

GENERAL PURPOSE STANDING COMMITTEE No. 4

Monday 15 October 2007

Examination of proposed expenditure for the portfolio areas

PLANNING, REDFERN WATERLOO, ARTS

The Committee met at 9.00 a.m.

MEMBERS

The Hon. J. A. Gardiner (Chair)

The Hon. D. T. Harwin
Ms L. Rhiannon
The Hon. R. A. Smith

The Hon. H. S. Tsang
The Hon. L. J. Voltz
The Hon. I. W. West

PRESENT

The Hon. F. E. Sartor, *Minister for Planning, Minister for Redfern Waterloo, and Minister for the Arts*

Department of Arts, Sport and Recreation

Mr B. Adby, *Director General*

Ms R. Cheetham, *Executive Manager, Finance and Property*

Redfern-Waterloo Authority

Mr R. Domm, *Chief Executive Officer*

Sydney Olympic Park Authority

Mr B Newman, *Chief Executive Officer*

Growth Centres Commission

Mr A. Dawson, *Chief Executive Officer*

Department of Planning

Mr S. Haddad, *Director General*

Mr P. Despinidic, *Strategic Business Analyst, Corporate governance and Support Services*

CORRECTED

CORRECTIONS TO TRANSCRIPT OF COMMITTEE PROCEEDINGS

Corrections should be marked on a photocopy of the proof and forwarded to:

**Budget Estimates secretariat
Room 812
Parliament House
Macquarie Street
SYDNEY NSW 2000**

CHAIR: I declare the hearing open to the public and welcome Minister Sartor and his accompanying officials. At this hearing the Committee will examine the proposed expenditure for the portfolios of Planning, Redfern Waterloo, and the Arts. Before we commence I will make some comments about procedural matters. In accordance with the Legislative Council's guidelines for the broadcasting of proceedings, only Committee members and witnesses may be filmed or recorded. People in the public gallery should not be the primary focus of any filming or photographs. In reporting the proceedings of this Committee, members of the media must take responsibility for what they publish and what interpretation they place on anything that is said before the Committee. The guidelines for the broadcasting of proceedings are available at the table by the door.

Any messages from attendees in the public gallery should be delivered through the Chamber and support staff or the Committee clerks. I remind the Minister that while at the table he and the officers accompanying him are free to pass notes and refer directly to advisers. As I have just advised, the Committee has agreed that the first 45 minutes will be allocated to the Arts portfolio and that the remainder of the hearing will be allocated to the Planning portfolio and the other agencies. As this is a long hearing there will be a 10-minute morning tea break at 11.00 a.m. Minister, I advise that in relation to the return date for questions on notice, the Committee has resolved to request that answers to questions be provided within 21 calendar days of the date on which they are sent to your office. Do you expect that to be a problem?

Mr FRANK SARTOR: No, that should be fine, thank you.

ROBERT LUKE ADBY, Director General, Department of Arts, Sport and Recreation, affirmed, and

RACHEL CHEETHAM, Executive Manager, Finance and Property, Department of Arts, Sport and Recreation, sworn and examined:

CHAIR: I declare the proposed expenditure for the portfolios of Planning, Redfern Waterloo, and the Arts open for examination. We will start with the Arts. Minister, do you have a brief opening statement?

Mr FRANK SARTOR: Since 1995 the Arts portfolio has seen an increase in recurrent funding from \$150 million to \$235 million, which is an increase of 60 per cent. This includes an increase in cultural grants from \$13.6 million to \$29.3 million, which has more than doubled; a 40 per cent increase in funding for public libraries from \$15.7 million to \$23.5 million; and the funds being allocated for critical maintenance have recently been increased. An additional \$35 million for critical maintenance was approved in the last budget, including \$25 million for critical and major maintenance projects at the Sydney Opera House. I will stop there and take questions.

The Hon. ROY SMITH: The Australian Museum has a pre-existing program for firearms that are either unsuitable for the museum's collection or, for other reasons, deemed no longer required by the museum. How are such firearms disposed of and, where they are appropriately licensed, are collectors able to purchase them from the museum?

Mr FRANK SARTOR: I asked this question some time in the past but, unfortunately, I have forgotten the answer. I will take that question on notice, unless Mr Adby can answer it.

Mr ADBY: We will take that question on notice.

Mr FRANK SARTOR: I will take that question on notice.

CHAIR: On 21 August this year a review into public libraries funding in New South Wales was announced and that review was to commence straightaway. What is the anticipated cost of that review?

Mr FRANK SARTOR: My understanding is that it will be very little because Professor Parry has agreed to do it because of his particular interest in the arts. In fact, he has offered to do it pro bono. As you well know, he is an extremely experienced public regulator having run the Independent Pricing and Regulatory Tribunal [IPART] for many years. He is looking at how we are funding public

libraries to make sure that we get the best value for money. Of particular interest is to make sure that he builds strength in public libraries, that we look at the clusters of public libraries, the actual service that people see in their local communities, such as public libraries being improved, rather than a sort of notional archaic kind of national formula that we used to allocate per head of population some adjustment for disability factors that have nothing to do with library use. The terms of reference clearly say to him to have a good look at this; are we funding in the best way possible? I expect that after he has finished his consultation, discussions and considerations he will come back with either recommendations or a range of options on how we can make sure we target library money in the best possible way.

CHAIR: Do you know how many stakeholders have been consulted so far?

Mr FRANK SARTOR: He is dealing mainly through the peak organisations and through the Library Council. The peak organisations have been talking to him. Some have been to see me. That is basically the approach he is taking because he is looking at broader policy parameters, not so much individual grants—just the structure of the program to make sure it is the most effective. It seems to me that there may be some case for reform when some councils that have access to enormous library facilities—take inner Sydney—are being funded to a similar per capita amount to other regional or western Sydney councils that are under more stress and have less access to important facilities. For example, we have the Mitchell Library here, which is one of the best in the country and that is available in the city, with the Stanton in North Sydney, and also the city library. Other local government areas are not quite so fortunate. So, it is all about making sure that we target the needs. It is a fundamental principle of good Labor governance.

CHAIR: Can you tell us the process for stakeholders to send a submission in to the review?

Mr FRANK SARTOR: I will take advice on the detail, but in essence he is dealing with the peak organisations and representatives of the stakeholders. I am told submissions can be lodged via the web site until the 19th of this month.

CHAIR: Can you tell us why the Richmond-Tweed Regional Library Committee was advised that it was not entitled to make a submission?

Mr FRANK SARTOR: The approach has been that we direct the discussion, the dialogue, through the peak organisations. We have not resisted individual submissions, but there has not been one where we are looking for detailed comment on detailed issues. It is really about the structure of funding, the philosophy of funding. This is a high-level review. It is not going into exactly who gets what; it is really about the philosophy behind it to make sure we have a really transparent and accountable philosophy that best targets the needs throughout the State. That is why it has not been done at that low individual level because it is not dealing with individual grants. The advice I have is that they can make a submission but its aim is really about—

CHAIR: Nobody that you are taking notice of?

Mr FRANK SARTOR: No, it is not that at all. Madam Chair, I would have thought that you would have exercised a degree of impartiality here. It is about the structure. If you are inviting public submissions on detail, they may form the view that that is relevant for the terms of reference. You have to look at the terms of reference and they really are about sustaining structural and philosophical issues. They are not about individual grants. As long as people understand that, they are welcome to make a submission.

CHAIR: When is the completion date for the review?

Mr FRANK SARTOR: I am hoping to receive the report by December.

CHAIR: Do you then have an implementation schedule or any recommendations?

Mr FRANK SARTOR: Well, it may form the library grants for the next financial year. It does not affect the library grants for this financial year.

CHAIR: Continuing with that theme, one of the terms of reference to which you have just referred under the review is the examination of revenue-raising potential of local government authorities by local government area. Does this mean the review is investigating the potential of a user-pays scheme for the State's public libraries?

Mr FRANK SARTOR: I would be very surprised if we do and if they support that. I do not think it has ever been on the agenda, and it is certainly not what the inquiry is about at all.

CHAIR: Have any local councils raised concerns about the lack of State Government funding, potentially in the light of any user-pays scheme?

Mr FRANK SARTOR: Local councils raise concern about funding just about every time you talk to them, whether it is Federal or State. In fact, you cannot have a conversation with a local mayor of a council without them asking for money. They do it about planning matters, they do it about library matters, they do it about cultural grants, they do it about everything that possibly crosses their brain. Some councils have tried to make this a political issue by saying it is about charging library fees. This is not what this inquiry is about. I do not expect that the current position will change in any way, shape or form.

CHAIR: How many councils have raised such concerns with you?

Mr FRANK SARTOR: I do not know, but I have heard one of the local—or one or two of them have raised it with me. I have seen one or two media reports. That is all I have seen. It may have been raised for political posturing reasons, rather than reality, but if they raise it with me directly, I will give them a direct answer.

CHAIR: The funding allocation for public libraries through the State Libraries Subsidies and Grants Program has dropped from \$24,799,000 in 2005-06 down to \$24.5 million in 2006-07. Can you firstly confirm what the expenditure for 2006-07 was? Is it true to say it was \$24,551,010?

Mr FRANK SARTOR: I will ask Ms Cheetham to deal with that.

Ms CHEETHAM: Public library funding for the 2006-07 is \$24.5 million.

CHAIR: You will probably have to take this on notice, but we would appreciate a detailed list of how those subsidies and grants were allocated in 2006-07—unless you have one there?

Ms CHEETHAM: No.

Mr FRANK SARTOR: Can I just say that the difficulty with a lot of the grants, and one of the reasons why we are reviewing that as well, is that a lot of them are tied grants or joint grants. For example, a significant amount of funds is paid as part of Federal funding of major performing arts companies. We contribute on the 90-10 formula, which is the result of the Nugent inquiry. I think we contributed 10 per cent but that is worth I think some \$6 million or \$7 million a year, or in that order. I will ask Ms Cheetham to confirm that. Many others are joint funding arrangements with local councils. There are a whole lot of inherited commitments which involve other funding bodies. One of the things that the review will look at again, like the library's review, is what is the overriding philosophy and how do we make sure we are funding arts in the best possible way to get the best possible value for the community, and so we look at these issues.

But I would not assume for a minute that we would walk away from a joint obligations with the Commonwealth in relation to the major performing arts companies, or that we necessarily would walk away from some of the other major partnerships—say, for example, the Writers Festival, the Sydney Festival, the Sydney Film Festival and other equivalent ones in regional areas. But under the major performing arts grants, I think we fund \$9.6 million and the Commonwealth funds \$35.7 million, as I am advised.

CHAIR: Minister, you mentioned Federal input. There is no Federal funding for library grants.

Mr FRANK SARTOR: I am sorry?

CHAIR: There is no Federal input to library grants.

Mr FRANK SARTOR: No, I was talking about cultural grants, sorry. No, there is not in library grants. I did not say there was.

CHAIR: In terms of the public libraries themselves, apart from councils having expressed concern about the future funding and existing funding to libraries, is it not correct that libraries themselves have been expressing concern, noting that New South Wales already has the lowest per capita contribution of any government in Australia to public libraries? The concern of course is about the continuing fall in those funds. In terms of your overall question about the philosophy of funding, what is your aspiration for libraries in terms of funding for the future?

Mr FRANK SARTOR: I have been a great supporter of libraries, as I was when I was mayor. I think they are absolutely essential and the functions they perform these days have broadened substantially from what they were 50 years ago. Libraries provide all sorts of services and venues for people throughout the State. This is why we make sure that funding goes where it is most needed.

CHAIR: What do you say to councils, librarians and the communities that they serve, when there is such a lack of funding—that they need to consider either charging people to borrow books or even closing local libraries down?

Mr FRANK SARTOR: As I have already said, the State has increased funding of public libraries by 40 per cent since 1995, so we have actually increased funding, and 90 per cent of funding for libraries comes from local government. I should also say that the Act clearly provides that you cannot charge for library services for your own constituents. I think the Act's provisions say something like, "Any person who is a resident of an area of a local authority or ratepayer of the local authority is entitled to membership of the library free of charge."

But of course local councils and libraries will seek more funding. People do. The State has to balance these against all the other priorities, which is what it does. You remind me that I think the Health budget has increased by 8 per cent per annum and that is a significant claim on the State's resources, so the State has to allocate its resources in the best way it possibly can. That is why I am concerned to ensure that, as we allocate those resources, we do it in a very cost-effective way with a very clear, coherent and transparent philosophy, which is where we are aiming.

CHAIR: In terms of that overall philosophy, given that there was an extensive review of the model that is now being reviewed again, why after only two years does it need to be reviewed again? What is the problem you see there?

Mr FRANK SARTOR: Look, you know, portfolios that I go to tend to be engaged in reform. When I looked at the review and looked at some of what I call the consequences of the current funding model, I thought there was cause for further review. Professor Parry is an independent person. He is extremely experienced. I am very lucky to have him on board in this review. I would be interested to see what he has to say. I cannot see how you should fund people in inner Sydney in the same way as you fund people in some regional and outlying areas when they have got, as I said, the Mitchell Library, the city library and the Stanton Library very close by. Clearly there is a misallocation. I think some constituents are getting much more access to library services than some others. I want to make sure that the benefits of library services are more equitably provided throughout the State.

CHAIR: On the question of equity, can you tell us which of the libraries will have funding cuts, given the overall down slide in the allocation? Can you list the ones that will take a cut?

Mr FRANK SARTOR: As I have just said, funding has increased by 40 per cent. There has not been an overall reduction over time, taken over that period. But secondly, your question: If I was able to answer that, I would be inconsistent with what I am trying to achieve, which is a better, more transparent, more equitable program for funding libraries. That is why I am not making any calls about who gets cut and who does not get cut. I would expect quite probably that a lot of libraries will

get funding increases—but that is a matter for having a clear and transparent and equitable philosophy—then relevant staff, in consultation with the Mitchell Library, will allocate the grants for 2008-09 on the basis of a philosophy. I am in no position to say who might get cut, if any do. I did not expect there would be many cuts but all I am saying is that we might have a better funding formula.

CHAIR: Can you confirm that at the country public libraries conference at Bega on 18 July this year, the member for Monaro said that no country library would lose funds?

Mr FRANK SARTOR: If you are just approaching this thing intuitively, you would expect that country libraries would be the ones most likely to gain as opposed to lose.

CHAIR: Intuitively?

Mr FRANK SARTOR: You would expect that, as a general direction. But again, let Professor Parry do his work. He has to do his work.

CHAIR: So that statement by Mr Whan is up for review?

Mr FRANK SARTOR: Not necessarily. He may well be totally correct.

The Hon. DON HARWIN: But you are not ruling them out at the moment?

Mr FRANK SARTOR: I think they are highly unlikely. I think if you want to run around saying that there will be cuts to country libraries, you will be totally misleading the public. But I want to see Professor Parry's work.

CHAIR: Do Government members have any questions?

The Hon. LYNDA VOLTZ: Not at this time.

The Hon. DON HARWIN: The New South Wales Government's funding of cultural institutions has fallen this year and there has been some public comment, including an article published in the *Sydney Morning Herald* on 15 June 2007—

Mr FRANK SARTOR: Is that the one that was totally wrong?

The Hon. DON HARWIN: It pointed out that New South Wales is losing the arts plot—I think was the comment—and that Melbourne and Brisbane are emerging as creatively vibrant cities. How can the New South Wales arts industry survive when it competes with Victoria, where arts funding was recently increased by \$63 million, and Queensland, where it was increased by \$24 million?

Mr FRANK SARTOR: You have to look at these things as a long-term trend. You cannot just look at this year's budget and that year's budget because it is the underlying grants over time. Since 1995 the Labor Government has increased funding for the arts. If there is short-term catch-up by the other States, well, that happens. States allocate their budgets each year based on decisions made that year. You would need to look at it overall. Our organisations do it extremely well.

The Hon. DON HARWIN: Sydney based drama producer Brett Popplewell is quoted in the same *Sydney Morning Herald* article saying that he had done over \$238 million worth of productions in Australia over the last five years and not one of them has been in New South Wales. He and other film and television makers said Victoria, Queensland and South Australia all offer much greater incentives than New South Wales. Why are you not offering support to an industry that can obviously earn big financial rewards for this State?

Mr FRANK SARTOR: The Government recognises the cultural and economic benefits from a strong local film and television industry. The State Government has provided \$9 million a year to the New South Wales Film and Television Office [FTO] to support and assist the local industry. The Government also provides payroll tax incentives to the Department of State and Regional Development to attract footloose production projects that could be shot anywhere in New South

Wales. The FTO offers a diverse range of programs to foster and support the industry, including the highly successful script development program Aurora, and finances the production of a variety of industry and audience development initiatives. In addition, the FTO's production liaison unit provides additional support for local and foreign productions and markets New South Wales as a destination.

The State Government is also committed to cutting red tape to ensure that New South Wales is film friendly. Following recent changes to the State environmental planning policy it will now be easy to obtain approval for filming on Crown land. A range of additional proposals to ensure New South Wales is open for business in relation to filming is also being progressed. There are, as with all things, changes that occur in production locations from time to time. Overall I think it is fair to say that Sydney and New South Wales are still doing very well.

The Hon. DON HARWIN: In June this year a self-portrait by Dutch master Franz van Mieris worth approximately \$1.4 million was stolen from the Art Gallery of New South Wales. It was reported in last Saturday's *Sydney Morning Herald* that only two screws fixed the painting to the wall, security guards patrolled only occasionally and there was no close-circuit television surveillance. Has any additional money been allocated to upgrade security at the Art Gallery of New South Wales following the theft earlier this year?

Mr FRANK SARTOR: That is a good question. The Government has provided \$10 million over the last five years for maintenance, including security, for the gallery. An additional \$3.6 million was provided for building operating systems, including security, as part of a \$35 million critical maintenance program for the Arts portfolio. That was an additional grant about two to three months before the theft. The art gallery has reviewed its security arrangements and new security measures are being implemented. However, it is fair to say that the Government had already moved to provide more money for security at the art gallery—it was only a couple of months before—and those measures had not been implemented before the theft occurred.

The Hon. DON HARWIN: So your judgment is that no extra funding is required at this stage?

Mr FRANK SARTOR: No, my judgment is that we provided an additional tranche of money and, based on a detailed examination of the current report that is being commissioned by the art gallery, which I have asked for, we may or may not provide more. Mr Adby, do you want to add to that?

Mr ADBY: No, I do not think there is anything more to add to your comments other than to say that the art gallery has produced a report and it is acting on the recommendations of its report, which was commissioned by the Minister.

The Hon. DON HARWIN: The gallery is in need of routine maintenance and upgraded air conditioning and air control. How many rooms in the Art Gallery of New South Wales are fitted with air conditioning and appropriate air control?

Mr FRANK SARTOR: I will have to take that on notice, I am sorry, but certainly the additional funding provided was for security, it was for the escalators and there was money for air conditioning as well.

The Hon. DON HARWIN: Has the quality of any of the artworks deteriorated as a result of inadequate air conditioning or air control?

Mr FRANK SARTOR: I am not aware of that.

The Hon. DON HARWIN: Would you be happy to take that on notice?

Mr FRANK SARTOR: We could ask Edmund to advise us, yes.

The Hon. DON HARWIN: How much money out of this year's budget allocation has been allocated to upgrading the air conditioning at the art gallery?

Mr FRANK SARTOR: I will have to take that question on notice. We leave these sorts of decisions to the gallery to allocate priorities. It is up to it. I think that with the finalisation of the security report it may look again at the \$3.6 million and decide which issue should get the highest priority. I will take those questions on notice.

The Hon. DON HARWIN: The revised 2006-07 budget for the art gallery was \$38,060,000 but the 2007-08 budget has been cut to \$36,683,000. Which projects or initiatives have been cut as a result of the budget cuts?

Mr FRANK SARTOR: Global savings are applied across the New South Wales public sector as part of the Government's effort to reduce waste and improve efficiency. The decrease in 2007-08 is mainly due to a reduction in funding for insurance in line with the actual reduction in the gallery's premium. Lower premiums mean lower funding because they all get direct funding for insurance.

CHAIR: I return to libraries. The Government's online services have created a demand on public library services, which could be said to amount to cost shifting—for example, Roads and Traffic Authority driving licences, transport bookings, school study notes and the recent advice about equine flu. Is it envisaged that your public libraries funding review will result in a fee for the services libraries provide?

Mr FRANK SARTOR: All that information is useful. In fact, recently I met with two country library groups, the peak organisations, and they raised those very issues. I am keen to see their submissions because they are always useful in the context of budget deliberations.

CHAIR: No doubt in such discussions various groups like that would have mentioned the fact that South Australia and Western Australia have longer-term funding agreements for libraries. Is that something that the review is looking at in terms of your overall philosophy? Is that something you would identify?

Mr FRANK SARTOR: I would be comfortable with anything that makes it do it more effectively. I would not be adverse to Professor Parry addressing the issue in his report.

CHAIR: So it is possible that we could see five-year funding for libraries.

Mr FRANK SARTOR: He has a fairly open-ended brief. I am not saying five years. It is a matter for him as to whether he regards that as an issue.

CHAIR: In relation to Internet access at public libraries, has any money been provided in the budget for the installation of Internet filtering technology in each New South Wales public library?

Mr FRANK SARTOR: I will take that question on notice.

CHAIR: You do not know. If it has not been installed, you do not know when it will be. You will have to take that on notice as well.

Mr FRANK SARTOR: My advice is that it is a matter for local councils to determine whether the public libraries they administer will use Internet filters. Of course, any illegal behaviour is a matter for the police, regardless of where it occurs, and any incidents of inappropriate use of the Internet may be dealt with by the police or by a policy framework that includes the Library Regulation 2005. The regulation provides for libraries to direct a person to leave if the person's conduct or manner is likely to give offence to any person in the library or to interfere with any other person's use of the library. There seems to be a degree of autonomy here. The Federal Government is saying that it will fund Internet filters. I will have to take the other aspects of your question on notice.

CHAIR: Would you be good enough to provide us with information about the level of usage of libraries across the State? I appreciate that you may need to take some of this on notice.

Mr FRANK SARTOR: I think I might take that on notice.

CHAIR: Can you provide us with the recorded use of services in terms of million units for 2006-07? How does that compare to the previous year, 2005-06? What is the anticipated use of services in 2007-08?

Mr FRANK SARTOR: I have seen a global figure of library usage in New South Wales. I think membership of the library was over three million, but I need to check that number. I will take the balance of that on notice. State Library user inquiries grew by 15 per cent to 4.4 million. Web page requests grew by 25 per cent to 40.2 million. I do not think you are interested in loans to rural libraries from the State Library. I think the question is more about total usage and the usership of the library throughout the State. I will get back to you on that.

CHAIR: If there has been a general usage increase across the board, does that mean that local government would be expected to meet any increase in costs associated with that increased usage?

Mr FRANK SARTOR: To the extent that increased usage means higher costs. Often it does not. More hits on the net does not necessarily cost anyone anything.

CHAIR: But if there are any increases in costs—

Mr FRANK SARTOR: If it does, it is a factor you take into account annually when you set budgets.

CHAIR: Can you advise the Committee how many millions of units there were in terms of web site page requests at public libraries in 2006-07?

Mr FRANK SARTOR: I have just given you the number for the State Library, which was 40.2 million hits, having grown by 25 per cent. I am not sure what the growth in usage for country libraries or other libraries has been. I will have to take that on notice.

CHAIR: In terms of staffing of public libraries, is it correct to say that the average staffing expressed in terms of equivalent full time positions was 381 in 2006-07? How does that compare with the previous year? What is the anticipated average staffing number in 2007-08?

Mr FRANK SARTOR: Is this the State Library?

CHAIR: Yes.

Mr FRANK SARTOR: I will take that on notice. All I can say is that as we automate we would expect staffing levels to go down, not up.

CHAIR: In terms of the condition of library stock, can you tell the Committee how many items at the State Library were restored to the appropriate condition in 2007-08—

Mr FRANK SARTOR: I will take that on notice.

CHAIR: —and how that compares to the previous year? If you could take that on notice?

Mr FRANK SARTOR: I will take that on notice.

CHAIR: That brings us to the conclusion of the library and arts section. We will now proceed to Planning and other agencies.

(The witnesses withdrew)

SAM HADDAD, Director General, Department of Planning, and

PETER DESPINIDIC, Strategic Business Analyst, Department of Planning, and

ANGUS DAWSON, Chief Executive Officer, Growth Centres Commission, and

BRIAN NEWMAN, Chief Executive Officer, Sydney Olympic Park Authority, sworn and examined, and

ROBERT PETER DOMM, Chief Executive Officer, Redfern-Waterloo Authority, affirmed and examined:

The Hon. ROY SMITH: Minister, you would be aware of recent community debate surrounding the opening of a new sports store at Roseville, which will be selling firearms and accessories to appropriately licensed persons. Minister, there are several hundred firearms dealerships and legitimate small businesses operating in retail precincts throughout Australia. There is absolutely no evidence to suggest that they pose any threat whatsoever to our local communities. Minister, you have been quoted in the media as suggesting that you would support the glaring gun shops as restricted premises and restricting the areas in which they might be established.

Minister, despite the fact that there is no evidence whatsoever to suggest that such businesses pose any more risk to their local communities than other enterprises, is the Government considering increased restrictions on the operations of licensed firearms dealerships, including where they can operate? If the Government is considering new restrictions would those restrictions apply to new businesses only? Or would they apply also to existing businesses?

Mr FRANK SARTOR: This matter arose from Ku-ring-gai Council because under one of the State policies there is a very sensible rule that if you are running one business such as a coffee shop you should be able to convert it to a bookshop, or vice versa. In Roseville there was a printing shop that ceased use and a gun shop owner bought the same premises and availed himself of the exempt development provisions, which are sensible. The local council then said that it did not have the right to refuse it; it was all a State Government conspiracy and whatever else. This is an irony: It turns out that the Roseville gun club has the highest membership of any gun club in the State. This is one of those great ironies that although they have the highest membership there is this outpouring in relation to a gun store.

What I said at the time was that if a local council wants to introduce some kind of local limited restriction in respect of a gun store as it may apply to a school or preschool I would not stand in the way of that. Ku-ring-gai Council now wants to prohibit gun shops within 500 metres of preschools. Firstly, this would not apply retrospectively—you cannot take away planning rights retrospectively, so it does not affect the existing gun stores around the State. Secondly, whilst I want to allow local councils some discretion I think it is not something that the Government will start regulating. There has been a national debate on guns and whatever people's personal position may be, I do not want to start with a complicated layer of bureaucracy in relation to gun shops.

Currently there are national rules and some people might want them tightened and so on, but that matter has been dealt with nationally. This is really a question of how much local discretion one would allow. I think 500 metres is getting a bit silly. Some councils are now passing motions that they want to have them prohibited within 500 metres of a liquor store or anything else they can think of. It is a bit like the position with brothels, where councils in a very disingenuous way are trying to effectively prohibit something by introducing rules that effectively mean that certain uses cannot locate anywhere. People need to be a lot more transparent about this issue. I certainly will not allow a broadening. I have said that I have some sympathy if they want to do that near a childcare centre or school—in my mind that is 200 metres.

Ku-ring-gai Council normally takes 5,000 years to approve a local environmental plan [LEP] or to process one, but somehow this local environmental plan amendment has come through in about a month. It shows it is capable of doing something when it is politically motivated, but not so capable when it comes to basic good, sound, local planning. I am not that comfortable with Ku-ring-gai Council. In fact, last Friday I issued it—nothing related to this issue—with a formal show cause notice as to why I should not appoint a planning panel to resolve some of its regional centres. I am simply not comfortable with its capacity to come up with rational planning. The options for me in relation to this are that I do not think I would support a 500-metre sterilisation. I think that is dishonest; that is like introducing a total ban. If you want that, let us have a statewide and national debate.

The options for me are to allow a prohibition within 200 metres or to require it to become a use that is permissible only with the consent within 200 metres. In other words, at the moment it is an exempt development and I can take it out of the exempt development patch and you can deal with it as an application. There is always the Land and Environment Court as an appeal mechanism. They are the things that the director general and I are discussing at the moment to decide what is the level of discretion that we should allow Ku-ring-gai Council in this case. I have to say that it reads a bit like a bit of a political beat up. However, at the end of the day if they want to produce some rules in relation to this at a very local level, I do not want to be necessarily standing in their way.

The director general and I are considering whether we will allow some zones where they are required as permissible use, or whether we allow zones where they are restricted or prohibited. That is something we need to consider within the department. Doubtlessly there will be other councils that want to make a point, a bit like the councils that surreptitiously want to ban brothels everywhere, whether you agree or disagree with them. Just see what happened in Parramatta where an official was found to have acted corruptly in relation to brothels.

We have to be careful that we do not go back to the bad old days where excessive prohibition can lead to corruption. That is where we stand; we have not made a final decision. They are the sorts of things we are toying with but no major massive intervention. I read this as a bit of a political stunt. Whether this is a political stunt or whether it is a genuine community concern are the judgments that are difficult to make.

Ms LEE RHIANNON: Minister, how many written complaints have been received in the last 12 months by either your office or the department about delays in the processing of development applications by councils?

Mr FRANK SARTOR: Lots and lots and lots.

Ms LEE RHIANNON: Can you give a number, Minister?

Mr FRANK SARTOR: I do not have a number, there are lots of them. I was reading three last night. One was by a person from Leichhardt Municipal Council saying that the new mayor said that the council does not care how long development applications take. She attached a copy of the local Glebe newspaper article. There was another one about Leichhardt Municipal Council that I read last night by one of the storage companies. They gave facts that on the face of it—and you always have to see the other side—it appeared that the council acted very capriciously to refuse something and later, on their first day in court, they immediately conceded the development and it was approved with a total delay of about a year. There was a fellow in a coronary care unit at Royal North Shore Hospital who wrote saying that he had had the most frustrating time possible and as a result had had a heart attack as a consequence of dealing with his local council. It is an amazing letter.

Ms LEE RHIANNON: Minister, I have a number of questions. The question sought the number, not information about individual complaints.

Mr FRANK SARTOR: I am coming to numbers that are independent of what I know. The anecdotes are coming thick and fast, and we have a major problem out there whether we like it or not. The Department of Local Government annual report 2005-06 mentions receiving 1,107 complaints, and says 30 per cent of issues relate to development applications or rezoning matters. The New South Wales Ombudsman report of 2005-06 showed that around 20 per cent of issues related to development and strategic planning, with a total of 513 formal and informal complaints. The ICAC report 2005-06 shows that 275 out of 790, or 34 per cent, of complaints received from the public were about local government. The most frequent type of activity reported by the public relate to building development assessment matters, of which there were 200 complaints.

We have not sought or encouraged complaints to me or my department, for the simple reason that we are not geared to deal with that. We have done a report on local government performance, as is consistent with more recent amendments to the Environmental Planning and Assessment Act, and that report shows processing times. But this report was based on numbers supplied to us by local councils. In it we found, for example, that the average time to get a DA through Leichhardt was 185

days; the average time to get one through Strathfield was 158 days; Canterbury, 152 days; Ashfield, 130 days; Botany, 115 days; Port Stephens, 113 days; Woollahra, 111 days, Wollongong, 106 days, and so on. We also found that quite a lot of councils took more than 100 days to deal with something worth under \$100,000. We are currently compiling a report for the 2006-07 year. The big difference between this report and the 2006-07 one will be that in the new report we are actually getting the raw data about every individual application. So there will not be any room for interpretation; the data we get will be much more objective.

Ms LEE RHIANNON: I am also seeking data on calling in developments under part 3A.

Mr FRANK SARTOR: I will come to that in a minute. I have a long list about that. I can talk about that at length.

Ms LEE RHIANNON: I was just after the figures, so that we do not take up a lot of time talking about individual cases.

Mr FRANK SARTOR: I think it is important to explain what the figures mean. Statistics on their own mean nothing—unless they are interpreted. It is important that I explain the insights that we are getting on these matters. There is a report that says there is a major problem, the Ombudsman says there is a major problem, ICAC says there is a major problem and the Department of Local Government says there is a major problem. About six weeks or two months ago I put a panel into Burwood, with their agreement, and by all accounts it is working very well. I have asked Wagga Wagga to show cause why I should not put a panel in there. I met with the mayor, the deputy mayor and senior staff last week to discuss that. I have just sent a letter to Ku-ring-gai council asking it to show cause why I should not put a panel into Ku-ring-gai.

There are some very good councils that operate pretty well within the expected realms. Not everyone in the community will be happy with everything. That is the nature of services provided by anybody. I am very rarely happy with the services that Telstra provides me. In fact, I am usually very unhappy. But the fact is that there are some systemic, repetitive and chronic problems, and cultural problems, that I think are disadvantaging the mums and dads of this State. There are 120,000 applications in a typical year, and most of those are not by developers. That is a great myth that is peddled by some people. More than 80 per cent of application would not be by developers; probably close to 90 per cent would be by industry or people that need to develop their business—but mostly mums and dads about their homes, because 70 per cent of all applications are residential.

I just think it is unconscionable as a State, as a Parliament, as a Government, as a Minister, as a department if we do not move to fix this chronic, cultural and systemic problem, which just gets worse. It does not actually get better. Hopefully, with the planning reforms coming up, and the discussion paper we are putting out, we are starting to have a proper debate about these real issues. I am starting to get a significant trickle of letters, but we have never encouraged letters to us because we are not geared to investigate individual complaints—we just are not.

Ms LEE RHIANNON: Minister, I move on to the ICAC position paper on corruption risks in New South Wales development approval processes. Will the Government implement any or all of the recommendations contained in that position paper?

Mr FRANK SARTOR: The Government reviewed those recommendations. I remember reading the report. I do not think I have it with me. I remember thinking that some of them were inconsistent or would have the opposite effect to that which ICAC was proposing. But the Government has not taken—

Ms LEE RHIANNON: Will you provide a formal response?

Mr FRANK SARTOR: The Government will provide a response in due course. It is a matter for the whole of Cabinet. They are promoting panels, for example. If you read the various ICAC reports, they are promoting removing the say of local councillors. In a number of their reports that is a consistent theme now. They are also promoting that the Minister for Planning has to disclose who donates to the Labor Party. I prefer not to know who donates to the Labor Party, because I do not

think that is relevant to my considerations. In fact, it is better that I do not know, and I do not want to know.

Ms LEE RHIANNON: Are you being serious when you suggest you do not know any of the donors to the Labor Party?

Mr FRANK SARTOR: I would guess who some are, but in most cases I would not know, and I would not care.

Ms LEE RHIANNON: When you are sitting at a fundraising lunch or dinner surely you know who is sitting there with you.

Mr FRANK SARTOR: There are lots of people who donate to the Labor Party who do not sit with me at dinner. I deal with people without fear or favour. Whether they donate to the Labor Party or not is irrelevant. One of the ICAC recommendations is that I should know everyone who has donated to the Labor Party. I think that is not helpful. This is a national issue, as Premier Carr said in the past, if both parties want to do this at a national level to reduce donations of developers. I do not have any problem with that personally. In fact, I would welcome it. But remember this: most developments are not by developers; they are actually by other applicants.

Ms LEE RHIANNON: Minister, when do you expect the response to this paper will be released?

Mr FRANK SARTOR: It is an ICAC recommendation and probably will require the consideration of the whole of Cabinet.

Ms LEE RHIANNON: When will it be released?

Mr FRANK SARTOR: It has not yet been submitted to Cabinet. I do not have an exact time, but in the next few months.

Ms LEE RHIANNON: Will you take that on notice?

Mr FRANK SARTOR: I will take it on notice and seek advice from the Cabinet Office.

Ms LEE RHIANNON: Thank you.

The Hon. DON HARWIN: Minister, in 2002 the State infrastructure contribution was set at \$15,000 per residential lot by the then Minister, Mr Refshauge; in 2004 the then Minister, Mr Knowles, said developer contributions would be between \$25,000 and \$65,000; then, in June 2006, Minister, you said the contributions would be an average of \$33,000 per lot. Can you please state how much money the Government received from the State infrastructure contribution in each year since 2002?

Mr FRANK SARTOR: Firstly, let us distinguish between the growth centres and areas that are not part of growth centres. In growth centres, there has not been a development yet because for the first two main precincts, which are equivalent to 12,000 houses, we hope to approve final development codes in the next month or so. Is that correct?

Mr DAWSON: Yes.

Mr FRANK SARTOR: There have not yet been any developments, so ipso facto there have been no contributions. The second thing you need to consider is that the \$15,000 you are talking about sounds to me like a transport levy that we imposed in some parts of Sydney—and the director general can correct me if I am wrong.

Mr HADDAD: Correct.

Mr FRANK SARTOR: As to the original estimates of what would be required, you need to be careful whether you include local government levies or just State levies. The levy struck in June

2006 was in fact \$33,000 in the two growth centres, which did not include local government levies. The Premier last Friday made an important announcement, and that is that we will be cutting levies in the growth centres from between 30 to 40 per cent, which involves a total cut in development costs of about \$25,000 per lot.

This is about making sure that those investors who want to bring houses to the market have a more attractive financial return so as to promote supply into the market in the growth sense. Effectively, that therefore means that the previous contribution to infrastructure costs was 75 per cent from the development industry and 25 per cent from the Government. I think it is now closer to 50:50; the State's contribution has now increased to about 50 per cent. But there is also a cut to local government levies because some of them were getting as high as \$60,000 per lot, and that is not acceptable.

The member asked me what levies were received. Since 2001 or 2002 voluntary planning agreements have been in place. In many cases State and local councils have achieved value-in-kind contributions for roads and other infrastructure or, in some cases, monthly contributions based on individual development assessment and on a voluntary planning agreement entered into with developers. I do not know the number but there are probably 20, 30 or 40 possible consents; I have to be careful when saying the number because I do not know.

There would be several dozen consents which would have a voluntary planning agreement attached to them and which would therefore have an effective levy attached to them. But they would all vary depending on the circumstances of the site. I cannot give you a categorical answer because they are based on a site-by-site kind of approach. In the growth centres there have not yet been any approvals and, therefore, there have been no levies.

The Hon. DON HARWIN: How many developers have paid \$33,000 per lot since your announcement in 2006?

Mr FRANK SARTOR: I think I just answered that question. No-one has yet received an approval. The first two precincts are about to be approved in the next month or so. People do not pay before they have an approval unless they are irrational. So the answer is none.

The Hon. DON HARWIN: Can you advise the Committee, on notice if necessary, how the calculations were made for each of the levies that have been struck relating to the figure of \$15,000, the figure of \$25,000 to \$65,000, the figure of \$33,000, and last Friday's figure of \$25,000?

Mr FRANK SARTOR: Let us get this straight. I will take on notice the question relating to the figure of \$15,000 as that is a specific case. Some of these cases are specific cases with specific infrastructure needs; they are not general levies at all. In relation to the figure of \$61,000, I do not recall that number at all but I suspect it is two levies put together. The director general will have a look at that for you and so will the head of the Growth Centres Commission. In respect of the figure of \$33,000, it is very simple. The Government sought to provide 25 per cent of the funding for both growth centres.

When everything was massed together the total cost was \$7.5 billion, or thereabouts, and the Government sought to provide one-quarter of that and industry sought to provide three-quarters. We are now moving away from that to a new philosophy. Basically, the new philosophy is that infrastructure that goes with the land, such as roads, transport connections, acquisition of land for social infrastructure, or acquisition of land for local infrastructure—all those things that go with the land as opposed to the population increase—should be levied upfront from developers. Infrastructure that goes with the population increase, such as schools, hospitals and other local facilities really is about population growth and should be funded out of recurrent taxes or, in the case of councils, recurrent rates.

When there is a greenfields development councils also increase their rate base substantially. That is the new philosophy. It is consistent, and it is the sort of philosophy that we want to apply throughout the State. It is something that gives people a lot more certainty. Councils have interpreted section 94 contributions extremely variously. Some councils are levying as much as \$60,000 per lot and other councils are levying about \$3,000 or \$4,000 per lot. Economic distortions are going on and

they are shifting investment in ways that should not impact on investment. By coming up with this philosophy across the State we are better able to ensure that economic imperatives are not interfered with.

The Hon. DON HARWIN: Minister, you just referred to a figure of \$7.5 billion for infrastructure.

Mr FRANK SARTOR: That is for the two growth centres—north-west and south-west.

The Hon. DON HARWIN: Are you able to provide the Committee with some detail on how those needs were calculated?

Mr FRANK SARTOR: I think that number is part of your published detail.

Mr DAWSON: It is.

Mr FRANK SARTOR: We can provide that.

The Hon. DON HARWIN: I am after the detail and how it was calculated. Last Friday you announced that there would be an average reduction of \$15,000 in section 94 levies, that is, for the councils.

Mr FRANK SARTOR: Not quite. We took an example of a precinct in the growth centres and said, "When you apply this new philosophy the levies in total come down by \$25,000." We took an example. It is a new philosophy rather than a rigid calculation. What it throws up in different precincts and subregions of the State is different depending on the infrastructure requirements of that area.

The Hon. DON HARWIN: What consultation took place with local government prior to the announcement and how was the reduction determined?

Mr FRANK SARTOR: The difficulty with these sorts of questions is that local councils will always seek to maximise what they can levy. Initial feedback from some of the councils in Western Sydney shows that they have been quite accepting of the new approach. When you come to levies and income it is a question of managing the economy. The Federal Government has the prime responsibility for the national economy but the State governments also have an obligation to cut red tape and to do their bit for economic prosperity.

Councils do not really have that as part of their mandate so the State has to ensure it harmonises decisions so that individual councils do not cause economic distortions. That is what we did in BASIX where, for example, councils wanted to add their own layers. We said, "No, there will be a cost to industry. Let us quantify and harmonise how they will occur across the State." Some councils are trying to go further than State environmental planning policy 65, and we might also require that to be harmonised. In the case of the growth centres, the biggest cut to the levies that local governments can impose relates to riparian zones, which will be dealt with by the Growth Centres Commission as a separate issue.

The Hon. DON HARWIN: Some councils obviously need to charge much lower council levies for particular developments. For example, the City of Sydney charges approximately \$3,000 for a two-bedroom unit. How will the reduction work in that case? What calculations have you made on the impact of local government's capacity to provide infrastructure?

Mr FRANK SARTOR: State governments and local councils have to balance how much gets levied on the developer upfront that could go too far, reduce investment, reduce the supply of housing, and push up the price of houses—it is a simple microeconomic theory—and how much gets funded by the taxpayer from the growth in population. We have to strike a balance between the two. There is no magic in it. It is simply a reasonable balance that allows investment to occur and housing stock to be supplied, and, at the same time, it ensures that basic infrastructure is provided for and further infrastructure is provided for by the State or whatever.

Referring to the \$7.5 billion and to the Growth Centres Commission, the infrastructure plan that led to costs included 59 primary schools, 16 high schools, two TAFE colleges, 11 fire stations, 10 ambulance stations, four police stations, a new rail line to the Quakers Hill to Riverstone duplication, and 175 kilometres of new and upgraded roads. That was the basis that led to the \$7.5 billion calculation.

The Hon. DON HARWIN: What calculations have been made as to the impact on local government's capacity to provide local infrastructure and reduce council levies?

Mr FRANK SARTOR: We believe that is managed in the growth centres. A lot of it has to do with riparian zones and other requirements. Further discussions will ensue between the Growth Centres Commission and the councils. The State has a strong interest in it and a big commitment to it. The State's commitment for growth centres is of the order of \$4 billion over the next 25 years, up from \$2 billion. So the State is taking the biggest hit. But we need also to work through what local government has to do. The second issue relates to other areas and will be worked out on a precinct or subregional basis. They have not been worked out at this stage. Obviously, local government infrastructure needs will be a consideration.

The Hon. DON HARWIN: Is it true that even after your Friday announcement of a reduction in infrastructure charges that total infrastructure charges—State, local and utility—in the north-west and south-west growth centres still are the highest in Australia? How can the current charges be justified when in Queensland infrastructure charges total \$16,000 per residential lot, in Victoria there are no current levies but there is a proposal to charge \$14,000, and in Perth there are no State government infrastructure charges or any plans to charge them? What do you say to people who cannot buy land in Sydney's growth areas because property industry development companies such as A. V. Jennings are reporting that they would rather do business in Victoria and Queensland than face your Government's aggressive tax regimes?

Mr FRANK SARTOR: For a start I would say to you that the effect of levies is not a direct flow through. If levies are excessive, it will stifle investment; if investment is stifled, supply is reduced and the equilibrium market price of houses goes up. There is still plenty of supply of houses and land packages in western Sydney even while the higher levy regime is in place. We now are cutting it to provide a better margin for investors. By all accounts we believe that the market will bear these infrastructure charges, but we are determined also in places like western Sydney to ensure there is infrastructure provided with new suburbs. It is very easy to make back-of-the-envelope comparisons with other States because usually they are not valid: You have to look at water and utility costs. The goods and services tax would apply equally there as it would here, and you have to look at the infrastructure requirements of the particular precincts or areas. You will find that as the market cycle completes, infrastructure charges over time will start to become closer between the States.

However, you need to remember also that since the goods and services tax was introduced your colleagues in Canberra have punished this State now for almost a decade with massive rip-offs of goods and services tax money from this State transferred mainly to Queensland and Western Australia. When \$2.5 billion to \$3 billion is taken from New South Wales every year—it is not just lower taxes; tax money is available to fund projects in New South Wales—it is a big hit on the State's economy. We are carrying the equivalent of 75 kilograms in the Melbourne Cup with our disadvantage with the goods and services tax. Any horse carrying 75 kilograms in the Melbourne Cup would find it extremely difficult to win the race, yet New South Wales still has a growth rate of about 3 per cent.

The Hon. IAN WEST: And we are still doing well.

Mr FRANK SARTOR: We are still doing well because basically we are the leading economy in the country—the most robust. It would be no good relying on mining booms. We believe these cuts will bring us into line with reasonable market expectations.

The Hon. LYNDIA VOLTZ: Could you update the Committee on progress in the Redfern-Waterloo area?

Mr FRANK SARTOR: Yes. Just last week we approved the Indigenous Land Corporation's \$30.6 million sports education and community centre located at Redfern Public School. It will be called the National Indigenous Development Centre and will provide local families with learning, recreational and employment opportunities. It includes a 25-metre swimming pool and a gymnasium. The National Aboriginal Sports Corporation of Australia will be based there, as will the Lloyd McDermott Rugby Development Team, the Murraveena Child Care Centre, and the Exodus Foundation, which is run by Reverend Bill Crews and provides intensive literacy and numeracy training for kids between 10 years and 14 years who are struggling at school. The corporation will deliver also about 20 construction jobs out of this proposal for Aboriginal people.

We have approved also a concept plan for the redevelopment of the former Rachel Forster Hospital. The development value is about \$70 million, and is estimated on completion to have 150 new residences and a thousand square metres of open space. The concept plan protects heritage items such as the surgery building and colonnade structures. We still have to lodge a project application but, in essence, this is used to fund the new \$10 million community health centre at the courthouse and police station. Not only do we have the Indigenous Land Corporation investing a lot of money in Redfern Public School at a total investment about \$45 Million, of which \$30 million is in buildings, but also we are redeveloping Rachel Forster Hospital while preserving heritage buildings, selling it for residential housing. That money will be used in a deal with the area health service to provide this new multipurpose comprehensive health care facility at the courthouse and police station.

That is part of the brokerage role the Redfern-Waterloo Authority is providing in this area. In the Built Environment Plan the blueprint provides 444,000 square metres for new employment space, 2,000 new homes, a new town centre and better urban design. An affordable housing contribution plan which will deliver some 75 new affordable housing developments in Redfern in the next 10 years. We released also the affordable housing planning agreement for Carlton United Breweries, which will provide \$23 million for traditional affordable houses over the next decade. We released a contributions plan to provide another \$37 million in the future for important public works and community facilities. More than 180 jobs commissioned for indigenous people have been provided since the creation of the Redfern-Waterloo Authority. It has negotiated more than 75 jobs for Aboriginal people on construction sites, and another 100 jobs will be created in the next 18 months. The number will increase as more projects come on line at the new Australian Technology Park, including North Eveleigh headland and so on.

The Authority's Employment and Enterprise Plan foreshadows opportunities for 18,000 jobs over the next 10 years. The authority established the Yamma Dhiyaan Training College. Upstairs you can receive a certificate in hospitality in the Yamma Dhiyaan hospitality training and function centre, while downstairs an eight-week Koori Job Ready Course in Construction is being conducted. The college also provides catering and function services that are creating employment opportunities for graduates. The authority is expecting soon to commence operating a commercial cafe at the Yamma Dhiyaan, thus providing further employment opportunities. That is not all. The Redfern-Waterloo Authority has achieved a lot in its very short life: a \$47 million research building at the Australian Technology Park housing federal agencies is due for completion by the end of this year and will provide about 600 new jobs in the facilities. There has been \$7.2 million in roads and infrastructure development at Australian Technology Park for completion in the next month or so to facilitate commercial growth over the coming years.

Early works start this month on a \$123 million media hub, which is the Channel 7 and Pacific Magazines establishment. It is probably the largest single private sector investment in Redfern that we have seen for a very long time. It will bring 2,000 jobs to the area, with 600 jobs during construction and 60 jobs earmarked for unemployed Aboriginal people. This project is due for completion by the end of 2009. The Redfern-Waterloo Authority and the Australia Technology Park have jointly funded a \$6 million Eveleigh heritage walk, a pedestrian cycle bridge linking Australian Technology Park and North Eveleigh, and a further \$3 million is being committed to convert the heritage Blacksmith Workshop at North Eveleigh primarily for use as community markets. It is due to open in the middle of next year. That is situated right near the carriage works. We are seeing a flowering of that part of Redfern through jobs and investment. We are making sure on the way through that there are plenty of opportunities for Aboriginal people. I believe it has been an outstanding success and with the available resources has done a terrific job.

The Hon. LYNDA VOLTZ: How are plans going for the lower Hunter Development Corporation?

Mr FRANK SARTOR: The Government wants to merge the Regional Land Management Corporation of the lower Hunter with the Honeysuckle Corporation, which has been responsible for about \$1 billion in investment on the foreshores of Newcastle. But the Regional Land Management Corporation has a substantial stock of land. It was owned by Hunter Water, which was used by the Government to take control of surplus sites in the area. What we are doing is merging the two. It will be called either the Lower Hunter Development Corporation or the Hunter Development Corporation. That merger is currently in train. The important thing is that it effectively comes under the Growth Centres Commission, under the Growth Centres (Development Corporations) Act for the Hunter. As we have got Angus doing his thing with the Growth Centres Commission in Sydney, we want an equivalent corporation in the Hunter, particularly the lower Hunter, that is helping to precinct plan key areas that are earmarked in the strategy for development and to do the coordination that needs to be done with local government and everyone else to make sure that we deliver on the lower Hunter 25-year strategy.

There are a lot of complex land issues. Some land is becoming surplus, some land is contaminated and there are important industrial sites up there. The commission has a lot of work to do to help to resolve some of these things beyond just the relatively small precinct that the Honeysuckle Corporation dealt with. We appointed an interim board a couple of months ago and we are resolving the final arrangements for it to go forward, to provide another vehicle and a brokerage vehicle. This is not inconsistent with what the Western Australians and the Victorians are doing. The Victorians have VicUrban and now they have a growth centres authority as well. It is about getting brokerage models of any areas where you have significant amounts of government land. We need someone to actually bring together all the issues and drive them, which developers will not do because they will not invest resources in untangling complex issues because of risk and so on.

It will work closely with the Newcastle Ports Corporation, RailCorp, the State Property Authority and the showground international sports centre trust to facilitate development of these State landholdings to set clear signals and certainty. I am very optimistic but we need a stronger vehicle to help to achieve the regional objectives for the Hunter, and the Hunter Development Corporation is intended to be that vehicle.

The Hon. IAN WEST: Will the Minister inform the Committee on the latest work that has been done in assessing major development proposals and local environment plans?

Mr FRANK SARTOR: Thank you for asking the question. Last year we published *New South Wales Major Development Monitor 2005-06* and demonstrated the projects that we dealt with, projects that were dealt with at State level, projects that we called in, and projects that were refused and so on. I am pleased to inform the Committee that today I can table the latest version for 2006-07, which also makes interesting reading.

Document tabled.

The total number of projects determined before the last financial year was 319, representing 177 new development proposals that utilised ministerial consents and 142 modifications to existing approvals. Approved projects across the State had a total capital investment value of \$14.5 billion, which represents an increase from the previous year, and this has the potential to create 34,500 jobs. Regional approvals have a capital investment value of \$4.7 billion and the potential to create nearly 11,000 jobs. Overall the number of projects fell from 350 for the previous year in 2005-06 to 319 in 2006-07, but the capital investment value increased. The average capital value on determined projects, excluding modifications, rose from \$30 million to \$80 million in 2006-07.

The number of infrastructure projects increased from 41 to 71. The total capital investment in infrastructure in terms of approvals increased from \$2.4 billion to \$7.6 billion. Infrastructure approvals included \$2.5 billion in health, education and environment projects, such as the Liverpool, Queanbeyan, Auburn and Royal North Shore hospitals, and there was also \$1.3 billion in transport projects, such as the southern Sydney freight line and parts of the Pacific Highway upgrade. Also it includes \$3.6 billion in ancillary projects, such as Bamarang and Munmorah gas-fired power stations.

The State Infrastructure Strategy states that there will be approximately \$110 billion in spending over the next decade. What we are talking about here is the first tranche or first year of these projects. Overall, in considering this matters, there were 11,000 public submissions. There was an average of 18,000 project proposals and determination website views per month. The process is working well. What part 3A does that part 4 does not do is offer more interaction. When a developer wants to lodge an application, we issue director-general's requirements. Some applications are actually scared off at that point because they realise that they will have difficulty in getting through, but by issuing director-general's requirements after consulting with the environment department and others, we are able to put upfront exactly all the issues that the developer has to deal with in relation to that particular project. That does not happen under the old part 4 process or other processes. It is a very good system.

They then lodge an environmental assessment and the department assesses whether that covers what is required. Not until then does it go to an exhibition. It is very interactive. Once it goes on exhibition, there are public submissions. The proponent or the developer has then to respond to the public submissions. If modifications need to happen, they have to produce a preferred projects report. Sometimes there is also a public inquiry and an independent panel is appointed as well. It is a pretty comprehensive process. That is why we are getting great deals of community input, which I think is a very positive thing.

As you will see with some of the more difficult approvals, particularly for extractive industries, that entails a lot of conditions. We have imposed a lot of conditions and there has been a lot of consideration of concerns as well. What we also have done with some projects is delegate the assessment to local councils where they have had the capacity to do so. In the previous year, we delegated only three of these to local councils. In 2006-07, 14 of the assessments were done by local councils. Where they have the capacity, we give it to them to do. We call it in as a State Significant project, they do the assessment for us, they come back with a recommendation, and increasingly I want more of that to happen where councils have the capacity. Some councils simply do not have the staff or the people, but other councils have the capacity, and when they do, we have used that to good effect and they can do the assessment and refer it back.

There were a number of appeals. I think there were something like 27 against State decisions. Incidentally New South Wales is the only State where you can appeal against ministerial decisions. There is a small exception in Victoria, if the ministerial consent was consistent with a planning instrument or required by a planning instrument, yet this State is winning between 75 per cent and 85 per cent of all cases that go to the Land and Environment Court. Typically we would lose 15 per cent but there might be another five or 10 where the matters are settled or there are minor issues to be resolved. Typically in 75 per cent of cases we have outright wins. We have had some big outright wins lately, such as in relation to CUB and other matters, where we won every point of law.

The State takes the process under part 3A very, very seriously. It is actually a much more rigorous process than is the part 4 process. Particularly for coalmines and extractive industries or major infrastructure projects that might dissect important or sensitive environmental areas, the 3A process is tailor made. It is probably a bit of a sledgehammer to crack a nut for little projects, like \$20 million medical research buildings, but that is something that, over time, we might adjust to make that a bit more practical.

The other interesting things, among some of the matters we won, were the Taralga wind farm in which the chief judge gave the applicant more turbines than I had approved, the regional distribution facility at Rooty Hill, the Port Botany expansion and the Moreton Bay bug farm at the Tweed. We gazetted 214 local environmental plans. The independent review panel actually dealt with 426 of them. The purpose of the panel was to stop the drafting of plans that never actually went anywhere and to focus on things that we agreed with in principle.

CHAIR: Minister, we will have to move on.

Mr FRANK SARTOR: I had so much good news to tell you, I just did not want you to miss out. In this document at the back there are lists of things we refer to as discretionary projects. There are lists of projects that we cover.

CHAIR: You are tabling that? Do you have copies for the Committee?

Mr FRANK SARTOR: Yes, lots of copies. This is the latest for the last year.

Document tabled.

Ms LEE RHIANNON: You mentioned Burwood recently, and I would just like to go back to that. When will we see released the Inner West Subregional Strategy that affects Burwood?

Mr FRANK SARTOR: I am glad you asked me about subregional strategies. They are all in the pipeline and are progressing very well. I have personally met with councils representing 9 out of 10 of them. The last one was the West Central, which is around Parramatta, though I have not yet met. I am scheduled to meet with them in the next two weeks. I think that is the last one.

Ms LEE RHIANNON: When do you anticipate the Burwood one will be ready?

Mr FRANK SARTOR: If you would just be patient, I am asking for a schedule so that I can tell you when it is due, but I certainly expect it would be due—I am trying to get them all out by Christmas, so I certainly hope it will be some time between now and Christmas.

Ms LEE RHIANNON: That is good. Maybe a Christmas Eve job again.

Mr FRANK SARTOR: Those comments are easy to make, but we try to avoid actually ever putting things on exhibition from mid-December onwards—

Ms LEE RHIANNON: Are you serious?

Mr FRANK SARTOR: But we do. Equally, if we do put them on, we just give people a lot longer period to respond and I am very clear about that.

Ms LEE RHIANNON: It is good to have that on the record. The council has changed the location of the new library in the civic buildings. Will this stand in the work that you are undertaking?

Mr FRANK SARTOR: Where is this? What are you talking about?

Ms LEE RHIANNON: I am still with Burwood.

Mr FRANK SARTOR: Burwood?

Ms LEE RHIANNON: Yes, I have a number of questions about Burwood.

Mr FRANK SARTOR: Right. What has the location of the library building got to do with me?

Ms LEE RHIANNON: I am trying to find out what is happening with resolutions that have been made by the council about the town centre.

Mr FRANK SARTOR: The planning panels do not control council's assets, they simply make decisions on development.

Ms LEE RHIANNON: But this is where they have handed so much of the responsibility over to you.

Mr FRANK SARTOR: Possibly because they had a conflict of interest, purely from a planning assessment point of view. We are not there to try to stop or determine the location of a library.

Ms LEE RHIANNON: But you are determining this whole plan, so it is within the context of that plan that I am trying to ascertain what is going to happen.

Mr FRANK SARTOR: When you determine a local environmental plan [LEP] you determine permissible uses, you do not actually determine specific use, you say a range of permissible uses. The local environmental plan does not determine the location of the library. There may be a development application, a component of which is the library, which might be considered as part of an application, but the panel has no mandate from me to go around making decisions about the library unless they arise as part of an integrated application for a site where the library might otherwise be located. The local environmental plan will not determine where the library goes.

Ms LEE RHIANNON: Burwood is identified as a major centre and the guidelines for major centres—

Mr FRANK SARTOR: In the hierarchy, is it a major centre?

Mr HADDAD: It is not a major centre.

Ms LEE RHIANNON: It is not a major centre?

Mr FRANK SARTOR: No, it is the next one down. There is a hierarchy.

Mr HADDAD: It is not a major centre.

Mr FRANK SARTOR: It is the next level down. There is a hierarchy, regional—I forget which one it is.

Ms LEE RHIANNON: What is the next one called?

Mr HADDAD: Town centre. It is not a regional centre.

Mr FRANK SARTOR: We will get back to you on the hierarchy.

Ms LEE RHIANNON: I understand the council will appoint a consultant to assist the panel. Will the consultant have a responsibility to advocate to the residents also—

The Hon. LYNDA VOLTZ: But the council has appointed them.

Ms LEE RHIANNON: No, it is all part of the process. The Government has moved in on this.

Mr FRANK SARTOR: No, can I just explain what the process is? There were a number of complex and complicated development proposals in Burwood and the council had a conflict of interest in a couple. There is also a plan for the centre of Burwood and three councillors have declared a conflict. There are only I think seven or eight councillors on Burwood council. Given the range of issues that will occur in Burwood town centre, I felt that it would be appropriate to appoint an independent panel to deal with—I forget the terms of reference, but getting the local environmental plan finalised and also some of these larger developments and developments over a certain level. I put a proposition to the council, which was that we appoint an independent panel—and we set thresholds for development and they came back with an adjustment, which we agreed to because it was by agreement—to settle the local environmental plan because three councillors had declared a conflict.

Separately I called in the development, which was half-complete—basically complete but the rest had not got approval—to deal with it at State level because there would have been some issues because the plan may take some months to be finalised, to deal with that issue as well. I think the council had conflicts in relation to that as landowner. Thirdly, I would put a major site along the railway line on to the major projects section to introduce some controls because it had been to the court. The approval I disagree with. It was a ridiculously appalling and intense overdevelopment of the site. They came back for even more and I introduced controls to make sure that there was some accountability, but that of course comes in as a development application and now will go to the panel. There is one development we are dealing with directly and we are trying to introduce some order. The intention of the panel is to take them through the local environmental plan process until it is finished

and to deal with major developments for a period. In the next year or two at some point hopefully the panel can be folded and will no longer be required. The council has cooperated with that. They have agreed that because of these conflicts they are better dealing with it via an independent panel. It is a very senior planning panel and I think it is going well.

The consultant was an idea; there was some concern about the council's own planning resources. Some councils have a problem, they do not have adequate planning resources. It is not just the elected council that is the issue—often it is not—so we looked at the possibility, instead of appointing a planning administrator to run the planning department, there would be a jointly funded consultant that would help them and that consultant was to be appointed. At this stage it has not been done because a lot of the work was better advanced and then it was not required, but I still think that it is possible that that person will be appointed to do some other ancillary work associated with the local environmental plan. That was simply a vehicle to help the council do the technical work that staff do. That is all that was about. I do not think that person has been appointed yet and it may be that he does not need to be, but I thought there might be some issues where they will need some expertise.

The same applies particularly in country areas where if you do intervene you have to watch how you intervene at council level because you sometimes have a problem with staff resources and the quality of work they do, so you sometimes have to intervene at both levels. You could put in a planning administrator sometimes, and that is the idea of a planning administrator, they actually do all of that stuff, but in our case we felt that it was not necessary to go as far as that, so we contained the intervention. That is a good thing about section 118: You limit intervention to where the problem is without having to take away everything else the council does, and they are temporary and they are short-lived.

Ms LEE RHIANNON: Coming to the Tigers Rugby League Club, have you given any undertaking to the Tigers about their proposed development on the Victoria Street site? Would it be calling the development if Leichhardt council does not approve the proposed development in a form acceptable to Tigers?

Mr FRANK SARTOR: I don't do deals. I look at things on their merits. Tigers came to see me. I called them in with Leichhardt council present. I think the local member might have even been there. We had an interesting discussion. I think Leichhardt council's handling of it was pretty poor; they took forever and they were very unequivocal on decisions. My departmental officers have helped in terms of discussions with the Roads and Traffic Authority and other people. The word I hear on the grapevine, but I do not think I have obtained direct advice from the department for some months—if I have, I have not seen it—is that it is close to being resolved. It has taken forever. I think some aspects of what the Tigers wanted were a bit too ambitious, quite frankly, but when a developer asks for too much, council has to be a lot more explicit. There is a draft local environmental plan now on exhibition, the director general advises me. It is heading in the direction that I may not need to become involved at all. I have certainly made no such commitment.

Ms LEE RHIANNON: Are you saying that you will not call it in or are you still reserving your judgment about it?

Mr FRANK SARTOR: I am saying I have made no such commitment to anybody to call it in, nor have I made any such commitment not to, and I would be unnecessarily fettering my discretion—I do not foresee the future. I am hopeful that it will be resolved. I had both parties in and hopefully they will resolve it with the council. Hopefully they will resolve it and, if they do, well and good and it is less that my department has to do. I am often calling councils and developers in together to try to get some sanity in matters. Sometimes developers are far too greedy and sometimes councils just have an obsession about something and they need to get over it and to resolve matters in a very professional and sensible way in the public interest. You may not realise this, but I make a lot more peace out there than I am given credit for.

Ms LEE RHIANNON: I am glad you have had the opportunity to get that on the record and I hope it makes you feel better. Are you aware of any workers employed by your department or employed by companies undertaking contracting to your department who are on 457 visas? I am happy for you to take it on notice.

Mr FRANK SARTOR: What is a 457 visa?

Ms LEE RHIANNON: These are the visas that the Federal Government has issued so that people can be brought in from overseas. Some departments were employing people on 457 visas.

Mr FRANK SARTOR: You are not on a 457 visa, are you?

Mr HADDAD: No. I think we had one such person.

Mr FRANK SARTOR: The director general thinks he had one such person.

Mr HADDAD: We had one such person. I am happy to take that on notice and give you the details. I am not sure whether she is still with us.

Ms LEE RHIANNON: I am interested in the numbers and what positions they were working in. Can you inform the Committee what your department has spent on government advertising in 2006-07 and also for the previous two years?

Mr FRANK SARTOR: Very little. We have it somewhere.

Mr HADDAD: The number we have is that it is about \$710,000 by way of statutory advertising costs during the last financial year. I am told that that was for more than 360 projects that we had to advertise, including policies and the like.

Ms LEE RHIANNON: Can you take it on notice and provide the figures for the two previous financial years as well?

Mr HADDAD: Yes, sure.

Ms LEE RHIANNON: What modelling has your department done on climate change? What is being implemented in your portfolio to reduce greenhouse gases and to adapt to the impacts of climate change?

Mr FRANK SARTOR: If you look, for example, at that pathetic, vexatious case in respect of Carlton United Breweries—talk about a waste of public time and money—we introduced probably amongst the most strictest regimes in terms of sustainability anywhere.

Ms LEE RHIANNON: When you say "anywhere" do you mean in New South Wales or Australia?

Mr FRANK SARTOR: No, I am talking about other central Sydney buildings. Carlton United Breweries would have to be among the best from an environmental sustainability point of view. Let me just list the things that were part of that consent. Residential apartments had to meet the 40 per cent basic energy production target—it is even higher for multi-unit developments than the basic minimum. The commercial offices would be required to achieve a higher rate even under the Australian greenhouse building rating scheme. There was an integrated on-site water management system that includes stormwater and waste water reuse. There will be future investigations for opportunities for each site to generate energy to satisfy its energy demands, and so on, apart from cutting back the total amount of public car parking, keeping 29 heritage items, six thousand square metres of open space, 40 per cent allocated to commercial offices and retail, which provides jobs in the nearby major railway station, and a significant affordable housing contribution.

So that is the sort of stuff we have done there. The way we structured that concept approval—the strategy worked and it attracted a fairly innovative developer, meaning Frasers Property or Stanley Quek, who has done some other good work in central Sydney. The whole process was about trying to ensure we got an innovative developer into that site, rather than just the usual boring, monolithic, 50-metre street walls with wall-to-wall whatever, and I will not mention names. So that is the sort of thing we did there. There were similar thresholds for Barangaroo. We have introduced basics. We have State environmental planning policy No. 65 operating. As far as other

aspects of your question, I will either take it on notice or see if the director general wants to add anything.

Mr HADDAD: We basically take it into account when we assess major projects. The Minister has announced funding as well for a pilot program for a greenhouse friendly electricity and hot water co-generation plant, as you would be aware, as part of our recent review of the BASIX standards.

Ms LEE RHIANNON: I have a similar question relating to peak oil. What modelling has your department done on peak oil and what recommendations, plans, are being implemented in your department to prepare for peak oil?

Mr FRANK SARTOR: Peak oil is not a matter for our department. I think it is a matter for the Department of Energy, Utilities and Sustainability and the Department of Environment and Climate Change. The department pursues policies that will bring development closer into line with best practice. It is not the department's job to go out and spearhead new government policies for climate change, except to the extent that it occurs with development. It is really a matter more for the Department of Environment and Climate Change and the Federal Government.

Ms LEE RHIANNON: Even though the transport development planning link is so vital?

The Hon. LYNDA VOLTZ: Point of order: are we not out of time?

Mr FRANK SARTOR: Sorry?

Ms LEE RHIANNON: Even though the transport planning link is so vital, is it something your department should be at least considering?

Mr FRANK SARTOR: Transport planning is done in the Department of Transport.

The Hon. LYNDA VOLTZ: Point of order: the original question was irrelevant.

CHAIR: We will move on to the next segment.

The Hon. DON HARWIN: Last Friday you and the Premier announced that State Government infrastructure charges would be progressively applied throughout the State, including brownfield areas. How do you—

Mr FRANK SARTOR: No, we said the philosophy would be applied. It applies to local government charges as well.

The Hon. DON HARWIN: How do you morally or politically justify extending these taxes when your government gave a pre-election commitment not to increase taxes or introduce new taxes?

Mr FRANK SARTOR: The government has always been very clear that it has to provide infrastructure in all sorts of areas. The fact that we are cutting infrastructure charges is an interesting issue that you should take on board. The Government is not interested in upping investment costs throughout the development sector. All we are saying is that we need a much more consistent philosophy in the application of charges, particularly local government charges, and that we need to look at levies on a precinct or sub-regional basis, or even regional basis, across the State so we end up with a standard approach to levies in all cases. It is also clear that when we calculate standard levies there may be some areas where the Government would not seek to levy the standard levies for the simple reason that there might be market factors involved in those markets or sub-markets.

We simply want to ensure that at the upper end of the range what is levied goes with the land and that population growth is funded separately, whether it be at the State level or local level. But it does not mean that the Government will not make discretionary decisions for some sub-regions or regions to keep levies low or non-existent. As it is, the current customary practice is to have long-term planning agreements with developers in brownfields and greenfields. The good thing about rolling out a consistent strategy is that we can then maybe moderate some of the levies that otherwise would have

occurred under the current site-by-site basis. To suggest that there will be an increase in State charges in brownfields areas is simply not valid because all we are doing is calculating infrastructure needs, calculating what the variable costs are and making sure that we better inform voluntary planning agreements that occur from time to time.

The Hon. DON HARWIN: I take it from your answer that while in the first instance the focus of the new approach will be to set levies in greenfield areas, you talk about no increase but you are not ruling out the fact that you will be applying levies to brownfield and greenfield sites as well?

Mr FRANK SARTOR: Levies are applied now on a case-by-case basis through voluntary planning agreements, and they have been applied for four or five years. Our intention is to have a more transparent approach where we calculate infrastructure requirements, local and State, case by case, as we have done recently, for example, with the six city centres that we looked at so that we get a better measure of the infrastructure needs and are better informed in any negotiations of voluntary planning agreements which might occur but also get a better measure of local government levies which in some areas are quite low and in some areas are ridiculously high. It is just to have a coherent standard across the State. In some areas I would expect State levies that occur through voluntary planning agreements to actually go down.

The Hon. DON HARWIN: You have confirmed it; you have answered yes, the levies will be applied to brownfield sites.

Mr FRANK SARTOR: No, I have not. I have said we will calculate using a new philosophy what will be reasonable maximum levies in all areas of the State to better inform the sort of agreements we enter into on a voluntary planning basis. We have not said we will apply them; we have simply said we need a better measure of what are reasonable local and State levy requirements in different brownfield areas. There is no certainty that there will be increased brownfield levies anywhere. In fact, in some cases I would expect they will come down because currently they are done on a voluntary planning agreement basis and they are quite significant. The new philosophy better informs that—a much more transparent approach.

The Hon. DON HARWIN: You are saying—

Mr FRANK SARTOR: That is what you want me to say, but that is not what I said.

The Hon. DON HARWIN: Minister, if you and Morris Iemma finally heard the message that the State infrastructure levies were killing property developments, how can you justify on the one hand reducing State infrastructure levies by \$10,000 and on the other hand extending the levies to all developments across the State? In other words, it is no longer a greenfield study.

Mr FRANK SARTOR: No, levies are there now in brownfield areas in State infrastructure based on voluntary planning agreements. They are on a development-by-development basis. All we are doing is looking at what standard and maximum standard levies might be in brownfields to inform what we levy now under individual development improvements. That is all we are doing. It will simply give us a much better yardstick and some brownfield development levies through voluntary planning agreements have been quite significant. The State wants to get a handle on all of these to make sure we properly regulate levies and contain them and that we are more consistent with the application of levies. That is what we are doing. This is about consistency and about watching that we do not over live in some cases.

Mr HADDAD: In many urban renewal areas where there is a value uplift, because of the up zoning that we provide for centres, we also provide for a proportion of this value uplift to contribute towards infrastructure. We have been doing that on some major centres. The Minister is saying that we want to make sure that the nexus and proportionality is respected by both the State and local governments. There is a reasonable charge in what has been happening. In some cases this nexus between the impact of the development on infrastructure has been lost, so we want to make sure that there is a disciplined, consistent approach.

[Short adjournment]

The Hon. DON HARWIN: Earlier we were talking about the application of levies to brownfield sites and the fact that that was already taking place. I would like to explore with you and Mr Haddad in some more detail exactly to what degree they are already being applied. Over the last year or two, how many brownfield sites in total have had levies applied to them? What proportion of the total applications does that represent?

Mr FRANK SARTOR: You are asking for details that I do not have with me. For example, the Yamba Blue Dolphin voluntary planning agreement was negotiated between the Clarence Valley Council and a developer. It provided for certain requirements. We had Carlton United Breweries with two voluntary planning agreements, with the Redfern-Waterloo Authority and the Minister for Planning, and it secured certain types of benefits. From time to time a lot of sites come up, not in the growth centres. The ones I have dealt with in Western Sydney have voluntary planning agreements, some that are in brownfield areas and some that are not. They are negotiated case by case. The important thing for us is to set out a coherent and consistent philosophy across the State which will inform voluntary planning agreements—

The Hon. DON HARWIN: Yes, we have had that from you. Can you come back to my specific question, which was a feel for exactly what proportion of those brownfield sites have had those sorts of voluntary planning agreements applied to them containing levies.

Mr FRANK SARTOR: I do not have that information here. If you look, for example, at the Wollongong local environmental plan—

The Hon. DON HARWIN: Okay. You say you do not have them here.

Mr FRANK SARTOR: There is a 3 per cent levy, and 2 per cent of that is for local infrastructure and 1 per cent is for State infrastructure. It is at Wollongong. That exists and they were gazetted about eight months ago.

Mr HADDAD: Wollongong is an example. The provisions are there in the legislation now for voluntary planning agreements in brownfield areas to be enforced. There are a number of other developments. The discussion that is going on now in Burwood is another example. There is discussion with rezoning. They need to upgrade the railway station. That is an example of where the State is looking.

Mr FRANK SARTOR: There is a \$17,000 per lot transport contribution, for example, in the Warriewood area.

The Hon. DON HARWIN: Mr Haddad, do you have some feel for the actual proportion?

Mr HADDAD: Not offhand.

The Hon. DON HARWIN: Is it 50, 20, 10 per cent?

Mr FRANK SARTOR: It varies from site to site.

Mr HADDAD: To give you a credible answer, maybe we can get back to you. The main thing is that there is a provision. In fact, if there is a development proposal before the department we will have to look at the nexus between that development in brownfield situations and the impact of the development on State as well as local infrastructure. That is what we would do. We would then advise the Minister on that basis. So the provision in the legislation is there for us to look at it. Sometimes there is no additional impact as the direct result from this development, in other cases there are.

Where there are impacts we have to put provisions in the approval or in the local environmental plan for it to be included. I will have to go back and check. We are looking at three developments around the Chatswood area, for example, where there are instances where there is a nexus between the impact of the development and on State infrastructure. The provisions are there in the legislation.

Mr FRANK SARTOR: Sydney Water at Parramatta is another one. The Chatswood interchange is another. We will have to get back to you with the details.

The Hon. DON HARWIN: Could you give us, on notice, a complete list of all instances where those levies have been placed on brownfield sites?

Mr FRANK SARTOR: If you want a complete list, 21 days may not be enough. It depends on how big a list you want. We could have to go through files and dig out all that information. We can give you within 21 days a reasonable number of examples.

The Hon. DON HARWIN: And a sense of the proportion also.

Mr FRANK SARTOR: Proportion between State and regional, or between regional and local?

The Hon. DON HARWIN: No, the brownfield sites that have levies put on them and those that do not.

Mr FRANK SARTOR: We will have to get that information out, file by file.

The Hon. DON HARWIN: Minister, you have painted this as a continuation of an existing practice. At the moment, levies are charged on all greenfield sites, but only some as an existing practice are placed on brownfield sites. Is it your intention to put them on all brownfield sites?

Mr FRANK SARTOR: No. I think you will find that most of the brownfield sites would have a levy. Even the LEP that I approved for Pitt Town had a \$16 million regional infrastructure levy. The LEP we did for Wilton about two years ago I think had a regional infrastructure contribution. I think you will find that most of them have an infrastructure contribution. That is the problem: it is ad hoc. So for every subregion—

The Hon. DON HARWIN: Was Pitt Town a brownfield site?

Mr FRANK SARTOR: You could argue it is not. At the moment, we have dealt with just the growth centres. I am saying outside the growth centres, including brownfields and other—

The Hon. DON HARWIN: Pitt Town, we are talking about.

Mr FRANK SARTOR: Pitt Town is an existing settlement. You could argue that the development proposal there, in significant part, is actually greenfield on all sides of Pitt Town, but it is an extension of the town centre. It is actually not a new release area; it is actually an extension of an existing town centre.

Mr HADDAD: If I may clarify the issue. The provision is there, and the practice is there. On any brownfield, where there is a nexus then the imposition would have to come. Whether that has happened for all of them or not depends on the merit of the situation.

Mr FRANK SARTOR: Wollongong is brownfield, 1 per cent.

The Hon. DON HARWIN: In that case, why is it that the briefing that New South Wales Treasury gave on this revised framework on the levy principles said that in the first instance the focus will be on setting levies in greenfield areas, but application to brownfield infill sites will follow—will follow?

Mr FRANK SARTOR: This is about consistent precinct or subregional or regional-wide levies. If you read the Treasury work, it says they will be determined on a regional/subregional/precinctual basis. It takes about 12 to 18 months to assess and re-assess infrastructure requirements under the new philosophy in all these different parts of the State, to see what would be reasonable. There will be components of some of the types things that we have levied for under the EPAs that would not be levied for.

The Hon. HENRY TSANG: Minister, would you please inform the Committee of recent changes to the policy regulating places of public entertainment in New South Wales, and advise us on how those changes have been received by the industry?

Mr FRANK SARTOR: It is fair to say that it is not often you do things in my field, which is a regulatory field, where you get such strong community support. The changes made through the legislation last year and the new regulation in the policy to slash red tape for places of live entertainment have been really good news. What we had before was a complicated process where you go and get a DA and then go back through local government to get a place of public entertainment licence. There was all this red tape. Then there were all sorts of rules and regulations.

For example, it was all right for a pub to have live broadcasts of the World Cup, which attracts 200 or 300 people who would enjoy watching a screen, but it was not all right for some musician to get up and strum a guitar because that involved a wheel barrow full of red tape. So we have said there is to be one process, not two. We want to encourage the live music industry, we want to encourage creativity, and we want to encourage people in pubs and other venues around the State. So it is now a lot easier for things like live music and stand-up comedy in pubs and clubs, public performances in theatres, and the screening of films, for example, community fairs, agricultural shows, outdoor music festivals and business promotional events. Previously, they had to seek council approval under the Local Government Act before a building could be used as a place of public entertainment, otherwise known as a POPE licence.

You could argue that the previous process was the equivalent of getting a dispensation from the Pope, because it took about as long. The Pope now can be allowed to rest and can focus on deeper theological questions, and we can actually get on with the business of giving musicians a bit of freedom in the local venues. The Pope is relieved; in fact, he sent me an email how pleased he is with the new system because he no longer has to be involved—and his name was being used in vain anyway. So we have moved on. I think this is a really good news story.

Before, the applications were required in every circumstance. What we have done now is change it. It means, for example, that a decision will be made in seven days unless the applicants agree to a longer time. The applicant has a choice of applying to either the council or a private certifier. Provided they meet the conditions, they will get approval within a short time frame. There is no longer the requirement for a POPE under the Local Government Act. We have set out the types of public entertainment developments that require consent from local councils, and we have identified the types of entertainment that are actually exempt—that do not even need complying development—and those that can be approved as complying development.

Approval to become a place of public entertainment as complying development will be allowed under certain conditions designed to protect local amenity. This includes, for example, premises being on the ground floor and meeting relevant fire and other safety requirements; and the area to be used as a place of public entertainment not exceeding 300 square metres and restricted to a maximum of 300 persons, depending on the size of the venue. Putting these boundary conditions on a development means you can get quick approval because by and large they will be safe—it is on the ground floor, not on an upper level or down in a basement where you cannot get out in the event of fire. So you can get quick approval. It includes also that the event occurred within times specified and not exceeding specified noise limits; the operator being required to manage patrons leaving the venue to ensure that they leave in a quiet and orderly way; and a number of other conditions that are designed to ensure the safety of patrons and protection of the local neighbourhood.

The response from the industry has been instantaneous and overwhelmingly positive. Craig Scott, the head of the jazz faculty at the Sydney Conservatorium of Music, was quoted in the *Sydney Morning Herald* on 5 October as saying that these changes are "one of the most exciting things that could ever have happened to the music industry in NSW". He went on to say:

The students [at the conservatorium] will see this and collectively their hearts will leap because it means a great deal to people who are just starting out.

My office has received a flood of letters and emails about these new regulations. For example, musician Virna Sanzone wrote:

I look forward to seeing and being part of the positive changes that will take place as a result of these new laws.

Eric Rasmussen from Jump To It productions said:

It's high time the benefits both socially and culturally of a vibrant entertainment scene were enjoyed by the residents of NSW as well as the many visitors to our fair state.

I think it will go even further. There is still an issue that the Act talks about these rules applying to where you pay for entry. I am keen to get rid of the distinction that you have to pay for entry to fall under the provisions. I want it to be similar for people visiting a pub to watch football or do something else. There have been literally dozens and dozens of positive emails. This is trying to strike the right balance, giving people freedoms, but within boundaries that do not affect neighbourhoods. That you will see as part of the philosophy of more change to the planning system. This bit of good news has been well received by people who simply want to play their guitar, play any other instrument, or perform in a pub or another venue. I think it is high time that that occurred. I thank the member for that question.

The Hon. HENRY TSANG: Will the Minister provide an overview of planning systems and reforms in other States and how they relate to New South Wales?

Mr FRANK SARTOR: Yes. After the election I took the opportunity to visit other jurisdictions. I went to Queensland, Victoria, South Australia and Western Australia to look at their planning systems. I went with the director general, the coordinator general and other staff and had a really good look at what all the other States are doing. It is fair to say that I did not find a system in any State that I would regard as a model or perfect system. I found great variations in what people did. Some States had some interesting ways of doing things, from which we can learn, and other States did some things that we would not want to implement, as they would not work.

I discovered, for example, that on average in New South Wales—it was a bit lower last year—120,000 applications are dealt with each year. Before we introduced certification—construction certificates instead of building applications [BAs]—the number was about half that amount. In about 1997 it jumped. When private certifiers came in councils said, "If they do not have to do building applications they will have to do development applications [DAs]", so straightaway we doubled the number of development applications. Victoria has only 55,000 building applications every year. If we did it on a population per capita basis New South Wales should have 72,000 development applications per year.

Why is it that we are doing closer to 120,000 applications? What does that tell us? It tells us that the New South Wales system, particularly for small stuff, has moved in my view into the zone of overregulation. Clearly, we have to address that issue. There is a shortage of planners in this State and in Australia. There is a shortage of a lot of skilled people in this country. If there is a change of government at the federal level hopefully we will address these skills shortages a bit more than the current head-in-the-sand Federal Government has done.

There is a shortage of planners and there are two ways of dealing with it. The first is to try to find more planners—we will not do that at any time soon; it will take years—and the other is to remove the regulation that we do not have to have. Some of the regulation is not regulation that we have to have, as we saw a minute ago when I was asked a question about pub licences. There were two different consents. It was nonsense; we were doing things just for the sake of doing them. Now there is only one consent. We still have to exercise discretion, but a lot of it can be certified.

We have to do something to unclog that bottom end, remembering that most applications are small—they are below \$1 million—from people wanting to make a change to their business, to their shops, renovating houses or building new ones. A key issue for us has to be cutting down the processes for small stuff without transgressing on amenity. We are looking at one issue relating to growth centres about which I had a big meeting last week. Once we approve a precinct in the growth centres how can we make most of complying development approvals without people having to reapply?

Last week I had a debate with Angus Dawson, his people and some of my departmental people to establish how I can guarantee that 70 per cent or 80 per cent of these dwellings in a new

precinct are complying developments so all they need is certification, and how I can include in that sufficient quality standards, whether it be the pitch of roofs, ceiling heights, or whatever, to guarantee good architectural quality at the same time. Those are the challenges but they can be addressed. We want to do this as a bit of a pilot project with the growth centres. We want to find ways of cutting through some of the stuff that is clogging up the system.

Planners are busy processing small stuff that ought to be dealt with much more quickly. I think you will see in the planning reform discussion paper that I hope will come through in the next month or so that that is a big area we are targeting. How do I speed up all this stuff without creating neighbourhood amenity problems? How do I de-clutter the system to free up resources for the big and more difficult developments with which council staff have to deal? That is probably the first major lesson that pretty much came out of Victoria.

Let us look at how many applications we called in. I just tabled some figures showing that we dealt with 319, of which 177 were new projects that I approved. In South Australia and Western Australia between 5 per cent and 10 per cent of all State applications are dealt with by the State and not by local government. In New South Wales it is 0.3 per cent. They are worth a lot of money but we deal with big and difficult stuff. We do not deal with a lot of stuff and we do not deal with as much as other States do. Admittedly, in Western Australia it is the Western Australian Planning Commission and likewise I think in South Australia.

With these reforms I do not think that I or the Government will be seeking to expand the number of development applications that are done by the State; I think I will be seeking a better balance between State, regional, local and minor development. I have already talked about minor development. The move that way has to result in complying developments, quicker arbitration disputes and a sorting out of those sorts of problems. At the State level I do not think we will be seeking any significant expansion, or probably no expansion, because it is a resourcing issue. It is a question of striking the right balance at whatever level, and sorting things out.

The South Australians have imposed panels everywhere. Their system, which was imposed in February, is still new. Do we go in the same direction? That is matter for public debate. The Local Government Association is saying, "The world will end", and the Property Council of Australia is saying, "You have to go that way." I think the model that we will look at will strike a pretty good balance, but that is a matter for the community and it will be open to public discussion. I refer, next, to appeals. The irony there is that for all the vilification this Minister has had from various quarters there are more appeals against the Minister in this State.

In Victoria a Minister can be appealed against only if the exercise of a consent was pursuant to him or her having a consent role under a planning instrument, and there have been only two cases. Generally, there were no merit appeals against Ministers in any other State in Australia, with minor exceptions. As I said, in New South Wales I listed 27 in that report. We are open to appeal for designated development. In fact, the system in New South Wales is more transparent. In other States there are third party appeals against council decisions for minor development. I think South Australia has 3,500 and total appeals in New South Wales are closer to 1,000. That is another problem.

Because appeals in New South Wales are dealt with by a court and the costs are higher, we tend to get fewer appeals on small matters; appeals tend to be for bigger matters. The developers appeal but the little people do not. That is another reason why we have to sort out how we handle the massive volume locally. All States have various agencies to help promote broker development. The Victorians have VicUrban and the Growth Areas Authority. VicUrban covers the docklands area and there are also other authorities. Western Australia also has various agencies.

Another key area is plan making. I am finding that local environmental plans [LEPs] are taking far too long. That is partly because local environmental planning processes involve many different parties, so it is always hard to track down where a local environmental plan is up to. But the discussion paper will talk about that and the time that it takes now. At the end of the day any system to do with planning has to be mindful of the six key principles of good administrative practice: transparency, accountability, efficiency, objectivity, consistency and equity. We have to structure what we do around those sorts of principles.

It is fair to say that we are doing a lot of work. I am hopeful that the reform process will stimulate a lot of discussion. At this stage it is intended to have a discussion paper for public comment some time in November, an exposure draft bill by about March, and final legislation by May or June next year. It is our plan to have it all done and dusted for implementation in the new financial year. It will cover plan making, development assessment, exempt and complying development, and e-planning issues where some really good work is happening.

I commend to people the work Pittwater council has done. We can track development applications and everything else online. People can make submissions online, which it is terrific, and it would cover plan making, development assessment, complying development, e-planning and other miscellaneous things that arise. We have a problem and we have to address it. It is consistent with the national agenda to try to improve and harmonise development assessment.

Ms LEE RHIANNON: Are there any plans to sell or lease land or air space as part of the redevelopment of Redfern railway station? If so, what is being considered?

Mr FRANK SARTOR: I will ask the chief executive officer to answer that question.

Mr DOMM: RailCorp and the Redfern-Waterloo Authority have participated in a joint concept study and that is as far as the work has reached on Redfern station. A number of options have come out of that study that need to be considered by Cabinet. Two of those options would involve a degree of private development alongside the railway station.

Ms LEE RHIANNON: When do you anticipate those plans will be made public?

Mr DOMM: After they have been to Cabinet and there is a Cabinet decision that allows that to be done.

Ms LEE RHIANNON: How is the redevelopment of the public housing plan in stage two of the Built Environment Plan to be funded?

Mr DOMM: At this stage we are operating on the premise that there is no new government funding. We are looking at opportunities for upgrading existing high-rise buildings and looking at low-rise estates to see what development potential there is to be retained.

Ms LEE RHIANNON: Would you be looking to sell or lease land currently occupied by public housing to fund the development?

Mr FRANK SARTOR: No. We are committed also to allocating funds up to \$23 million in affordable housing contributions arising from the levy on Carlton United Breweries. At this stage there is no intention at all to reduce the amount of public housing in Redfern-Waterloo.

Ms LEE RHIANNON: With regard to the development and Department of Housing tenants, will those tenants who are moved during any redevelopment of public housing retain the same type of tenure or will they have to sign new fixed-term leases on relocation?

Mr FRANK SARTOR: At this stage we have no plans to move anyone. So that question is academic. At this stage we are looking at using funds we get from the Carlton United Breweries levy to provide some investment in public housing.

Ms LEE RHIANNON: So you are actually saying nobody will have to be relocated during the development phase?

Mr FRANK SARTOR: At the moment there is no plan to do any redevelopment phase other than the work the Department of Housing is doing down near the oval. It has an arrangement in place for which I am not responsible, and I direct your questions to the department. At this stage we do not have other redevelopment plans so, therefore, the question is academic.

Ms LEE RHIANNON: What money has been outlaid on direct service provision through the human services plan?

Mr FRANK SARTOR: There is some \$30 million to \$40 million spent annually in the precinct. I would prefer that you get a more detailed answer from the chief executive officer.

Mr DOMM: Is your question directed towards the global spend?

Ms LEE RHIANNON: I am particularly interested in the spending-client ratio of the programs that are funded?

Mr DOMM: The Redfern-Waterloo Authority is not a service provider, therefore, those community services are provided by other government agencies. I cannot answer that question.

Ms LEE RHIANNON: So if I ask how is it proposed in future to coordinate human services and employment of the human services plan when the funds are exhausted—because I understand that you do have some funds for that—you are saying that there is no further role for you?

Mr FRANK SARTOR: There is a bit of transitionary money. My understanding is that the issue was to do with research. The issue really is to make sure that the targeting of the \$30 million to \$40 million per annum spend of funds by existing government agencies is improved. That was the only issue I am aware of there.

Ms LEE RHIANNON: What community consultation was undertaken by the Government prior to the Government entering into a memorandum of understanding with the University of Sydney in relation to the Callan Park site?

Mr FRANK SARTOR: If you are suggesting that Callan Park has not been consulted, has not been open to community debate in probably an unprecedented fashion for this country—

Ms LEE RHIANNON: Minister, that is not my question, and you know that! I was specifically talking about the memorandum of understanding with the University of Sydney.

Mr FRANK SARTOR: The memorandum of understanding was deliberately made non-binding. In fact, if you are able to be objective for a minute, the fact we entered a memorandum of understanding and deliberately made it non-binding so that people could see the specific provisions that would be totally transparent with regard to what is being proposed, I think is a good thing compared with us saying, "Oh, we might end up with something with the University, we might not." It is my view that it is best that we be totally upfront and transparent about the proposal, and that is perfectly consistent with the Callan Park Act.

So we entered into a memorandum of understanding that laid out what the university had in mind and we actually made it non-binding so that the Government was not irreversibly committed to it. Then we entered into a process whereby there is a proposal on the table that is specific about which people can make specific comments. Then we are looking at non-government organisations and how we deal with those. We are looking at the open space and whether that would be managed by council, university or whatever, and other things around the area. Whether or not you agree with the movement of mental health, it is fair to say that the proposals as they emerge for Callan Park are very modest and very gentle on the local community.

Ms LEE RHIANNON: I am trying to understand the involvement the local community can have. Is the Government aware of any concerns from the community that local residents and council members are excluded from the community reference group?

Mr FRANK SARTOR: With the greatest of respect, we set up a reference group, which is the Friends of Callan Park. It is supposed to have three or four council people on it, but they cannot agree so they all turn up. There are people with a certain point of view who believe that if their point of view prevails, that amounts to democracy. The reference group has some 20 or 30 people on it. It is very broadly based, yet the Friends of Callan Park turn up and try to disrupt meetings; they interfere and want to push their barrow. I understand that facilitators have been very patient, but at some point the broader community and the broader public interest has to be heard as well. When a draft master plan is prepared, it will go on public exhibition.

Ms LEE RHIANNON: When do you anticipate—

Mr FRANK SARTOR: We will then invite broad public comments. Then we will see whether the Friends of Callan Park speak for 10 per cent, 30 per cent, 50 per cent or 100 per cent of the local community. Let us just see because it is very important that we move beyond the ideology, rhetoric and blindness to some sort of transparency and enlightenment to try to find a solution for Callan Park that will be broadly compatible with the local area and with the aims of the Callan Park Act.

Ms LEE RHIANNON: Could you tell us what stage the lease negotiations with the University have reached?

Mr FRANK SARTOR: The lease negotiations with the university will not be finalised until we finalise our master plan. We have simply done the right thing and been upfront about it and said, "There is a memorandum of understanding. This is the intent. It is consistent with the Act. You pick it to pieces all you like." There are people who do not want the Callan Park issue to be resolved because they enjoy the process. People sometimes become addicted to process: They actually love the process! You have only got to go to some of those meetings. They just love it! In fact, most of us think, "What am I going to do Friday night? I am not going to go see a show, what will I do?" They think: When is the next meeting? That is what they get excited about! If there are not four public meetings in the next month of their calendar, they start becoming all agitated, breaking out in hives and twitching. Some of us actually want a sensible and balanced approach to which everyone makes a contribution.

Ms LEE RHIANNON: You have revealed quite a lot in your attitude to community consultation, but can you just give us a time line?

Mr FRANK SARTOR: Are you seriously saying community consultation is deficient in this process? Are you seriously saying that?

Ms LEE RHIANNON: Look at the outcome and where we are heading.

Mr FRANK SARTOR: Hang on! So you do not agree with where it is heading?

Ms LEE RHIANNON: No, Minister, do not try to set me up here! You are the one who is here to answer questions. I am quite happy to speak with you or debate it publicly—

Mr FRANK SARTOR: You said look at where it is heading. You are expressing a prejudicial view.

Ms LEE RHIANNON: I am quite happy to debate it with you at any time. At the moment all I am trying to understand is what is the time line with regard to these negotiations. When will we find out? When will we see it?

Mr FRANK SARTOR: The process is like this. There is a reference group that is bigger than *Ben Hur*; there have been forums and workshops on weekends; there has been considerable discussion with university. I believe there have been bilateral discussions between the council and the university about playing fields and implications. A draft master plan is being prepared and at some point it will be put on public exhibition. Presumably it will be comprehensive; it will cover all these issues. It is at a point where people will get an idea of more than the flavour—hopefully they will see some of the specifics—of what is going to happen.

At some time next year it will be finalised, but I mean in real Greenwich Mean Time years, not Leichhardt council years, and we will reach a landing so that people can move forward with certainty in that area, and we will test community reaction. You cannot be fairer than that. There is an Act. It is a very proscriptive Act. It is written to try to stop the world because we do not like the world and we do not like change. We are trying to comply with the spirit of a very restrictive Act, and I can tell you that it is a bit of a struggle, but we will get there.

Ms LEE RHIANNON: Residential accommodation for students has been cited as one of the issues for the university on that site. Do you, your departments or agencies have a legal opinion on whether this breaches or complies with the Callan Park (Special Provisions) Act?

Mr FRANK SARTOR: Okay. Let us see what comes out of the discussions that are taking place, to see whether it ends up being—

Ms LEE RHIANNON: Still—

Mr FRANK SARTOR: Hang on—whether it is still a request of the university or not. I do not know how far the university wants to push that. Let us see what comes out of the process.

Ms LEE RHIANNON: I have just asked whether you have received a legal opinion. Would you prefer not to answer that?

Mr FRANK SARTOR: I do not know that I have received a legal opinion, to be honest. I do not recall looking at it.

Ms LEE RHIANNON: Could you ask one of your advisers whether you have received a legal opinion?

Mr FRANK SARTOR: On what? On whether the university can have student accommodation or not?

Ms LEE RHIANNON: Whether the university can have residential accommodation.

Mr FRANK SARTOR: I will take it on notice.

Ms LEE RHIANNON: With regard to some coastal erosion, the review of coastal erosion by the Coastal Council recommended that the Government undertake a comprehensive coastal assessment. Given that \$8.5 million was committed to the assessment, what value is the taxpayer getting for this \$8.5 million in terms of the Department of Planning's processes?

Mr HADDAD: We have a coastal assessment program and we are continuing to input as applicable into the planning aspects of the program. As you know, we have a branch and dedicated staff. I will have to just follow up on where the whole program is because responsibilities went to the recently established Department of Climate Change. We just have to check with them and come back to you.

Ms LEE RHIANNON: Can you tell us how the \$8.5 million has been spent?

Mr HADDAD: As I am saying, I will just have to check on that \$8.5 million. But we are allocating per year \$3 million to coastal areas. Recently some of these functional areas were split between us and the Department of Climate Change. I will get an update of this.

Ms LEE RHIANNON: I have some further questions you can take on notice, which is quite understandable. How does the comprehensive coastal assessment help to shape the regional strategy processes?

Mr HADDAD: As part of an original planning process, they were taken into account quite substantially in all the studies that we have done. That is evidenced in the draft documents that we have put out and the submissions that we have received, considerations of the submissions, and final plans that were made accordingly.

Ms LEE RHIANNON: Do you have a time line on this process when we will be seeing the results of it?

Mr HADDAD: I am sorry, which process?

Ms LEE RHIANNON: With regard to the comprehensive coastal assessment and when you will be making public what your final decision is.

Mr HADDAD: I will get back to you, if you like. I know that we have developed the tool kits and I will get back to you with the details.

Ms LEE RHIANNON: I want to ask about the biodiesel plant at Port Botany. Has the department investigated the source material for the proposed biodiesel plant at Port Botany? Is it from palm oil that is imported from South-East Asia?

Mr HADDAD: As part of the many sources of material that has come in, we have looked at it but I suppose in terms of the assessment process, if the substance is legally certified as an appropriate substance—and in this case I am advised it is the Commonwealth Government that regulates the substances—then the assessment process will have to go on the basis that this is a legally certified substance. But we are looking at it as well, as part of the assessment, and advising the Minister.

Ms LEE RHIANNON: I may not have understood. Are you saying that you rely on the Federal Government's assessment of the source of the material?

Mr HADDAD: We basically rely, not on the assessment, but if the substance is legally regulated—in this case the regulation comes from the Federal Government—then it is legally regulated.

Ms LEE RHIANNON: Right.

Mr HADDAD: Our assessment would have to focus on the impact of the storage and transport of the substance on the locality. That is where our assessment is focused.

The Hon. DON HARWIN: Where are the moneys held that are acquired through the State infrastructure contribution? What are the Government's accountability and reporting requirements related to them?

Mr FRANK SARTOR: The existing State infrastructure contributions, as I have said, are based around a voluntary planning agreements, with the exception of a couple of local environmental plans, including the Wollongong local environment plan and the Pitt Town local environment plan, and they would be kept in separate accounts. Maybe the director general can get back to you on the details. It is however intended that the new regime will put these monies into separate accounts within an urban improvement fund. Therefore they would be oversighted and managed by Treasury.

The Hon. DON HARWIN: You have taken on notice that you will get back to me with details about governance, accountability and reporting requirements.

Mr FRANK SARTOR: We will do that. A lot of them are value in kinds [VIKs] where the developer agrees to do certain work. It is not actually money in a lot of cases. A lot of them are VIKs.

Mr HADDAD: I am sorry, that is work in kind by developers.

The Hon. DON HARWIN: I understand that, but obviously some of it would be monetary.

Mr FRANK SARTOR: The new scheme will be the Urban Improvement Fund.

The Hon. DON HARWIN: Prior of course to last Friday's new arrangements that were announced, where is the revenue accounted for under the May State budget?

Mr FRANK SARTOR: As I said, when we go to the list of what is required of the voluntary planning agreements, which is what your question is about because they started four or five years ago or whatever, we will have to see what is actually required to be paid because most of it probably would have been VIKs. But we will see what is required to be paid and we will account for where it is held.

The Hon. DON HARWIN: What is the process whereby government agencies and the Department of Planning determine what infrastructure should be funded through a planning agreement outside the growth centres?

Mr FRANK SARTOR: I think the new system is a lot better because the process to date has been that the relevant departmental officers, when they do the assessment, consult with State agencies about those particular infrastructure needs or what they think the development would do to infrastructure demand. As usual, the State agencies put in ambit claims. There is a process of negotiation. A final voluntary planning agreement is negotiated between the State and the particular developer concerned. Under the new system, a lot of that will be done in advance so that people know in advance what the infrastructure issues are and so that any voluntary planning agreement can be more consistent and we do not get other agencies or another process that are holding up the decisions.

The Hon. DON HARWIN: What process is there under the new arrangements?

Mr FRANK SARTOR: Once we have gone through the whole State and we have prepared the standard levies for councils or infrastructure requirements for councils in the State, a levy is struck that will guide the decision and we will no longer need to consult other agencies. It is done in advance. It has been much more pre-emptive and proactive rather than looking at it when the application comes in.

The Hon. DON HARWIN: You have stated that that process of looking at all of the various areas of the State—

Mr FRANK SARTOR: Takes 12 to 18 months. It will take a while.

The Hon. DON HARWIN: Is there any prioritisation of particular regions?

Mr FRANK SARTOR: I think probably we would prefer the green field areas that have the biggest issues. The biggest infrastructure requirement issues would probably be higher on the priority list, whether in Sydney or other regions.

The Hon. DON HARWIN: And in terms of those with brown field sites?

Mr FRANK SARTOR: It will roll on as resources permit but you have to start with where you think the biggest infrastructure issues are first. That is only logical and it makes sense. As you have done those, you look at other areas. We have set a strategic direction and a new philosophy. We are now just going to work things through so that we are much more proactive and transparent about what the costs of development is and what the nexus is in each region or subregion of the State.

The Hon. DON HARWIN: A simple yes or no ought to cover this: Will you be implementing a brownfield levy outside voluntary planning agreements?

Mr FRANK SARTOR: They may still remain as voluntary planning agreements, but we need guidance as to what is reasonable and what is not.

The Hon. DON HARWIN: Can you guarantee that land development will be viable with the new \$23,000 levy?

Mr FRANK SARTOR: The work done by Treasury and the advice we have from the industry is that it would not make a great difference. The other thing you have to consider is market cycles, certain parts of the market cycle. And remember the Sydney market, whereby the Western Sydney market follows a slightly lagged cycle to the other parts of Sydney. But the advice is that it is certainly going to make a big difference to investment; that is certainly the reaction we have had from the private sector. Mr Dawson can maybe elaborate on that.

Mr DAWSON: Since the announcement on Friday I have had a number of conversations with various landowners and developers and the feeling seems to be that they are pretty happy with what has occurred. In fact one called me and said it makes their project very viable. But I think, as the

Minister said, the market will cycle, the market will change. I have been involved in the market for a very long time and it goes in swings and roundabouts, like every other market. At the moment it is tight and difficult; it was too in 1995. It was way back, in 10 or 8 year cycles since the war. I do not know that you can put a particular dollar figure on any of those things, but at the moment the feedback we have had since Friday has been pretty good.

The Hon. DON HARWIN: Can you make the Treasury calculations available for us to look at?

Mr FRANK SARTOR: That was done for Cabinet. I would have to take that on notice.

The Hon. DON HARWIN: But your expectation is that in terms of having done the calculations on a typical block of land, having looked at the acquisition costs, the holding costs, development costs, this should render land being much more viable?

Mr FRANK SARTOR: It will make it easier for developers and large landowners, definitely make it significantly easier to bring land into the market, and as the market cycle progresses it will be further gauged as well.

The Hon. DON HARWIN: You have said that the Treasury document went to Cabinet. Is there any other calculation that you can release for people to have a look at?

Mr FRANK SARTOR: I am not at liberty to disclose the deliberations of Cabinet, as you know—in fact I am sworn to not do so as part of the ministerial oath. All I can do is make inquiries of the Treasurer and Treasury as to what will be made available, but certainly their calculations and the industry feedback have both been pretty consistent that this will make a significant difference.

The Hon. DON HARWIN: What advice have you received other than the Treasury calculations?

Mr FRANK SARTOR: Input into Treasury has been from Landcom, which operates in Western Sydney. There have been various submissions over the last couple of years by the property sector, which always make submissions, and you have always got to look at what it says with a bit of a grain of salt because it usually make ambit claims. The commission originally had a reference group that comprised the Urban Development Institute of Australia, the Urban Task Force, the Property Council, the Housing Industry Association, the Total Environment Centre and community members. But there have been submissions from time to time by industry groups, and Landcom has provided input into the Cabinet process through Treasury. I think it is fair to say that the Government's calibration of the levies has been reasonably well thought through. As I said, the margins and the rate of return will change depending at what point of the market cycle you check them, but we are satisfied that even at the moment with the market still being flat in Western Sydney they will make a significant difference.

The Hon. DON HARWIN: The body that you have just referred to, was that the review panel that Mr Haddad sat on?

Mr FRANK SARTOR: No.

Mr DAWSON: That reference panel was when the commission about 18 months ago set up a panel to review all of these infrastructure changes within the growth centres and we used that panel right up until the announcement in 2006. The panel is still standing, we have not disbanded it, but we have not used it more recently.

The Hon. DON HARWIN: Mr Haddad, you have sat on a review panel that has considered these matters and made recommendations?

Mr HADDAD: Which review panel, sorry?

The Hon. DON HARWIN: With Mr Scher.

Mr HADDAD: The departmental officers were obviously feeding the advice; we had Treasury and Planning working—and the growth centre commission as appropriate—in providing advice to the Government.

The Hon. DON HARWIN: So you would have seen these briefings and then made a recommendation of what the new approach should be?

Mr HADDAD: We have formulated advice to Government and, as the Minister said, it was part of a broader consideration by Government.

The Hon. DON HARWIN: So your recommendation was that this package would render land development viable?

Mr HADDAD: In terms of the recommendation it was aiming at making land development and housing more affordable in the current market.

The Hon. DON HARWIN: "Aiming", being your word?

Mr HADDAD: Yes, and certainly it would contribute to do that.

The Hon. DON HARWIN: It would contribute?

Mr HADDAD: Yes.

The Hon. DON HARWIN: But you are not guaranteeing that it will?

Mr FRANK SARTOR: With the greatest respect, he cannot guarantee it and you cannot guarantee it—no-one can guarantee anything. It all depends a bit on market cycles. The best advice available to Government, to the Cabinet process, is that this will make a very significant difference and it means that sites that might have waited another year or two for a different point in the market cycle will move sooner, so it is a very positive thing to do and the industry has responded in the same vein, so all the evidence at the moment is that we are close to the mark.

The Hon. DON HARWIN: In relation to projects that have currently been brought to you under part 3A of the Environmental Planning and Assessment Act, what is the average time taken to approve or refuse a 3A project?

Mr FRANK SARTOR: It depends greatly on the development. Developments like coalmines—if you take Anvil Hill or Moolarben, two of the more difficult ones to deal with—can take a year, and I make no apology about that. They are really difficult projects. There is a lot of consideration and re-examination. There is considerable expert advice. You go out and get it, and you double-check things. So with extractive industries particularly they take a long time. They can take a year. In reality, the average from environmental assessment lodgement stage to determination under 3A has actually been a lot less than that; it has been 183 days. But some will take a year—some should take a year—and no one makes any apology for that. Infrastructure projects can also take a fair while. The Enfield intermodal took a long time; the desalination plant took a long time.

The Hon. DON HARWIN: What is the longest time that a proposal has taken?

Mr FRANK SARTOR: I think you are talking about a year, but I cannot remember which one. It could be Anvil Hill or it could be the desalination plant.

Mr HADDAD: On the question of timing, obviously if there are complex issues where we need to go into further assessment and ask for more information, then we will have to do so because there is no point in seeking community submissions, questions from developers, studies and all the rest of it. Those studies can take a long time to submit and then we have to take the time to provide—

Mr FRANK SARTOR: Can I say that it depends also on whether we appoint an independent assessment panel, as we did in Anvil Hill and as we did with the desalination plant. That will always add another two or three months because they will need to conduct a hearing, hear people

and take these things seriously. The other thing about 3A, as I mentioned earlier, is that there are parts of the process that are in the hands of the applicant. For example, they are issued with director general's requirements. Once they are issued they have to then address those issues in their environmental assessment report. When that is lodged, the department sees whether that is adequate before it starts the process. Sometimes you go back to them and say, "Look, it's not adequate." So there is a lot of preliminary work.

Then it goes on public exhibition. Although the Act states 30 days, we often make it a lot longer. Then when it comes back from public exhibition the applicant must respond to submissions. That can take one, two or three months as they address every issue that the community has raised or the objectors have raised. Then if amendments need to take place, they need to lodge a preferred project report. Again, that is in their hands. So 3A is longer and more interactive because it is designed for the really hard things, the things that are difficult—extractive industries, infrastructure, manufacture and distribution. It is a lot quicker for urban developments. In that area probably the process is almost excessive but for the difficult things like infrastructure, mining and extractive, manufacture and distribution, in my opinion the 3A process is a good one and one we should keep because it is thorough.

The Hon. IAN WEST: Does the Minister have any updates for the Committee on progress of the city's task force?

Mr FRANK SARTOR: We put together a team of people from the department to work with the various councils to review the city centre local environmental plans for Wollongong, Newcastle, Parramatta, Gosford, Liverpool and Penrith. The first one that was done and gazetted earlier this year was the Wollongong local environmental plan. Interestingly, at Wollongong we have seen significant investment since we have done that; about \$680 million worth of developments on the drawing board for Wollongong city after we gazetted the new plan earlier this year. There is a \$310 million Wollongong central project, which is residential, commercial and retail, with the potential for nearly 2,000 jobs at an earmarked site on the Wollongong city centre plan; a \$205 million retail, hotel and conference facility at the Dwyer site on Crown Street; and a \$21 million hotel, commercial, retail and residential project at Flinders Square, along with a number of other commercial and residential projects. So we are seeing significant investment in Wollongong.

In respect of the other sites, Liverpool is probably the closest to being gazetted finally but it also has a comprehensive local environmental plan in to the department. It could well be the first comprehensive local environmental plan under the new standard format that is actually gazetted. We hope to have the Liverpool city centre local environmental plan gazetted by the end of this month, and likewise Gosford by the end of this month. With respect to Penrith, some time in December. Parramatta and Newcastle, the councils keep deferring and reconsidering, and have become a little bit—we went through, we agreed on a plan, there was a joint approach. As the department gets uninvolved you find that some of these councils revert to form, and they have gone back through endless processes, rethinks, whatever. It is part of the faffing gene, which is well located in some councillors in some councils of this State. The faffing gene is alive and well in Parramatta and Newcastle.

In the coming months we will have to call them in and say, "Why is it taking so long to finalise the details when all the decisions of principle have already been taken a year ago?" Hopefully, they will all be gazetted quite soon. They have had a huge beneficial impact, and you are seeing it particularly in Wollongong. In the centre of Wollongong we are seeing some terrific new development. I am also keen to get more quality as well. It is important that these regional centres provide a source of commercial, intellectual and cultural leadership for their regions and also significant community benefits through local civic improvements. We are determined that there is good quality development. For the larger sites we have required architectural competitions to try to break the cartel between developers and architects. In some cases the architect is the developer's brother or cousin. And while we do not want in any way to be anti someone because they are a member of the same family, it suggests that there is not much contestability when it comes to design.

We want to ensure, as we did in the city of Sydney when I was the mayor, that we bust that cartel, that cosy relationship between a few developers and some of their mates' architects and get real contestability of design because we want good design quality to set new standards in these areas. It is

important that we get good quality out of these areas as well. I am a little disappointed that a couple are dragging on but by and large it has been a terrific exercise. It has received a number of awards as we have managed with State involvement to get a vision for these centres better done. The team is now looking at the Tweed to try to prepare a vision there as well. Recently I have had requests from Epping to try to help with resolving some of the inter-council squabbles and differences. Epping is divided between Hornsby and Parramatta councils. That is what we do. It is a question for the State of resources but where we involve ourselves with the local council we find we can get better results. When we withdraw we find that they fall back to faffing, which is a pity. So we will just have to keep the faffing levels to a manageable scale.

The Hon. LYNDA VOLTZ: What work are you doing in relation to rural lots?

Mr FRANK SARTOR: Rural lots are a particularly difficult area because some of the concerns relate in part to the viability of farms in a drought context. But we put in an inquiry into the rural parts of 13 council areas that are known as the central west of the State. The inquiry was chaired by Garry West, a former National Party Minister, and contained Jock Laurie from the New South Wales Farmers Federation, Gabrielle Kibble, former Director General of the department, and Bill Gillolly representing the Local Government Association. They did an inquiry. They produced a report. That report recommends a more flexible approach to some of the minimum rural lot sizes.

It did not recommend reducing them; it simply said that some of them did not need to be re-increased, as had been suggested by others. It also recommended that we prepare a State environmental planning policy to govern the criteria and so on for deciding rural lot sizes. That is under preparation. At the moment the department is also doing a lot of work on the planning reform agenda. A lot of these reforms are happening, but we are determined to get something up in the next couple of months to settle the ground rules, the criteria, around which rural councils can determine whether subdivisions and so on can take place and other avenues as well to provide more flexibility to help rural landowners without creating major long-term planning disasters.

The community has generally received the report very well. We have to ensure that the detail and the State environmental planning policy match that kind of aspiration. We will probably adopt the State policy and then review it within six months because it is not the sort of thing you can put on exhibition for comment because you could get gaming going on. If we change the rules we might just adopt it and then review it to try to avoid gaming or people rushing in to do subdivisions and things that were not intended. That is the sort of approach we have in mind. Hopefully, I will have something to do in the next few months, but it is my intention, as soon as we have adopted it, to review it soon afterwards in case the settings are not quite right on whatever. It is always good to get everyone's input on these matters. Sometimes with matters that affect property rights you cannot put them on exhibition or you start a process that you cannot unscramble. So we have to look at how we do that.

The Hon. LYNDA VOLTZ: Earlier you had a question about climate change and you spoke about how you are reducing the environmental footprint through planning. Are your agencies, such as the Sydney Olympic Park Authority, still undertaking programs of reducing the environmental footprint?

Mr FRANK SARTOR: Yes.

The Hon. LYNDA VOLTZ: Does this represent a good investment, given how strategic they are in Western Sydney in terms of visitation?

Mr FRANK SARTOR: I will ask Mr Newman to answer that but before I do I want to say this. The biggest gain we will do to the environmental footprint is this idea of providing infrastructure and transport with new settlements, like the growth centres for example. The potential spread of the Sydney footprint would be a lot higher if it were not for the growth centres strategy. The key thing is to get good sound planning, consolidation and so on. Where you are building new communities, make sure you properly service them to try to stop the scatter and the spread. That is vital. The regional strategy is the same, and the centres policy is the same. BASIX is a State policy that deals with that. State environmental planning policy No. 65 deals with that to do with residential flat codes. The Sydney Olympic Park Authority has been particularly successful, and partly I think the genesis was the green Olympics. I will ask Mr Newman to take you through some of the measures they have done.

Mr NEWMAN: The Sydney Olympic Park Authority has sought to continue to build on it; I guess that is our position following the green Games in 2000, and to promote best practice in environmental sustainability over the last seven years. Our environmental agenda has focused on areas such as energy management, water management and waste management and in promoting sustainable building design. In that area of sustainable building design our new master plan, Master Plan 2025, will set a new vision for the Sydney Olympic Park's emergence as a new urban centre, a new town. It will seek internationally very high standards. In fact we are setting a five green-star standard for commercial buildings within the precincts under the Australian Green Building Council standard system and of course all residential buildings will be required to comply with BASIX.

We will also require all buildings—residential, education and commercial—to be supplied with recycled water through our world-class water recycling management system at Sydney Olympic Park. We will continue to look at opportunities to expand our RAM system, our water recycling system, into nearby development areas. In the area of energy consumption, we have managed to significantly reduce the amount of energy consumed within Sydney Olympic Park over the past three to four years. Between 2004-05 and 2005-06 we saw a 10 per cent reduction in energy consumption despite the fact that Sydney Olympic Park is enjoyed or visited by 8.2 million people, compared to four million people just after the Games. Whilst we have seen a doubling of visitations to the park, we have seen a reduction in the amount of energy consumed and therefore a reduction in the amount of CO₂ gas emissions that have been generated.

We have achieved also some significant success in the area of waste management. We have managed to reduce the amount of waste taken to landfill to just 40 per cent. We have a target to reduce that to 20 per cent in the next five to 10 years. Also we are looking at some creative initiatives with our business community. Within the precinct there are some 60 businesses and since the Games we have seen \$1.1 billion in private-sector commitments to property development, which will see a new hospital, new hotels and commercial development undertaken. We will need to form an alliance with our business community and the Sydney Olympic Park Business Association to work together to reduce our carbon footprint.

We are promoting a wide range of environmental education programs to both professional audiences and at school level. We have a world-class education program called the geography challenge, which is seeing thousands of young people come to the park and engage with different parts of our ecological system, including the wetlands, through a learning process that is curriculum based. We are working with well-known organisations such as Earthwatch in terms of research programs and further developing programs, such as our wetlands program, with the professional markets. You may be aware of the Houses of the Future Exhibition, which was conducted at the park.

In the area of solar energy we made a comprehensive submission to the Commonwealth Government to establish Sydney Olympic Park as a solar city. Whilst that was unsuccessful we continue to look at opportunities to reduce our carbon footprint by promoting more use of solar energy within the precinct. We continue to meet our commitments with respect to conservation of our ecological assets including, of course, the protection of species such as the green and golden bell frog, micro bats and our sensitive wetlands system, and through international agreements with organisations regarding the management of migratory birds.

We have improved the environment of the Sydney Olympic Park by creating more parkland. Over the past four years we have seen \$25 million invested in a comprehensive program, which has seen new parks opened to the public. Visitation to our parklands has grown from 600,000 people in 2002 to 1.6 million people in 2006. We expect that number to go to 2.5 million people in the next four to five years. We have continued to look at improving public transport services into the precinct. Only a matter of weeks ago we saw significant improvements in bus services servicing a growing population of workers into the precinct. There were new services from Sutherland and also from Strathfield and the northern beaches.

We have continued to pursue better health outcomes. I guess Sydney Olympic Park's positioning is one of healthy buildings through the initiatives I have mentioned and also a healthy outdoor environment. I hope that that provides an overview of some environmental initiatives.

Mr FRANK SARTOR: Very good. I think he deserves a round of applause. However, can I correct the record? Earlier I was asked about Burwood and the hierarchy of centres. I have checked that. From memory I did not remember it being classified as a major centre, but it is. The hierarchy of global centres is: City of Sydney and North Sydney as twins; regional cities Parramatta, Penrith and Liverpool; specialised centres such as Sydney Olympic Park; Burwood, a major centre, which I confused with Auburn, which is just a town centre; planned major centres such as Rouse Hill, and potential major centres such as Leppington, Cabramatta, and so on. Then it drops down to village and neighbourhood centres. Burwood is regarded as a major centre under the metro hierarchy.

Ms LEE RHIANNON: Thank you, Minister. I have some questions about the coal industry, which you may wish to take on notice, but I will put them on the record and look forward to your response. How many new coalmines have been approved by you and previous Ministers in the life of this New South Wales Government? What is their expected annual and lifetime coal production?

Mr FRANK SARTOR: Currently coal accounts for about 75 per cent of the State's mining income and more than 15 per cent of its export income. In 2005-06, \$8.5 billion worth of coal was mined in New South Wales and the State Government received more than \$450 million in coal royalties. The coalmining sector employs about 12,500 people directly in New South Wales and many regional towns and communities are dependent on the jobs created by mining and associated industries. In the past 3½ years the Government has approved 78 proposals for either new coalmines or coalmine extensions, including the approval of three major new mining proposals at Anvil Hill, near Denman, Moolarben mine near Mudgee, and the Abel mine near Maitland. These provisos have provided significant economic and social benefits to the New South Wales economy, have a combined capital investment value of \$1.29 billion and create jobs for more than 3,500 workers.

Ms LEE RHIANNON: That is useful information. The last figure you gave about 3,500 workers, was that additional to the earlier jobs figures you gave?

Mr FRANK SARTOR: No, I think it would be part of the same thing. I am advised that that is correct.

Ms LEE RHIANNON: How many new mines or mine extensions have been rejected?

Mr FRANK SARTOR: I do not know. I think some of them do not even come in. For example, in the Lake Macquarie area we prohibited open-cut mining, so we killed the proposal there for Awaba.

Ms LEE RHIANNON: But Centennial had already withdrawn that, had it not?

Mr FRANK SARTOR: No. They were still prattling on, still interested, and that was excluded. In other cases the director general's requirements probably led to some of them not progressing at all.

Ms LEE RHIANNON: Could you take that question on notice? I am interested in a figure of how many new mines or mine extensions have been rejected.

Mr FRANK SARTOR: We can do that. You need to understand that the whole purpose of the 3As that you issue are the director general's requirements. Sometimes developments just get killed before they even get lodged.

Ms LEE RHIANNON: I totally understand that. I am interested in the current process of what has been rejected.

Mr FRANK SARTOR: With the greatest respect, if I answer that question I should also answer the question concerning proposals that have come to pass that had never proceeded. There is a screening system that knocks over some of them before they even start.

Ms LEE RHIANNON: If you could expand on that in your answer, that would be excellent.

Mr FRANK SARTOR: Yes, okay.

Ms LEE RHIANNON: My question is about actual coal production. Maybe you could take that on notice. How many new coalmines have been approved in the life of this New South Wales Government? What is their expected annual and lifetime coal production? How many coalmine extensions have there been? What is their expected annual and lifetime additional coal production?

Mr FRANK SARTOR: I will get hold of that, I am sure it all is available. I will try to assemble it and get it to you.

Ms LEE RHIANNON: Back to Redfern Waterloo: What is the per capita funding spent on local Aboriginal people in the Redfern Waterloo Authority programs?

Mr FRANK SARTOR: We provide opportunities, rather than spend money, which we do. The \$45 million investment in the Indigenous Land Corporation proposal at Redfern public school is quite significant. Robert Domm might have something to add to that.

Ms LEE RHIANNON: I was interested in the per capita funding spent on Aboriginal people.

Mr FRANK SARTOR: Our main emphasis in Redfern is opportunities for people, rather than cash handouts. We do not do cash handouts.

Ms LEE RHIANNON: I am not talking about cash handouts. I am talking about programs with funds spent on people so that they will have jobs.

Mr FRANK SARTOR: If you provide 100 jobs in construction for Aboriginal people, how would you measure that under your model?

Ms LEE RHIANNON: I do not have the resources that you do, Minister, and that is why I am interested in your answer.

Mr FRANK SARTOR: I am just trying to think how one would work out what is spent.

Ms LEE RHIANNON: That is why I am interested in your answer, because you have the resources and I do not. If you cannot answer it, fair enough.

Mr FRANK SARTOR: I do not think you can answer that sort of question, but Mr Domm will do so if he can.

Mr DOMM: I cannot answer the question because the funding comes from a range of sources, including the Redfern Waterloo Authority. I think the important point to note is that, despite popular perception, the Aboriginal residential population of Redfern Waterloo is numerically very small. Therefore, on a per capita basis, spending that goes into that area is quite high by comparison, because you are talking about 800 or so people comprising that population. Of course, there is a transient population, so it is very hard to quantify the figures, but from the 2001 census figures the residential population is just under 4 per cent of the total of Redfern Waterloo.

Ms LEE RHIANNON: Minister, how will issues of work readiness be catered for with the demise of the Redfern Aboriginal Corporation and the axing of CDEP?

Mr FRANK SARTOR: Which corporation?

Ms LEE RHIANNON: The Redfern Aboriginal Corporation.

Mr FRANK SARTOR: I am sorry. I do not understand the question.

Mr DOMM: The CDEP is a Commonwealth Government funded project, and the Redfern Aboriginal Corporation derives a lot of its funding from that project. So it seems to have fallen over as a result of that program being closed down. It has got nothing to do with Redfern Waterloo or the State Government.

Ms LEE RHIANNON: Surely you will be taking into consideration—considering that the Minister has said so many times—the commitment to providing more opportunities for Aboriginal people within the context of the Redfern Waterloo Authority's work.

Mr FRANK SARTOR: Sorry?

Ms LEE RHIANNON: It has just been explained that the Federal programs have fallen over. Considering they have had some significance for work for Aboriginal people, surely given the context of the Redfern Waterloo Authority's work, you would take into consideration a response to that, because you have always addressed the issue of benefits for the Aboriginal communities when you have spoken of the Redfern Waterloo Authority's benefits to this area.

Mr FRANK SARTOR: I have read the list of things we have done for the Aboriginal community in Redfern, and it is quite an impressive list of things—jobs, training, and various programs. But, not only that, we have brokered with the Commonwealth a \$45 million investment in the national indigenous development centre, which will have huge benefits for Aboriginal people. It will bring Aboriginal people to Redfern, and it helps to develop skills, and so on. So I think it is fair to say that you need to look at what we are doing, and what we are doing is very positive and quite substantial. The fact that the Federal Government may have discontinued one program is a matter for that Government. What we are doing is providing a lot of real opportunities. But we are also bringing prosperity and jobs to the area and, with that, we hope there will be even more opportunities. There will definitely be more opportunities for Aboriginal people. So ours is about giving people choices to pursue independence, rather than a question of starting to focus on one specific sub-program.

Ms LEE RHIANNON: Minister, over to the Crown Street reservoir. Could you tell the Committee who was the successful tenderer for the development of the Crown Street reservoir site?

Mr FRANK SARTOR: Why would I know that? Who owns the Crown Street reservoir? Sydney Water. Why would I know that?

Ms LEE RHIANNON: I thought your department had had some involvement with this.

Mr FRANK SARTOR: I do not think we are involved in this at all, to my knowledge. Are we involved in this?

Mr HADDAD: Not to my knowledge.

Mr FRANK SARTOR: To be perfectly honest, Sydney Water, from the days when I was the Minister, has bent over backwards trying to address issues. But it has not been past my portfolio, and it is a matter you should address to the Lord Mayor.

Ms LEE RHIANNON: If I am mistaken, I am quite happy to acknowledge that. So there is no involvement?

Mr FRANK SARTOR: Not to my knowledge, no.

Ms LEE RHIANNON: Thank you.

Mr FRANK SARTOR: To my knowledge, we have not been involved. Has the Heritage Office been involved?

Ms LEE RHIANNON: Is the Government considering introducing a broad-based New South Wales-wide developer levy for affordable housing on most new residential developments in high-value areas to assist in creating more affordable housing?

Mr FRANK SARTOR: The Government is still pursuing options in relation to affordable housing at a whole-of-government level, not so much at the level of my department. All these things have to be calibrated against this problem we have about excessive costs. A minute ago we were being questioned at length about levies, and whether we are going to increase levies on brownfield areas. I

think this is a factor that has to be considered as part of the totality of development costs. The Government is certainly doing work on affordability of housing and affordable housing as such, and at this stage I cannot comment any further.

Ms LEE RHIANNON: How long will we have to wait, considering when Mr Iemma became Premier more than two years ago he announced the Government would be formulating an affordable housing strategy for New South Wales? We have a housing crisis in this State, so how long do we have to wait?

Mr FRANK SARTOR: It is a whole-of-government process, and I do not speak for the whole of Government.

Ms LEE RHIANNON: So you are not the main driver. Are you a key driver? Could you take the question on notice?

Mr FRANK SARTOR: Planning obviously has a role. I will have to take this on notice and refer it to others.

Ms LEE RHIANNON: The question I would like you to take on notice is the timeline when that will be announced. Just going back to the Crown Street reservoir: I understand the Heritage Office may have been involved in this issue. So could you take the question on notice and check?

Mr FRANK SARTOR: I will take it on notice. But, certainly, nothing has come past me.

Ms LEE RHIANNON: Nothing?

Mr FRANK SARTOR: Nothing.

Ms LEE RHIANNON: Back to Burwood: Have you called in the development at 1-17 Elsie Street, Burwood?

Mr FRANK SARTOR: Is that the development that was half built?

Mr HADDAD: Yes.

Mr FRANK SARTOR: The answer is yes.

Ms LEE RHIANNON: On what basis was it called in?

Mr FRANK SARTOR: It met several criteria. One was about the conflict of interest that the council had.

Mr HADDAD: As owner.

Mr FRANK SARTOR: How much was it worth? Can someone give me that information? We think over a hundred million, but we would have to confirm that. Also, because a new LEP is being prepared, there was some issue about the council having to use SEPP 1 to vary the controls significantly, and we felt it could be dealt with by us in concert with the LEP that has been on exhibition. There were a range of reasons, and it was felt the best way to resolve this was to call it in. I also called in development near the railway station and imposed some development controls on it because it previously had no development controls and it ended up at the Land and Environment Court. It was a pretty ghastly development. They wanted to make further changes, so we actually called it in and imposed some controls—although the consent for that reverts back to the panel.

Ms LEE RHIANNON: If locals are confused that there are three consent authorities—Burwood council, the panel and the Minister—can you understand that?

Mr FRANK SARTOR: Yes, I can. It is regrettable, but it is a transitional thing, because the skills necessary to assess that application and the council's conflict of interest meant that it was better

that the department's staff did it. But, hopefully, once we have got the new LEP in place, we can start to transfer it all back to the council.

The Hon. DON HARWIN: Minister, we had finished on the issue of 3A developments, but I return to that. Last year the then Health Minister, Mr Hatzistergos, requested approval for redevelopment at Royal North Shore hospital, MP060051. Having in mind the appalling physical conditions at Royal North Shore, how do you justify your failure to approve the redevelopment?

Mr FRANK SARTOR: Failure to approve Royal North Shore hospital redevelopment? I do not believe we have. We certainly approved the medical research centre. We have approved the concept plan. That is my recollection. We approved a medical research building and we approved the concept plan for the whole thing. Then they come back with project applications as they require them.

The Hon. DON HARWIN: When will the infrastructure levy for West Dapto be released?

Mr FRANK SARTOR: West Dapto is a site that potentially could house 60,000 people. It is a significantly large redevelopment area. In scale, it is almost of the same order as the growth centres of Sydney. The Government is carefully looking at all local and State infrastructure implications on that and there will need to be a whole-of-government decision about it. When the processes of government are complete we will announce it.

The Hon. DON HARWIN: How many local environmental plans [LEPs] are lined up on your desk?

Mr FRANK SARTOR: For the record, Royal North Shore Hospital's concept application was approved on 13 April this year and the Royal North Shore Hospital education building was approved on 29 January this year.

The Hon. DON HARWIN: How many LEPs are lined up on your desk or are in your department waiting for ministerial approval?

Mr FRANK SARTOR: Very few. In fact, the stuff in my office gets cleared very quickly. The delays in LEPs tend to occur when councils wish to impose policies and things that are inconsistent with formal State policies. My department is forever negotiating to resolve these disagreements, like the current Parramatta comprehensive LEP. Council said, "We have this LEP ready for exhibition", but when I went back to my department I found that about 10 areas were totally contrary to State policies. Delays tend to occur in the interplay between councils and the department and within councils. Then there are always technical and drafting issues. The LEPs that get to my office get through pretty quickly, or they get dealt with pretty quickly one way or the other.

The Hon. DON HARWIN: What is the actual number?

Mr FRANK SARTOR: I do not go round the office every morning counting them. All I can tell you is that in my office I would be flat out counting three that are ready for my consideration.

The Hon. DON HARWIN: How many LEPs are in the Department of Planning at the moment awaiting approval?

Mr FRANK SARTOR: I do not know but I suspect that that number would be very small.

The Hon. DON HARWIN: Can you give the Committee an answer on notice as of today?

Mr FRANK SARTOR: Yes. I can assure you, Mr Harwin, that my office is the fastest link in the chain.

CHAIR: You should be able to give a quick answer.

Mr FRANK SARTOR: In my office is a big tray that rarely has more than two or three LEPs in it.

The Hon. DON HARWIN: I am delighted to hear that you are efficient in dealing with your correspondence, Minister, but my question also included the department. I would be grateful for an answer, on notice if necessary.

Mr FRANK SARTOR: As I understand it, your question is: How many LEPs are there that have been through all the formal processes and simply require the Minister's sign off? If that is the question you will get an answer to that question.

The Hon. DON HARWIN: I will read the question again for the benefit of the Minister. How many LEPs are lined up on your desk or in your department waiting for ministerial approval? That was the exact question, Minister.

Mr FRANK SARTOR: I am told that the number awaiting ministerial approval would relate only to those in our office, not to the department. I will get the director general to double check to establish whether there are any in my department, but there would be very few in my office. Five or 10 come through and in my office I never get more than about three before I deal with them. Go for it. Keep asking that question but it is a non-event.

The Hon. DON HARWIN: I take it that you will provide us with an answer?

Mr FRANK SARTOR: Yes, I will give you an answer if you choose to waste your time and the time of everyone else. I am happy to help waste time with you.

The Hon. DON HARWIN: What is the average waiting time for LEP approvals?

Mr FRANK SARTOR: As I said, LEPs are a problem in the system. They can take two years. They can take a long time. The issue relates to the processes before they go on exhibition. The biggest issues are policy conflicts and drafting issues that occur when councils surreptitiously want to change major State policies inherent in an LEP and certain provisions have to be renegotiated. Councils decide to down zone whole areas without any explanation and they make significant changes. Often there is a problem. When a council chooses to make a change it has to re-exhibit the LEP. For reasons that are beyond my comprehension this has been occurring in Newcastle and Parramatta in recent times with the city centre LEPs. That is a problem. It is a very convoluted process that hopefully we can address as part of the planning reforms.

The Hon. DON HARWIN: How much money has been collected through the Planning Reform Fund, and what were the sources of those funds?

Mr FRANK SARTOR: I would have to take that question on notice. It comes under the planning reform funding arrangements that were put in place well before my time. The director general might want to answer that question or take it on notice.

Mr HADDAD: We will take that question on notice.

The Hon. DON HARWIN: On what types of projects or items are moneys from the fund being spent?

Mr FRANK SARTOR: A portion of it goes to councils and the balance pretty much goes to reform issues that we are dealing with through councils or at a State level.

The Hon. DON HARWIN: Thank you for that answer but could you be a little more specific? Could you provide a list?

Mr FRANK SARTOR: The director general can add more.

Mr HADDAD: It is a combination of projects run by the council that are of a strategic nature locally or of a strategic nature at a State level. For example, a part of these funds went into the metropolitan strategy, into subregional strategies and into the city centres program. These are strategic works. The purpose of these funds is to facilitate downstream decision-making.

The Hon. DON HARWIN: Could you provide the Committee with a complete list of the projects and items that money from the fund has been spent on? Can you also provide the Committee with a council-by-council breakdown?

Mr FRANK SARTOR: The difficulty is that councils get approval for money and then there are so many delays that the formal request takes a long time to come. A formal request can take years to come. We can give you a list.

The Hon. DON HARWIN: I am sure that is right.

Mr FRANK SARTOR: We do not deal in Greenwich meantime; we deal in local government time.

The Hon. DON HARWIN: Perhaps the list could reflect that. We are perfectly happy for you to reflect that on the list. Who makes the decision on how the money is spent?

Mr FRANK SARTOR: The department assesses them, looks at priorities and then recommends. I cannot remember whether I sign off on them or whether it is the director general.

Mr HADDAD: You sign off on them.

Mr FRANK SARTOR: I sign off on them but it is always a departmental assessment.

The Hon. DON HARWIN: What criteria do you use to determine the allocation?

Mr HADDAD: We have published criteria that we use to send to council. They vary from year to year to reflect the priorities. We send them to council. Through a departmental committee we evaluate the responses that we get and make recommendations to the Minister accordingly. But the criteria are publicly available.

Mr FRANK SARTOR: I am told that the grants program is on the website.

The Hon. DON HARWIN: What is the current staffing entitlement of the Department of Planning, and how many of the positions are currently unfilled?

Mr HADDAD: In the Department of Planning we have 350 staff. I am excluding people in, say, the growth centres. So there are 350 in the Department of Planning. Referring to the positions that are unfilled, they vary from month to month, based on the budget that we have. But we have 350 people.

The Hon. DON HARWIN: What is the equivalent full time [EFT] number for the department?

Mr HADDAD: The EFT roughly is 360 people.

The Hon. DON HARWIN: What is the reason for the staffing shortfall?

Mr HADDAD: I am not sure. As a general rule, we basically have to prioritise staff depending on the resources and the demand that we have. But throughout the sector there is a shortage of planners. That is something we are dealing with. We have programs to develop interdisciplinary staffing to assist in the delivery of services.

The Hon. DON HARWIN: Mr Haddad, as the director general, what is your best estimate of the number of unfilled positions? Certainly it varies, but where are we right now? How many are unfilled?

Mr HADDAD: Basically it depends on the benchmark that we use to determine that. What is the benchmark of unfilled positions? My benchmark is the delivery of the system based on the budgetary resources and priorities that I have. I can tell you that the benchmark would generally be in the range of eight to 12 positions. Last year there was a large staff allocation and the year before that

there was a smaller one. Based on the 350 positions that I have filled now I am able to deliver the services and the priorities that we have.

The Hon. LYNDA VOLTZ: Earlier you were asked about local environmental plans [LEPs] in the department. What steps are you taking to speed up the local environmental plans process and what are you doing about speculative proposals?

Mr FRANK SARTOR: About a year or 18 months ago we introduced a local environmental plan and development panel because when I went to Parliamentary Counsel and asked what his stake was on the delay in processing local environmental plans, he pointed out to me that of the some 5,000 pages on local environmental plans he drafted in the previous financial year, about 80 per cent of them never actually got made. So, we introduced a local environmental plan vetting system where a panel comprising two departmental officers and a local government person who vets the plans at an early stage. For those of you who may not understand or know the difference in local environmental plans, there are comprehensive ones, which generally cover the whole municipal area; those that relate to a policy issue, which might be density or whatever; those that relate to a whole precinct; and those that are simply land reclassifications from operational to community land or vice versa.

Minor amendments under section 73A usually are anomalies, errors and things. Then there are the spot rezonings and, let us say, surplus government lands as well. If we look at the total number that were vetted by the panel during 2006-07, which is on page 31 of the Major Development Monitor, it can be seen that there were 40 comprehensive local environmental plans, 51 policy plans, 48 precinct plans, 21 reclassifications, eight minor anomalies, 177 spot rezonings and three surplus government lands. A total of 348 were recommended to proceed. The committee dealt with a total of 426, 50 spot rezonings were knocked back and 78 plans in total were knocked back. The panel vets the plans to make sure that we are not wasting everyone's time with things that are strongly opposed in principle.

At the moment there are some 100 speculative proposals in New South Wales that we know of; there is probably a lot more through local government—about 50 in the Sydney Basin and about 50 elsewhere. It is one of those issues that is difficult to manage, which is why in the reform of the planning system we are looking at ways of dealing with the speculative proposals in a much more whole-of-government approach to try to deal with points of principle early before they clutter up part of the plan-making system. So, the important theme is entry into plan making, the gateways, and then, of course, trying to speed up the plan-making process.

The Hon. LYNDA VOLTZ: Earlier you spoke about the hierarchy with global Sydney regional city specialised centres. What progress is occurring in the specialised centres, such as Sydney Olympic Park?

Mr FRANK SARTOR: Sydney Olympic Park has been very successful. Mr Newman just outlined all the sustainability initiatives that have been taken very successfully, but in actually providing the core use inside the Sydney Olympic Park area for commercial, residential and recreational development outcomes there has been some \$1.1 billion private-sector investment since the Olympic Games. That is quite significant. Major projects included the completion of the first of three new office buildings to house a total of 3,500 Commonwealth Bank of Australia staff that were relocated to the park; announcement of an agreement to proceed with a \$32 million commercial office development of approximately 7,000 square metres with Watpac; development of a 99-bed sport and specialist private hospital near the golf driving range to commence in early 2008; commencement of construction of a five-star Sofitel and two-star Formule 1 hotels within the park; the approval for the construction of a first residential development in the park of a 208-unit residential tower to be built by Multiplex; completion in March 2007 of the \$7.7 million stage one of new parklands known as Blaxland Riverside Park; commencement of a \$2.5 million redevelopment of Jacaranda Square, new park and the town centre; and commencement of construction of a \$1.5 million new adventure playground on Wentworth Common.

As Brian said earlier, Sydney Olympic Park attracted 8.2 million visitors in the 2006 calendar year in line with its target of attracting 10 million visitors annually by 2010. This includes attracting more than 400,000 school students who participate in sport, recreational and educational activities within the park. The Sydney Olympic Park International Aquatic Centre also recently welcomed its

15 millionth visitor since April. So, we are seeing significant investment and activity at Sydney Olympic Park. It is one of the specialised centres in the hierarchy of the metropolitan strategy.

The Hon. LYNDA VOLTZ: I noticed advertisements for Sydney Olympic Park about welcoming cyclists. What is the percentage of usage for cyclists? Are you doing anything special with the spring cycle carnival and other cycling events?

Mr NEWMAN: Cycling is proving to be one of the most popular recreational activities at Sydney Olympic Park. In fact, now it is almost the mecca for cyclists in Sydney. Of the total 1.6 million people that are visiting our parklands each year, just over 600,000 people come to the park to cycle. We are just a short time away from the Sydney spring cycle event. Sydney Olympic Park, in conjunction with different stakeholders, has arranged a cycling festival that will cover four days. It will include a range of different cycling-related activities from criterion racing and BMX facilities.

In fact, over the past two years we have created three world-class BMX facilities, including urban sports facilities. Recently in conjunction with Auburn Council and the Federal Government we have installed a new jump course. Those facilities will be used in the upcoming national championships in downhill BMX. We will have also the consumer show or exhibition at the Royal Agricultural Society showground facilities and arrangements for initiatives with Cycle Tourism Australia to promote cycle tourism at the park. So, there is a whole program of four days that, hopefully, will see thousands and thousands of Sydneysiders come to the park to enjoy cycling in various forms.

Mr FRANK SARTOR: Earlier I was asked a question about Crown Street Reservoir. I have received some advice. The Crown Street Reservoir proposal went to the City of Sydney. Subdivision was approved by the Heritage Council on the basis that there would be a long-term conservational reservoir and other heritage items on the site. That is the degree of our involvement. It is not something that has come to me.

The Hon. HENRY TSANG: Could you update the Committee on the progress of regional strategies?

Mr FRANK SARTOR: The Government has sought to provide a lot more strategic direction as far as development of the State goes. It started with the metropolitan strategy, which provided to accommodate 1.1 million people over 25 years, but we sought also to deal with the regional areas of the State, particularly where they are under significant growth pressures. We adopted a strategy for the Hunter, which led also to significant environmental and conservation gains. We have also adopted strategies for the Illawarra, South Coast and the far North Coast. There are still draft strategy is outstanding for the Central Coast and mid North Coast. More recently we also put on exhibition the Sydney to Canberra corridor strategy. So there are still three outstanding strategies. The Central Coast has been delayed while we deal with water sustainability issues on the Central Coast.

These are very important strategies to help communicate what we need to deal with regarding population growth throughout the State and to help inform plan making, communities, land owners and developers throughout the State. We hope to have all the strategies finalised in the next three months or so. That, along with the Six Cities, is part of the Government being very proactive in making sure that we accommodate growth in important strategic areas throughout the State.

The Hon. LYNDA VOLTZ: I have another question on Sydney Olympic Park. Occasionally we hear comments about mosquito problems at the park. Is there a program to deal with the mosquito issues coming out of the parklands?

Mr FRANK SARTOR: I will ask Mr Newman to answer that question.

Mr NEWMAN: There is an annual program for dealing with that issue and, of course, depending on the seasonal conditions the response can vary depending on the intensity of the mosquito situation. Certainly, treatments are all natural and there is a widespread communication program with all of our local residents. Everyone is aware exactly when that program of spraying and so forth occurs, are reassured that natural sprays are being used and there is no risk to health.

The Hon. LYNDIA VOLTZ: Will a program be run this year?

Mr NEWMAN: Yes. From my experience, every year there is a program of one and possibly two sprayings. I am not sure when the next program spray is due to occur, but I can get back to you on that.

CHAIR: The Committee will conclude now at the designated time even though we started a few minutes late because the Minister and his team were not here. I thank the Minister and his officers for their assistance today.

(The witnesses withdrew)

The Committee proceeded to deliberate.
