know, on 4 December he is meeting with a bunch of people under the auspices of the Hunter Business Chamber. It costs \$150 to turn up or \$1,450 to book a table of 10. We do not have \$150 each to meet with the Premier. But this is a clear indication of the perversity of the so-called consultation and transparency that is occurring in development in this city.

As I said, insiders having privileged access pay to get access to the Premier and, in fact, the Premier on this occasion seems to be even playing a fundraising role for the Hunter Business Chamber. This is not the sort of decision-making processes that we think should be occurring in this part of the world and we hope that the

committee will take a strong stand and say the decision-making process has been a corruption of proper process. The decisions that have been made with respect to development in Newcastle, including the high-rise towers and the changes to the planning controls, and all the other decisions, including the truncation of the railway, need to be revoked and proper consultation and proper processes need to occur. Thank you.

CHAIR: We will move on to Opposition questions.

The Hon. LYNDIA VOLTZ: I have asked this question of a number of people who have already appeared. Do you know what the annual development of residential and CBD residential apartments is and what it is projected to be?

Dr EVANS: Again, this is one of those issues where there is a lack of public information. This is the sort of information that if the Department of Planning would put out and we could find it, or the council could put out and we could find it, it would be very helpful. But my understanding is that it is obvious that there is a steady growth in human-scale residential accommodation being built now, as we speak, in the inner-city part of Newcastle in mostly shop-top development and some new developments on the periphery of the heritage part of Newcastle. There is certainly no justification for three high-rise towers.

The Hon. LYNDIA VOLTZ: Even without the truncation of the rail line, there is already significant development going on?

Dr EVANS: Absolutely. There is, I think, more than enough development to meet the current needs. The other point that we assert is that if there is to be high-rise development anywhere it should be in the western part of the city, which was the area identified in the 2012 Newcastle Urban Renewal Strategy as the area that would be most appropriate for high-rise and which most needs incentives.

The Hon. LYNDIA VOLTZ: Similar to what has happened in Barangaroo where the headland is being protected as public open space and the development is more back towards the centre of the city in the City of Sydney?

Dr EVANS: That is the sort of development that should be occurring here. This area here is going off as far as it will re-energise the urban environment. It is Newcastle's equivalent of The Rocks; it is becoming a lively place for people 24 hours of the day and we are starting to see a strong night-time economy as well as a dynamic day-time economy and a whole range of investment of artisans, coffee shops, fashion shops, art galleries occurring in this part as well as shop-top development. If you were to walk down the mall now you would see quite a lot of shop-top development for residential occurring in this area.

The Hon. LYNDIA VOLTZ: It has been one of the success stories of the council with their revitalisations of Newcastle and having the shops leased out so they are not empty.

Dr EVANS: Absolutely. A key point to make is that this re-energising occurred prior to Jeff McCloy becoming Lord Mayor. It was happening. The big developments in Newcastle such as the law courts, the legal precinct, the university moving into Newcastle's CBD and all these shop-tops and other developments we see around here were driven by the previous council, not the McCloy-led council.

The Hon. LYNDIA VOLTZ: Would you be as opposed to the truncation of the rail line if the money that was being invested went to, for example, building a light rail line that linked the beaches, the John Hunter Hospital and the university precinct or is it really about the truncation of the line and building a light rail that replaces what you have already?

Dr EVANS: Newcastle Inner City Residents Alliance does not actually have a position on the rail line. The overwhelming majority of our members and supporters would oppose the rail line being cut. In fact, immediately after this meeting I am jumping on a train to go to Sydney. Luckily, I only need to walk a couple of hundred metres to get there.

Mr DAVID SHOEBRIDGE: You are going down with Catherine and Greg?

Dr EVANS: Yes.

The Hon. GREG DONNELLY: It might be an interesting conversation on the way back to Sydney.

Dr EVANS: I would welcome light rail, especially if it could connect the inner city with places like Charlestown, the university and the hospital.

The Hon. LYNDA VOLTZ: I have had questions put to me about the investment—what is in it for the people of Wallsend or the people of Lambton in terms of the way the money is being invested in terms of replacing an existing transport infrastructure for another one. So a lot of this discussion is going around the inner city, but the railway line does affect the greater part of Newcastle. Do your members have a view on that?

Mr LADD: I think most people are of the view to follow what is happening in cities around the world, they see that rail lines right into the middle of the city are the most progressive form of public transport. It seems a no-brainer to leave a good form of infrastructure there and add to it, not rip it up and replace it with something that may not provide the same service that is there.

Dr EVANS: One of the points that are made by governments is that there has been a lack of investment in Newcastle. Why spend money ripping up a railway line, duplicating it with a light rail just a couple of metres to the opposite side when that money could be used for proper development—hospitals, schools, infrastructure for the western areas of Newcastle and services for young people, for disabled people and all those other services that Newcastle has been denied? The opportunity is there but this Government seems determined to waste half a billion dollars.

The Hon. GREG DONNELLY: Thank you for coming today and allowing us to ask you some questions regarding the inquiry into the development of Newcastle. Could I take you to your submission? I have a couple of questions specifically on some matters in your submission. I take you to page 6. There is a very large paragraph that starts alongside "Concerns". The next paragraph down: "It is particularly concerning that the development application does not include a social impact assessment even though the applicant's knowledge" et cetera. Could you elucidate on that particular matter and inform committee members what you understand has happened in regard to the whole position of an assessment of the social impact of the proposal for development in the way it has been explained to the community?

Dr EVANS: To be frank, there is a complete lack of evidence for publication documentation identifying a business case, social impact assessments and alternative options for any of the major developments in inner-city Newcastle, including justification for high-rise towers or changing the planning controls. In my opinion, these decisions are not evidence based; they are based on insider networks making deals—where there are not even minutes taken for meetings held where fundamental policy proposals are being put forward. This lack of a social impact assessment is just one of the areas where there has been a lack of documentation and transparency.

The Hon. GREG DONNELLY: Is it your submission that there is nothing out there at all which can be seen to be anything like what could be considered a social impact assessment on the project which is being looked at?

Dr EVANS: I have not seen it. The department of planning has not made these documents available or notified people, and nor has the council. I live in inner-city Newcastle and I have not been contacted to be told that these documents are there. So as far as I know they do not exist.

The Hon. GREG DONNELLY: And they are not in the public domain?

Dr EVANS: No, they are certainly not in the public domain. And what documentation has been put in the public domain, such as the amendments to the Newcastle Urban Renewal Strategy 2014, have been misleading. They have not identified the changes that were made in the documents. The video showing the flyover of the development area did not even show the high rise. It was a misleading document. Whether that was down to deception or to incompetence, the changes were buried inside the guide to the document.

The document did not indicate the changes. You needed to wade through a couple of hundred pages of documents to find the changes that were made between the 2012 and 2014 versions of the Newcastle Urban Renewal Strategy. So it is misleading. The average person, like myself, does not have the time to do this. If changes are made to key documents, you would think that they would be highlighted, that the community would be alerted to them and that the community would have more than 16 days to comment on them.

CORRECTED

CHAIR: Just to clarify, in your submission, and the Hon. Greg Donnelly just asked you about that section on page 6, it says:

It is particularly concerning that the development application does not include a Social Impact Assessment ...

Is that specifically referring to the high-rise buildings being increased, with the provision for up to 20 storeys? Is that the development application you are referring to?

Dr EVANS: Yes, that is right. And the social impacts of that would be very serious. In fact it would be killing the golden goose that is the revitalisation of inner-city heritage Newcastle that is occurring now.

Mr DAVID SHOEBRIDGE: Thank you all for coming. In your submission you make reference to the initial transaction that saw UrbanGrowth purchase part of the rezoned East End zone. Could you briefly describe that transaction as best you understand it?

Mr LADD: Maybe I could attempt to. It has been reported in the press that GPT sold two-thirds of its holding of this very large site, which it had assembled, to UrbanGrowth, the Government agency which was formerly known as Landcom. UrbanGrowth purchased it for what seems to be a ridiculously low amount of money. It has been reported that it was somewhere around \$20 million. We do not know if there was some obligation on the part of UrbanGrowth to GPT which would account for such a ridiculously low sale price.

Mr DAVID SHOEBRIDGE: One way of returning that value to GPT would be massively upzoning the remaining portion that GPT has so as they could get some of that discount back to them. Have you ever had an explanation given to you by UrbanGrowth about the rationale behind that transaction?

Mr LADD: Not at all. There is no public information about the contractual obligations. Again, it comes back to this whole lack of transparency. Major companies are determining the future of a very precious part of the city and yet we are not allowed to see the kind of documentation that supports it.

Mr DAVID SHOEBRIDGE: Some people have suggested that that transaction actually saved GPT when it was in dire financial straits. Has there been any information given to the community about that aspect of the transaction?

Mr LADD: There is something in the Government's own planning documents which were presented to the Committee which indicates that the Government was very keen to keep that site together. It would seem like they were very keen to subsidise or to support GPT to stay in the game. Why? We are not quite sure.

Mr DAVID SHOEBRIDGE: Earlier the Committee talked about a conflict of interest, and I cannot remember which of you was talking about the conflict of interest, where the Minister in charge of UrbanGrowth, which clearly has a substantial financial interest in a massive upzoning of the site that UrbanGrowth now owns, is also the Minister responsible for assessing the public interest of that upzoning. Is that the conflict of interest you were talking about?

Dr EVANS: That is certainly a conflict of interest. In fact our fear is that neither UrbanGrowth nor GPT will end up developing these sites; they may well onsell them at a massive profit to someone else who will build something very dodgy. Clearly the Minister cannot wear two hats.

Mr DAVID SHOEBRIDGE: Clearly the Minister can wear two hats. The question is whether or not the Minister should be wearing those two hats. Is that the question?

Dr EVANS: Yes, that is our concern. The evidence we have seen from departmental officials who we have met with and the Minister is that they do not have any clear or publicly available information that gives us any confidence that these issues can be done with without that conflict of interest influencing those decisions.

Mr DAVID SHOEBRIDGE: Have you ever been advised of any internal checks and balances, either in the Minister's office or within the department more broadly, that would satisfy you as the community about arrangements to avoid that inevitable conflict of interest between the landowner, wanting to maximise profit, and the consent authority, notionally balancing the public interest?

CORRECTED

Mr LADD: Not at all. I can give you an example. I attended a meeting with David Antcliff from UrbanGrowth in the Newcastle area. When I asked him what separates UrbanGrowth from the planning department and how can we have confidence in the planning process he said, "You can be assured that there are firewalls; we do not talk to colleagues in those other sections". I said, "Well, we are sitting at a table, and here is a man from the planning department sitting at your table; tell me how you are not talking".

Mr DAVID SHOEBRIDGE: So there was no firewall apparent at that point?

Mr LADD: I said, "Can you please explain to me what the firewall is?" He could not. There is none.

Dr EVANS: At the meeting we had with Minister Goward there was an official from the Department of Planning, Brendan O'Brien. We raised concerns about there being only 16 days for community consultation. His response was, "Oh, 16 days is plenty of time. The changes in the planning controls are not that complex". We think they are fundamentally changing the character of Newcastle. We think there needs to be way more than 16 days for community consultation. At that meeting we raised concerns about conflict of interest. Again there was no clarity provided at that meeting, or since, about how those others firewalls would be put in place, if they exist at all.

Mr DAVID SHOEBRIDGE: I might ask you some more questions on notice about the heritage aspects.

CHAIR: Thank you again for your attendance here today and your interest in the future of Newcastle. We appreciate it. In your submission on page 4 you summarise your concerns. One of those listed on that page at point (c) is:

The proximity of these planning decisions to the revelations at the recent ICAC Inquiry ...

You go on to say:

... including the role of the Newcastle City Council executive leadership are of concern. This includes the role of Newcastle Alliance ...

What is the Newcastle Alliance and why are you concerned about the Newcastle City Council executive leadership? Are you referring to the Lord Mayor?

Dr EVANS: We are concerned, as I said, that a small group of insider business lobbyists, represented by organisations like the Newcastle Alliance, seem to have undue influence on planning decisions in this city. We are concerned that the former Lord Mayor, Jeff McCloy, and his general manager of the council seem to be listening very closely to that group in the community, as is the Minister and the department. This is reflected in the fact that of all the submissions made in response to the 2012 Newcastle Urban Renewal Strategy the only two that seem to have been considered by the Department of Planning were the proposals for changing the planning controls put forward by UrbanGrowth and the university. So we think that the Newcastle Alliance represents property holder and business interests, not the wider community, and that they have undue influence.

CHAIR: You call them the developers lobby.

Dr EVANS: Yes, we do refer to them in those terms.

Mr DAVID SHOEBRIDGE: This is not just the lobby; it is the whole hotel.

Dr EVANS: I used to live in the Northern Territory, and the Territory was famous for having an insider group of people who ran it for 23 years. I think Newcastle city decision-making is very similar. There is, as I said, a group of people who have access. It is reflected in the dinner being held in early December which the Premier is attending. He is attending their dinner. We have asked many times for a meeting with him and we cannot get one.

CHAIR: Are you planning a residents' dinner?

Dr EVANS: I can tell you that it would not cost \$150 to attend.

CHAIR: I would be happy to attend it. You also say in your submission you have concerns about:

The role of the Department of Planning and Environment and state agencies in subsidising a private developer at the expense of the community.

Could you explain what you mean by that? You say "a private developer".

Dr EVANS: The private developer in this case is GPT. It is being supported by the public-private partnership with UrbanGrowth. Why is it just GPT? If UrbanGrowth really does want to stimulate development in Newcastle, why is it in bed, for want of a better term, with GPT in an area that does not need any stimulus? What about all the other people who want to aid development opportunities in the West End and other parts of the city, including other parts not in the central business district, like Wallsend, and other parts that need support? For some strange reason GPT, which I would like to draw to the attention of the Committee did make a donation to the Liberal Party of \$11,000—and although it did subsequently ask for the money back, it obviously had a close relationship with the Liberal Party at that time at least—has a special relationship with UrbanGrowth that seems to be denied to all other property developers in this city.

The Hon. GREG PEARCE: Is your specialty chemical engineering?

Dr EVANS: No, that is another Dr Geoff Evans at the university. I am a human geographer.

Mr DAVID SHOEBRIDGE: That is the danger of Google; one should always go for an image search,

The Hon. GREG PEARCE: I know. I just thought that if that Dr Geoff Evans was you then I was fascinated—

CHAIR: The Hon. Greg Pearce, you can drop all of those questions now. Let us move back to the witness who we have before us.

The Hon. GREG DONNELLY: It is the wrong Geoff, the Hon. Greg Pearce.

The Hon. GREG PEARCE: The Committee will like this. His research is focused on bubble formation and growth, bubble nucleation, bubble break up and coalescence.

The Hon. GREG DONNELLY: That is the wrong bloke though.

The Hon. GREG PEARCE: Dr Evans, you are an inner-city resident?

Dr EVANS: Yes.

The Hon. GREG PEARCE: What do you define as the "inner city"? Is it just the suburb of Newcastle or does it go out to Broadmeadow? I am just trying to understand.

Dr EVANS: It is kind of irrelevant. As I said, most people who are supporters of our campaign live outside of the 2300 postcode. You could argue that the 2300 postcode is a pretty good indicator of inner-city Newcastle. It is quite an extensive area, perhaps four kilometres in every direction from where we are.

The Hon. GREG PEARCE: How many of your members actually live in the 2300 postcode area? There are two in the room.

Dr EVANS: As I said, about 40 per cent, as I understand it, live in the 2300 postcode area. The other 60 per cent live elsewhere in Newcastle, Lake Macquarie and the lower Hunter area. I met a member today who lives in Hornsby. So there are many people who live all over Australia who have a strong interest in what is going on in Newcastle because this is such a great place.

CHAIR: Just so the transcript is not misleading, when the Hon. Greg Pearce just commented that there are only two, we never asked people to put their hands up.

The Hon. GREG PEARCE: Two people did put their hands up.

CHAIR: Yes, but they were not asked to.

CORRECTED

The Hon. GREG PEARCE: How many of the audience people live in the inner city? I do not live here.

Mr DAVID SHOEBRIDGE: A very healthy number of hands went up.

CHAIR: The majority.

The Hon. LYNDA VOLTZ: Point of order: It might actually assist the Committee if the member just directs his comments to the witnesses in front of us rather than to the public gallery. That would speed things along.

The Hon. GREG PEARCE: I noticed that the other two witnesses did not put their hands up as being inner-city residents.

Mr LADD: I will put my hand up now.

CHAIR: We did not ask them to put their hands up. That is the whole point. We will stick to the question.

The Hon. GREG PEARCE: You make extravagant claims about what the people of Newcastle believe, yet your membership of the inner city, on your count, is fewer than 200 people. It is a fair point.

Dr EVANS: We know that from polls—

The Hon. GREG PEARCE: From polls.

Dr EVANS: —in the *Newcastle Herald*, from submissions, from postcards that we have collected as submissions from the numbers of people who have turned up to rallies, meetings in the town hall. We have had several meetings in the town hall. I think we can safely say, you know yourself presumably as a politician, that the number of people who actively engage with politics is often an indication of much wider, perhaps hundreds of people who support us, but are not actively involved. The mobilisation of people is significant.

The Hon. GREG PEARCE: I am just trying to get a feel.

Dr EVANS: You can see the percentage of submissions to government so-called consultation processes that are critical of the proposals as an indicator of the level of feelings in this community.

The Hon. GREG PEARCE: The reason I am asking these questions is because we have already had evidence this morning about a survey that was conducted by the Hunter surveying people in 2009 for the previous Labor Government, and it found very significant support for what is now being put in place. That has been a long process. I am trying to understand why you are now claiming that that must have been incorrect or that there has been a change in views.

Mr DAVID SHOEBRIDGE: Point of order: I think the question is misleading because the East End development was never put to anybody in 2009. I am sure you are not intending to mislead the people.

The Hon. GREG PEARCE: No, I did not intend to mislead. We have also heard that council has been working through it with government departments and other agencies and Hunter business and all those sorts of people who you deride, processes of planning and expertise and so on. What sort of poly-expertise do you have that I can rely on ahead of the evidence that has been put by those who are professionals?

Mr LADD: Could I perhaps try to answer that?

The Hon. GREG PEARCE: I am not trying to be facetious. I want to understand how much weight I can give to your view.

Mr LADD: I understand that, and thank you. I draw your attention to the fact that 266 members of the public took the time to make a submission in 16 days. That was coming from a position of not knowing anything at all about high rise. Of those 266 submissions, more than 70 per cent were against the high rise. There were only two submissions which were in favour of this development and one other development, which was the

CORRECTED

Civic. They were the University of Newcastle and the other one was GPT-UrbanGrowth. Only two. The planning department chose not to recognise all those people who went to the trouble to follow their process. They ignored them. I hope that might answer your question.

Dr EVANS: I think you also have to recognise that we are volunteers. We are not paid. We are not a lobby group. We do this in our free time. If we had the money we would probably do a poll if we thought that was the most useful way to spend our money, but we do not have the money so we just have to rely on the letters to the editor as an indicator of support. Also, your point about the proposals, we do not even know what proposals you are talking about because it has been a shifting ball game.

CHAIR: From 2012 to 2014. We understand that.

Dr EVANS: The clear proposal for the high rise has been overwhelmingly rejected by people in Newcastle.

The Hon. GREG PEARCE: I appreciate the work you have done. I have done similar stuff myself. I am simply trying to weigh up what you are saying.

CHAIR: You quoted the *Newcastle Herald* and other papers did conduct polling as well that supports your position.

The Hon. GREG DONNELLY: I think the point made by Mr Pearce was that you made "extravagant claims" referring to your organisation. That was the phrase he used. Can you confirm that you do not believe you made extravagant claims as an organisation on behalf of the community in Newcastle?

Dr EVANS: No, I think we are very restrained actually in the claims that we are making. Unlike the proposals, we try to be evidence based.

CHAIR: The time has expired. Thank you for what you have provided to the Committee and the very good submission as well.

(The witnesses withdrew)

CORRECTED

MICHELLE BURDEKIN, member, Whitebridge Community Alliance, and

SEAN BROWN, member, Whitebridge Community Alliance, affirmed and examined:

CHAIR: Do either of you wish to make a statement?

Ms BURDEKIN: Yes. Just to give a quick background, the Whitebridge Committee Alliance formed in response to a development application that was slipping through the suburb and by word of mouth. It is a close community. Concerns were relayed from one person to the next, and suddenly there was a groundswell of irritation, to say the least, and people got together to formally oppose the development and to educate ourselves about the process. It has been over a year now since the first development application went in, which alerted us to some of the implications of some of the planning decisions that have been made. Events overtook us and ICAC occurred, and one of the developers for our site in Whitebridge, Mr Grugeon, was mentioned, as was our ex State member who was mentioned in connection with Mr Grugeon. That started us looking into other areas to do with the development and really starting to try to get across how what we saw as an incompatible development with the suburb and with what we understood was proposed when the rezoning of a particular site went ahead.

Basically, our concerns with the process involve three main prongs, all to do with a particular parcel of land at Whitebridge which was surplus Roads and Maritime Services land that was abandoned in about 2006 as an east Charlestown bypass. Time ticked on and the land came up for rezoning. At that point the New South Wales Department of Planning suggested that it did not require an environmental study of that parcel of land, which in hindsight we find quite peculiar, given that it is a significant corridor between the Glenrock State Conservation Area, the Awabakal Nature Reserve and the Belmont wetlands. It is the one point between those areas, apart from a tiny coastal fringe, that is linked by the land that runs along this development and it runs along Fernleigh Track.

We considered why a study was not required. The department basically fobbed it off onto council. Council did an environmental review, which basically lacked rigour to some degree. It accounted for a flora corridor but not a fauna corridor, which would have necessitated a wider strip of land as we now understand it. The land abuts other residential areas and also a small shopping zone. But at the time of rezoning, after the review was carried out, which forms the basis for all the decisions to rezone the land in the way it was, the council section that did that, the integrated planning section of council, which ran that review, made the recommendation that 50 dwellings on 4.5 hectares were what could be expected for that land to make it fit in with the criteria, et cetera, that it had looked at. So the justification for rezoning rested on 50 dwellings. I understand council may have spoken to that earlier today.

Since 2011, which is when this particular planning proposal was ratified with that number stated not once but at least twice, we now find that in 2013 Mr Grugeon and his company and associates have requested 90 dwellings on a 2.2 hectare site alone, effectively trebling the expected number, the number agreed upon by council when they went through the planning proposals and the number signed off by the Department of Planning. This is why we are concerned with how it got from the initial intention to what we currently have. Add to that the tendering process for this land, which was conducted off a short list, we understand. We are not entirely sure because the process has been quite hidden. It was conducted by Ray White Real Estate, which boasts that their real estate, if you go with one you are going with all of them, effectively. They were also the real estate agents who were then going to on-sell the properties for this development.

So we wonder if there is not some sort of conflict of interest as there is certainly the perception of a conflict of interest, potential leaking of commercial-in-confidence information, et cetera. We found that concerning. We also do not know what was tendered for. That has never been made public to us. Mr Grugeon himself has stated that the land would have been viable at half the number, which makes us wonder whether or not that was part of the tender agreement that the land was only suitable for 40 houses, not the 90 he is now proposing. I believe questions have been asked in Parliament about the cost of the land, which was about \$5 million, and whether that was an under-representation of the cost if it genuinely was the 90, not for 40.

CHAIR: We have to move on to questions. Thank you for that opening statement.

The Hon. LYNDA VOLTZ: I have a couple of questions. I asked the Minister why this piece of land was sold when other pieces of land, particularly on Lonus Avenue, had been withdrawn from sale. His comment

CORRECTED

on 10 September was, "I understand the community wanted it to go ahead." Can you explain why the Minister thought the community wanted the sale of that piece of land to go ahead?

Ms BURDEKIN: I suspect that was based on the number of submissions that were made at the time of rezoning. There were a limited number—I believe about seven. So I can imagine that might be the determination he is basing that on. Needless to say, the submissions opposed it on the grounds of retaining it for environmental purposes or because it was too dense in that particular spot even at the 40.

The Hon. LYNDA VOLTZ: So the community was happy for the Lonus Avenue pieces of land to be withdrawn from sale and they were okay with the land at—

Ms BURDEKIN: I do not think they were given the option at the time about the ones that were withdrawn, no, and there was quite a bit of—

The Hon. LYNDA VOLTZ: That was specifically my question to the Minister—

Ms BURDEKIN: What date was that again?

The Hon. LYNDA VOLTZ: That was 10 September.

Ms BURDEKIN: What year?

The Hon. LYNDA VOLTZ: This year.

Ms BURDEKIN: There have been a number of community meetings and thousands of people have signed a petition against the use of the land as it is proposed, and there have been 400 submissions to council the first time and about 200 on the amended DA for it and even the councillors voted against it.

The Hon. LYNDA VOLTZ: There were six sites. Five of them were withdrawn from sale and one of them still went ahead. When the Minister said that one went ahead because he understood the community wanted it to go ahead that was not the case?

Ms BURDEKIN: The ones that were withdrawn were withdrawn at around the same time that the tendering process was still being conducted. That is my understanding. It would have been September the year before, not this year.

The Hon. LYNDA VOLTZ: That is right. They were all withdrawn and even though the land had been out to expressions of interest they called—

Ms BURDEKIN: Yes, it had not finalised at that point.

The Hon. LYNDA VOLTZ: They had called for people to put in expressions of interest.

Ms BURDEKIN: The community understood at that point that it would be basically a minimal impact residential development. At the time that it was being tendered for we understood it would be a maximum of 40 dwellings.

CHAIR: The project changed in nature from what you understood.

Ms BURDEKIN: It certainly did.

Mr BROWN: I would add that the community did not know that it was possible for that sale to be stopped. We had found out that the other sites for sale had been stopped but we were not aware that it was also possible to stop the other one. We did not know where it was in the process at the time.

The Hon. LYNDA VOLTZ: Did you approach the local member at the time and ask?

Mr BROWN: No, we did not. The Whitebridge Community Alliance was not formed at that point in time. We were formed later on after the first development application [DA] went in for the development and we

CORRECTED

realised that what was proposed was not appropriate for the site or the community. As a group we were not around.

Ms BURDEKIN: But we are surprised that those people who did have knowledge of planning and the implications did not look further afield. One of the concerns we have is why someone who represented on stopping the sale on that particular site and retaining it as environmental were not questioning further down the line the implications for the next block that was up for sale or that was currently under tender. I suppose the local member for Charlestown was the one who helped to assist in stopping the sale of the other blocks.

The Hon. LYNDA VOLTZ: How does the sale of this land in particular impact on the Fernleigh Track?

Mr BROWN: By selling the land it is obviously going to be developed. The land runs along the edge of the Fernleigh Track so there is potential for the development to look down on the Fernleigh Track if it is not developed sympathetically to the area. Most people in Whitebridge are not opposed to development of the site; they just want something that is relatively low impact so that if you were to walk along the Fernleigh Track all of a sudden there is not a five-storey tower looking down upon you. That does not really meet with the natural environment of the area and what draws people to the area.

The Hon. LYNDA VOLTZ: How did the community come to the impression that there would be only 40 lots developed on that site rather than 91?

Mr BROWN: Initially when it was rezoned, as Ms Burdekin said earlier, they proposed amendment 53, I believe, to the Local Environmental Plan [LEP]. In that documentation it said that as a result of the rezoning there would be approximately 50 dwellings on 4.58 hectares. This site is only 2.2 of those hectares plus an additional couple of blocks of land that were added to it. We sort of estimated that roughly you might say there might be 30 to 40 dwellings as a result of that on that piece of the site because it was a slightly higher density than the rest of it. I think no-one opposed it because when you read the documentation we were told that this was not going to happen.

The Hon. LYNDA VOLTZ: The documentation said there would be 50 lots on the site?

Mr BROWN: Not on the site; 50 on 4.58 hectares. This site is only half of that area but it is zoned at a slightly higher density so you would assume that the majority—say two-thirds of it—might end up on this site. No-one opposed it because we were told that what would happen was something totally different to what was proposed.

Ms BURDEKIN: It seemed reasonable.

The Hon. LYNDA VOLTZ: With 91 units being built on the land that is basically \$57,000 per unit for the land cost?

Mr BROWN: If that is correct on the maths.

CHAIR: It was 94 units, was it not?

Mr BROWN: It is 91.

The Hon. LYNDA VOLTZ: It is 87 residential and four commercial. Is that right?

Mr BROWN: No, it is 91 residential.

The Hon. LYNDA VOLTZ: It is more?

Ms BURDEKIN: It has changed. It went up.

Mr BROWN: And there are three commercial, I think, in the current version of the plans. This is the second DA that we are up to now so the numbers have actually gone up in the second DA.

Mr DAVID SHOEBRIDGE: The Chair said 94. That is more accurate?

Mr BROWN: Yes, if you include the commercial units.

Mr DAVID SHOEBRIDGE: We were getting a residents' geography lesson from Mr Pearce earlier. Are you adjoining owners that were notified?

Mr BROWN: I was notified of the development by a letterbox drop, just an A4 printed sheet of paper.

Mr DAVID SHOEBRIDGE: By the council?

Mr BROWN: No, it was actually by the developer.

Mr DAVID SHOEBRIDGE: Were you notified about the rezoning?

Mr BROWN: I did not live in Whitebridge at the time it was rezoned.

Ms BURDEKIN: Council states that they did but none of us remember it. Apparently it was on the back of our rates or something.¹

Mr DAVID SHOEBRIDGE: A nice happy time to communicate with ratepayers.

Ms BURDEKIN: If we were notified it was not effectively received, shall we say.

Mr BROWN: It is possible that only landowners directly adjoining the rezoned area of this particular thing were notified. Obviously some people were because I think there were approximately 7 submissions received and so obviously someone got told.

Mr DAVID SHOEBRIDGE: I assume you have had a look at the material that went out for public information to inform people about that rezoning. It was suggesting there would be fewer than 50 dwellings on it. Is that right?

Mr BROWN: Yes.

Mr DAVID SHOEBRIDGE: I suppose when you look at a DA that now has 91 dwellings and three commercial sites you ask the obvious question, What happened in the interim? Is that right?

Mr BROWN: That is correct. From what we were told the LEP is the ultimate document, it holds the highest weight or the most weight and that should be what things are decided upon.

Mr DAVID SHOEBRIDGE: Did you hear the council officers give evidence earlier today?

Mr BROWN: No, I have come straight from work.

Mr DAVID SHOEBRIDGE: The thrust of their evidence was to the effect that they looked at the yields per hectare under the Lower Hunter Strategy and applied that to the site. Have you heard that before?

Ms BURDEKIN: We have and it states it in the LEP; however, it is the same planning section that devised the LEP as it is. I guess without knowing all the implications of those things that was the number that was voted on, that was the number that was stated, so they have talked about that. However, they have also brought in their Lifestyle 2030 Strategy in our discussions and the developer uses the 2030 lifestyle, which talks about 30 to 40 dwellings per hectare. However, in that document it is fairly ambiguously worded whether that applies to the higher density centres or neighbourhood centres. There is quite a bit of moving around linguistically speaking about what they are going to apply when, where and how.

¹ In correspondence to the Committee (dated 5 December 2014) Ms Burdekin clarified the paragraph by inserting: *My comments are in relation to an earlier more general rezoning in our suburb and not to the specific rezoning under Amendment 53 to the Lake Macquarie LEP of the site in question. Mr Brown's comment which states that adjoining landowners were notified is the correct information.*

CORRECTED

Mr BROWN: It does say 30 to 40 dwellings in areas such as Charlestown, which is listed as a major regional centre. Whitebridge is listed as a neighbourhood centre. Charlestown is the highest in the hierarchy and Whitebridge is the lowest so you would assume that it would scale down as you get to that density. There are also three different ways to calculate density and that document does not specify which one should be used, so you could say the document is written to be open to abuse.

Mr DAVID SHOEBRIDGE: When the land went up for sale do you know what if any information was put on the public record for the tender?

Ms BURDEKIN: No.

Mr BROWN: No, all that we heard via the for sale sign was that expressions of interest were open. We have not been able to find out any more information on it since.

Ms BURDEKIN: Just the Ray White public advertisement, which basically suggested that it would be a nice little development opportunity.

Mr DAVID SHOEBRIDGE: Then you found that Ray White had further contact with the developer at a later point. Was that your evidence earlier?

Mr BROWN: What we were saying was Ray White is the real estate agent for the developer as well as the real estate agent for the sale of the land. So we wondered if—

Mr DAVID SHOEBRIDGE: They acted for the State Government in selling the land and now they are acting for the developer after that?

Mr BROWN: Yes.

Mr DAVID SHOEBRIDGE: Have you asked how that conflict of interest has been resolved?

Ms BURDEKIN: We have asked in our submission. We have not asked Ray White, no.

Mr BROWN: We have not been able to find any information on that. It just seemed that there should have been some form of separation there, you would think.

The Hon. CATHERINE CUSACK: Can I clarify that you are saying coincidence, not conflict of interest?

Mr DAVID SHOEBRIDGE: In acting for the State Government on the sale of the tender no doubt there is an obligation to deal in the interests of the State Government to maximum return for the State Government. I am asking them if they at a later point then act for one of the successful tenderers what if any protections are in place to ensure that is entirely at once removed?

Mr BROWN: What we understand is they regularly act for the developer in selling their land so it is not just a new thing that they have suddenly hooked up with the developer and they are selling their stuff now. They have acted for the developer in the past.

CHAIR: If the developer is going to almost double the number of dwellings, making a bigger profit, are you alleging that there may have been donations made by the developer to get that greater cooperation?

Mr BROWN: Well, the Independent Commission Against Corruption [ICAC] kind of answered that question with the apparent sale of the painting.

The Hon. GREG PEARCE: ICAC has not reported yet.

Ms BURDEKIN: No, that is right. Certainly the correlation is there that the local member, Andrew Cornwell, was given \$10,000 by admission.

The Hon. GREG PEARCE: With respect, you are just defaming somebody. ICAC has not reported yet.

CORRECTED

Ms BURDEKIN: No, I have just talked about ICAC.

The Hon. GREG PEARCE: I do not think it is appropriate for you to be defaming people here.

The Hon. LYNDA VOLTZ: Point of order: Stop harassing the witness.

Ms BURDEKIN: I believe both gentlemen have acknowledged that the transaction took place and that Andrew Cornwell is on record in ICAC as saying he believed it was to “curry favour” We cannot know inside another person's heart, mind or whatever. All we can do is observe, we cannot make the judgement.

Mr BROWN: All we have done is asked the question.

Ms BURDEKIN: But the correlation is there.

CHAIR: But the reality is a member of Parliament has no authority over a redevelopment.

Ms BURDEKIN: Not directly, no.

The Hon. GREG PEARCE: And there has been no approval. We are talking hypothetically.

Mr BROWN: The approval process has not finished yet.

The Hon. GREG PEARCE: There is no approval. We are talking about hypotheticals.

The Hon. LYNDA VOLTZ: No, they are not. The member clearly stated in his public statements that he organised the withdrawal of land from sale and he was the one who made sure this land went ahead. You can spin it however you like, but you cannot say there is no evidence.

CHAIR: Let the witnesses give evidence, please.

Ms BURDEKIN: Of interest is that Councillor Denton, who was employed by Andrew Cornwell, is on local council and he was most concerned to let it be known that Andrew Cornwell had written a submission against this development. It has not appeared on the application tracking system and nor could Councillor Denton get any confirmation of where it may have gone to. There is sort of an edge to this development. You will forgive me if I do not have all the answers because I do not because, quite frankly, a lot of it appears to be fairly clandestine. All these little bits together certainly give a flavour.

CHAIR: In your submission you also stated the inability of the developer to comply with the requirements of the Mine Subsidence Board. Is there some problem with mining under that Whitebridge development?

Mr BROWN: Yes, there are three mine seams under that development site. With the first version of the development Mine Subsidence said that they had not given enough evidence to prove that the site could handle a development of that size and they have given the same answer now as well on the new version of the development.

CHAIR: Do you think the affected purchasers of land in that development should be given a warning that there could be a subsidence problem?

Ms BURDEKIN: Yes, it is well known and I think they have to argue on merit what they propose if they go above and beyond what would be a regular development on there, which this one is with the high rise and the density. They have to show why it will not be a risk. Twice now for the original one and now in the amended DA with a new mine subsidence report for the mine subsidence there is still questions and the Mine Subsidence Board still has not come back because they are still not satisfied that they have addressed all the things they have to. There are a lot of yet to be proven benefits of this development even on technical terms.

The Hon. CATHERINE CUSACK: What is the status of the development application at the moment? Has it been approved?

Mr BROWN: No, it has not been approved yet.

Ms BURDEKIN: It is in with the council waiting for their assessment. They need further information on things such as mine subsidence for a start before they can proceed with their assessment and then it will go to the Joint Regional Planning Panel.

The Hon. CATHERINE CUSACK: At this point in time we do not know that the application is compliant with the zoning?

Ms BURDEKIN: This is one of our concerns. Council's interpretation of their strategies, their documentation and the LEP seems to be favouring the developer's request despite their own documentation. One of the interpretations is they have said that it fits within medium density as described in the Lifestyle 2030. That is about it. It seems to us like it is an encouragement, if not confirmation that it is. This is one of the things that we have. It is the same Integrated Planning group within council in 2011 that zoned it a certain way and now they are reinterpreting their own council documentation and the legislation. That is also a problem for us.

The Hon. CATHERINE CUSACK: I understand that concern. What is the outcome that you are seeking in your campaign?

Mr BROWN: We are not trying to stop the development. We are not against development. What we want is the development to be reduced to something that complies with amendment 53 of the LEP when the land was rezoned.

CHAIR: Back to the 50?

The Hon. CATHERINE CUSACK: You would like it to be more consistent with what you were told?

Mr BROWN: Yes, what we were told and what was the documentation that council voted on when they approved the rezoning. No-one had a problem with that—I cannot say nobody but—

The Hon. CATHERINE CUSACK: So this is after the land was sold?

Mr BROWN: Yes.

The Hon. CATHERINE CUSACK: This is where things went awry, is that correct, and it is to do with the DA increasing the density to beyond what you expected—that is essentially it?

Mr BROWN: Yes, I think we brought everyone's attention to it and we sort of looked further back in time now, as you follow the paper trail back, and we found a few things that were concerning.

The Hon. CATHERINE CUSACK: I understand that and I understand that when something strikes you as dodgy, then you do go back and do that research.

Mr BROWN: Yes.

The Hon. CATHERINE CUSACK: The media reports and things certainly suggest that the local member was opposed to the increased density. Did you have any—

Mr BROWN: That is true that he—we cannot say definitely whether he was or was not opposed. We asked him in emails and several people from the community did email him asking him what his position was. From what we understand, he never really gave a position. As Michelle said, Councillor Denton, one of his staff said that he did write a submission opposing the development, but no-one has ever seen that submission.

Ms BURDEKIN: There has been no public statement from him opposing it and the representation he made was, we think, sending through letters that had been sent to him as the local member. He then sent them on.

The Hon. CATHERINE CUSACK: Yes, that is how people do make representations.

Ms BURDEKIN: So it was not a personal representation.

The Hon. CATHERINE CUSACK: I am just going off the news report in the *Newcastle Herald*.

Mr BROWN: There is nothing to say whether he opposed it or whether he approved of it. He has not had a stance either way.

The Hon. CATHERINE CUSACK: There is a YouTube video showing him speaking at a public meeting in Whitebridge on 7 December last year, urging residents to get submissions to the council in writing, on time, and to make them succinct. "The MP handed out information at a residents' meeting on how to have a say about development".

Ms BURDEKIN: It was generic information.

Mr BROWN: That is not saying what his stance is, that is merely informing the public on how to make a submission. We have done that too.

Ms BURDEKIN: There is also a YouTube clip of him having a laugh about ICAC up the back with someone else—with the development approvals officer.

The Hon. CATHERINE CUSACK: The suggestion that ICAC has looked at this—to be clear about this, the thing has gone off the rails after the sale of the land. The development application has not been approved, so is it fair to say it is anxiety on your part?

Ms BURDEKIN: No, not at all.

The Hon. CATHERINE CUSACK: Well then, where is the evidence that Andrew Cornwell has acted corruptly which is, in effect, the allegation that you are making—and it is a very serious allegation.

Ms BURDEKIN: No, we are not making that allegation at all.

The Hon. Greg Donnelly: Point of order:

The Hon. CATHERINE CUSACK: It is a very serious one.

Ms BURDEKIN: We are not making that allegation.

Mr BROWN: We have not actually made the allegation; we have raised a question. A question is not an allegation. That is pretty much the definition of an allegation. An allegation is that you are saying that this has happened. We have not said that; we have just said it should be looked into, to make sure that we are on a fair playing field.

The Hon. CATHERINE CUSACK: You have asked ICAC to do that?

Ms BURDEKIN: Yes, we did.

The Hon. CATHERINE CUSACK: And what happened?

Ms BURDEKIN: Not on that particular one because, at that point, I don't know that all the information was out.

Mr BROWN: We are asking the parliamentary inquiry here to look into it.

The Hon. CATHERINE CUSACK: We cannot look into that.

Mr BROWN: I thought that was the point of the inquiry, to see if any corrupt—

The Hon. CATHERINE CUSACK: ICAC is looking into that and ICAC is there to—

The Hon. Lynda Voltz: Point of order: The member is now badgering the witnesses and arguing with them about what the role of the Committee.

CORRECTED

CHAIR: Order! The witness has said they were not making an allegation, they were just asking questions.

The Hon. Greg Pearce: There is nothing to investigate.

Mr BROWN: No, we raised the question. I think if you are asked a question, it might be worth investigating the answer.

The Hon. CATHERINE CUSACK: Can you just ask the question again that you want us to investigate? Can you state the question again?

Mr BROWN: What we want to know is if the money that had exchanged hands, which was revealed in the ICAC proceedings, if that did have any influence on the rezoning of the land, the sale of the land, and now in the assessment of the DA. That is what we are asking should be looked into, to make sure that it is a fair playing field.

CHAIR: Thank you. Obviously, by doubling the number of dwellings it doubled the developer's profit.

Mr BROWN: You would assume so.

Mr DAVID SHOEBRIDGE: It is an open invitation to Mr Cornwell to come before the Committee and tell us what his views are. It is an open invitation to him.

(The witnesses withdrew)

(Short adjournment)

CORRECTED

PETER MEDI, Member, Honeysuckle Residents Association,

ALISTAIR CHRISTIE, Secretary, Honeysuckle Residents Association, and

BRUCE WADE, Member, Honeysuckle Residents Association, affirmed and examined:

CHAIR: Do you have a representative who wishes to make a brief opening statement?

Mr CHRISTIE: Our group represents 50 local residents; we have a membership of 50. They are predominantly residents and apartment owners of the Breakwater apartments and the Nautilus apartments, which are adjacent to and across the road from the Lynch's site, which is in Wharf Road. I have a handout that is being distributed now that shows the site and puts it into context where it is in relation to Newcastle. Our group is explicitly concerned with the ongoing attempts to develop that site. That is what we shall be running through today.

The Lynch's site is a small and sensitive gateway site. It is approximately 380 square metres on the harbour foreshore and is owned by council and was zoned B4, mixed uses. It was made operational land in 1994. We have ample evidence to show that that site was originally acquired as part of the foreshore park, and it was shown in the master plan as parkland for the foreshore. The site was inappropriately classified as operational land. It should have been community land and council's intention until recently was to sell that site. We are concerned with council's persistent attempts to develop the site with blatant disregard for its own planning instruments, including its development control plans [DCPs] and local environment plans [LEPs]. It is a concern because council is the landowner and the consent authority for that site.

In 2008 council sought expressions of interest for a small cafe restaurant of approximately 213 square metres and for it to be built with a 21-year operating lease. The tender was awarded to a developer, Elefteria, and the development application [DA] was subsequently prepared and submitted by Elefteria for a three-storey building consisting of a basement, ground floor, first floor and outdoor alfresco area, with a total of 575 square metres. It was almost three times as big as the original expressions of interest concept plan. It was a gross overdevelopment for the site and was non-compliant with setbacks and many other planning requirements.

Nevertheless, council tried to progress this DA and it was rejected by councillors at its approval meeting as an overdevelopment of the site. Unfortunately, it ended up in the Land and Environment Court [LEC] where the developer took council to court over that rejection. The LEC refused the DA, citing numerous non-compliances with the DCP and LEP. The LEC relied heavily on information provided to it from council's own statement of evidence. Slide 6 is the coloured slide which shows the original expressions of interest in yellow. The red area shows what the resultant DA was a couple of years after.

CHAIR: The 2005 one?

Mr CHRISTIE: The 2005 Newcastle City Council expression of interest, yes. The next one is an architectural view of what the resultant building looked like. We can see a big change in the amount of area that was intended to be developed on the site. That development in 2008 was resoundingly rejected by the Land and Environment Court and nothing occurred on the site until 2013 when council then made another attempt to develop the site and it engaged architects to submit another plan, which is the following slide, the flagship residential development for the site. It was a big idea for the block adjacent to the existing apartments, as we can see from the extract from the *Newcastle Herald*. This development had a total floor area of 800 square metres and the view shows the large development adjacent to the existing foreshore promenade. It certainly would be regarded as an overdevelopment for that site.

Mr DAVID SHOEBRIDGE: Who has produced these?

Mr CHRISTIE: These are our own presentations, correct. It was obviously a non-compliant development from the outset and in a statement in review of this development it was stated that the site would be undevelopable if the DA was to comply with setback requirements and that the DA should be assessed on its merits. Nevertheless, council progressed the DA knowing that it was non-compliant. We believe there was a decision made to assess this development on a merits-based process, because they understood at the time that development controls could not be applied to that site, or it could not meet those development controls, so in terms of process it had to be assessed on a merits-based assessment.

CORRECTED

We have some concerns about that process. Council's urban design consultative group supported the DA and recommended its approval with only minor amendments. However, Newcastle City Council's independent planning assessor advised council by email prior to finalising a draft report that they could not recommend its approval because it was an overdevelopment, did not comply with setbacks, including a 12 metre setback from the harbour edge, the requirements stipulated in the DCP and it was not compliant with the existing built form, that is, the built form of the adjacent buildings. So their development application was then withdrawn.

These two projects have cost council in the order of \$350,000. Council is the landowner and the consent authority and it has now twice, on two separate occasions, tried to circumvent its own planning instruments in progression of inappropriate developments. It failed to accept the findings of the original LEC judgement that clearly showed that development controls applied to the site. It ignored also its own advice submitted in its own statement of evidence from the previous Land and Environment Court hearing, which detailed the general controls which would apply to most developments in that area. We can see on the large slide that has the various development controls, and that is the second-last slide shows that when development controls are applied to the site the development was clearly in excess of any of those development controls.

Predominantly, when the adjacent building was developed, it was done on the basis that it had a 12 metre setback from the harbour edge and that was a DCP requirement. The cross-hatched area shows the setback that is applied on the adjacent lot in that development. There are a number of DCP requirements in the boxes surrounding that view, and they are extracts directly out of the applicable DCP. That is why we say it does not comply with those DCP requirements. The site is undevelopable with those controls in place.

It is also worth mentioning that the DCP that we talk about is DCP 2012. That DCP originated in consultation with Newcastle City Council and the Hunter Development Corporation and it was a DCP designed to establish the controls for the Honeysuckle area. They worked together to produce the DCP 40. It then extended into the DCP 2005 and now, more recently, the same controls apply to DCP 2012. That has come from an extensive consultation process initially and those controls have not been followed in terms of this development that we have presented.

CHAIR: Thank you very much for your comprehensive presentation.

The Hon. LYNDIA VOLTZ: I am amused by the idea that council has put forward DAs that cannot get through their own council. I am starting to feel like a bit player in *Muriel's Wedding*, sitting in Porpoise Spit somewhere. Given that the redevelopment is based on the idea to open up the foreshore, has the council explained why it is developing land with residential buildings adjacent to foreshore parks?

Mr CHRISTIE: We do not know why. There were some clear minutes passed through council in 1997 which determined the setbacks of residential buildings and any development from the foreshore harbour edge and the aspect ratio. The aspect ratio is the distance back from the edge of the building relative to its height. They were minuted resolutions through Newcastle City Council that ended up back in the DCP. They are the things that we are talking about today.

The Hon. LYNDIA VOLTZ: What was the setback under the 1997 DCP?

Mr CHRISTIE: In 1997 it might have been six metres and then it moved out to 12 metres with the Crown Plaza-Becton Breakwater development.

The Hon. LYNDIA VOLTZ: In my youth I spent a lot of time on that river fishing for healthy fish with my Uncle Dave. Who is pushing the development in Newcastle?

Mr CHRISTIE: We cannot answer that question.

Mr WADE: Newcastle City Council.

The Hon. LYNDIA VOLTZ: Having spent a lot of my youth here I have noticed that the river has changed significantly and I am gobsmacked. The Lynch's site was purchased originally for open space by the council?

CORRECTED

Mr CHRISTIE: It is a complicated site. The fourth slide shows the number of parcels of land. Council did purchase one site originally but we understand that that was purchased for the purpose of the foreshore park. They then acquired some other sites and clearly when they acquired those sites it was not for the purpose of a trading undertaking. We understand it was for the park at the time.

CHAIR: Community land?

Mr CHRISTIE: No, it was never community land. It was zoned community land in 1994. This site was declared as vacant land at that time when the classification occurred and then they could classify that as operational—

Mr WADE: The classification of community land was not in existence at that time, but it was community land.

The Hon. LYNDA VOLTZ: The reason it was in Newcastle City Council's hands originally was for community use?

Mr WADE: Correct.

Mr CHRISTIE: For the park, correct.

The Hon. LYNDA VOLTZ: Yes, for the park.

Mr CHRISTIE: The application that went to the Geographical Names Board for the area that the foreshore entailed in 1994 included the Lynch's site. In fact, it was the site from the east of the existing Breakwater apartments. That area was gazetted by the Geographical Names Board for the foreshore reserve on the understanding that the entire area would be made for community and public facilities.

The Hon. LYNDA VOLTZ: I have received numerous complaints from local residents regarding land that they always thought was going to be parklands along the foreshore, particularly around Honeysuckle, that now hosts car parks or temporary car parks or it has been developed. Is there a constant encroachment into open space and public lands along this foreshore as part of this development?

Mr WADE: We would not really know on that one, I do not think.

The Hon. LYNDA VOLTZ: You live on the foreshore.

Mr WADE: But we do not know the validity of anything they are doing. Our main concern has always been Lynch's and that is what we have spent a lot of time on.

Mr CHRISTIE: I note that the whole reserve area comes under the Newcastle City Council plan of management for the foreshore park. It has been nearly 18 months. We have presented at a number of public submissions that we were invited to, as all the committee members were, in relation to the plan of management for the foreshore reserve, and we expected a result for that in early 2014. That document is still not out for comment. Why that is—we concede there may be some changes occurring in land that is in relation to the plan of management for the foreshore park, unless there is some other reason for it to be delayed as such.

The Hon. GREG DONNELLY: I refer to page 15 of your submission which has recommendations. Will you put to the Committee, bearing in mind the terms of reference of the Committee and its remit, what recommendation you want to come out of this Committee regarding your issue?

Mr CHRISTIE: We would certainly recommend open, honest and accountable decisions and reasons for decisions being given to the public when those decisions are made. We have not been able to get clear answers to questions we have asked in the past.

Mr WADE: We would also like council to abide by the guidelines it set that should be abided by.

The Hon. GREG DONNELLY: I refer to the second sentence in the first paragraph. It says that the site should be returned to community land. Do you want to elucidate or explain it more clearly?

CORRECTED

Mr CHRISTIE: The point really is when you take into account the development controls, in particular, the setback intended for the setback from the harbour foreshore of 12 metres and the narrowing of the walkway that actually is there at the moment, we believe an appropriate use for the site is to expand the walkway to what it was always intended to be as the width of the foreshore promenade and use the site for that.

Mr WADE: We also wonder how something can be proposed on the small site with a small café type thing, how that can develop into a DA with 575 square metres, four storeys high when it is completely out of kilter with the planning controls.

The Hon. GREG DONNELLY: It is certainly creative.

Mr WADE: Yes, it is creative.

Mr DAVID SHOEBRIDGE: The crux of the problem is that this is the point where the amount of land between the river or harbour and Wharf Road crunches?

Mr CHRISTIE: Correct.

Mr DAVID SHOEBRIDGE: It crunches quite dramatically over the course of this site and, therefore, any significant building on there is obviously going to inappropriately encroach on the promenade?

Mr CHRISTIE: Correct.

Mr DAVID SHOEBRIDGE: That is really what you are fighting for, is it not, to keep that open promenade?

Mr CHRISTIE: Correct. The building alignment to avoid a built edge along the harbour is very important.

Mr DAVID SHOEBRIDGE: In fact, if you want to have at least one unifying outcome surely it is that you have a decent promenade all the way along that foreshore?

Mr CHRISTIE: Correct.

Mr DAVID SHOEBRIDGE: I do not mean to make a pun, but this is almost like a lynchpin site, is it not? If you allow it to encroach there it will just kill that open promenade and that visual vista.

Mr CHRISTIE: That is correct.

Mr DAVID SHOEBRIDGE: I refer to the 12 metres. Out the front of your property there is some green open space but then there is also like a wooden platform out into the edge of the harbour. Is that right?

Mr CHRISTIE: The rotunda?

Mr WADE: The wharf.

Mr DAVID SHOEBRIDGE: There is some wooden decking that goes out as well.

Mr MEDI: That is in front of the Crown Plaza at the other end.

Mr DAVID SHOEBRIDGE: I am looking at that. There was some infill at some point which reformed—

Mr CHRISTIE: A lot of that area was originally infilled when it was MSB land, yes.

Mr DAVID SHOEBRIDGE: And then it crunches back in there?

Mr CHRISTIE: Correct.

CORRECTED

Mr DAVID SHOEBRIDGE: Council has never proposed to put in some further infill to keep that open space?

Mr CHRISTIE: It did suggest that but actually the way that juts out there is part of the historical Merewether wharf and I believe what is there was to retain that Merewether wharf alignment.

Mr DAVID SHOEBRIDGE: I am concerned that if this Committee says to council "You have got to keep the 12 metres setback and keep that uniformity" I would be concerned if they just said "Okay, that's fine. We will infill to get the 12 metres back". There is an important historical reason why it ends where it does?

Mr CHRISTIE: That is true.

Mr DAVID SHOEBRIDGE: The natural landform that is out the front is kind of important not only for environmental reasons but also for historical reasons. Is that right?

Mr CHRISTIE: Yes, that is correct.

The Hon. LYNDA VOLTZ: And for fishing.

Mr DAVID SHOEBRIDGE: And for fishing. It is quite confusing to me, for which I do not blame you, you have the land acquired for foreshore park and it looks like there are four separate lots?

Mr CHRISTIE: Correct, there are.

Mr DAVID SHOEBRIDGE: Have they ever been consolidated?

Mr CHRISTIE: Yes, they have now been consolidated into a single lot.

Mr DAVID SHOEBRIDGE: What is the purple squiggle out the front?

Mr CHRISTIE: That is lot 54. We did not show lot 54 but it is zoned community land.

Mr DAVID SHOEBRIDGE: You say for lot 3202, lot 1, DP 5522, lot 100, DP 107, and lot 3193—were the three of them acquired for the foreshore park?

Mr CHRISTIE: No, lot 100 was actually part of a road closure when it was acquired.

Mr DAVID SHOEBRIDGE: That was unmade road?

Mr CHRISTIE: It was unmade road and relinquished to council control.

Mr DAVID SHOEBRIDGE: The other three are expressed to be acquired for the foreshore park. Was that in the resolution of council or in the council's own document?

Mr CHRISTIE: No, it is in the documents of when the land was acquired.

Mr DAVID SHOEBRIDGE: Will you provide the Committee with any evidentiary basis to do that?

Mr CHRISTIE: Yes, we can do that but not immediately.

Mr DAVID SHOEBRIDGE: On notice?

The Hon. LYNDA VOLTZ: We will write to you and ask you to provide it.

Mr CHRISTIE: Just one thing I would like to point out to the Committee on that diagram, lot 1 of DP 5522 90, you can see the line of the northern boundary of the lot encroaches onto the existing promenade by about 1.7 metres. This latest development, council intended to sell that whole lot, so effectively it was selling some promenade which had already been paid for and built in a shared 50/50 arrangement between HDC and Newcastle City Council.

Mr DAVID SHOEBRIDGE: This is a case of council with its control and development saying "Do what I say, not what I do" to all the other developers, is it not?

Mr CHRISTIE: Correct.

CHAIR: In your submission you have also provided attachment 8 which has on it report findings, which you have asked us to keep confidential. Is that a report that you authorised? Did you pay someone to produce it? What is the original of the report?

Mr CHRISTIE: Which report is that?

CHAIR: It has "report findings"?

Mr CHRISTIE: That is our findings.

CHAIR: You paid for someone?

Mr CHRISTIE: No, we presented that.

CHAIR: You collated the material in it?

Mr CHRISTIE: Yes.

CHAIR: I was not sure whether you had consultants to help you.

Mr CHRISTIE: No, every report we have written has been from us.

CHAIR: It is very detailed and thorough. You mentioned the earlier use of that property. It went to the Land and Environment Court which upheld whoever appealed. Did you do the appeal?

Mr CHRISTIE: No, it was between the developer and Newcastle City Council. Honeysuckle residents requested to be joined in proceedings and, therefore, we provided the Newcastle City Council with a lot of the information to take that to the Land and Environment Court.

Mr WADE: Elefteria was the one who put up the DA. Council was very keen to get it through but council ended up rejecting it, and then the developer took the council to the Land and Environment Court.

CHAIR: The developer was pushing the council to approve it?

Mr WADE: Yes. The council then put up arguments in the Land and Environment Court as to why it was not appropriate, and then a few years later it put up one that proposed a DA that was even worse.

CHAIR: The first developer would have been surprised when they lost?

Mr WADE: I do not think he was surprised.

Mr CHRISTIE: It is interesting in that that the developer expressly replied to expressions of interest from council and its plans were through the council process. For it then to end up in the Land and Environment Court hearing is quite strange, but that is what happened.

CHAIR: You are concerned to retain that land as parkland or community land and not be overdeveloped?

Mr CHRISTIE: Correct.

CHAIR: Is that a factor in your mind because residents purchased apartments in those adjoining buildings expecting to have some green space for families with children and so on?

CORRECTED

Mr CHRISTIE: It is certainly a concern to have an overdevelopment on that site for us, yes. When you look at the narrowness of that site and the walkway problems, the promenade problems that exist, it should be corrected.

CHAIR: Were you given assurances when you purchased the apartment that that would be retained as parkland?

Mr CHRISTIE: I certainly was not.

Mr WADE: No, you cannot get any assurances from council on anything.

Mr CHRISTIE: No, there is anecdotal evidence from some people that that was the case but I have not received that myself.

CHAIR: You say that the council was talking about rather than widening the promenade building some woodwork over the actual harbour?

Mr CHRISTIE: Correct.

CHAIR: So it could use that land for development?

Mr CHRISTIE: Correct.

CHAIR: Are you totally opposed to that?

Mr WADE: It was arguing at the time that it was short of funds so they had to sell Lynch's to make a million dollars. If they then had to develop out over the harbour it would cost a hell of a lot more than one million dollars. So we think it was kind of a furphy put up as an argument to try to spread goodwill or something.

CHAIR: So you would think you would get a promenade but you would not?

Mr WADE: I think so.

Mr CHRISTIE: It is beyond the scope of the DA, yes.

The Hon. CATHERINE CUSACK: Why is it called Lynch's?

Mr CHRISTIE: Historically it was a Lynch's prawn shop.

The Hon. LYNDA VOLTZ: Prawns?

Mr CHRISTIE: It was originally prawns.

The Hon. CATHERINE CUSACK: Did you agree with the café idea as it was originally prevented or have you always objected to everything?

Mr WADE: With a small expression of interest we thought that was probably going to be okay, subject to it being able to meet the planning controls.

The Hon. CATHERINE CUSACK: Absolutely. The council was kind of on your team with the initial DA that was inappropriate.

Mr CHRISTIE: No.

The Hon. CATHERINE CUSACK: The first one I am talking about.

Mr WADE: No.

CORRECTED

Mr CHRISTIE: The independent report presented to council to the development application committee meeting was recommending it be approved.

The Hon. CATHERINE CUSACK: Was it then the councillors who voted against it?

Mr CHRISTIE: Correct.

The Hon. CATHERINE CUSACK: They voted against council officer advice?

Mr CHRISTIE: Correct.

The Hon. CATHERINE CUSACK: Councillors were with the residents at that point?

Mr CHRISTIE: Correct.

The Hon. CATHERINE CUSACK: At some stage they were not with the residents.

Mr CHRISTIE: Years later.

The Hon. CATHERINE CUSACK: When did that happen? Was it 2008?

Mr CHRISTIE: Well I suppose we had the original DA in 2008 and then the site sat dormant. They did have a small ice creamery working out of there and a coffee shop at one stage but then it was not until 2013 when we got another DA that we are now considering. So it really sat dormant for that period of time until the new DA.

Mr WADE: The new DA proponent was council, not a private developer.

Mr CHRISTIE: Correct.

Mr WADE: The first one was a private developer and the second one was council putting the DA forward.

The Hon. CATHERINE CUSACK: Why did council say it was doing this? Was it to maximise the value of the land?

Mr CHRISTIE: To maximise the sale. It has an asset conversion program. As part of the asset conversion program, which was approved through council, that was to look at various sites around Newcastle that it could divest and return the money into funds for council. Whether that process includes promoting a development application on a particular site I am not sure.

The Hon. CATHERINE CUSACK: Council is trying to maximise return?

Mr CHRISTIE: Maximise its revenue from sale.

The Hon. CATHERINE CUSACK: Will council go ahead as consent authority as well?

Mr CHRISTIE: No, as it is the consent authority it had to have it independently assessed and it engaged an independent assessor who did that assessment and provided the draft report. It was not finalised as a report, it was only ever a draft, and it emailed council basically saying "We will be recommending it be refused."

The Hon. CATHERINE CUSACK: Is that a good thing?

Mr CHRISTIE: That was a good thing but to go through that whole process to get to that point simply on the basis that it did not comply with fundamental controls which had already been used to establish the form, that is our challenge, that is the concern.

The Hon. CATHERINE CUSACK: Have you gone to the Department of Local Government to complain about this?

CORRECTED

Mr CHRISTIE: We have. In the previous development application we did. We received a letter basically to advise us that it was a council issue.

The Hon. GREG PEARCE: At the end of the day the process has actually worked but it has been expensive, unhappy, unpleasant and inappropriate?

Mr CHRISTIE: Correct.

The Hon. GREG PEARCE: We need to change the system. So if we can convince the crossbenchers and The Greens to support the Government we could actually deal with this.

Mr DAVID SHOEBRIDGE: It could have been approved without going to community consultation under your previous scheme, Greg. What a wonderful solution.

Mr CHRISTIE: Just on that very issue, one of the concerns that we have—and we have not raised this point—is that we understand with the current laws that had this gone to council and had it been approved we would not have been able to protest or take an appeal to the Land and Environment Court. We could have only done that on the basis of process as opposed to it meeting controls. That is a concern for us—that a development be put in place that does not meet controls, yet if it is approved by council we have no grounds to actually appeal that decision.

Mr DAVID SHOEBRIDGE: It only takes one bad day with a pro-developer council and you have lost it?

Mr CHRISTIE: Correct.

The Hon. CATHERINE CUSACK: But this cannot be approved by council because it is the applicant in this case?

Mr CHRISTIE: No, if the independent report said, "Look, we do not think it is a good idea" but council decided that, "Yes, we would still like to take it to a DA meeting", then it could certainly be voted or approved.

The Hon. CATHERINE CUSACK: You are saying council still retains the power to approve it?

Mr CHRISTIE: Council still retains the right to vote.

Mr DAVID SHOEBRIDGE: The long and the short of it is you want it to become community land and free from this kind of threat in the future?

Mr WADE: Correct. We wonder what is the next stage—three.

Mr DAVID SHOEBRIDGE: You fear what is stage three.

The Hon. CATHERINE CUSACK: But equally the issue really is they are the consent authority, with a conflict of interest and applicants should not be allowed to be the consent authority?

Mr WADE: That is one of the issues.

The Hon. CATHERINE CUSACK: That is probably what has encouraged and fuelled all of this ambition in what they have been doing?

Mr WADE: No, that is just one of the issues. Probably the main issue is that they are willing to push something that is completely against all their planning guidelines. That is probably the major issue.

The Hon. CATHERINE CUSACK: Except that it has been recommended against; the fact they still have the power to approve it anyway is a concern?

The Hon. LYNDA VOLTZ: No, it is about it being community land.

The Hon. CATHERINE CUSACK: Yes, I understand; it is about the planning processes.

Mr CHRISTIE: The original budget estimates for this development actually were done on the basis that it may need to go to the Land and Environment Court, so when council looked at how much this development was going to cost, it actually considered, "Well, we need to factor in that we may end up in the Land and Environment Court", which for a consent authority, I think, is outstanding.

Mr DAVID SHOEBRIDGE: We may have to litigate against our own council—brilliant.

CHAIR: Thank you very much for your submission and your contribution. We can see that you have been very thorough in your activities. We hope that you achieve success and we will do all we can to ensure that.

Mr CHRISTIE: Yes.

Mr MEDI: Thank you.

Mr WADE: Thank you.

(The witnesses withdrew)

CORRECTED

KIM CROSS, Vice President, Save Our Rail NSW Inc., sworn and examined, and

JOAN DAWSON, President, Save Our Rail NSW Inc. and President, Lower Hunter Branch of Save Our Rail, and

DARRELL HARRIS, Adviser, Save Our Rail NSW Inc. affirmed and examined:

CHAIR: Do any of you wish to make a brief opening statement?

Ms DAWSON: Yes, I will make an opening statement. Save Our Rail has been, from the outset, not an anti-development organisation but earnestly and sincerely believes that Newcastle or any city requires adequate transport to and from the city for success. We have put forward positive proposals that encourage development, such as the ones I have here, apart from the ones we have handed in as part of our submission. We have put forward numerous proposals to achieve success with any problems that have been perceived to have existed and we worked with the Hunter Business Chamber for about eight months at one stage towards an integrated transport plan.

We have also undertaken public consultation. We did a major series of workshops to determine the needs of transport back in 2005. We have also prepared submissions for all forms of consultation, not that there have been many to do with the rail line. Before the announcement of the truncation, as they call it, of the rail line—it is actually a chop and a closure of the rail line—there was a town hall meeting at which 90 per cent of the people attending indicated that they would like to keep the rail line running into Newcastle. That was not recorded accurately, despite a series of emails between me and the Department of Transport at the time, and despite the fact that present at that meeting were the Minister for Transport as well as all the local members from this area. Despite that, the meeting record remains inaccurate and does not record the true feelings of that meeting.

That was the only meeting for the whole Hunter region held to discuss this before the decision. Following the decision there was a consultation period about the Newcastle Urban Renewal Strategy [NURS] and at all of those meetings people were told they were not to mention the rail issue. Despite that, people did get up and speak about rail and when one woman was speaking about it they turned the microphone off so that she could not continue. The Wickham interchange proposal, that thing that came out looking like a carport on steroids, was on display for a short time and was taken off exhibition but there has never been an approval given for that interchange to be built. Despite that, the Government is planning to go ahead and cut the rail without even an approved interchange being built. Actually, it will not be an interchange; it is a terminus.

Talking of connectivity that has been mentioned here today about keeping contact between the Hunter Street area and the waterfront, that word "connectivity" really drives me around the bend, because what they are actually doing is actually disconnecting Newcastle from the rest of the Hunter community. They are disconnecting other parts of Newcastle, such as Railway Street, which is to be closed. What about the connectivity in that area and what about the connection between Newcastle and other cities. The intercity connection is being cut off for the sake of supposedly linking the inner part of Newcastle to another part, which really will not happen because, as was pointed out this morning, the buildings there will be a bit more concrete to move through than the railway line is to get across.

All kinds of words have been used such as "seamless". Gladys Berejiklian came out in a media release talking about a seamless interchange. I am sorry, but you cannot have a seamless interchange. The two words have the opposite meaning. But it is the process we are concerned about. We have relied on the Government to undertake the proper processes but that has not been done here. There has been very inadequate consultation and reports have been done that are highly questionable. A professor from Monash University was brought up here by the Newcastle City Council in 2005 to review the reports that had been produced. He declared them as being totally flawed. His report has been disregarded from then on. There has been undue influence. There has been influence by people with vested interests, as we heard this morning. There has been influence by very rich developers. This whole city is being controlled by people who are rich. You cannot even get the ear of the Premier, the Minister for Planning or the Minister for Transport. We have not yet met with Mr Baird, despite the fact that the week that he was elevated we wrote to him and congratulated him on his elevation.

CHAIR: We will have to move on and ask questions.

CORRECTED

Ms DAWSON: I am sorry; I have taken too much time. I want my friend, Kim, to proceed now.

The Hon. LYNDA VOLTZ: We will not have time, I am afraid, Joan.

Mr DAVID SHOEBRIDGE: We will ask questions and hopefully matters will come up in the course of questioning.

The Hon. LYNDA VOLTZ: Earlier today my parliamentary colleague Greg Pearce raised a survey that he quoted from that said there was 86 per cent community support for cutting of the rail line at Wickham. He does not say who the survey was with or what the numbers were. I note a number of surveys you have quoted such as the *Newcastle Herald* where 72 per cent do not like the route chosen for light rail and a further one which asks, "Are you looking forward to the termination of the Newcastle rail line?" and apparently 60 per cent are not, and so on. Where do you think these discrepancies arise where some members have access to a report saying one thing and every other survey shows something different?

Ms CROSS: I want to address the issue of the survey that has been brought up quite appropriately by Mr Pearce. That was not an independent survey. The reason why it was not is that it was paid for by the GPT group. The GPT indicated in their annual report for 2009 that the development, in their landholdings in Newcastle, is dependent upon a decision being made in relation to the railway which inhibits movement and access to the city centre and the improvement of broader property market conditions. The GPT group publicly indicated that they would not proceed with their development unless the rail line was closed. Further to that, the survey—

The Hon. GREG PEARCE: So you are saying the Hunter Valley Research Foundation was biased and was bought off?

Ms CROSS: Yes.

The Hon. LYNDA VOLTZ: It is not your time.

CHAIR: Let the witness finish her answer.

Ms CROSS: Absolutely, and I will give you an explanation for that and invite there to be a rigorous assessment of that survey. That survey has inbuilt bias on many levels.

Mr DAVID SHOEBRIDGE: It is a push poll.

Ms CROSS: It is a push poll. The question is: Do you think that terminating the rail line at Wickham and replacing it with an efficient, modern bus transit system, thereby allowing the connection of the CBD and harbour foreshore, would help to develop the city? Not only was it a push poll question but in relation to the responses there was an inbuilt bias. The reason being, there was one option for lack of support and four options for supporting the question. Not only that, for anybody who knows anything about proper polling the Likert scale is subject to distortions.

For whatever reason why a company that has got a good reputation allows that to happen I do not know but I invite there to be an independent analysis because it will indicate that that poll is fraudulent. Compare that to the fact that 11,000 plus signatures for the retention of the rail line into Newcastle was tabled in November 2013 and there was a public debate. The response by Ms Berejiklian was, "It's a planning decision." That is what it is—a planning decision.

The Hon. LYNDA VOLTZ: A lot of people who use the rail, according to the report circulated earlier by the Hunter Development Corporation, travel more than 50 kilometres to come to Newcastle. To your mind, who is actually using the rail, where are they coming from and what will the impact of the line ending at Wickham be on those people who come from those outlying suburbs of the Hunter region?

Mr HARRIS: People come from all over the place and, when you consider the line is 168 kilometres from Newcastle to Central, on that line two-thirds of the possible passengers are outside of 50 kilometres. I have been doing some detailed analysis of journey work to Newcastle CBD. The Committee will understand that is highly relevant because in NSW 2021 the targets in the transport section include increasing the journey-to-work mode share by public transport to 20 per cent in the CBD by 2016. Currently where rail is available and is

providing a reasonable level of service—I do not call what we have got beyond Maitland as a reasonable level of service with only one train arriving in the morning peak—rail tops the journey to work stats by a mile. More people use the rail for the journey to work to the CBD than use the bus and ferry combined. That is Bureau of Transportation statistics [BTS] data from 2011.

The other key factor is if you go to the railway stations in Maitland or down through western Lake Macquarie it does not show the number of cars it keeps out of the CBD. I have seen three different surveys, one I conducted myself at Waratah, and in every case more than 50 per cent of the people who are using the train are using it instead of their car for the journey to work in the CBD. If you do the same thing on the buses you would be lucky to get 10 per cent in the peak and only a couple of per cent off peak. So we are looking at figures and the target is 20 per cent. There are only four points of origin for people who work in the CBD who are currently over the 20 per cent: Gosford gets more than 40 per cent, second is Maitland pushing 33 per cent, Wyong is next at around 24 per cent, and western Lake Macquarie more than 21 per cent. Where buses are the main source of travel like eastern Lake Macquarie you can't even get to 7 per cent.

Could I quickly conclude? When you cut the rail, every survey that has ever been undertaken using accepted methodologies on the cost in time and money—I can go back to 1990—in 2003, 2004 and 2010 the T matrix has shown that you lose patronage. It also means that the Government is not going to deliver—unlike the Minister who is always saying, "We never promise anything we can't deliver"—that target because when you kill the train you are going to kill the thing that has been getting you there.

Mr DAVID SHOEBRIDGE: Ms Cross, as I understand it there has only been one cross-benefit assessment done in relation to the closure of the rail—namely, the 2009 Urbis report for HDC. Are you aware of any others?

Ms CROSS: That is the only one. There was a trilogy of reports done in 2009: the Urbis, Parsons Brinckerhoff and the Newcastle City Centre Renewal Report, which Mr Pearce appropriately alluded to. That latter report relies upon the Urbis cost benefit analysis, which we say is flawed—not only is it flawed but it is also deceptive.

Mr DAVID SHOEBRIDGE: The cost benefit analysis referred to in the renewal document talks about a notional net present value of keeping the rail at minus \$182 million and it then talks about a figure of plus \$163 million of the net present value for removing the rail. In terms of the benefit to the rail it says, "The costs and benefits that would accrue under the preferred rail option are those costs and benefits which are associated with the catalyst projects that are contingent on or strongly influenced by the removal of the rail." It then refers to the retail precinct, GPT's development, and the education precinct, the University of Newcastle CBD campus. As I understand it the University of Newcastle CBD campus is utterly non-contingent on the rail. In fact, it is being built now. Do you have any observations about that?

Ms CROSS: We do. The reason why I am as bold to say that the latter report, which we refer to as the HDC reporting, also engaged in misleading conduct is because the Vice Chancellor of the university at the time, Professor Saunders, wrote a letter refuting the false premise in the Urbis report and in the HDC report which was that unless the rail line was cut at Wickham the inner-city campus would not proceed. Professor Saunders indicated "The university has not taken a position on the fate of the heavy rail line in Newcastle nor will it."

That was brought to the attention of HDC on numerous occasions by eminent people like Mr Bruce McFarling who has done a submission, Mr Howard Dick has done a submission, and we have brought it to the attention of Tim Owen. We sought a meeting with Mr Hazzard in 2012. He would not see us. Mr O'Farrell would not see us. The only people they saw were those who were pedalling this flawed report when they knew very well, and we believe that in fact the CEO at the time, Craig Norman, conceded they had not even consulted the university over this. They had not even consulted them, yet they indicated that the sole reason why the rail line had to be cut was because on their cost benefit analysis the truncation would only be supported if the university came in and they would only come in if the rail line was truncated, which was an absolute lie.

Mr DAVID SHOEBRIDGE: The economic case for the truncated railway line is built on a fundamental, at best, misapprehension and, you would say, a deception regarding the university side?

Ms CROSS: It is a house of cards. If you knock that card over all the cards going back to 2004, to which Darrell referred to, fall over. That means there is no cost benefit analysis that supports the truncation of the rail line yet an announcement was made by Mr Hazzard in December 2012 that it would be cut. No approval

has yet been made—we are still waiting for the approval 50 days out from closure—yet we were refused at a public meeting. On that podium we had the Premier and Mr Hawes, and it was chaired by a representative of planning, and they said to us, "You are not allowed to ask any questions about rail closure." Yet person after person after person came forward and put to the group that we did not want the rail line closed.

On that particular occasion Mr Hawes did not disclose his landholdings—he might have done it to his employer and to the board but he did not do it at a public forum. Nor did he disclose that his company, Fintraz, received nearly \$50,000 in consultancy fees on the Newcastle City Centre Renewal Report—namely, the very report that is the fulcrum for the argument that the rail line needs to be cut. He received \$50,000 prior to his appointment as the general manager and that was not disclosed publicly nor has it been disclosed.

CHAIR: I appreciate that you are anxious to have a lot of those documents tabled but, as you know, what is known as a SO 52 has been put through to have those papers tabled hopefully in the next week or so in the Parliament. There seems to be some driving force to remove the heavy rail and therefore have this vacant corridor. What is the intended purpose of the corridor if the heavy rail goes? Do developers have a plan?

Mr HARRIS: There have been plans. I can go back to the 1960s where proposals—these were reported in the *Herald*.

The Hon. LYNDA VOLTZ: We may not have time for the 1960s.

Mr HARRIS: I am not going right through. Basically the history of cutting the rail has always been to develop the rail corridor. In 1990 Greiner commissioned reports by Travers Morgan. They were asked to give the value of the land all the way back to Broadmeadow. What would be suitable for development on that land? What was the value of the land? We come to 2003 and it was done again with the Lower Hunter Transport Working Group, which incidentally four of the three members were HDC board members. The value of the developments that were proposed—and they actually had an appendix V of that report, developments for the rail corridor down here, which surprisingly are similar to what GPT then produced in 2008 as their vision for the rail corridor.

CHAIR: Buildings of what height were they intending to put in the corridor?

Mr HARRIS: The Lower Hunter Transport Working Group were proposing four-storey buildings, three levels of residential and ground floor commercial retail. They were valued in 2004 by the then chair of the Property Council Hunter chapter Bob Dupont. I understand you will often hear in the media the current CEO or chair of the Property Council saying, "There has been no proper valuation of developing the rail corridor." It's all rubbish; they supported those reports.

CHAIR: Is it correct that there is no mining underneath the rail corridor?

Mr HARRIS: I am not 100 per cent but can I say that there are two small drifts that go from major workings on one side of the rail line to the other; they are not substantial.

Mr DAVID SHOEBRIDGE: Very little compared to the rest of the city?

Mr HARRIS: Very little compared to the rest of the city.

CHAIR: So it could be used for high-rise buildings?

Ms DAWSON: Yes.

Mr HARRIS: And some of it you have water table issues but they get around that. If you go down and have a look at the Crowne Plaza, that is all on water table issues.

Mr HARRIS: Even today UrbanGrowth is quoted in a newspaper article in the *Herald* as saying they are urging the Government to allow development on the rail corridor.

Ms DAWSON: I would like to add too that this matter of a green corridor has been put forward to people as some desirable thing. I just point out that Newcastle is full of little laneways that used to let the

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dunny-cart man come down them and if they wanted little green corridors they could find a whole heap of them all over Newcastle.

The Hon. CATHERINE CUSACK: You said that decisions are being made by people who are too close to rich people. In November 2010 Jodi McKay said, "I am of the firm belief that this city can only reach its full potential if we deal with the rail line issue. We should not have a heavy rail line system running through the city as we do now."

Ms DAWSON: I will just read out something Jodi McKay said, "My position is clear. I will always support keeping the rail line into Newcastle."

The Hon. GREG PEARCE: That is not what comrade McKay said in May 2014 nor is it what comrade Michael Costa had to say—

Ms DAWSON: We don't care what she said—

Ms CROSS: It is your Government that is going to close the rail line without the approval of the Minister. Gladys has not yet approved the project, yet in 50 days we will be crammed into buses that will cause chaos and mayhem in Hamilton and Newcastle.

CHAIR: Thank you for your attendance today and your detailed submissions, which will help the Committee as it prepares its recommendations for this inquiry.

(The witnesses withdrew)

(The Committee adjourned at 4.00 p.m.)

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