

# GENERAL PURPOSE STANDING COMMITTEE No. 4

Friday 8 September 2006

Examination of proposed expenditure for the portfolio areas

## PLANNING, REDFERN WATERLOO, SCIENCE AND MEDICAL RESEARCH

The Committee met at 9.00 a.m.

### MEMBERS

The Hon. J. A. Gardiner (Chair)

The Hon. J. C. Burnswoods  
The Hon. G. J. Donnelly  
The Hon. K. F. Griffin

Ms S. P. Hale  
Mr G. S. Pearce  
Mr I. W. West

---

### PRESENT

**The Hon. F. E. Sartor** *Minister for Planning, Minister for Redfern Waterloo, Minister for Science and Medical Research, and Minister Assisting the Minister for Health (Cancer)*

**Department of Planning**  
**Mr S. Haddad**, *Director General*

**Department of Natural Resources**  
**Mr P. Lucas**, *Chief Financial Officer, Corporate Shared Services*

**Department of State and Regional Development**  
**Mr L. Harris**, *Director General*

**Office for Science and Medical Research**  
**Ms K. Doyle**, *Executive Director*

**Cancer Institute**  
**Professor J. Bishop**, *Chief Cancer Officer and Chief Executive Office*

**Redfern-Waterloo Authority**  
**Mr R. Domm**, *Chief Executive Officer*

---

**CHAIR:** I declare open the inquiry into the budget estimates 2006-07 by General Purpose Standing Committee No. 4 in respect of Planning, Redfern Waterloo, and Science and Medical Research. I declare the hearing open to the public, and I welcome Minister Sartor and his accompanying officials to the hearing. At this hearing the Committee will examine the proposed expenditure for the portfolios of Planning, the Redfern Waterloo, and Science and Medical Research. The Minister has requested that we do the small portfolios first.

**Mr FRANK SARTOR:** Yes, please.

**CHAIR:** The Committee has agreed to that request. We will start with Science and Medical Research, then the Redfern Waterloo, followed by Planning.

**Mr FRANK SARTOR:** My portfolio also includes Cancer.

**CHAIR:** In accordance with Legislative Council's guidelines for the broadcast of proceedings, only Committee members and witnesses may be filmed or recorded. People in the public gallery should not be the primary focus of any filming or photos. In reporting the proceedings of this Committee you must take responsibility for what you publish or what interpretation you place on anything that is said before the Committee. The guidelines for the broadcast of proceedings are available on 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. The Minister and his officers accompanying him are reminded that they are free to pass notes and to refer directly to their advisers while at the table. I ask that Hansard be given access to material placed on the public record during the hearings. This is the usual practice in the House, and it is intended to ensure the accuracy of the transcript. Everyone should turn off his or her mobile phone. As I indicated, we will start with Science and Medical Research, Cancer then the Redfern Waterloo, followed by Planning. The time format will be as usual for this Committee: one-third Government, one-third Opposition and one-third crossbench. The Committee has resolved to request that answers to questions on notice be provided within 21 calendar days of the date on which they are sent to the Minister's office.

**JAMES BISHOP**, Chief Cancer Officer for the Cancer Institute of New South Wales, and

**LOFTUS HARRIS**, Director General, Department of State and Regional Development, both sworn and examined, and

**KERRY DOYLE**, Executive Director, Officer for Science and Medical Research, Department of State and Regional Development, affirmed and examined:

**CHAIR:** Do you have an opening statement?

**Mr FRANK SARTOR:** Yes, I do, on cancer. Members of the Committee, the New South Wales Government spends more than \$1 billion on cancer services, if you include acute care. The activities of the Cancer Institute are guided by the State Cancer Plan 2004-06. The Cancer Plan is the first of its kind in Australia, and was developed in partnership with health professionals, research institutes, and the cancer community. It is a blueprint for reducing cancer incidence and death rates, and enhancing patient care. The plan also includes comprehensive programs for cancer prevention, screening, work force training and research. For the benefit of the Committee, I will outline the Cancer Institute's recent achievements in the fight against cancer. The single largest cause of cancer in the New South Wales is smoking. One in five cancer deaths are smoking related—around 2,500 deaths each year. Another 4,000 residents will die each year from heart or respiratory failure as a result of smoking. The Cancer Institute has been at the forefront of the Government's efforts to reduce smoking rates. An intensive campaign has been conducted, including public education and increased Quitline funding. The next phase is smoking bans in licensed premises, ahead of a total ban in July 2007.

The campaign has been effective. New South Wales smoking rates are now at record lows. Only 15.7 per cent of adults smoke on a daily basis, and the total smoking rate, daily and occasional, is 20.1 per cent. This is down from 22.3 per cent two years ago, which means that New South Wales has 100,000 fewer smokers than it had in 2004. The Cancer Institute has estimated that this reduction will save New South Wales up to \$2.5 billion in health costs over the next 20 years. The Cancer Institute operates the New South Wales Quitline, 137848 in case anyone wants to use it, which provides intensive support for smokers who are trying to quit. I am advised that, as a result of the Cancer Institute's anti-smoking campaign, calls to Quitline have increased to up to 9,000 per month, which is a 60 per cent increase in the period before the campaign began, and are now around 7,000 compared to 1,400 two years ago. Quitline follow-up data indicates that around 45 per cent of callers have managed to quit smoking in three months after the initial call. Of course, some former smokers will take up the habit again. Scientific evidence suggests that the average smoker will make five serious attempts to quit before succeeding. There is more to be done, but the Cancer Institute deserves credit for the extremely effective anti-smoking campaign over the course of 2005-06.

Many cancer patients are understandably keen to pursue complementary therapies in addition to the more additional cancer treatments of chemotherapy, radiotherapy and surgery. Some evidence suggests that complementary therapies may be of benefit. However, it is essential that accurate information is available. Some complementary therapies are based on misleading claims, and some can actually harm the patient. It is also important that patients advise their oncologist about complementary therapies they wish to pursue. To assist cancer patients, the Cancer Institute has launched a web site on complementary therapies, including links to high-quality evidence-based information. The site includes information for patients and health professionals, and it can be accessed at [www.cancerinstitute.org.au](http://www.cancerinstitute.org.au). I am advised that the web site receives 210 hits per month, with the average visit lasting 34 minutes.

Approximately 80 per cent of visits are from New South Wales and the eastern Australian States, 13 per cent are from the United States of America, 14 per cent are from the United Kingdom, and 1 per cent are from Japan and South-East Asia. The Cancer Institute also conducts Sydney and regional workshops on complementary therapies and is currently reviewing access to complementary therapies as part of the development of the 2007-2010 Cancer Plan.

Committee members will be aware that the majority of the Cancer work force is employed by the New South Wales Department of Health. The Cancer Institute has a role in co-ordinating cancer services and funding strategic improvements in cancer care for Sydney and country areas. This includes funding for additional cancer specialists and nurses in areas of need. Recent achievements of the Cancer Institute include the employment of 245 front-line cancer staff including oncologists, cancer nurses, area cancer directors, clinical psychologists and data managers. This includes psycho-oncology teams in each area of the health service to assist cancer patients and their families with counselling and support.

A total of 28 new positions have been created for cancer counsellors, social workers and psychologists as part of this program. To ensure that future work force needs are also met, the Cancer Institute has funded 29 cancer fellowships for recent oncology graduates to sub-specialise in high-demand fields of cancer medicine. This comprises 24 clinical oncology fellowships, 5 psycho-oncology fellowships and 3 breast imaging fellowships to train the next generation of senior breast screening staff. Fellows work with experienced oncologists in psycho-oncologists in the New South Wales health system to undertake a year-long research project on the sub-specialist area of their choice. Each fellowship is worth \$132,000.

The fellowships are essential in assisting New South Wales to meet its cancer work force requirements, especially for cancers of the bowel, prostate and melanoma. The New South Wales radiotherapy work force has also increased, with the Cancer Institute funding four new academic posts and places for 108 places trainees over the past three years with support from New South Wales Health. The expansion of the cancer work force is good news, but there is more to be done. The number of new cancer cases is projected to increase from around 32,000 a year at the moment to around 40,000 a year in 2011. The increase largely a result of the ageing population and include substantial increases in prostate and bowel cancers and melanomas. A national bowel screening program, co-ordinated by the Commonwealth, will also inevitably lead to increased demand for colonoscopies, bowel cancer surgery and the treatment of early bowel cancer with chemotherapy.

The constant development of new and effective cancer treatments will also increase demand for additional cancer specialists. For example, new chemotherapy and biological agents for adjuvant therapy for colon, breast and lung cancer will increase demand for medical oncology. New diagnostic tools of proteomics and diagnostic markers will increase demand for cancer pathology. There is more to be done. I am particularly pleased to note, however, that more than 70 of these additional cancer work force positions are located in rural and regional hospitals as part of our ongoing program to improve country cancer care.

The Cancer Institute is also working to provide oncologists with the latest cancer technology. This includes equipment upgrades for the State's radiation oncology units, installation of telehealth facilities to improve rural cancer care for cancer diagnosis, and treatment and surgical equipment to reduce operating times and patient trauma. Lastly I wish to highlight the achievements of the Cancer Institute and cancer research. Better cancer research is critical to the fight to develop better treatments and cures for cancer. It is a core function of the Cancer Institute to fund cancer research according to its stated strategic priorities with the aim of translating research outcomes from the bench top to the bedside. I am pleased to say that the Cancer Institute is performing extremely well in its research endeavours.

More than 60 cancer research grants have been awarded including 27 research fellowships and 38 PhD scholarships for recent students. The institute has also funded two chairs for cancer research, one at the Garvan Institute for breast cancer research and one at the Children's Medical Research Institute in Westmead for molecular biology. The strategic plans for the institute's research program are the translation of research findings into clinical practice, molecular and cell biology and cancer genetics, increased participation in clinical trials, and population health and epidemiological research. Clinical trials are particularly important in delivering cancer research outcomes as well as is providing cancer patients with access to the most recent cancer medicines and treatment. As a result of the institute's emphasis on encouraging clinical trials, participation in trials increased by 50 per cent in the last 12 months. An additional 29 clinical trials nurses and data managers have been employed and agreement has been reached for a joint cancer trials program with the Cancer Council. Plans are now under way to undertake extensive consultation for the development of the State's second Cancer Plan. We are happy to take questions.

**CHAIR:** Minister, can you tell the Committee what is the total funding that has been allocated for medical research in this year's budget?

**Mr FRANK SARTOR:** I will. It runs on a three-year program. We have just boosted what was called the infrastructure grants program and what is now called the Medical Research Support Program. We have boosted that by \$10 million so instead of being \$50 million, it is now \$61 million. I will ask Kerry Doyle to summarise the other medical research provisions, but before Ms Doyle does that, I might just mention that on 21 June 2006 funding under the program was approved for the following: the Anzac Research Institute, \$3.5 million; Centenary Institute, \$4.4 million; Children's Cancer Institute Australia, \$2.7 million; Children's Medical Research Institute, \$2.6 million; Garvan, \$12 million; Hunter Medical Research, \$6.6 million, which is a big increase; Kolling Institute of Medical Research, \$5.1 million; Prince of Wales Medical Research, \$4.4 million; Victor Chang, \$4.6 million; Westmead Millennium, \$10.2 million; Woolcock Institute of Medical Research, \$2.8 million. These grants are based on the competitive peer review grants that are run by the NHMRC and therefore reflect their performance. To get research grants, they need support facilities such as laboratory equipment and so on, and that is why we support that under the Medical Research Support Program. I will ask Ms Doyle if she wants to add anything about any other aspects.

**CHAIR:** Ms Doyle, could you give us the total figure for this year's budget on medical research?

**Ms DOYLE:** Twenty-seven two one eight is the total budget for the Office for Science and Medical Research.

**CHAIR:** \$27 million?

**Ms DOYLE:** Yes.

**The Hon. GREG PEARCE:** Where is that in the budget? What page?

**Mr HARRIS:** Page 2-89.

**Ms DOYLE:** As well as the Medical Research Support Program, the other grants programs for which the office is responsible include the Biofirst Awards. It was \$6 million over five years. This year's allocation is approximately \$1 million. Our spinal grants program was \$10.9 million over four years. This year's allocation is around \$3 million. There is also something called the Spinal Exchange Program which was \$600,000 over three years. This year's allocation is about \$200,000 and then there is a variety of grants and awards for educational initiatives, such as Young Tall Poppies, Young Scientist Awards, Science Exposed and the Eureka Award.

**Mr FRANK SARTOR:** To that I need to add that the increase in research at the Cancer Institute, which does not show in the Office of Science and Medical Research. The budget for research in the Cancer Institute was \$16.2 million in 2005-06 and this year it is \$25.8 million, representing a \$9.6 million or 9 per cent increase.

**CHAIR:** Does that total include grants and subsidies made under the Science and Medical Research Program operated by State and Regional Development? Does it include the research grants made under the Teaching and Research Program under the Department of Health?

**Ms DOYLE:** No. It does not include those. The Science and Medical Fund and additional funding for biotechnology that were announced as part of this year's budget are part of the larger department's allocation.

**CHAIR:** Minister, did you receive a submission from various research institutes which claim that New South Wales medical and health research is under pressure and that there was a review which you commissioned called "New South Wales Research and Prescription for Health", which the Government commissioned? Do you claim, given the comments by such notables as signatories to that submission—Michael Egan the former Treasurer, Neville Wran a former Premier—who said that the

level of funding was untenable and the viability of the medical research sector in New South Wales is at stake? How do you respond?

**Mr FRANK SARTOR:** We responded with actions, because we boosted the medical research support program by \$10 million. We gave a one-off grant to Victor Chang because that was leveraged off Federal money. I had a meeting with Tony Abbott about that. They are now able to proceed with the new complex at Darlinghurst. We have provided an additional one-off grant of \$5 million to the Woolcock Institute to rehabilitate the building because they need to expand their work. As regards other aspects of the bids, obviously medical researchers will make bids and it is legitimate and proper that they do so. We are addressing some of that in the work that the capital works budget is doing. For example, at Royal North Shore there will be a new medical research facility. Maybe the head of State and Regional Development will expand on that.

That is funded through the Health budget and there will also be other parties in negotiations as well, likewise we will address similar issues at Liverpool. We are addressing the hub concept, which the medical researchers developed as a strategy for the State by providing infrastructure where required over time, at a pace that is consistent with responsible fiscal management.

**CHAIR:** Does that mean that New South Wales is at all competitive with other States, including Queensland, which has allocated \$200 million to research facilities, Victoria which has allocated \$230 million for medical research, and that medical research and biotechnology is growing faster in those States, as well South Australia and Western Australia? How is New South Wales proposes to stop the brain drain referred to by some signatories to that submission that I referred to?

**Mr FRANK SARTOR:** It is fair to say that before the Labor Government was elected there were no grants in those areas whatsoever. It has grown from zero to a very substantial program. If you want to start comparing it to Victoria and Queensland, firstly in the area of cancer we are way ahead of anyone else. In fact we have had discussions, and the Federal health Minister talk to us about our programs at the Cancer Institute and the work we are doing. We are by far ahead of everyone. Does not just a research model, it is a broader model. We are leading in spinal research with the Spinal Fund. We have done very well to attract top people from overseas, which we continue to do. Our Bio First Program has been refunded. The location of pharmaceutical companies still exceeds any other State. The director of State development will talk about that.

If you take a view that when you start comparing Victoria with New South Wales you need to compare it very carefully. Victoria has five or six very large medical research institutes that date back many decades: The Wehi, the Howard Florey, the Baker that does heart research and so on. They are part of the leadership role way back earlier in the 20th century. Therefore they start off at a much bigger base.

**The Hon. GREG PEARCE:** The New South Wales really has a great catch up role?

**Mr FRANK SARTOR:** No, just hear me out, I am about to answer you. By contrast Queensland has thrown a lot of money into a couple of things whereas New South Wales has taken the view that we want basically to provide opportunity for our researchers in a whole range of areas so we are best placed to leverage off international research. I think our strategy is much cleverer than theirs and we are doing it in a much more cost-effective manner. Nevertheless, we lead in some areas but overall we are able to leverage benefits. I have visited the major cancer research institutes in the United States of America. The amount of money they have is such that we are much better off having a leveraging strategy than we are to try to compete with some of the leading research institutes in some fields of endeavour overseas. Maybe the director general can add to that regarding Bio First.

**Mr HARRIS:** The comparisons are often made, obviously between research institutes that legitimately seek funding. It is a matter of fact that the market capitalisation of biotechnology companies in New South Wales is by far the largest in Australia, almost 40 per cent. The number of commercially operating biotechnology companies in New South Wales is also larger, a close the margin, probably 30-odd per cent with Victoria and New South Wales. Queensland is significantly less than that.

A lot of the work that is going into commercialisation flows to New South Wales simply because of the established nature of the industry here in those industries that support it. About 80 per cent of pharmaceutical companies operating in Australia, for example, have their headquarters in Sydney. That means that the very good work by research teams in other jurisdiction often finds its way into New South Wales with economic benefits. The leveraging that has been done through the Bio First Program has been extremely successful. A review of part of the Bio First Program, which was done by Professor Michael Vitali, pointed out that the returns on a number of New South Wales investments in Bio First were producing multipliers in excess of 10:1, in terms of funds leveraged into New South Wales through that Bio First strategies.

That has been assisted by the continuation of the Australian Technology Showcase [ATS], which has been established in New South Wales for a number of years. It is now a national program. Senator Minchin took that national and there are now more than 500 companies involved through the ATS week, again, benefits for research activities through association with funding. It has been a successful program in New South Wales. I think the benefits that flow will increasingly be shared around various jurisdictions. It is a personal view, but good research comes with very good teams in the support that has been given in all Australian jurisdictions to benefit the whole industry.

**CHAIR:** The Victorian Government has an objective that Victoria should be one of the top five global biotechnology locations in the world within the next four years. Does New South Wales have any such objective?

**Mr FRANK SARTOR:** New South Wales has the objective of making sure that we have access to the fruits of large technology development, as Loftus Harris has said. We are leading Australia easily. Secondly, we have access to the best possible research to support our health system in a cost-effective way, remembering that the medical research universe is very big. Our job is to make sure that we are positioned to access the best treatment, the best approaches across the full range of disabilities. That is a much better strategy than trying to lead the world in one or two areas, although we do lead the world in some areas, for example, the Woolcock Institute of Medical Research. Interestingly, I had lunch with Geoffrey Drazen, Editor-in-Chief of the *New England Journal of Medicine*, which is arguably the best medical research journal in the world. I met him two or three years ago and I met him again about two or three weeks ago and we discussed at length our position in medical research.

The Woolcock institute is still in the top six in the world for research into respiratory related diseases. So we do very well, but we do it across a much broader span and we leverage a lot better than other States. Yes, in time we would like to see more resources go into medical research, but we want to do so in a cost-effective way, not the naive splash approach that I think has been taken in States with surplus moneys, often generated by New South Wales taxpayers.

**CHAIR:** In relation to cancer, can you advise the Committee about the allocation of funds for additional radiotherapy services? What is the allocation in this budget?

**Mr FRANK SARTOR:** I can but I think Professor Bishop, who has been doing a brilliant job, might want to answer that question.

**Professor BISHOP:** The responsibility for radiotherapy, as you know, sits with the New South Wales Department of Health and with the Cancer Institute as a way to augment the program. So the strategy in New South Wales for radiotherapy development is the responsibility of statewide services within the Department of Health. What I can comment on in relation to that is the Cancer Institute's plan with respect to supporting that activity. Over the last two years the Cancer Institute has allocated \$12 million for radiotherapy equipment upgrades. These have occurred throughout services in New South Wales and they have been particularly directed towards technology, which increases access of patients to radiotherapy services using smart technology to improve the throughput and to make the services efficient.

A couple of examples of that would be what we call on-board imaging services where a CT scanner is put inside a radiotherapy machine and therefore the process can be done at one sitting. There are also such things as smart beds that essentially are linked to the computer planning system. That can set up a patient within two minutes whereas normally it would take 15 minutes. These very

smart technologies that are available have been the focused strategic approach the institute has taken. The important thing about this is that our funding essentially has been quite strategic. The other aspect we have looked at is the radiotherapy work force.

The institute has worked with the Department of Health to expand that work force. The main thrust of it is that we have created five new academic positions in radiation sciences in order to provide higher and ongoing quality in the work force, but also to expand that going forward with the new facilities planned. We have supported the so-called professional development year [PDY] extensively over the last two years. We anticipate that that has funded over 110 new positions in that area. Those are the training positions that will allow the work force to grow as we require it.

Finally, I just want to mention that we have undergone a business improvement process in the Sydney South West Area Health Service, which has provided business support to increase efficiency through the service. So we worked with the local group to see how we could overcome any barriers that might occur, and therefore make services more efficient. We think that has broader application. The new cancer plan will take that idea and look at business efficiency improvements. We think that is an important part of going forward with the new cancer plan. That has been generally supported by radiotherapy divisions and departments throughout the State.

I think the good news is that with the injection of new positions, with the efficiencies, and with the new equipment allowing these efficiencies, we anticipate that the waiting times for ready for treatment to treatment have been fairly dramatically improved across the State. Now we need to work with referral practices to ensure that the access that has been developed through these programs can be taken up by appropriate referral. So we are starting an education program for referral sources for people to understand the value of radiotherapy amongst cancer specialists.

**CHAIR:** Professor Bishop, can you advise the Committee on how many radiotherapy students have not been offered clinical placements, which has therefore prevented them completing their degrees at the University of New South Wales, for example, given the shortage of radiotherapists in the work force?

**Professor BISHOP:** I cannot give you that exact figure but I am happy to take that question on notice and come back.

**CHAIR:** Is it not true that the problem of not providing sufficient clinical placements has been a chronic and recurring problem, that a significant number of students have not been offered clinical placements this year, that that happened last year and it also happened the year before? Is this not an ongoing problem? What are you doing to fix it?

**Professor BISHOP:** I do not believe it is an ongoing problem, but I am certainly happy to obtain those figures and get them back to you. We have put significant additional funding into this area. I have just explained that students are completing their university courses. The PDY year, the professional development year, is the intern year that is required at the end of their course. As I explained to you a moment ago, those are the additional places that have been developed. The reason for developing it at that level is that they are then ready for final work at the end of that year and there is an expansion of the work force for the new machinery that is planned. So I am not aware that it is a particularly chronic problem at this point because we have certainly put a lot of effort into this over the last few years. I cannot tell you at the moment the numbers for the University of New South Wales.

**Mr FRANK SARTOR:** I wish to elaborate on that answer.

**CHAIR:** Professor Bishop, would you take that question on notice and provide those figures to the Committee?

**Professor BISHOP:** Yes.

**Mr FRANK SARTOR:** The PDY radiation-funded positions increased by a further 10 positions—from 25 graduates in 2005, 41 in 2006, and an additional 10 in 2007. I am aware that the health department has been actively involved in overseas recruitment, so the work force issues are



being comprehensively addressed. It seems to me that that is no longer a capacity barrier. In fact, with efficiencies in all the measures we are doing the issue now will not so much become capacity to carry out radiotherapy but a question of clinical practice. My understanding—Professor Bishop can elaborate on this—is that we now have waiting lists for radiotherapy treatment down significantly.

The issue now becomes whether or not clinicians use radiotherapy as an optimal mode of treatment. That varies based, of course, on their individual assessment of cancer patients. It is a much more complex issue to address because you have to start dealing with specialists who oversight cancer patients. Clearly, we have addressed and we are addressing the issue of the work force. We will provide you with more details, but glib statements like that are not reflected in the overall capacity that has emerged in the system.

**Ms SYLVIA HALE:** Minister, I am interested in the intersection of your portfolios. How do you square the circle in a number of instances? For example, with smoking in hotels and clubs being forbidden in enclosed areas but permitted in unenclosed areas—and those unenclosed areas may be up to 75 per cent enclosed—will you be researching or encouraging research into the prevalence of respiratory and cancer diseases amongst bar staff working in these areas?

**Mr FRANK SARTOR:** Firstly, New South Wales has played a leadership role in moving all the State jurisdictions, or most of them, to prohibit smoking in indoor areas in pubs and clubs. I held extensive discussions with the Victorians, the Queenslanders and others and we have made a giant step—a step that was particularly difficult, given the culture of our pubs and clubs. Unfortunately, when you start doing things and 4,000 or 5,000 entrepreneurs believe it will affect their incomes and employment, you proceed gradually and carefully, which is what we have done. But by July next year smoking will be excluded from indoor areas of pubs and clubs. Moreover we have come up with a definition of what is regarded as an external space, which is probably more on the anti-smoking side of the States' legers. If you look at what the different States did, we are probably on the anti-smoking side compared with other States in terms of our definition. In New South Wales part of an unenclosed area must always be unenclosed, which effectively means that it must be an outdoor area.

But there is also a provision in our regulations that says that there cannot be a transfer of smoke into indoor areas. The outdoor smoking provision is a trade-off, given that the argument is that people can generally smoke outdoors and they should be able to smoke outdoors in pubs and clubs. If we research the health impacts of that over time, I can assure you that as the new system comes in and the cultural change starts to emerge NSW Health, through its environmental health officers and the Cancer Institute, will keep a close eye on the effect of environmental tobacco smoke in unenclosed areas, as we have done in the past. WorkCover will do that too if staff were involved.

We have taken a giant leap forward, backed up by reducing smoking through our campaigns. It is a multi-faceted approach, which is supported by the Federal Government's displays on cigarette packets. That has also helped. We will tighten even that area over time. The reduction in the harmful effects of smoking is a work in progress. It is deeply rooted cultural thing, but remember that only 20 years ago 40 per cent of the population smoked. Huge strides have been made and we just have to keep doing it incrementally, unrelentingly and persistently. We will take one step at a time. That is what we are doing. If it emerges that beer gardens are a health hazard, clearly the Government will have to address that issue.

**Ms SYLVIA HALE:** So you will monitor the situation.

**Mr FRANK SARTOR:** I think it is appropriate to monitor it, yes.

**Ms SYLVIA HALE:** In your response you said that in determining what was an enclosed or unenclosed space you had to take account of the needs of 4,000 or 5,000 entrepreneurs whose income would be affected. Does that mean you did not take into account the interests of the thousands of bar staff whose lives might be affected?

**Mr FRANK SARTOR:** With the greatest respect, that is exactly why we introduced the bans. That was exactly the reason. We introduced them, notwithstanding the vehement resistance from the owners and the people who run these establishments. That is why we took the action we took: it

was for the benefit of the workers. The unions were divided. The Federal union was for the restrictions and the State union was against them because it thought they might affect jobs.

**Ms SYLVIA HALE:** I think everyone knows that the definition you have introduced of an "unenclosed space" is a Clayton's definition. It means, in effect, that those outdoor spaces can be enclosed, and a lot of building work that is going on based on that definition will result in many of those areas being effectively enclosed.

**Mr FRANK SARTOR:** Sylvia, I am disappointed that you ask pejorative questions. I thought you were much more—

**Ms SYLVIA HALE:** Minister, please do not patronise me. Please answer the question.

**The Hon. GREG PEARCE:** She is not a bureaucrat; she is a member of Parliament. So do not patronise her.

**Mr FRANK SARTOR:** I will reply to Ms Hale's questions. The simple fact is the question is pejorative. It is based on the presumption that it is a Clayton's definition. I totally reject that. The reason I reject it is that, unlike other jurisdictions where you can open doors and windows to make an area meet the definition of an open space, we deliberately inserted a provision in the New South Wales definition that says that at least 10 per cent of the area must never be able to be enclosed. In other words, it cannot be a room; it has to be an outdoor space. We paid particular regard to balconies and the structure of beer gardens and so on. I think our definition is one of the better ones. It addresses the key concern but, moreover, we made it quite clear in the regulations that it does not remove the environmental health obligations of publicans. It is simply a default position that sets a minimum standard. Publicans still have to meet their health obligations. I totally reject the notion that it is a Clayton's definition or is anything other than a bona fide definition. This was framed with the best intentions as part of a long-term strategy to reduce smoking in areas where others may be affected.

**Ms SYLVIA HALE:** Minister, in your capacity as Minister for Planning you have approved the expansion of Port Botany.

**Mr FRANK SARTOR:** We are not on Planning yet, are we?

**Ms SYLVIA HALE:** No. You have said that 40 per cent of the additional container movements that will occur as a result of the expansion will be by train. What research has your department done into the impacts of diesel locomotives on the health of residents adjacent to those rail lines? What emission controls exist in relation to diesel locomotives?

**Mr FRANK SARTOR:** Are you opposing the movement of freight by rail?

**The Hon. JAN BURNSWOODS:** Point of order: Ms Hales asked that identical question and several others during the Health estimates committee hearing on Monday.

**Ms SYLVIA HALE:** So what?

**The Hon. JAN BURNSWOODS:** That is one reason why I am taking the point of order. The other reason is that we have set aside this first period for dealing with the area of Cancer. I am concerned that we do not have questions that hop around from Minister to Minister and from portfolio to portfolio. I am seeking some guidance on this issue, Madam Chair.

**Ms SYLVIA HALE:** To the point of order: It seems to me that the Minister's portfolios impact on each other. The Minister talked about the Woolcock Institute and its research into respiratory-related diseases. Respiratory-related diseases are an upshot of diesel emissions. I am interested in pursuing those issues.

**CHAIR:** The question was asked in the context of medical research. I ask the Minister to respond.

**Mr FRANK SARTOR:** The problem with the question is that it presumes that the total emissions per tonne of freight from rail would be more than the total emission per tonne of freight by road. I will ask the Director General of Planning about this matter in due course, but I think there is a pretty solid paradigm out there that basically says that a shift to rail is usually superior in environmental terms, quite apart from its impact on the road system and so on. I am not aware of specific research in that regard but I am aware of a strong body of opinion that argues that you should maximise the shifting of heavy freight to rail. Does that have environmental health impacts? Just about all modes of transport do have health impacts. The question is: What are the opportunity costs? In other words, is it better or worse to maximise rail? That is the nub of the question.

The question as framed does not help inform the Committee or anyone else. The question needs to be about the relative merit in environmental or health terms of moving to rail rather than road. I should also inform the Committee that the Federal Government introduced new rules for distillate emissions. Those emissions were substantially reduced from 1 April. I think Caltex has become operative under the new rules. That will substantially reduce emissions once stocks are exhausted—and that should be happening now. So we are going to see significant environmental improvements in any event through diesel-powered vehicles, whether on rail or road. In relation to rail, if it is electrified it is a different question again.

**Ms SYLVIA HALE:** Yes. Minister, you would be aware that New South Wales is in the process of dismantling all its electrified freight lines and all locomotive traffic will be by rail. There is no regulation whatsoever of emissions from diesel locomotives. In fact, the Department of Environment and Conservation recognises that the growing problem in Sydney is ozone and emissions of particulate matter, a major source of which is diesel.

**Mr FRANK SARTOR:** You need to be aware of an inter governmental agreement that transfers responsibility of freight rail to the Australian Rail Track Corporation which has currently got an application in with my department to provide an upgrade to the rail line that will access Port Botany amongst other places. Firstly, if there is a change in the mode to diesel through urban areas then it is actually a responsibility of the Federal Government. The second issue in terms of the medical research grants, is that the Office of Science and Medical Research does not fund individual projects; it funds institutes. They choose which projects they think are the most meritorious.

An important philosophy for the Committee to understand is that it is not for politicians to decide that this is the best avenue or the correct Holy Grail to pursue in medical research. We need to provide the research institutes with the flexibility to go where they think they can make a difference, and usually that is peer reviewed under a competitive process by other researchers who understand the field. So we do not actually fund individual projects as a matter of course, we fund institutes.

**Ms SYLVIA HALE:** When institutes apply for funding do you make any assessment of the programs they propose to fund?

**Mr FRANK SARTOR:** If you talk about the Medical Research Support Program, for example, it is based on what the Federal Government has given it. They compete to the Federal Government and if they win a lot from it, we give them proportionately more support money to help them actually do the infrastructure around their laboratories. In fact, it is actually a Federal peer review competitive process; it is not actually something in which we get involved in terms of individual projects.

**Ms DOYLE:** Yes, the Minister is quite right. The quantum of funding that is made available to the institutes is based specifically on the peer reviewed income that they get through Federal Government and the NHMRC or ARC or other peer review processes. For instance, if they were able to attract NRH funding or peer reviewed philanthropic funding. Now that quantum is added up and an assessment is made about how much we can draw out of the \$61 million available under the Medical Research Support Program. An independent expert committee does those assessments and issues of the screening of grants for quality and excellence. The other aspects that that committee takes into account are critical mass and excellence issues, so it has actually been attached to one of the major hub areas, having strong, independent governance of the research institute, a strong research director. So we look at those overall quality issues rather than, as the Minister said, looking at individual

projects and having bureaucrats try to make some assessment of the value or otherwise of those things.

**Ms SYLVIA HALE:** With the expansion of Port Botany, if 40 per cent of freight is to be moved by rail and that target is to be achieved, there will be one diesel locomotive every seven minutes 24-hours-a-day, seven days a week. Will the Minister encourage amongst the research community work to be undertaken to investigate the impacts of diesel emissions from locomotives on the affected populations?

**Mr FRANK SARTOR:** Again are you asking me to have a hand on the direction of research? Certainly when applications like the current application are made to the Department of Planning, it assesses all environmental impacts that arise from it and the department, if necessary, hires appropriate experts to look at noise, pollution and other impacts. In terms of using the medical research portfolio to require institutes to get involved in this—

**Ms SYLVIA HALE:** "Encourage" was the word I used.

**Mr FRANK SARTOR:** I have not particularly nudged, encouraged or whatever other word you use any institute to do research into any particular field because the approach of the Office of Science and Medical Research has basically been to go where the best opportunities arise based on a peer review process, not based on government fears. We have actually stayed at arm's length from the research programs.

**Ms SYLVIA HALE:** Will you be encouraging your fellow Ministers—the Minister for Transport or Federal authorities—to introduce regulation of diesel locomotive emissions?

**Mr FRANK SARTOR:** As I just said, there have already been significant reductions—tenfold—in particulates because of the new standards with distillate and a number of the nasties in distillate.

**Ms SYLVIA HALE:** PM2.5 is the problem rather than the PM10s.

**Mr FRANK SARTOR:** They tend to be, but I think it is actually a reduction not just in PM10s. I have got that information, I just do not have it with me. There has been a very substantial reduction in other forms of unwanted emissions. As you would be aware, these systems operate through ministerial councils and I think the appropriate council is either the Ministerial council on transport or the Health Ministers council. It is a collegiate approach and it tends to move slowly but certainly over time the more we can improve the levels of emissions the better.

**CHAIR:** If I could return to Cancer. Will you advise the Committee how much has been allocated in this budget?

**The Hon. GREG DONNELLY:** Point of order.

**CHAIR:** The cross bench has given me two minutes.

**The Hon. GREG DONNELLY:** Can we trade times with the Greens?

**Ms SYLVIA HALE:** If I offer it to you, but I do not recall offering it to you.

*[Interruption]*

**CHAIR:** Can you tell the Committee how much has been allocated for breast cancer screening in this budget?

**Mr FRANK SARTOR:** Yes. I want to make an initial comment about breast cancer screening and then I will pass it to Professor Bishop. The Government has consistently increased breast cancer screening funding. The Government is putting up \$40 million this year, which is an increase of \$5 million for breast screening. Of course, some of it comes from the Federal Government but the State has put up a lot more.

**CHAIR:** Will you provide the breakdown, on notice, if necessary?

**Mr FRANK SARTOR:** I can in a moment. Professor Bishop may have it. I want to make some introductory remarks. By the way it is a very effective program. We hope over time that in relation to cervical screening, with vaccines such as the one developed by Professor Ian Fraser, that screening may become redundant. Screening is estimated to have saved the lives 3,700 New South Wales women in the past 30 years. I will focus on breast screening for a moment. The program has been transferred to the institute I think about a year ago. Significant reforms have been carried out. We have a persistent increase in the number of women now being screened in that target group, the 50 to 69-year-old age group, which is the national standard. There are some 40 fixed centres and 16 mobile centres that operate in 200-odd locations around the State.

Recently, we provided a service on week nights and weekends, including the Rose Clinic at David Jones, the Mater hospital Newcastle, the Calvary Private Clinic in Wagga Wagga and Liverpool plaza. That has proved very popular with women and has involved the screening of 894 additional women. As I said, 46 fixed sites and 16 mobile vans that visited 240 suburban and rural locations in the past two years. The Government is also investing \$11.1 million over the next three years to rebuild or build six screening centres on the Central Coast, North Coast, Wagga Wagga, Albury, Port Macquarie and the Hills. Is it 18 or 16 mobile vans, Jim? My notes say 16.

**Professor BISHOP:** It is 16.

**Mr FRANK SARTOR:** I think it is fair to say that the BreastScreen program is really on track and that the number of women screened in the target group is increasing quite rapidly. Also, we are commencing phasing in of digital technology, so that the transfer of data to back-of-house assessment is getting better as we progress, so that you do not have to transfer actual films, you can digitally transfer. I think that is happening in Ashfield and possibly Concord. Professor Bishop may say a bit more about that.

I want to make the point that it is all very well to hold us to account on these matters, but the Opposition needs to come clean with its slash and burn approach to the public service. The back-of-house assessment of BreastScreen is one of the very areas, of the so-called 33,000 public servants from which your leader has promised to cut 29,000, which would suffer. The simple fact is that, on the promise that you have made, BreastScreen support services would be significantly reduced. In BreastScreen it is not just the actual breast screen, it is the quality of back-of-house assessment and the work that has to take place, and they are not regarded as front-line people.

**The Hon. GREG PEARCE:** So you do not include those people as front-line? Is that what you are saying? Are you saying they are not front-line?

**Mr FRANK SARTOR:** There is a lot of back-of-house support for BreastScreen, let me assure you. The taking of the screen is one thing, but assessment is very important as well.

**The Hon. GREG PEARCE:** Do you count those people as people who can be discharged?

**Mr FRANK SARTOR:** You choose to interject when the answer does not suit you, but the simple fact is that you know that your misguided policy would seriously affect services such as this. The back-of-house assessment is often as important as the front-of-house service. There is no point carrying out breast screening if there is no-one there to read the results.

**The Hon. GREG PEARCE:** You are going to stand by that, are you?

**Mr FRANK SARTOR:** If you define them as being front-of-house, then the pool that you can cut from is less than 33,000.

**The Hon. GREG PEARCE:** It is your definition that we are interested in at the moment.

**Mr FRANK SARTOR:** Basically, you have a flawed policy. And, if I were you, I would talk to your leader about changing your position, because it is untenable. I will ask Professor Bishop—

**The Hon. GREG DONNELLY:** Madam Chair, the Government has a range of questions. Perhaps you could utilise our time.

**Mr FRANK SARTOR:** If I could ask Professor Bishop if he wants to add to the BreastScreen service?

**Professor BISHOP:** I think I might.

**CHAIR:** I am happy for Professor Bishop to keep going.

**Professor BISHOP:** Firstly, I think it is important to say that BreastScreen has delivered an important health outcome to the women of New South Wales. The Cancer Institute has looked back 10 years to see what is the effect on mortality, and there is a 22 per cent reduction in mortality in breast cancer in the last 10 years. All experts would agree that the lion's share of that is related to breast screening. So we think it is a very important program that deserves support.

We were given the responsibility of BreastScreen about a year ago, and we have undergone a number of reforms of that, including a strategic review by experts from round the country. We have done some business reviews and looked at their operations in detail. One thing we have done is extend the hours of BreastScreen in 17 centres. That has reduced waiting times to have an appointment for BreastScreen down to approximately two weeks in all of the centres. Remember, this is not an acute service, this is a public health program, so that it is important that women in due course get a screen, as they are not suffering from appendicitis. So it is important that they are given an appointment in a timely manner. The extended hours I mentioned have been taken up very vigorously by the population, and approximately 80 to 90 per cent of those extended hour slots have been taken up. We think this is a good approach. Women are busy these days—they are not at home, they are working—so we need to be able to make the service more accessible.

We have also been looking at our customer service. We have gone through a series of programs to make sure that the woman at the end of the phone or coming into the service gets appropriate management. Over the past few months we have been able to increase substantially the percentage and numbers of people that are having breast screening. We target the group between 50 and 69 on the basis of randomised control trials that show that this is the group that benefits most from the screening procedure. It is, however, available, according to the national guidelines, to all women over the age of 40. Many women over the age of 40 make themselves available for the service. But, essentially, the medical evidence would suggest that the target group is the group that would benefit most, so that is the group that we actively recruit.

Because we have been able to develop increased capacity within the breast screening service, we have a call-back system whereby women who have appointments are reminded 24 hours or 48 hours before the appointment that they have an appointment. This has reduced the number of non-shows and increased capacity in our system. We anticipate launching in the next week a public awareness campaign based on the value of breast screening. The Minister will be launching that. That will give women the opportunity to see how big is the cancer detected by BreastScreen compared to the cancer that is usually detected just by presenting as a lump to the doctor. We think this is very important. This sort of campaign has been very valuable in Canada, where they have used different sized things to illustrate the value for women. You will see that launched to increase awareness. So we now have capacity in the system to take on more cases.

I would also make the comment that many women choose to have private mammography. That is also an option for women in New South Wales, and it has been taken up fairly extensively. We will be requesting the Federal Government to work with us with data so that we can get a fuller and more complete picture of screening in New South Wales, but a substantial number of women in New South Wales have private mammography in addition to the public program.

**The Hon. GREG DONNELLY:** I would like to direct my question to the Minister and perhaps Professor Bishop. Minister, in your opening statement you made some reference to rural cancer services provided for the people of New South Wales. Could you please inform the Committee in more details about those services?

**Mr FRANK SARTOR:** I thank the honourable member for his question. I mentioned it earlier, but it is a major focus of the Government because, apart from advancing the pointy end of research and the new treatments and so on, a key role of the institute is about equity of access for cancer treatment, to make sure that the access that everyone gets across the State is equally good, so that they have access to the best possible modalities. That is why various programs are in place. I think the Cancer Institute has done a lot of work in this area and put big emphasis on this area. It currently funds 73 rural cancer specialists, including 3 directors of area cancer services, 18 cancer nurse co-ordinators, 4 cancer service development managers, 1 nursing position in ambulatory care, 17 psycho-oncology positions, 3 cancer nursing support positions, 1 medical oncologist, 1 nursing unit manager in palliative care, and 2 clinical fellowships in radiation oncology and psycho-oncology. We are at talking of rurally based positions.

There are in addition, of course, all the medical staff that the New South Wales Department of Health funds as well. In the last 12 months the Cancer Institute has also provided \$1.5 million towards the development of new radiotherapy services in Port Macquarie and Coffs Harbour, \$210,000 to the Hunter Health Imaging Service under its positron emission tomography program to increase the hours of operation and number of scans, \$150,000 to Newcastle Mater Hospital for three additional radiotherapy trainees for 2006, \$650,000 over two years for a clinical cancer registry in Lismore, Coffs Harbour, Port Macquarie and Tweed Heads, \$52,000 to support rural telehealth services for cancer palliative care on the North Coast, \$1.5 million for cancer technology grants and multi-disciplinary team support in rural areas, and an extra 500,000 a year for cancer patients travel costs via IPTAAS in addition to the NSW Health additional \$2 million for non-cancer patients.

Other Cancer Institute rural programs include the development of specialist education programs for rural cancer nurses, which will focus on the skills, knowledge and clinical expertise for rural cancer nurses; funding for clinical trials, nurses and data managers for cancer drug and treatment trials in public hospitals in Port Macquarie, Tweed Heads, Lismore, the Riverina, Tamworth and Albury; and the continued development of a counselling outreach service on the south coast, in the Illawarra and New England for residents of isolated communities who suffer from, or who are at risk from, hereditary cancer. A 2006 report by the Clinical Oncologists Society of Australia found that New South Wales was the national leader in most areas of rural cancer care. They were stunning findings for New South Wales. The report found that in rural New South Wales 96 per cent of chemotherapy orders were prescribed by qualified oncologists compared to a national average of only 58 per cent.

The report also found that 96 per cent of chemotherapy courses were administered by a specialist chemotherapy nurse, compared to a national average of 61 per cent. It found that New South Wales had 80 rural chemotherapy nurses with the next highest State being Queensland at 64. The Isolated Patient Transport and Accommodation Assistance Scheme [IPTAAS] is important because we cannot provide high capital cost radiotherapy and medical oncology services in all parts of the State. People must have the best possible access to these services. IPTAAS assists rural patients to access specialist medical care by providing partial reimbursement for accommodation and transport costs. This year the Government will provide a record \$10.7 million for IPTAAS, which is a 32 per cent increase on last year. This includes \$500,000 from the Cancer Institute to assist rural cancer patients. From July this year the IPTAAS transport subsidy has increased from 12.5¢ per kilometre to 15¢ per kilometre.

**Ms SYLVIA HALE:** Parliamentarians get 77¢ per kilometre.

**Mr FRANK SARTOR:** Compared to interstate we are doing very well. The minimum distance was reduced from 200 kilometres to 100 kilometres. This is expected to benefit an extra 11,500 country patients and their families, increasing total IPTAAS recipients to 40,000 a year. It is fair to say that the IPTAAS program contrasts to the miserly and destructive approach of the Opposition. The Coalition quietly launched its policy in August this year. It was so embarrassed that it went out very quietly. It promises a meagre \$1 million a year on top of the IPTAAS funding, which is far less than the \$2.6 million the Government has already committed. The \$1 million a year would be funded by sacking backroom public servants, including all staff who administer IPTAAS. They are backroom people. They are not front-line people.

**CHAIR:** You know that is rubbish.

**Mr FRANK SARTOR:** The Coalition policy is to reduce total funding and sack staff. Copies of the Coalition policy were sent to me by country people who felt that the Leader of the Opposition was out of touch with their needs. In relation to Newcastle positron emission topography [PET] scans, an anomaly must be addressed. We have a PET scan in the Newcastle Mater Hospital. There is also a PET scan in Royal Prince Alfred [RPA] and Liverpool. PET scans are very important because research has found that on one-third of the occasions when a PET scan is done on a cancer patient, the management and the treatment of that cancer patient will change. Because PET scans rely on radioactive sugars and can identify many more cancer sites than a normal x-ray you can sometimes decide that some modalities of treatment will not work. Therefore you can change modalities of treatment. I am sure that Professor Bishop could give more details on that, if required. The critical problem is that Liverpool and RPA have a licence for their PET scans, but the Federal Government will not issue a licence for the PET scan in Newcastle. Each scan costs \$1,260, of which \$950 and \$1,000 for the scan in Sydney is claimable from Medicare, but zero is claimable for the scan in Newcastle. Although the Sydney scanners can perform 10 scans a day the Newcastle scanner performs only seven scans a week.

The State has provided high-quality technology that in one-third of cases can improve the management and treatment of cancer patients. We are prepared to provide more PET scans, but we cannot provide them if the Federal Government will not issue a licence. It is a bit like the MRI licences that are issued to Federal marginal seats, but not in Wollongong and nowhere else. It is an absolute disgrace the way in which the Federal Government hands out money with reckless indifference to the health of the population. It is done for political purposes without any regard. Why should a PET scan sit virtually idle, which we funded, because the Federal Government will not issue a licence? As I said, the two PET scanners that are licensed in Sydney do 10 scans each a day when the Newcastle scanner does only seven scans per week. It is an absolute disgrace. The Cancer Institute and the Government are willing to fund more PET scanners because we know they make a big difference to the way we manage cancer patients. If the Opposition were serious about health in this State they would take that up with their Federal colleagues. It is a disgrace, just like the MRI disgrace: Wollongong cannot get a licence for its MRI machine.

**The Hon. JAN BURNSWOODS:** Will you provide us with an update on cervical cancer screening?

**Mr FRANK SARTOR:** Yes. Although, as I said earlier, there is a possibility that vaccines like the one invented by Professor Ian Fraser can change the way we deal with this in the future, this cervical cancer screening program has been outstanding. It has saved 3,700 women's lives in this State in the last 30 years. Some 60 per cent of New South Wales women have a Pap test every two years. This simple test is very powerful and can prevent the most common forms of survival cancer in up to 90 per cent of cases. It is saving lives. In the 10 years from 1994 to 2003 the New South Wales incidence of cervical cancer fell by 46 per cent, and death rates fell by 52 per cent. If ever there were a particularly effective program, the cervical cancer screening program—the Pap test—is it. Two weeks ago we marked the tenth anniversary of cervical cancer screening. A register held by the Cancer Institute has the names of about 2.2 million women, it has recorded more than 6 million test results and it has issued more than 2.5 million and reminder letters.

If a Pap test or cervical biopsy shows that a woman has an abnormality, but does not have subsequent investigation or treatment within a set time, staff who oversee the register will contact the health practitioner to ensure that the woman is aware of the abnormal result and that the health practitioner has informed the woman concerned. If the register does not receive the appropriate follow-up information, a letter is sent directly to the woman. Health practitioners can obtain patient histories for women under their care to help them make a more informed clinical decision. The register also gives women's Pap test and cervical biopsy histories to laboratories, as they interpret current tests. They give statistical data to pathology laboratories for quality assurance purposes. Sydney mother of four, Anne Norton, spoke about her experience at the 10-year anniversary event. She told guests that she owes her life to the registry. She had forgotten to visit a doctor for a regular Pap test and received a reminder letter from the registry. She immediately had a Pap test done, which found that she had cervical cancer. Doctors told Mrs Norton that if she had waited much longer they would not have been able to operate.



The Government has begun a mail-out of more than 500,000 reminder letters to women who have not had a Pap test for four or more years, as well as the regular routine two-year reminder. Despite the drastic reduction in the number of deaths from cervical cancer, screening remains an absolutely essential service. We continue to remind all women about the importance of cervical screening, including older women, because one-fifth of all cervical cancer patients are aged 65 years and over. Women in that age group are the focus of another ongoing screening program, BreastScreen. I commend this cervical cancer screening service, which has been one of our most effective health programs. It is strongly supported by the Cancer Institute. Together with other registers the institute is developing, the Clinical Services Register, it will greatly enhance our modalities of treating people. Early detection is a key part of the war against cancer. Professor Bishop might like to say something about the Legal Services Register he is developing.

**Professor BISHOP:** I will make one point about cervical cancer. One of the things the Cancer Institute will do more work on is informing women that the human papilloma virus vaccine is for the next generation of women. It should not stop people from having a Pap test at the moment. That is an important public message that we need to get out. We did that at our launch of the tenth anniversary of the Pap test register, when Ian Fraser reinforced that message. As a public health program, we are going to try to get that message out.

As far as the clinical area is concerned, it is all about making sure we use the information that we have more effectively. We have developed a clinical cancer register which is now being developed in five out of the eight area health services in New South Wales. What that will do is identify the patient journey through cancer and enable us to therefore look to see where work is being done well and where improvement is needed, and therefore be quite focused in relation to improvement in actual outcomes. We think this is a very important development, and we are very excited by the development of this further.

A group at Liverpool Hospital has been particularly active in this area and has been leading the State in this development. I think that, plus another program, we have developed a regime which will enable us to look more carefully at the data already available within the health information exchange held by New South Wales Health and that will enable us, through these patterns of care studies, to identify where care is optimally performed and where improvement is needed for us to be quite focused to try to improve cancer care exactly where it is needed. Those two programs are really quite important for ongoing improvement in survival and cancer care.

I would also like to say, just in putting this in context, that the cancer resources in New South Wales are actually arguably one of the best in the world. On average, our five-year survival rates are approximately 10 per cent better than the United Kingdom. So if you get cancer in the United Kingdom, your outcomes will be 10 per cent worse. In other words, your chance of surviving colon cancer is about 60 per cent for five-year survival in the United Kingdom. It is over 65 per cent here in New South Wales. For breast cancer it is about 88 per cent for five-year survival rates, and in the United Kingdom it is about 10 per cent worse than that. We are about the same as the United States of America, we are about the same as Canada and some countries in Western Europe, but we are clearly above Eastern Europe, the United Kingdom and a number of other countries. These figures will be published in our survival analysis which we are about to publish as part of the Cancer Institute's mortality reports for this year.

**The Hon. KAYEE GRIFFIN:** Minister, what has the Government done to support research excellence in New South Wales?

**Mr FRANK SARTOR:** I think this was alluded to earlier in some of questions about funding. Earlier this year the Government announced \$40 million over four years under the Science Leveraging Fund to build the State research capacity to be able to attract Commonwealth and overseas grants in a variety of areas. I mentioned earlier how we are doing things smarter. We are leveraging off the best research elsewhere so that we can get the benefits from it because you cannot be the leader of research in all areas. Not even the United States of America is, and no country can do that, and no particular local jurisdiction can do that. But through the Science Leveraging Fund, we will provide up to \$8 million over four years to support New South Wales centres under the Australian Research Council [ARC] Centres of Excellence Program.

I am pleased to announce that approximately \$4 million has already been earmarked by the New South Wales Government to support New South Wales centres seeking renewed funding from that program in the current round. During this round the ARC is providing approximately \$120 million for centres across Australia. We look forward to the ARC's decision of successful centres by January 2007. New South Wales is currently home to approximately one-third of the country's ARC centres of excellence. With the Science Leveraging Fund we intend to build on this competitive edge. Through the Department of State and Regional Development, the New South Wales Government has previously supported nine Australian Research Council centres of excellence through a total of \$5million in 2003-04 to 2006-07.

The centre of excellence story has been great news for New South Wales science and industry. The State's ARC centres have helped to make New South Wales a research leader in areas of advanced robotics, quantum computing, next-generation communications technology, solar energy biotechnology and development. With the assistance of the Science Leveraging Fund, New South Wales can build on these strengths. Should the New South Wales centres be successful in their applications to the ARC, these researchers will continue with their excellent work in developing smart technologies in defence, aerospace, communications and biotechnology. The success of these centres will help to ensure that the New South Wales researchers' award position will realise research and funding opportunities from Australia and, even more importantly, from overseas.

These centres also serve an important function by providing critical high-technology services to New South Wales companies, will continue to increase local industry's capacity to commercialise leading-edge research and help to drive an entrepreneurial business culture in this State. This State is well placed to benefit from significant research industry being developed by the New South Wales research centres. Let me just give you an example. The ARC Centre of Excellence for Autonomous Systems is building a hub of expertise in unmanned systems in the Sydney area. Madam Chair, were you about to say something?

**CHAIR:** If you would just like to finish up, we will move on to Redfern-Waterloo.

**The Hon. GREG DONNELLY:** That is not the agreed position. It is not half past 11 yet.

**CHAIR:** You have used up the Government's time. We can move on.

**The Hon. GREG DONNELLY:** The Minister is answering a question.

**CHAIR:** I am just saying that if he would like to finish his answer, we will move on.

**Mr FRANK SARTOR:** Let me give you this example. It is an important example. It concerns the ARC Centre of Excellence for Autonomous Systems. It is building a hub of expertise in unmanned systems. The centre develops unmanned air, ground and sub-sea platforms and hosts the Defence Science and Technology Centre of Expertise for Unmanned Systems. It has attracted contracts from the Australian Defence Force for robot development. It collaborates with a number of Australian companies including Rio Tinto, Brambles, ADI and Tiller's. It also has a number of unmanned systems projects funded by international companies, including BAE Systems and projects with the United Kingdom Ministry of Defence, the United States of America Air Force and the United States of America Navy.

The Centre of Excellence for Autonomous Systems is also making New South Wales an attractive location in which to locate corporate research. Australian examples include BAE Systems in Electrolux. The centre is a strategic part of BAE Systems which funds a number of large projects. It has research staff at the centre. It is working with the Electrolux Product Design Centre in Sydney for a number of intelligent kitchen systems. In 2005 it was awarded a linkage project with Electrolux on automated cooking. In other highlights, two New South Wales headquarters for centres of excellence in quantum computing technology and ultrahigh band width devices for optical systems are building the research capability for the State around microproducts and electrical engineering. The Sydney-based research underpins the excellent relationship with IG Communications devices, and is helping to ensure that New South Wales is well positioned to build on its economic strength as a services

economy and a regional hub for ICT. It will help to create future jobs growth and value-added industries for New South Wales in communications, defence and advanced manufacturing.

Another example of an ARC centre of excellence is in advanced silicon photovoltaics and photonics. This centre is making New South Wales a leading location for solar technology research. The centre is interfacing with the Sydney-based company, CSG Solar, which is commercialising its solar technology based on thin film silicon and glass. Sales from the first stage of the production are expected to exceed \$100 million in 2007. The centre has won a prestigious \$3 million grant from Stanford University to conduct research into more efficient and environmentally friendly solar energy systems. Through industry collaborations, the centre's technologies are being exported to overseas markets, such as Germany and China, helping to build export dollars for New South Wales. The centre estimates that industry sales associated with the centre's licensed technology may exceed \$600 million. This is an example of a hugely successful initiative for New South Wales in developing technology through science and research.

By supporting research excellence, the State Government is investing in a strong economic future for New South Wales. I think the prognosis is very good. I am pleased that the Treasurer, the Treasury and the Government have been able to allocate an additional \$40 million over the next four years to achieve leverage off the science and innovation programs which are very important—an area in which we have the nation's leaders in this State, by a country mile.

**CHAIR:** Mr Donnelly wants us to keep going until half past 11, so I will. Minister, you may need to take this on notice.

**Mr FRANK SARTOR:** Do you want me to move on to Redfern-Waterloo?

**CHAIR:** We have one minute left, according to the Government. With respect to breast screening programs, can you advise the Committee how many women have actually participated in the breast-screening program over the past three years. Can you give us a progress figure for 2006-07 and the same type of information for the cervical cancer program?

**Mr FRANK SARTOR:** I will ask Professor Bishop to answer that.

**Professor BISHOP:** I am not sure that I can answer all aspects immediately, but we do know that as of July 2006, 380,006 women have participated in the breast-screening program and have had a mammogram in the last two years. This is an increase since we have taken on the program of approximately 4 per cent improvement in the participation rate. As I said, we also have a large participation in the private sector, which the institute is doing work to quantitate, because that is a choice that women make—either have a mammogram done privately or through the BreastScreen New South Wales Program. We think by putting those two together, our object is to get women to have a mammogram. We are not prescriptive as to where they should have it. Obviously we have a program available.

**CHAIR:** Are you quantifying in that research how many women opt to have their mammogram done privately because they cannot get an appointment publicly?

**Professor BISHOP:** I may have mis-said something earlier. The waiting time for an appointment in BreastScreen New South Wales is between two and five days, depending on the centre. There is no difficulty getting appointments in any of the centres that I am aware of. That has been an improvement since we have taken on the program.

**CHAIR:** There is certainly a longer waiting time for a mammogram on mid North Coast and the lower Hunter.

**Professor BISHOP:** I have the figures for the mid North Coast. For the North Coast BreastScreen the figure was given to me yesterday. Currently available appointment time is two days. I am happy to say that. This is one of the groups that had the extensive opening hours. We have been calling women the day before and therefore been able to open more appointments if women cannot attend rather than having a do-not-attend approach. We have piloted a new idea in Hunter New

England, which is to essentially overbook some of the centres, rather like airlines do. That has worked well. The participation rate with the available slots is much higher now.

**CHAIR:** Do you have figures for Hunter New England?

**Professor BISHOP:** Hunter is five days, currently.

**CHAIR:** I can assure you that is wrong.

**The Hon. GREG DONNELLY:** How do you know?

**CHAIR:** Because I do know.

**The Hon. JAN BURNSWOODS:** Because you live at Hallidays Point.

**CHAIR:** That is right. I have called the health service, and I know the figure is wrong. The Committee will move to the Redfern-Waterloo portfolio, as agreed.

**(The witnesses withdrew)**

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

**Mr FRANK SARTOR:** I would like to make an opening statement about Redfern-Waterloo. The Redfern-Waterloo Authority has been in place for about 18 months. In that time we have seen a significant boost in jobs and investment flowing into the Redfern-Waterloo area. That is directly attributed to the hard work of the Redfern-Waterloo Authority. Part of the Government's new direction for New South Wales, including general practice centres at hospitals, apprenticeships in schools, 750 new police and 800 new nurses, was, of course, a renewal of Redfern and Waterloo.

The Government's clear plan has seen the Redfern-Waterloo Authority [RWA] generate directly and indirectly almost \$300 million in new investment for the area, including more than \$76 million directly committed by the authority. That includes development at the Australian Technology Park [ATP], where the master plan provides for six new sites and up to 14 low-rise buildings over the next decade. That includes \$120 million to be invested by Sydney Broadcast Property to build a new 43,5000 square metre state-of-the-art media centre at the ATP, a deal negotiated between the RWA and that company. It includes also the largest commercial development in Redfern for at least 10 years, and the first private commercial building at ATP.

Major strategic investment to kick-start employment and further boost the economic revitalisation of Redfern and Waterloo will be promoted by this initiative. Seven and Pacific Magazines are to occupy about 18,000 square metres, with Seven leasing the studio to produce a variety of programs, including *Home and Away* and *All Saints*. It is expected to generate more than 600 construction jobs and 2,000 permanent jobs—in one negotiated agreement for Redfern-Waterloo. That is an increase in jobs in Redfern and Waterloo by 20 per cent. It will include 60 construction jobs for indigenous workers, under the Jobs Compact signed by the CFMEU and the RWA on 15 May 2005.

That includes ongoing employment for local residents and work is expected to start later this year. That \$300 million investment in infrastructure includes \$47.5 million being invested by the authority in a new building at the ATP. The six-storey building is under way, and it will house National Information and Communications Technology Australia and the Defence, Science and Technology Organisation. It was officially launched on 23 September with Senator Coonan and the local member Kristina Keneally.

Located on the eastern side of the park, the building will cover about 3,000 square metres, provide just over 11,000 square metres of tenable floor space and will create 66 secure car parking spaces. It will have a 4.5 star rating under the Australian Building Greenhouse Rating Scheme. It will provide 600 permanent jobs, including 26 for local indigenous people and new apprentices. It is expected to be finished mid-2007. That initiative was made possible by the Government's Redfern-Waterloo urban renewal strategy; it is another step towards the park becoming a major innovation for Sydney. It also reflects the strong New South Wales economy, with our unemployment levels the lowest in 25 years.

Another Redfern-Waterloo project that is building that strong economy is the \$40 million invested in a new Contemporary Arts Centre at North Eveleigh. Funding from Arts NSW will see heritage buildings at North Eveleigh converted into a contemporary performing arts space in conjunction with the authority and RailCorp. That project is well under way and the chief executive can answer questions if necessary.

The Redfern-Waterloo Authority is developing a proposed refurbishment of the heritage Blacksmith's Workshop, a well-know feature backing onto Wilson Street, Darlington, covering about two hectares. It would generate significant new community and cultural activity on a dilapidated industrial site. The Contemporary Performing Arts Centre is expected to open in January 2007 in conjunction with the Sydney Festival. It has delivered 21 jobs so far for local indigenous people.

The infrastructure investments continue. We now have a \$35 million commitment by the Indigenous Land Corporation to purchase the former Redfern Public School and redevelop it into a new National Indigenous Development Centre. This is another innovative deal brokered by the Redfern-Waterloo

Authority with the Indigenous Land Corporation and the Department of Education and Training. The new centre will help young people achieve their full potential through mentoring, training and learning initiatives. It is expected to help up to 5,000 young people each year when fully operational. Work is expected to start early next year. The existing Murawina Child Care Centre and four school buildings will be refurbished. The centre will accommodate a number of established programs, including the National Aboriginal Sports Corporation Australia and the Lloyd McDermott Rugby Development Team.

An amount of \$16 million is to be invested by the Redfern-Waterloo Authority in affordable housing. The Redfern-Waterloo Authority has committed to a 10-year program of generating extra affordable housing for Aboriginal residents of Redfern and Waterloo. This is completely separate and additional to any private development by the Aboriginal Housing Company that might occur on this land. Again, this reflects the Government's new direction for New South Wales, which includes improving services and looking after families. The Redfern-Waterloo Authority will commit an initial \$1 million this financial year.

The New South Wales Government will continue to consult with the indigenous community, including the Aboriginal Housing Company, to ensure that this plan becomes a reality. We already have some clear principles, including promoting highly professional administrative standards; achieving a genuine win for the Aboriginal community; promoting accountability and probity; and involving the indigenous community. The Government will also ensure that it meets the terms of the Commonwealth-State Redfern Waterloo partnership agreement, which was signed by the Federal Minister for Indigenous Affairs, Mal Brough, and me in June this year. Under this agreement both governments are committed to "work together to support the provision of affordable housing in Redfern and Waterloo".

In yet another infrastructure investment, NSW Health and the Redfern-Waterloo Authority will invest \$10 million in transforming the former courthouse and police station into a new community facility. This new facility, which will become a one-stop-shop for health services, was designed in response to community feedback. The plan is to provide health assessments, early childhood and family support services, counselling, perinatal and family drug health services, mental health services, welfare support, sexual health services, and more. This is a particularly apposite example of the role of the Redfern-Waterloo Authority. Several government agencies had ownership of the courthouse and the police station site, and the health department had ownership of Rachel Foster Hospital.

The Redfern-Waterloo Authority brokered an agreement to enable the new health complex to go into these heritage buildings. So we have to keep those heritage buildings, provide an integrated community health facility for Redfern, and fund that by the redevelopment of Rachel Foster Hospital. There is, of course, more. An amount of \$6 million from the Redfern-Waterloo Authority and its subsidiary, Australian Technology Park, will fund a new pedestrian-cycle link between north Eveleigh and the technology park. An additional \$6 million has been allocated for new roads and infrastructure for the technology park. In March 2005 NSW Police invested an amount of \$4.2 million to establish a new police station at the former TNT site, with a works force of 219 people.

Three-quarters of a million dollars has been allocated to develop a new training centre at north Eveleigh, including the Yaama Dhinawan indigenous hospitality training enterprise. An amount of \$300,000 is coming from the Redfern-Waterloo Authority to redevelop the former Murawina building in Eveleigh Street to support indigenous enterprises and organisations. Clearly, the Government is making real progress in Redfern and Waterloo. We have more work to do but we are heading in the right direction. Investment in infrastructure in Redfern and Waterloo is only one part of a much bigger puzzle. In fact, the Government is spending a record \$27 million every today on infrastructure across this State.

I am confident about the future of Redfern and Waterloo. We are off to a good start and I am looking forward to further initiatives to advance its progress. We have, of course, completed stage one of the Redfern-Waterloo plan, which is setting realistic and achievable targets. I am pleased to inform honourable members that the first stage of our wider plan is now complete. I think that is a great milestone. This three-pronged plan includes the human services plan, focusing service providers on working better for our community, creating jobs and training opportunities within the area, and urban

renewal to establish a new town centre around Redfern railway station as the hub for community and commercial activity.

Twenty-eight per cent of Redfern's population and more than half of the Waterloo population live on less than \$400 a week. Twenty-three per cent of Redfern's homes are Department of Housing homes and three-quarters of Waterloo's homes are Department of Housing homes. Almost 60 per cent of Waterloo's residents are not in the labour force. Forty-six per cent of households in Waterloo with children under 15 are single-parent households. I might leave it at that point and answer questions.

**CHAIR:** Thank you, Minister. You have given us a good reason to have a supplementary hearing into Redfern and Waterloo.

**The Hon. GREG PEARCE:** I suppose, Minister, you should be almost congratulated for getting through a whole year without any further public racist intimidation of the Redfern community. Why are you continuing your personal, paternalistic vendetta against the owners of the Block by refusing them the ability to redevelop the Block?

**Mr FRANK SARTOR:** I find your questions intemperate and offensive. I have done no such thing and I am not doing any such thing.

**The Hon. GREG PEARCE:** I congratulated you for not being publicly offensive for a whole year.

**Mr FRANK SARTOR:** The simple fact is that, at the request of the former Premier and with the support of the current Premier and Cabinet, I am endeavouring to introduce a program in Redfern and Waterloo that will improve opportunities for everyone in that area. In fact, we have quite an extensive number of indigenous programs.

**The Hon. GREG PEARCE:** Why are you continuing your own personal vendetta against owners of the Block?

**Mr FRANK SARTOR:** I am not.

**The Hon. GREG PEARCE:** You are. Why are you preventing them from redeveloping the Block?

**Mr FRANK SARTOR:** I am doing nothing of the sort. The simple fact is—

**The Hon. GREG PEARCE:** What consultations have you had with the owners of the Block?

**The Hon. JAN BURNSWOODS:** Point of order: When the Hon. Greg Pearce asks a question he should he wait for an answer.

**The Hon. GREG DONNELLY:** Point of order: One question at a time.

**CHAIR:** Order! Members should take only point of order at a time.

**The Hon. GREG PEARCE:** I think the Minister can handle himself without the intervention of the cackling pair opposite.

**CHAIR:** Order!

**Mr FRANK SARTOR:** The simple fact is that you lot are so confused I think the former Leader of the Opposition said that he would bulldoze the Block and the present Leader of the Opposition is saying that he will fund the Block. You change policies very quickly.

**The Hon. GREG PEARCE:** You do not, do you? You are just running a personal, paternalistic vendetta against the Block.

**Mr FRANK SARTOR:** Let us just—

**The Hon. GREG PEARCE:** You do not; you are consistent all right.

**Mr FRANK SARTOR:** If you want to interrupt and you want to be rude and accuse me of acting inappropriately, do so. I think your record speaks for itself.

**The Hon. GREG PEARCE:** Your record speaks for itself.

**Mr FRANK SARTOR:** The simple fact is we have a comprehensive program that addresses all issues in Redfern. We are doing more for indigenous people than has ever been conceived of in Redfern. In relation to the Block, the vast majority of people in Sydney believe that the management of the Block over the last 30 years has been much less than satisfactory. There has been a history of crime, violence, drugs—you name it.

**The Hon. GREG PEARCE:** That is your reason?

**Mr FRANK SARTOR:** As Minister for Redfern-Waterloo, it is my responsibility to take a stand to promote a more sustainable outcome in the future. There are two separate issues. One is planning assessments and approvals. If the Aboriginal Housing Company ever gets its act together it can lodge an application and it will be considered on its merits. The second issue is whether—

**The Hon. GREG PEARCE:** Yes, but you have rezoned it so that it cannot get what it wants.

**The Hon. JAN BURNSWOODS:** Why do you not let the Minister answer the question?

**Mr FRANK SARTOR:** In fact, you really have not done—

**The Hon. GREG PEARCE:** You have a personal vendetta against it.

**The Hon. JAN BURNSWOODS:** You do not know what you are talking about.

**CHAIR:** Order!

**The Hon. GREG DONNELLY:** Like normal in the House.

**Mr FRANK SARTOR:** You have got it totally wrong. You have failed in your research. Your level of questioning demonstrates substantial ignorance about what the plan contains. The simple fact is that the development potential on land owned by the Aboriginal Housing Company has almost doubled. There has been a change in the zoning as—

**The Hon. GREG PEARCE:** There has been a change in the zoning.

**Mr FRANK SARTOR:** As the State does well there is an increase in development potential. It has been given substantial development potential across the other side of Eveleigh Street on land that was previously open space. It could, if it obtains planning consent, achieve probably—

**The Hon. GREG PEARCE:** If it gets its act together, which I think is what you said earlier?

**Mr FRANK SARTOR:** I have to say that it has been pretty slow.

**The Hon. GREG PEARCE:** Another paternalistic statement by you. You have changed the rules on it. Of course it has been slow.

**Mr FRANK SARTOR:** I do what I do up and down the State and I try to deal with things on their merits in a genuine bona fide way, motivated by nothing more than the public interest. I am a human being and I do the best I can. We often alter people's zonings in this State. A classic case of where we alter people's zonings is when we impose a heritage order, which often sterilises buildings. There are 4,000 or 5,000 dwellings on the State heritage register.



**The Hon. GREG PEARCE:** You have answered my question relating to the Block. We do not have much time so I do not want to you to waste our time.

**Mr FRANK SARTOR:** With the greatest respect, you asked a question. I am entitled to answer it as I see fit.

**The Hon. GREG PEARCE:** No, you have already answered it. I am happy with your answer. It shows your attitude to these people. There is no problem; we understand that.

**Mr FRANK SARTOR:** I want to give the full answer because it is important that the pejorative views being expressed are addressed. There are two issues. A planning assessment will be made if the Aboriginal Housing Company ever lodges an application, which it is entitled to do.

**The Hon. GREG PEARCE:** Ever lodges an application? Here we go again. Just give it another little dig.

**The Hon. JAN BURNSWOODS:** As a member who served on the committee the Hon. Greg Pearce knows perfectly well that the Aboriginal Housing Company has not lodged an application. He is being absolutely dishonest.

**CHAIR:** Order! The Hon Jan Burnswoods!

**The Hon. GREG PEARCE:** The Minister has a personal vendetta against it.

**The Hon. JAN BURNSWOODS:** We all saw your disgusting racial behaviour during the social issues committee inquiry.

**The Hon. GREG PEARCE:** Oh be quiet!

**The Hon. JAN BURNSWOODS:** To now pretend that you do not know anything is as dishonest as you have been from day one.

**CHAIR:** Order! Minister Sartor may proceed.

**Mr FRANK SARTOR:** I am trying. The second issue—

**CHAIR:** You are now taking up the time of the Government.

**Mr FRANK SARTOR:** I am trying, as I always do in my role in any public office, to answer these things in a bona fide way. I am motivated by the best of intentions.

**CHAIR:** Sure.

**Mr FRANK SARTOR:** You might not always agree with what I do, but I do try to do it for the right reasons.

**CHAIR:** You may proceed. You are taking up the Government members' remaining couple of minutes.

**Mr FRANK SARTOR:** Is it Government members' time?

**CHAIR:** Sorry, you are taking up the time of Ms Sylvia Hale. You can either take up Government members' time or I will move to Ms Sylvia Hale.

**Mr FRANK SARTOR:** I would like to take up Sylvia's time, if I can.

**The Hon. JAN BURNSWOODS:** Madam Chair, can you clarify whose time for questioning you think it is?

**CHAIR:** It is time for Greens' questions.

**Mr FRANK SARTOR:** I want it noted that I was not allowed to complete my answer.

**Ms SYLVIA HALE:** Mr Pearce raised the issue of paternalism. Can you explain why, despite undertakings that you would consult with them, you did not consult with the Aboriginal Medical Service over the decision to use the Redfern courthouse for the new health centre?

**Mr FRANK SARTOR:** My understanding is that there has been consultation at officer level. I will ask Mr Domm to respond.

**Mr DOMM:** Dr Greg Stewart of the South West Area Health Service consulted with the Aboriginal Medical Service before the announcement was made.

**Ms SYLVIA HALE:** Would you mind providing details of when and where that consultation took place because that is contrary to the information that I have received?

**Mr DOMM:** We will take that—

**Ms SYLVIA HALE:** Did the consultation involve asking their opinions?

**The Hon. JAN BURNSWOODS:** If you ask a question you should wait for the answer.

**CHAIR:** Order!

**Ms SYLVIA HALE:** I have asked you to provide the details. Can you tell me whether that consultation consisted of informing them of the decision or, prior to the decision being made, asking them their views on the use of the courthouse? Can you do that, Mr Domm?

**Mr DOMM:** It is a matter for NSW Health. I will take the question on notice and convey it to the department.

**Mr FRANK SARTOR:** I will add to that answer. I have met with Naomi Myers in the past and I know very well her views about the proposal regarding the health service in Lawson Street. She was opposed to that and it will now no longer proceed. I have had discussions with Naomi in the past but in the recent past I have left it to the officers to deal with. But I believe the solution we have come up with is a very good one and that it can work in tandem with the Aboriginal Medical Service.

**Ms SYLVIA HALE:** When the Redfern Legal Service wished to use the courthouse for activities such a circle sentencing it was told that the building was not appropriate for that use. Can you explain why activities such as circle sentencing may be inappropriate but the provision of health services at the courthouse is considered to be appropriate?

**Mr FRANK SARTOR:** I will take that question on notice and refer it to the Attorney General because I was not responsible for those discussions.

**Ms SYLVIA HALE:** You have referred to heritage issues in Redfern-Waterloo. Can you explain why, although the location of the public toilet at Redfern station was used by you to justify the need to override the Heritage Act in the Redfern-Waterloo Authority legislation, on the heritage map produced by the built environment plan that toilet has somehow magically disappeared as an item of heritage concern?

**Mr FRANK SARTOR:** I think you are quite wrong in your assertions. In fact, I have a schedule in front of me that shows that the degree of heritage conservation in Redfern, particularly on the railway lands, is unprecedented. In fact, it is probably—

**Ms SYLVIA HALE:** I am talking about the public toilet.

**Mr FRANK SARTOR:** Let me put it into context because context is everything in these matters. In fact, there have been comments that there is no similar amount of conservation of railway heritage anywhere in the world. I will give you some examples. We have on the railway sites around

the Australian Technology Park, Eveleigh, 6.7 hectares—or 67,000 square metres—of buildings preserved. It is on a heritage schedule.

**Ms SYLVIA HALE:** I ask you to answer the question.

**Mr FRANK SARTOR:** I will come to that.

**Ms SYLVIA HALE:** I asked why the heritage toilet that was used as the excuse for overriding the provisions of the Heritage Act in relation to the Redfern-Waterloo Authority does not appear on the built environment plan heritage map.

**Mr FRANK SARTOR:** I have not spent any time thinking about the toilet.

**Ms SYLVIA HALE:** It featured very heavily in your thoughts before.

**Mr FRANK SARTOR:** No, it did not. I do not spend my time thinking about toilets. What I do think about is the overall level of conservation. The locomotive workshop is 2.65 hectares and it is conserved. There is adaptive reuse for commercial development. The new locomotive workshop is 0.36 hectares and there is adaptive reuse for commercial development. The work manager's office of ATP, at 0.18 hectares, is adaptively reused for commercial development. The chief mechanical engineers building at North Eveleigh is 0.08 hectares. Currently the RWA is working on proposals for restoration and adaptive reuse. The large erecting shed at South Eveleigh, which covers 0.54 hectares, is used for railway maintenance and storage. The blacksmith's workshop at North Eveleigh, at 0.23 hectares, is vacant. The authority is working on proposals for restoration and reuse.

The scientific services building at North Eveleigh, which is 0.046 hectares, is vacant. Again, they are working on restoration and reuse. A portion of the fan tracks at North Eveleigh is 0.2 hectares and they are working on a proposal to use a proportion of the area for a park. The telecommunications equipment centre, which covers 0.03 hectares, currently houses a railway museum. The paint shop, which is 0.6 hectares, is railway heritage. The carriage works, which covers 1.7 hectares, is being used by the Ministry for the Arts. The railway station ticket and booking office is operational for railway station ticketing. On top of that of course is the former courthouse building and other buildings around Redfern.

**Ms SYLVIA HALE:** Some of your staff are galloping to your assistance.

**Mr FRANK SARTOR:** No. I am very happy to talk about heritage. I have not been involved in any decision about the heritage merits or otherwise of the toilet. When I first took over this ministry it was drawn to my attention that it would be an impediment to upgrading the station. That will of course be considered on its merits at the time that any proposal comes forward for the station.

**Ms SYLVIA HALE:** Minister, plans you have produced in relation to metropolitan growth centres have shown whole weirs and dams disappearing in the southwest growth centre and now we have a toilet disappearing. Things that you find inconvenient seem to disappear into thin air and no longer exist.

**Mr FRANK SARTOR:** If only I had such power!

**Ms SYLVIA HALE:** Your department obviously does; it just rewrites history, maps and documents.

**Mr FRANK SARTOR:** I do not think so.

**Ms SYLVIA HALE:** They disappear inconvenient facts.

**Mr FRANK SARTOR:** I do not know where you get these ideas. I am not aware of any weirs disappearing anywhere.

**Ms SYLVIA HALE:** The dam on the Perich property.

**Mr FRANK SARTOR:** Did I wipe out a dam?

**Ms SYLVIA HALE:** No. Mr Perich built a dam that was two kilometres long and seven metres high and it suddenly disappeared.

**Mr FRANK SARTOR:** Have you been out there?

**Ms SYLVIA HALE:** Yes, I have.

**Mr FRANK SARTOR:** I have not.

**Ms SYLVIA HALE:** I have walked the length of it.

**Mr FRANK SARTOR:** The dam?

**Ms SYLVIA HALE:** I have.

**The Hon. JAN BURNSWOODS:** Madam Chair, are we supposed to be discussing the Redfern-Waterloo Authority?

**Mr FRANK SARTOR:** What is wrong with the dam? Do you not like it?

**Ms SYLVIA HALE:** First, it was never approved; and, second, it never appeared on your maps. It disappeared off your own maps.

**Mr FRANK SARTOR:** I am very glad that you have drawn it to my attention. Thank you.

**CHAIR:** Order! We are discussing Redfern-Waterloo—with the emphasis on the loo. It is time for Government questions.

**The Hon. GREG DONNELLY:** What other initiatives have been implemented to assist the local indigenous community in addition to those that you have covered already?

**Mr FRANK SARTOR:** I thank the Hon. Greg Donnelly for his question because this Committee needs to understand that there is an unprecedented level of activity to support indigenous people in Redfern-Waterloo. There has been a terrific amount of progress, and I congratulate the chief executive and the team at the Redfern-Waterloo Authority on what they have done in a very short time.

Let us start with the Jobs Compact—an indigenous employment model. For example, 124 jobs have been created for indigenous people since May 2005. This is the result of the Jobs Compact between the authority and the Construction, Forestry, Mining and Energy Union that encourages employers to improve job skills and opportunities for the local community. Under the Jobs Compact all contracts for construction work on State-owned land in Redfern-Waterloo must include tough provisions to boost on-site work and training opportunities for locals, particularly indigenous residents. So we have created local jobs for indigenous people.

Then through an indigenous employment model we are able to find the right people with the right qualifications to fill these jobs. Through this employment model the authority has already found partnerships with groups such as TAFE New South Wales and Macarthur Group Employment. The 124 new jobs created include 21 jobs through a \$40-million project to transform the North Eveleigh carriageworks building into a contemporary performing arts centre; 26 jobs as part of the authority's construction of the new building at the Australian Technology Park to house National ICT Australia and the Defence and Science Technology Organisation of Australia; 60 jobs as part of the construction of a new media hub at the Australian Technology Park to house the Seven Network, Pacific Magazines and others; four jobs under the authority's new roads contract at the Australian Technology Park; eight jobs through the City of Sydney's Redfern Street and Regent Street upgrade; and five jobs as part of RailCorp and TIDC's Macdonaldtown station stabling project. Also the authority has employed an Aboriginal builder/project manager to help as a mentor for other job seekers.

In another milestone the authority has established an Indigenous Enterprise Hub at its Redfern office to provide business support to Indigenous business owners and developed partnerships with the New South Wales Department of State and Regional Development [DSRD] and the Commonwealth Department of Employment and Workplace Relations. The DSRD, in partnership with the authority, is proposing a business development strategy based on four key strategies. The first is an Aboriginal business service. Any Aboriginal person who has an idea for a business or an existing business and wants more help can access the Aboriginal business service located at Redfern. This is a free confidential service with an experienced business professional to help with business planning, financing, management skills and more. Two Indigenous-run businesses have already been established with the help of this service and it will expand as demand grows.

The second strategy is an Aboriginal enterprise workshops and training. Four enterprise workshops are delivered each year to focus on key business topics to enhance business skills and to help Aboriginal people who want to develop enterprises. For example, a workshop will be held later this year for Aboriginal construction companies. The third strategy involves the Young Achievement Australia business Skills Program for Aboriginal and Torres Strait Islander young people. This includes three specific programs, the first of which is working with young mothers in the Redfern-Waterloo area. This is about teaching business skills, creating job opportunities and contributing to the economic development of the Indigenous community. The final strategy of the Indigenous Enterprise Hub is designed to link the private sector with Aboriginal businesses. This includes providing an easily accessible point of contact and up-to-date information on Aboriginal enterprises.

In another key milestone the authority will be establishing a training centre at the North Eveleigh rail yards funded with \$700,000 of the authority's funds. In the first 12 months alone staff at this unique centre hope to train up to 120 unemployed people. They will offer training for construction workers and launch a cross-cultural training and employment program with a focus on Indigenous cuisine. This course could become a world leader in culinary and cultural education. It will see leading Sydney restaurateurs team up with Aboriginal elders, spearheaded by Raymond and Jennice Kersh, formerly of Edna's Table, along with Aboriginal elder and caterer Beryl van Oploo. The hospitality training enterprise will be known as Yaama Dhinawan, which means "Welcome Emu" in Aunty Beryl's Yuwaalaraay language.

The principals of Yaama Dhinawan have been making contact with people interested in training for a hospitality career and have been briefing organisations about the initiative. The first course aimed at single parents will start in October this year. The refurbishment of the centre will be largely undertaken by Aboriginal sub-contractors and Aboriginal people in the building industry.

**CHAIR:** It is after 11.00 a.m.

**Mr FRANK SARTOR:** I am happy to keep going. We will take a break now.

**CHAIR:** Thank Mr Domm for your attendance. We will have a 10-minute break and then we will proceed to Planning.

**Mr FRANK SARTOR:** Can I finish my answer after the break?

**CHAIR:** No, we will adjourn for a 10-minute break now.

*[Short adjournment]*

**SAM HADDAD**, Director General, Department of Planning, sworn and examined:

**PETER GORDON LUCAS**, Chief Financial Officer, Corporate Sheet Services Section, Department of Natural Resources, affirmed and examined:

**CHAIR:** Minister, do you have an opening statement?

**Mr FRANK SARTOR:** Yes. The Government has been committed to streamlining the planning system to underpin the competitiveness of the New South Wales economy. Our planning system is being progressively transformed by a process-driven approach to an outcome-focussed service. Good planning and environmental outcomes do not require interminable processes and delays. The 2005 reforms to the Environment Protection Act gave the Minister for Planning greater flexibility in the in the processing of applications for large projects. The new part 3A streamlines assessment of major projects and allows for the designation of State significant sites. The new laws are now getting results, with delays in major projects being steadily reduced.

No longer do we have a formula A assessment of projects but we now have much more issue-based and site-specific assessments through the requirements of the director general when a project comes under the department's jurisdiction. The standard local environmental plan [LEP] decision on 31 March 2006 provides a template of common zones provisions and definitions. All councils in New South Wales will over the next five years prepare principal local environmental plans to adopt a standard LEP format. The LEP is an important step to us creating a planning system that is easily navigated and readily understood by residents, investors and local councils across the State. Residents will more easily understand plans when they move between areas and we will be able to get a consolidated plan. Businesses will spend less time and money trying to decipher complicated local zones and definitions when submitting development applications.

Councils will be able to ensure consideration of local character, additional local specific objectives and other provisions. It will also save councils time and money when they update their LEPs, giving them a common dictionary of defined terms to help them create plans that are consistent across New South Wales. The key objective is to ensure that every local council prepares one principal LEP for its local government area, reducing the number of local planning instruments over the next five years from about 5,500 to about say 200. These 5,500 local planning instruments have 3,100 zoning categories. This number will be reduced to well below 50. The standard LEP also aims to minimise the involvement of State Government and Parliamentary Counsel in detailed preparing of LEPs and to reduce compliance burdens and litigation costs. The standard LEP is a culmination of extensive community consultation process.

In September 2005 new requirements regarding DCPs were also introduced. These requirements were that only one DCP per planning authority could apply in respect of the same land and that a DCP must not be inconsistent with or prevent compliance with an LEP. This process is part of a range of reforms, including the standard LEP to streamline the planning system. A resident developer will no longer have to go through a number of DCPs that might apply to one site. Councils were given a timeframe to comply with these requirements, which would either be when a council adopts a standard LEP which applies to the same land as the DCP, or by 30 April 2006, whichever occurred first. When the standard LEP was gazetted on 31 March 2006 it was clear that this requirement would not be able to be met. The legislation therefore has been amended, so that a council can now be required to comply with the one DCP per site rule once the principal LEP which adopts the standard LEP has been made, or by 31st March 2011, whichever comes first. This is five years after the gazettal of the standard LEP.

The Government has also moved to further cut zoning bottlenecks and delays. The current ad hoc system of spot LEPs has been replaced by a new screening process to either approve or reject LEPs at an early stage. A high-level panel now screens all LEP proposals at an early stage before they are drafted, and they will not go through the normal processes unless they are sound, saving substantial resources within councils and State agencies. Likewise, all major developments will have an early preliminary assessment and the applicant will be advised within weeks, not months, whether their applications are likely to be supported.

The State also determines about 350 major development applications annually, while local government deals with 125,000 annually. There is considerable concern in the community with the performance of some councils in this area. Since new legislation was introduced in 2005 the Government has received numerous requests to call in projects that would be properly handled by local councils. For this reason the Government increased its focus on local performance monitoring of planning and development matters, and legislation was introduced this year to allow the Minister for Planning to more easily oversight the performance of local councils in these areas. These reforms include more stringent performance reporting and greater flexibility for the Minister to intervene in cases of unsatisfactory performance. If councils fail to meet their performance obligations the Minister will be able to empower planning assessment panels to exercise any of the planning functions of the council found wanting.

Performance monitoring will become an annual process and will not duplicate local government department performance requirements. Information collected will be made publicly available. Councils will be given to 29 September 2006 to respond to the survey, but may be granted extensions by the director general where it can be proven that such extension is warranted for this round because some of them do not have the data systems in place to deal with it easily. The survey information will allow the Government to identify areas of good and poor performance in the planning system. Performance reporting is not limited to council performance. Questions are asked about the quality of development applications and the time taken by council agencies to advise on development matters. This system will enable the identification of problems and their causes and therefore assist the Government to develop effective solutions. It will have long-term benefits for all parties affected by the planning system.

The Department of Planning will conduct a review of the data collection and reporting processes to ensure that the processes are effective and that impacts on council resources are minimised. The department will liaise with the Department of Local Government to ensure there is no duplication of the work required to meet both departments' requirements.

Independent studies on the cost of BASIX have proved that the cost of BASIX is minimal and far outweighs benefits. Home owners can save an average of \$600 a year through lower energy and water bills. Builders and developers are responding to BASIX by providing consumers with more choice. On 1 July this year the Government once again delivered a cost-effective approach to reduce greenhouse gas emissions. New BASIX energy targets commenced across the State on 1 July 2006 depending on building type and location. These targets were announced on 8 June 2006. The targets are as follows in coastal areas: 40 per cent for single dwellings, 35 per cent for up to three storeys, 30 per cent for four to five storeys, and 20 per cent for six storeys and above. The BASIX energy targets deliver an overall 36 per cent reduction in greenhouse emissions, against the originally set target of 40 per cent.

Extensive testing demonstrated variations in the energy target of the project with certain building types and locations. This ensures that BASIX remains fair and cost effective, and does not have an unreasonable impact on the cost of new housing. The Property Council of Australia, which describes itself as a long-time supporter of BASIX, suggested that the new BASIX energy targets are fair and will encourage the industry to provide innovative design responses. The approach to energy is consistent with the statewide variation to the BASIX water target, which was implemented on 1 July 2005, and which is widely supported. The Government is committed to a further review of energy targets in 2008. Currently the Government is leading a \$300,000 trial into cogeneration, which is the first of its kind in Australia. This will assist industry to find cost-effective ways to reduce greenhouse gas emissions. When fully implemented in the following years, BASIX is expected to save 28.7 billion litres of water per annum across New South Wales and cut greenhouse gas emissions by 800,000 tonnes per annum.

In February the Premier announced in his economic statement the creation of a new cities project within government. The aim is to boost jobs lost and improve opportunities in six regional cities across New South Wales—Wollongong, Gosford, Parramatta, Penrith, Liverpool and Newcastle. This project will utilise the planning system to create clear long-term planning divisions. The Wollongong plan was released several weeks ago, and provided a vision for the city, a local environmental plan, a developmental control plan and a civic improvement plan. It will provide 10,000 new jobs and 6,000 more people in the city centre. Building and employment in our regional

cities means shorter commuter trips and a better lifestyle for local residents. We have established a specific team within Planning to deliver on this commitment. The Department of Planning is working closely with council to produce detailed planning documents. We have set the scene, but there is more to come, more opportunities for job seekers, home buyers and visitors.

The city's task force project will stimulate growth in outer metropolitan regions, and will remove the emphasis on the Sydney central business district. The Government is creating a network of city centres. The Government sees the economic future prosperity of the State involving a network of important commercial centres, not just the central part of Sydney. It will provide substantial employment, and will provide commercial, intellectual and cultural leadership in their region. Development is critical to economic growth and a stable future for New South Wales. The part 3A reforms and other improvements to the planning system are bearing fruit, with streamlined straightforward planning processes encouraging investment, and a transparent public policy allows for public input. In just 12 months we have made real progress. We are getting New South Wales moving in the right direction, but there is more work to be done.

**The Hon. GREG PEARCE:** Mr Haddad, I have your gushing press release of 10 July 2006 in which you confirmed new executive appointments. Mr McDougall remained in the Heritage Office. Are the other six new appointments, or are they ongoing appointments?

**Mr HADDAD:** They are all new appointments.

**The Hon. GREG PEARCE:** Did they replace people who previously held those jobs?

**Mr HADDAD:** Some of them.

**The Hon. GREG PEARCE:** Who were they?

**Mr HADDAD:** We had the competitive process of selection. We had an independent firm run an advertising process.

**The Hon. GREG PEARCE:** Who was that?

**Mr HADDAD:** I cannot remember the exact name of the firm, but an executive search firm was appointed. We went through an executive search and we have those appointments as a result of this competitive process. We had a number of applicants in an independent selection process. We went through the steps, with recommendations for all these people.

**The Hon. GREG PEARCE:** Would you let us know on notice the name of that executive search firm and the total amount of fees paid to the firm?

**Mr HADDAD:** Yes.

**The Hon. GREG PEARCE:** Back to my earlier question, which offered positions replaced someone else?

**Mr HADDAD:** The appointments were the result of readjustment to the executive structure so that we could respond to emerging planning issues. We had an appointment in sustainable development, in the approvals system, and that was Mr Chris Wilson. Mr Jason Perica was appointed to run a division looking after sites of State significance, in response to the importance of strategic planning for certain sites. As you said, Reece McDougall was confirmed as executive director in charge of heritage. Ms Kim Cull was appointed as executive director of the governance and executive support division. Mr Richard Pearson was appointed in charge of rural and regional planning.

**The Hon. GREG PEARCE:** And Chris Johnson as cities and centres, he was the previous person?

**Mr HADDAD:** I was coming to that. Chris Johnson was appointed to the cities and centres program, which the Minister mentioned. Previously he was an executive director in the department, but his functions have changed. He was appointed to the new division that was created to specifically



look after the strategic cities and centres program. Ms Jacquie Connelly, who previously was also an executive director with the department, was appointed in charge of the Metropolitan Strategy and the Metropolitan Plan.

**The Hon. GREG PEARCE:** How many executives were there before, and how many are there now?

**Mr HADDAD:** When we were with the Department of Infrastructure Planning and Natural Resources [DIPNR], more than 12 months ago, if we look at the functions of the senior executive appointees looking after planning, I think we had about 14 or 15 senior executive service [SES] officers appointed. We currently have eight or nine, which is a drop of about six or seven. I am happy to confirm that further in writing.

**Mr FRANK SARTOR:** It is important to understand that the department has been totally restructured.

**The Hon. GREG PEARCE:** Yes, that is what we are trying to establish.

**Mr FRANK SARTOR:** Because DIPNR no longer exists it had to change, and the director general has done the right thing. He has appointed terrific people, very high quality people.

**The Hon. GREG PEARCE:** You said that each of those people is an SES appointment?

**Mr HADDAD:** That is correct, yes.

**The Hon. GREG PEARCE:** Including you?

**Mr HADDAD:** That is correct.

**The Hon. GREG PEARCE:** Would you be able to let us know the salaries of each of those people?

**Mr HADDAD:** Yes, I can.

**The Hon. GREG PEARCE:** What does the corporate governance and support services unit do?

**Mr HADDAD:** It provides support for me in terms of the legal branch, the whole professional area of executive policy support, the planning systems, the reform the Minister referred to in his opening statement, LEP templates, the building professional boards, our finances, business management and BASIX.

**The Hon. GREG PEARCE:** I am struggling a bit because the budget papers, which were out only one month earlier, still have the old structure. We cannot establish from that the staffing and other outputs for each of these units. Would you be able to give us on notice the staffing of each of those units and their new outputs, whatever the measurement is?

**Mr HADDAD:** Yes.

**The Hon. GREG PEARCE:** I assume you have a new corporate governance plan, or a new corporate plan?

**Mr HADDAD:** We do have a new corporate plan, yes indeed, and we do also have the service agreements which are available and which we report under statutory obligations in our annual reports.

**The Hon. GREG PEARCE:** Have you done a new cut of the budget to reflect the various different divisions?

**Mr HADDAD:** We have indeed, and we have allocated budgets to each of those divisions, yes.

**The Hon. GREG PEARCE:** Would you be able to provide the Committee with those details?

**Mr HADDAD:** Yes. It is reported in our annual report and I more than happy to provide them.

**The Hon. GREG PEARCE:** Would you be able to provide the Committee with a copy of your corporate plan?

**Mr HADDAD:** Yes, sure.

**The Hon. GREG PEARCE:** Just in relation to corporate governance and support services, I know Miss Kull, having served with her on the Law Society Council. She is a very capable person. I am interested as to her continuing role on the Law Society Council. How do you handle conflicts and other issues that might arise there?

**Mr HADDAD:** I am not aware. I will have to take the question on notice. Certainly Miss Kull was selected, as I have said, after a competitive process.

**The Hon. GREG PEARCE:** Yes.

**Mr HADDAD:** She had to compete for her position. She is working with full accountability to deliver what she has got to do. She will have to deliver accordingly. I will make sure this is delivered in terms of her bound duties.

**The Hon. GREG PEARCE:** I think it is a marvellous contribution, if the department is prepared to provide a councillor to a professional association like that.

**Mr HADDAD:** Yes.

**The Hon. GREG PEARCE:** Just in relation to the recruiting processes, can you also give us the names of the various assessment committees that went through each of the appointments?

**Mr HADDAD:** Yes, sure. I am happy to do that. I was personally chairing that committee.

**The Hon. GREG PEARCE:** You chaired it?

**Mr HADDAD:** Yes.

**The Hon. GREG PEARCE:** Who were the others on the committee?

**Mr HADDAD:** There was the deputy director general from the Premier's Department and the independent adviser, Ms Liz—

**The Hon. GREG PEARCE:** Ms Sanderson?

**Mr HADDAD:** No, Dr Liz Coomb.

**The Hon. GREG PEARCE:** Who was the other one?

**Mr HADDAD:** The independent person was the chair of consultancy.

**The Hon. GREG PEARCE:** Who was that?

**Mr HADDAD:** Mr Peter Perry.

**The Hon. GREG PEARCE:** I turn to the Metropolitan Strategy. What has been the total cost of developing the Metropolitan Strategy to date?

**Mr HADDAD:** It depends.

**The Hon. GREG PEARCE:** I know that other departments were involved, but you must have—

**Mr HADDAD:** I am sorry?

**The Hon. GREG PEARCE:** I am sorry. Go ahead.

**Mr HADDAD:** I suppose the entire cost of the Metropolitan Strategy was prepared, I suppose, in total over a year by contributions from different government agencies. It is a whole-of-government exercise. That was the whole purpose of it—to make sure that it is a whole-of-government exercise. Within the department's—I will take it on notice to give you a credible answer as to exactly the amount of money that is located, that I can extract. A number of staff within the department contributed to it. I want to make sure that it is not delivered in isolation. We had planning groups from different regions contributing to it, so really in terms of extracting the exact amount of money, we will have to go through an exercise to be able to give you this.

**Mr FRANK SARTOR:** I suspect it is impossible to properly define because the Metropolitan Strategy covers two-thirds of the State's population, being the Sydney Basin and beyond. It just involves a lot of aspects of the department, as it should, and it involves other departments. If there has been some specific vote, that is fine, but I just do not know the rest of it. It is sort of more time in kind, I think.

**The Hon. GREG PEARCE:** I think that you would be able to identify things like consultants fees.

**Mr FRANK SARTOR:** Can I also say that it commenced in DIPNR and it was finalised in the Department of Planning, so it is just difficult.

**The Hon. GREG PEARCE:** I am not disputing that it is difficult, but I think that the public is entitled to know the sort of resources that have been put into it. Certainly I think you would be able to find out temporary staff costs and planning costs and legal fees and that sort of thing without too much trouble.

**Mr HADDAD:** Yes.

**The Hon. GREG PEARCE:** I would have thought that you would have had some sort of measure of the actual staff time involved.

**Mr FRANK SARTOR:** Madam Chair, if I can just add this: I think it is generally accepted there was an independent panel involved in it—the HIA, the Property Council and the Total Environment Centre and so on. There was a process that went on for several years. It is enormously strengthening the linkage between long-term planning approaches and the capacity to commit infrastructure because it is about co-ordination of planning. It has already demonstrated a terrific alignment between commitments of government—

**The Hon. GREG PEARCE:** Yes, yes. I am not asking you to justify the plan. I simply want to know the cost, to the extent that it can be quantified.

**Mr FRANK SARTOR:** Yes, but it influences all aspects of the planning work in the metropolitan region. From that of course flowed the State Infrastructure Plan which is updated every two years.

**The Hon. GREG PEARCE:** I think Minister Costa has claimed that he organised the State Infrastructure Plan, but anyway.

**Mr FRANK SARTOR:** Well, this plan informs the State Infrastructure Plan.

**The Hon. GREG PEARCE:** So you will take that on notice, Mr Haddad, and do your best? I know you will. I want to turn to the infrastructure components, since the Minister raised this, of the Metropolitan Plan. When it was produced—back in November last year, I think it was—it said that the estimated cost of infrastructure for north west and south west growth centres was \$7.8 billion. For both sectors, you went through and listed various estimates of costs. For example, for the north-west sector, I am just looking at the preliminary infrastructure report. There is a list that runs through roads, rail, bus, et cetera, up to \$2.9 million.

**Mr FRANK SARTOR:** I might need to call the CEO, Angus Dawson.

**The Hon. GREG PEARCE:** If he is there, that would be good. Probably you can answer this because what I am after is how you came up with those original estimates in the document which was produced last year from before the chair was established.

**Mr FRANK SARTOR:** I can outline the general approach. What happened was that the Department of Planning, in developing the growth centres and the boundaries and so on, after consulting other departments, made preliminary estimates of what the Capital Works Program would involve. The job of the Growth Centres Commission, once established, was to then work in more detail and provide more certainty in timing, also to look at timing and finalise the sequencing of the recommendations to Cabinet. It is inconceivable that the additional estimates would not have changed. We were concerned to try to reduce costs on the one hand. On the other hand we discovered that there was a double accounting and agencies had put in bids as part of the growth centre that they already had in their own budgets, so we had to look at that. So that is the work that Angus Dawson and his team have done. Now we have a projection of \$7.5 billion, of which \$500 and something million—

**The Hon. GREG PEARCE:** I am sorry, it is \$7.5 billion now?

**Mr FRANK SARTOR:** Yes, and Angus can correct me in detail in a second. I just want to give you the general flavour of the answer.

**The Hon. GREG PEARCE:** Yes.

**Mr FRANK SARTOR:** Of that amount, \$500 and something million is in the first four years. Of that the Government has actually funded nearly 80 per cent initially because levies take a long time to come in. Every five years this will be reviewed and it is conceivable that the total infrastructure quantum will change as you start to limit the projects. There have been all sorts of assumptions made about the quantum of acquisition costs, and until you actually do it and find out at what stage of the market you acquire land, for example, you cannot be totally certain. I actually would like Angus to give you more detail because his job was to go away and check it and come up with the numbers.

**ANGUS BARRINGTON DAWSON**, Chief Executive Officer, Growth Centres Commission, sworn and examined:

**CHAIR:** Thank you very much, Mr Dawson. You may proceed to assist with the Minister's answer.

**Mr DAWSON:** Thank you very much, Chair. As the Minister said, when we established the commission last year, the first task was to pick up the work done by planning on looking at the co-ordination of both planning and infrastructure for the new growth centres to deliver some \$181,000 new housing units over the two growth areas. For some time there have been complications with the land release process. The job and the role of the Growth Centres Commission is to co-ordinate the planning and effect a more streamlined approach to the rezoning of those areas through precinct plans and at the same time co-ordinate the Government's infrastructure processes and infrastructure delivery to make sure that that land is released in a timely manner and released with the appropriate infrastructure, when it is needed and when it is required—when the people move in.

**The Hon. GREG PEARCE:** Were you given the Department of Planning's estimates for the infrastructure cost?

**Mr DAWSON:** Yes.

**The Hon. GREG PEARCE:** Can you provide those to the Committee?

**Mr FRANK SARTOR:** It was published.

**The Hon. GREG PEARCE:** I am asking for the detail.

**Mr DAWSON:** We can provide that, that is easy. It has been published.

**The Hon. GREG PEARCE:** I want the detail behind what has been published before. In other words, what are the components of the \$1.34 billion allocated for roads?

**Mr FRANK SARTOR:** We will take that on notice and look at what we have got.

**The Hon. GREG PEARCE:** Thank you.

**Mr DAWSON:** The Minister asked us, when we established the commission, to go through those infrastructure requirements to check the sequencing of the land releases, check the quantity of the infrastructure and how it would work. We spent a great deal of time and effort working with other infrastructure agencies working with the Department of Planning and checking what infrastructure was required and when, the most appropriate sequencing of land release to give the best utilisation of government resources to get land on the market as quickly as possible, and the cost of that infrastructure and the original estimates that were given by the various agencies.

In the course of that process we recommended to the Government that a special infrastructure contribution, based on a per hectare rate. We also recommended that the cost of infrastructure that was originally estimated on a broad-brush basis by the department, somewhere over \$a 2 billion, could be reduced to \$7.5 billion without a reduction of the provision of services and without a reduction in the land release processes and how the land was released. That was the subject of the Minister's announcement in July. The levy has been set as a special infrastructure contribution on a per hectare basis. The \$7.5 billion that the Minister suggested is the figure for the overall infrastructure costs.

**The Hon. GREG PEARCE:** How many lots have been rezoned in the growth centres?

**Mr FRANK SARTOR:** The first series?

**The Hon. GREG PEARCE:** To this stage, how many growth centres have been rezoned?

**Mr FRANK SARTOR:** We have only just started. The first sequence delivers 40,000 lots involving seven or eight precincts. We expect to reduce the time for rezoning, traditionally between five and 10 years, to two or three years. Mr Dawson will elaborate.

**Mr DAWSON:** In the past rezonings have taken anywhere between five and 10 years, depending on the process. That comes from the complexity of the two different government levels dealing with it and, of course, having infrastructure and other concurrences within the planning system to work. For planning reforms that have been undertaken over the past few years, and more recently in the past 12 months, as well as our co-ordination of infrastructure, we estimate that rezoning for each precinct can be brought down to two or three years.

**Mr FRANK SARTOR:** I am happy to table a document recently released called "Sydney's Land Supply", which gives a good overview summary of all greenfield land supply. The total amount on the Metropolitan Development Program is 100,000 lots equivalent, about 50,000 lots are already zoned. Of that, 26,000 are zoned and serviced. It goes from being on the projected program to being zoned, to being zoned and serviced, then it goes to development approval stage and to marketing. Of the 26,000 lots that are zoned and serviced, quite a number, 5,700, development approved by not moving. It is a demand problem. With another 10,000 lots the developer has not even bothered to lodge an application. The fundamental problem, as the Productivity Commission found two years ago, is that the main drivers of land costs tend to be demand surges, do not tend to be supply. We are boosting supply. Within two years we will end up with a stock of 60,000 equivalent lots zoned and serviced.

In future if there is any demand surge, we have more to give. The simple fact is, of the 26,000 lots some people might argue that is because of the levy. But 90 per cent of those do not have a State infrastructure levy. It is not caused by those issues, it is caused by the demand side. This was comprehensively analysed by Anne Davies in the *Sydney Morning Herald*, who is probably one of the better and incisive reporters in the metropolitan press at the moment.

**The Hon. GREG PEARCE:** To clarify that, I was asking for the current number of zoned lots and zoned and serviced lots in each growth area.

**Mr FRANK SARTOR:** The total amount of zoned is about 50,000.

**The Hon. GREG PEARCE:** In the growth centres?

**Mr FRANK SARTOR:** I will come back on that. For zoned and serviced we will come back with how much of that 26,000 is in growth centres.

**Mr DAWSON:** I will take some of that on notice. In July the Minister announced the first eight precincts for growth centres. Of those eight precincts two have been rezoned, Edmondson Park and Colby. For the exact figures, I will take that on notice.

#### **Document tabled.**

**Ms SYLVIA HALE:** Minister, earlier I said that the dam on the Perich property in the south-west area, was not shown on the map. What is not shown, in fact, is the diversion works, the channelling, that has taken place. It appears on the RTA maps but not on the south-west Bringelly growth centre map. I am sorry for my mistake.

**Mr FRANK SARTOR:** I will seek a brief from the department, I am obviously unaware of it.

**Ms SYLVIA HALE:** You will see that a major diversion of South Creek took place in the 1960s.

**Mr FRANK SARTOR:** Is your concern the diversion of water or the building works without consent?

**Ms SYLVIA HALE:** The diversion of water. My concern is that the current plans work on the assumption that South Creek will continue in its original course when, in fact, South Creek has had a major diversion.

**Mr FRANK SARTOR:** I hope that is addressed in detail in the precinct plan. I will seek a brief on that.

**Ms SYLVIA HALE:** I would be pleased for you to do that. Mr Haddad, as you know, all councils are now required to prepare detailed flood zoned maps. Blacktown Council has done so and has identified areas of maximum probable flood that identify the risk of a one in 100,000 year risk of flooding. It is now making notations to that effect on section 149 certificates. When you wrote to the mayor of Blacktown in the past two or three weeks, did you request Blacktown Council to not put that notification on section 149 certificates?

**Mr FRANK SARTOR:** This is an important policy issue, I will respond to that. I have said publicly and the director general has given advice to this effect, and I have issued a media release that I am happy to table: we will not support local environmental plans restricting residential development beyond the one in 100 year flood zone, which has been custom and practice for time immemorial. The purpose of the Department of Natural Resources' requirements were simply to tag what I might call maximum probable flood events, which are very rare floods. A one in 100,000 year flood is like a Noah's Ark event. If there is a Noah's Ark event in Sydney I think the issue is somewhat more complex than someone's home being flooded. Its intention is to provide the information in the manual, because it bears upon only the location of critical infrastructure such as hospitals and communications centres.

It does not bear upon the location of residential houses at all. That was gazetted on 6 May 2005. I think that Blacktown Council was irresponsible in seeking to tag and notate section 149 certificates that place this as a flood risk when in fact it has never been a bar to residential development. It is purely there to inform government agencies about critical infrastructure and where it might be located in the event of such a flood. As a result, I sought advice from the director general. The director general felt, and I agree with him, that it is inappropriate for minimum flooding risk to be included in section 149 certificates for residential dwellings. We are talking about risks well beyond the one in 100 year risk, which is reasonable to be notated. But when talking about a one in a 100,000 year flood, that is a Noah's Ark event. Any regional person would realise that a Noah's Ark event is a pretty rare event.

**Ms SYLVIA HALE:** To follow up on your response, Minister, Blacktown Council believes that the notification it has received from the department is either ambiguous or requires it to show that notification. Admittedly it says it is not requiring the restriction of residential development in that zone, but because it appears on the section 149 certificates some homeowners are being denied insurance, because insurance companies are taking the land to be flood affected. Others are finding that the value of their property has dropped, because people see this flood zoning notification on their section 149 certificates. Will you direct councils to not include this notification on section 149 certificates?

**Mr HADDAD:** I do not know what more I can do to be clear. The letter to the council was very clear. I told them very clearly that we would not support it, I will not make recommendations to the Minister to adopt a local environment plan which would put restrictions on the basis of what was said. That is clear. I told them that. I spoke to them and I said that. Secondly, I also told them that it is not the practice to include any notifications on section 149 certificates. In fact, I have questioned whether they need to map those areas at all. I said maybe they have other reasons that I am not aware of, but that was very clear.

I have called them to a meeting next week and I will make it clear. I will look at the options, if they are still continuing to do it. I will advise the Minister as to what other steps can be taken to, in a sense, not allow them to do it if there are other legal reasons that I am not aware of. I am advising on the merit of the case. The letter was very clear in my view, they understand what we said. I am much happier to tell them here if they cannot understand.

**Ms SYLVIA HALE:** Will you advise other councils of the department's view on this matter?

**Mr HADDAD:** Yes. Before doing that I need to establish how widespread this practice is. If it is, we will take proper action. We should not immediately issue notices to everyone every time there is one or two councils raising an issue. I am going to talk with my colleagues in the Department of Natural Resources to make sure that any messages that are in the flood manual are made clearer and are better articulated and better linked to planning and development control processes.

**Ms SYLVIA HALE:** What redress will people have? Upon whose section 149 certificates does this notification appear?

**Mr FRANK SARTOR:** Let us see whether it survives. I commend the Committee for spreading the good word on this issue. We really do not want to scare people about Noah's ark events because clearly they are in the lap of the gods.

**Ms SYLVIA HALE:** I understand that in the past four years your department, you or the Government approved 70 proposals for new coalmines or coalmine extensions. A number of these proposals have generated major community opposition. How many more new coalmines or coalmine extensions are currently under consideration by you or by your department?

**Mr FRANK SARTOR:** I think your figure is round about right. From memory, it is approximately right. I think some of those were just extensions, so they were not new mines. A lot of them were extensions. I am advised that currently 22 additional coalmining proposals are under assessment. They have a combined value of \$1.17 billion and the potential to create 3,505 new jobs. We expect to receive a further 20 applications either for new coalmine proposals or coalmine extensions. I think it is important to understand that one of the roles the department has is to deal with such complex issues as coalmines. I can assure members of this Committee that it is one of the most difficult of the types of proposals we get. In some areas it is.

Recently the Awaba coalmine proposed a partly underground and partly open cut mine. We met with Centennial Coal and told it that this was a real problem and it withdrew the application. So mining companies often withdraw. It remains of concern to me that we have to balance legitimate commercial activity and deal with it. At the same time in some cases there can be significant environmental issues. This is something on which the department is working hard. There will be increasing liaison and co-operation between my department and the Department of Minerals and Energy—Minister Macdonald's department—on some of these issues. Some of the issues that have been raised with me relate to possible effects on some of this stuff. If you wish, I am happy to have the director-general add to that answer. Yes, it is an important and difficult area. Yes, we are certainly well aware of it and we are addressing it in great detail.

**Mr HADDAD:** I want to differentiate between completely new coalmines and extensions to existing operations. The law states that when you extend beyond a particular mining lease you must get planning approval. Many of the coalmines that we have now are in existing mining areas and we are dealing with extensions to existing coalmines.

**Ms SYLVIA HALE:** Minister, do you support coalmining under the Wyong valleys of Yarramalong and Dooralong? Will you be giving the same commitment as that given by the Minister for the Central Coast that you "will not accept coalmining in Wyong that will adversely affect the coast's water supply?"

**Mr FRANK SARTOR:** One of the things that everyone needs to understand is that whenever a decision is taken in planning terms the department and I are bound by extensive provisions in the Environmental Planning and Assessment Act. For that reason, notwithstanding my personal values or prejudices about some of these proposals, I am obliged to do individual merit assessment, or have my department do individual merit assessments in these cases. Yes, it is a sensitive area. Some of these areas are more sensitive than others. I cannot pre-empt it—and it would be irresponsible for me to rule it out unless the Government were to legislate or use some other legal avenue—and I do not have the power to do that. I have to assess everything on its merits through my department. Any coalmine application in that area would be assessed thoroughly. I am prepared to state to the Committee that some areas of the State are much more sensitive than others and we are much more wary of them.



**Ms SYLVIA HALE:** Minister, can you tell me whether you or any members of your staff have met with representatives of Metro Edgley regarding Luna Park. If so, with whom and when?

**Mr FRANK SARTOR:** I am not sure what are the corporate structures and who belongs to whom. It is difficult for me to answer that question without risking giving you a wrong answer.

**Ms SYLVIA HALE:** Metro Edgley is a subsidiary of Multiplex.

**Mr FRANK SARTOR:** Yes, but I do not know who works in Metro Edgley, with whom I have met and whether they were Metro Edgley employees. I cannot answer the question because I do not know to whom they belong.

**Ms SYLVIA HALE:** Do you know people who are associated with it, whether it is Metro Edgley or Multiplex?

**Mr FRANK SARTOR:** From memory I can say that my involvement in Luna Park extends to the planning issues. There has been an exhaustive process over many years including the role of this Parliament in 1997-98 to provide for commercial development and support the site. Now, of course, people are forgetting that and they are saying, "You cannot have that commercial development." That was a decision of this Parliament and it was provided for explicitly in an Act of Parliament. There have been various public processes. My role has been to settle the planning controls, which I think I did last year think. I think the Sydney Harbour Foreshore Authority does assessments dealing with development applications.

I attended the site and met with people who may or may not have been employees of Metro Edgley and/or Multiplex. Planning staff and I went to have a look at the planning. They were not even there but I think they gave us access to the site. We did not even talk to them. I wanted to look at the height impact that it would have on the local environment. I did a site inspection some time last year with staff in Mr Haddad's department. There might even have been a person from the company to let us in, but I do not think I wanted to talk to them; I think I just wanted to have a look. Subsequently, I went there to launch some of the new initiatives, I think with the Minister for Tourism.

I do not have any recollection of any other particular discussions or involvements. I am sorry, Penny Seidler came to see me and I talked to her about it. I do not have any recollection of anything further. We do these things on a professional basis and decisions are made and it moves forward. This all stems from the Act that was passed by Parliament, I think probably unanimously, five or six years ago that said that there ought to be a lot of commercial development to support the system.

**Ms SYLVIA HALE:** Minister, have you had any discussions about a change of use for the rail staging yards at Lavender Bay and, if so, with whom and when?

**Mr FRANK SARTOR:** I do not think so. I believe not. I certainly have no recollection of it. So if I have had any discussions they have come to nothing.

**Ms SYLVIA HALE:** Reverting to my previous question, would you supply the details of with whom you met and when—people associated either with Metro Edgley or Multiplex? I would be grateful.

**Mr FRANK SARTOR:** I think the substance of the answer has been given but I will look at how much detail I have in the diary.

**Ms SYLVIA HALE:** Thank you. I have a few questions about the Becton approval. The Department of Planning circular on State-significant developments of May 2005 states, in part, that a memorandum of understanding is being developed, with input from councils, to facilitate good working partnerships between councils and the New South Wales Government in implementing this policy. The memorandum of understanding aims to give councils the opportunity to participate in the assessment process on a fee-for-service basis. It will ensure through consultation that local issues are fully taken into account during the assessment and decision-making processes. What progress has the

memorandum of understanding with the LGA made in providing a fee for service for councils assessing development applications that are subject to ministerial call-in under legislation?

**Mr FRANK SARTOR:** It is an issue that I have encouraged during my tenure. For example, the Department of Housing and Landcom had a proposal to rebuild a lot of the housing in Minto. I agreed and negotiated with Campbelltown council that it does all the assessment—and the other parties were comfortable with that—but that I remain the consent authority. I have done that several times since—my staff can get you the details.

**Ms SYLVIA HALE:** If they will.

**Mr FRANK SARTOR:** Let me finish. I will come to the issue of Becton. In fact, it is something I encourage. The work we are doing on Six Cities is about partnership. Wollongong council is very happy with its relationship with my department. I have met with the full council—or at least nine councillors—of Gosford. I do that pretty regularly. I am very keen to promote the use of part 3A, but with the council doing the assessments and following normal local processes. In fact for the benefit of Committee members, 3A is a very useful tool. More councils are waking up to the benefits of using 3A, because under 3A we can impose all sorts of conditions and require things to be done in a much more expeditious but clearly defined and effective manner than would the local government processes, which usually involve a rezoning followed by a development application and so on.

With 3A you can do rezoning and concept plans all in one. Not only do you save time but you can put in many more detailed conditions that you cannot put into a planning instrument. So I have encouraged this and councils are increasingly looking to me to do it. There is a limit to how much I can agree to call in, but basically it is being done more and more. It is a good trend that I want to encourage, as is the Six Cities Program, which is going very well with local government. I am glad you raised the issue of Becton because I took the trouble to go to Becton.

**Ms SYLVIA HALE:** Well—

**Mr FRANK SARTOR:** Hear me out. I took the trouble to go to Becton. This is really important because people need to understand the facts about Becton. When I went to Becton the situation was unclear. I had not even asked whether it was my jurisdiction or the department's; I knew there was a legal dispute in the courts but I had not formed a view. I did a site inspection with the developer and the mayor. Then I met separately with the mayor and her staff. I looked at the site, which is largely cleared. The history of Becton is that the proposal originally involved, I think, 400 hectares. It has been around for 14 years. It was originally a Club Med site and then it became Becton seven years ago. I told the mayor and the developer on site at the time—and it was sometime last year—"Can you guys in the next three weeks work out a pathway for resolving this?" At the time I had not checked from a legal point of view whether or not there was a jurisdictional issue. I knew there was a court case going on but I think it involved the applicant against the council.

So some six weeks elapsed and no progress had been made. At that point I sought advice from the department. I asked, "Is there a jurisdictional issue settled or ready by virtue of the coastal SEPP or do I need to make a discretionary decision if I want to get involved?" I think the advice I received at the time was that it fell under my jurisdiction. I did not actually make a conscious decision to call it in. But some things disturbed me on that visit. The mayor is a nice person obviously but I was very disturbed—I think this Committee needs to know some of the problems that local government has in administering the Act without fear or favour. At one of the meetings with the mayor, her general manager and so on there was a consultant who was advising the council and who, unfortunately, was also the leader of the action group against the project.

I was quite dismayed that the council would be taking advice from a protagonist. It would be like taking advice from the developer, for heaven's sake, which we would all regard as being wrong. I thought to myself, "How the hell can you ever get goodwill with the developer if they believe that the council's position will always be tainted by biased advice?" So I took Jan aside afterwards and I said, "Jan, I can't tell you how to run your council but I think you are unwise taking advice from the head of the resident action group as a consultant to you on this development. I think it's wrong. They've got a

clear, stated public position and you shouldn't do that. Get yourself other independent advice but you shouldn't do that because you are not perceived as acting impartially."

When you see things like that you come back and think, "I think I'm going to have to resolve this." They did not come back to me with a pathway. I saw that incident, I visited the site and I saw that what was being proposed was fairly modest. So I said to the developer, "If you come in with an application—I want to know the full story; don't come back later for a second dibs—put the whole lot on the table." So the developer came in with an application. After the most thorough assessment, negotiations with DEC and everyone else—which made the head of assessments, Chris Wilson, almost break out in shingles—they worked and worked and then recommended to me a consent of 117 dwellings. As I understand it, 70 huts are now operating on the site.

A lot of the site has been cleared. The consent has been given for 117 dwellings, with potential for a second stage. But here are the killer facts. The site is 89 hectares. This consent involves the development of 8.5 hectares, with a stage two potential for another 3.5 hectares, making it a total of 12 out of 89 hectares. It largely complies with the DCP. Some 57 hectares are going to be protected under environmental zonings, including some rehabilitation near the dune area. Of the balance, most of it will be open space and of benefit to the local community. So there are 8.5 hectares approved involving 117 dwellings and the potential for another 3.5 hectares maximum to be approved if they can resolve some issues and come back to us. That might lead to a development of maybe 160 units—I do not know but let us say it is of that order—which is still well over half of what they had before.

We are preserving most of the land and returning most of it to public ownership. We imposed 140 conditions. When I looked at the submissions from people I was expecting to see 1,000 objectors. But guess how many submissions objected to the proposal? There were 11. There were 11 submissions objecting to the proposal and 1,300 for it. As to the ones for it, I take a lot of them with a grain of salt—many of them were form letters and there was a petition—but there is no overwhelming community opposition to the project. They had it zoned tourist development for at least seven years, probably longer. This is an example of a council getting advice from people who were opposed to the development. How the hell can you get them to do the assessment? I thought I was in cloud-cuckoo-land!

**Ms SYLVIA HALE:** My question was about councils being reimbursed for expenditure they incur.

**Mr FRANK SARTOR:** We do.

**Ms SYLVIA HALE:** At Becton, for example, there was no provision for open space contributions and the amount allocated to the council for the road contribution fell far short. So in actual fact you are depriving councils of section 94 contributions. I, and I would imagine councils across the State, believe that is not a suitable outcome where a ministerial approval is involved.

**Mr FRANK SARTOR:** It depends on the circumstances of the case as we are required to do under the Act. In this case the developer's contribution was a massive amount of land. They have contributed. In fact, they have paid through their nose for this site—I do not know why they are still there! They have contributed two-thirds of their land. I would have thought that has to be factored into any contributions level. We always take what the council expects under section 94 and try to require it under any consents we give. I thought your original question was about assessment fees so I misunderstood you. I can get Chris Wilson to say more but my understanding is that their contribution was in part in-kind and it was land. If you want more details I can swear in Chris Wilson.

**The Hon. KAYEE GRIFFIN:** Will you inform the Committee of the latest figures and information regarding major project proposal processing, and the impact that such decisions have on jobs and investment in New South Wales?

**Mr FRANK SARTOR:** I table a brand spanking new report entitled "New South Wales Major Development Monitor 2005-06" for the benefit of this Committee because I know how interested and diligent it is and I want to help it.

**Document tabled.**

The Government made substantial changes to part 3A through the parliamentary process last year. As I have already alluded to, part 3A allows the department to do things more flexibly and to target the real issues in any consent. The report contains a summary of determinations made. In the past financial year 350 determinations were made, 316 were approved, 34 were refused and another 18 projects withdrawn in the face of refusal. At one point the director general sent a show-cause letter to a whole lot of applicants whose applications the department did not support and 18 withdrew. The department dealt with 368 projects, of which 316 were approved and 52 were effectively refused.

That is a very important lesson for everyone because anyone who thinks making a project State significant or getting the Government to deal with it means an automatic approval is seriously misguided. Of the 330 applications, the Minister determined 137 and the department determined under delegation 213. The report contains various other statistics, which show that the approvals amount to an investment of \$5.8 billion and 16,300 jobs. The department has then broken them into infrastructure projects, including some case studies that demonstrate to the Committee the nature of the work of the department. Those are the difficult projects. The department does developments not because they are easy but because they are hard with complexities with zonings, environmental issues, multiple agencies and others.

Page 2 of the report refers to discretionary and non-discretionary proposals. The report shows that during 2005-06, 289 projects came under the jurisdiction of the department and 250 of them were automatically under the department's jurisdiction under the major projects State policy or previous State policies with the same effect. Close to 90 per cent became the Minister's and the department's jurisdiction by virtue of pre-existing policies. The number of projects that were made State significant, regionally significant or called in is actually a much smaller proportion, about 10 per cent. Two hundred and fifty of the 289 projects that have come into the system in the past year, as opposed to those determined, came to the department on a non-discretionary basis and the balance came to it because of discrete decisions.

For the benefit of the Committee, there are two types of call-ins: when the department calls in a project, like a development application, and when it calls in a site, and it is important that people understand the difference. In relation to sites, the history of those that have been sought to be dealt with by the Minister are listed on page 3 of the report. You will see a total of 44 requests, of which 18 were agreed to, 14 were refused and 12 were pending as at 30 June. The department does not have exact numbers of projects but it probably refused a lot more when people sought to make projects State significant and the department does not because it has to ration resources to the more important projects. That is a really important statistic to understand. That is the system that has been in place for sometime. We have put all the major projects into one instrument so that it is clear and transparent for everyone to see.

Another important aspect of this report I commend to the Committee and that is the issue of coastal development. By far the biggest number of refusals are coastal projects. On page 13 of the report, you will see that 21 per cent of all coastal applications that were determined during the year were actually refused. That highlights the good wisdom of Minister Refshauge to call in coastal applications where there was going to be a despoliation, a botching of our coastal corridors. The department has been ruthless with coastal developments and it will continue to be. The department expects our coast to be protected and it will continue to protect it. On that page you will see the important statistic that eight tourism proposals were refused, 15 subdivision proposals were refused and four apartment and retail proposals were refused. The department takes a hard line on coastal development.

On the next page the department stresses the complexities and issues that arise. Often with coastal development there are a lot of environmental and aesthetic issues that we think are important. Earlier Ms Sylvia Hale asked a question that I misinterpreted, for which I apologise. On page 13 of the report you will see three projects that we asked the council to do an assessment and for that they get paid most of the fee. That is a trend I would like to see encouraged and increased. Where the council has the competence and the willingness to do the work the department prefers it done locally. I think it is fair to say the department's assessment role is very different to the sort of assessments that occur in local government because its projects are very complex and difficult, for example, the Tugan bypass.

Often the department has to appoint a panel. On page 16 you will see where panels have been appointed for really difficult projects. When they are difficult projects as Minister I cannot devote the months necessary to do all the research so I appoint a panel to assess and consider aspects and make sure that all the key issues are fleshed out. So the department and a panel both look at it with fresh eyes to make sure that all the issues raised are addressed. Four panels have been appointed. For this reason, when panels are appointed, one cannot expect the times to do developments at State level to be anything like local government matters because a panel alone will add three months to a project's assessment but often they are important. I will be seeking to appoint other panels in the near future in relation to other complex proposals coming the department's way.

We do regular reviews of projects and compliance and in some cases where there is high risk a formal audit is put in. I think 24 formal audits were carried during the year. Another key issue of how we have been dealing with developments has been to do with local environmental plans [LEPs]. There has been a declining number of LEPs because the Government has been discouraging ad hocery and spot rezonings. I draw the attention of the Committee to page 19 to the number of different types of LEPs the department deals with: comprehensive, policy, precinct, reclassification, section 73A, spot rezoning and surplus government land.

On becoming Minister I found a plethora of LEPs that came across my desk which I was uncomfortable about approving—some were indeed refused and others amended. After detailed discussion with the director general I decided to institute a panel vetting system which has a representative of local government—getting back to your local government partnership issue. That panel vets all LEPs coming through the system to stop LEPs that might have been never supported by Government, might be in conflict with State policies or instruments or basically flawed in principle. I found, for example, in the previous year some 5,500 pages of LEPs were drafted by Parliamentary Council, of which only 20 per cent were ever made. In February or March this system of vetting came in place.

On page 19 you will see that 62 were refused and 116 were allowed through the gate. Sometimes those that were refused come back with more strategic information and they are allowed through. This is about stopping ad hocery, making councils act sensibly and making sure there is a public benefit or public interest issue when they come through. The reforms continue to roll on and the department is determined to deal with these matters in a professional manner. The department's approach is balanced. The consents when looked at all bear scrutiny. They are thorough consents and we are encouraging that sort of approach. On the back of the report I have listed all the refusals on top of which another 18 were withdrawals, which are effectively also refusals.

**The Hon. KAYEE GRIFFIN:** Minister, you mentioned streamlining the processing of local environmental plans. Do you have any further comment to make in relation to that matter?

**Mr FRANK SARTOR:** Yes. The number of LEPs has reduced from 533 per annum to 248 last year. I believe that number will decline as councils adopt a more strategic approach to rezonings. I stress that I will not stop a spot rezoning if it is a community facility for a school, or something that needs to be dealt with because of the clear public benefit. As long as there is a compelling reason, it will get through. But just because someone wants to rezone their land is of itself ipso facto not enough.

This process—which involves local government, which is represented on the panel—has slashed the amount of time wasted in councils and in my department. I am very conscious of this being a very important issue. I am assisting this by two other mechanisms. One is the city centres plans, which we are working out jointly with local government in the six major regional cities. That work will continue, and it will help greatly in dealing with the zoning and planning of the key regional cities. The other big initiative that is helping greatly is the work on the regional strategies. Starting with the metropolitan strategy, and the work that flows from that, will provide much more certainty as to the Government's and everyone's expectations about rezonings. But the regional strategies—the North Coast strategy, the Illawarra strategy and the South Coast strategy—all designate what land is urban capable, and that will greatly assist the vetting of LEPs in the future in terms of new land releases and so on.

The question asked is a very good one because there are still issues that concern me, such as delays in drafting once something has been vetted. We are finding that the quality of LEPs drafted by local government is quite variable. Some councils are very good at it, and some are not. Some LEPs, even after we support them in principle, come through with a lot of legal and jurisdictional issues that need to be resolved. The department is now focusing on ways of streamlining the actual processing of LEPs that are supported in principle.

So far, what I have tried to do is stop those that are not supported in principle, to stop wasting everybody's time. But, once they get through that gateway, the director general is working now on mechanisms with local government. I have had some initial discussions with the Local Government Association on how we can expedite that so we will find that the quality of drafting is such that the Parliamentary Counsel is more likely to sign off on it and get it through. I would like to reduce the time for an LEP, from conception to gazettal, substantially, if I can. But the first thing to do with LEPs, a bit like development, is to have early warning and early vetting.

If you find something is a bad idea, you have got to tell the proponents early. It is a philosophy I have followed in the city for the past five years, it is the philosophy here, and it really works. You cannot expect an applicant to be doing studies for two years if the thing is not supported in principle. So, with rezonings in particular, where there are often points of principle involved, we want them to know early. If they are not happy with the panel's advice, they can come and see me or the director general. Most of them, I find, have accepted the panel's decision. That is good. Basically, we are getting at what is important: what can we agree on, let's do it well, let's do it better; let's not waste time bogging down the system on half-baked LEPs to rezone very sensitive coastal land that has Buckley's of being rezoned, for example. I think we are on track to make huge gains. Hopefully, with the template, as new LEPs come in, they will be using those definitions and we will see a dramatic improvement in the way this is done.

Interestingly, Rob Hulls, the Victorian Minister, came to see me last week and we compared notes. It is always good to talk to a fellow Minister. He has a similar system, but it is not called a panel. His system has what is called an authority to rezone, which he has to sign before a rezoning can even be exhibited. So the Victorians have a vetting system first. There is no point going to the public, if it has all got to be rezoned, and getting the public's expectations up if the rezoning would contradict State policy and we do not support it. If there is public debate and the community disagrees, there are avenues for that. But it is important not to mislead people into thinking, "This land can be rezoned" and waste enormous resources, and end up with grief. And then, three years on, it ends up on my table and I am expected to sign something that I have misgivings about. I would sooner make that difficult decision—the director general's panel does these days—early. Tell people the truth, but tell it early. That is what we need to do.

**The Hon. GREG DONNELLY:** Minister, could you elaborate on your opening comments about the work being done by the Government to improve residential land supply?

**Mr FRANK SARTOR:** The issue of residential land supply is a good one to raise because there are some silly myths and views around this place and the State. The first thing we have had to deal with in relation to a land supply is the view of some that you do not need to plan for growth in this State. That certainly has been the case in South American cities. Recently we had an exponent called Wendell Cox fluffing around and telling everyone that would listen that you do not need to plan. The Government, through its actions, thorough Metropolitan—incidentally, initiated under the Care Government—is about saying: No, you have to plan, you have to integrate planning with infrastructure, and you have to do it in a co-ordinated fashion. So the first thing is that you do need to plan, and that is exactly what the Government is doing.

The second thing is that you can release vast tracts of land in the middle of nowhere and worry about the infrastructure later—which I think is the Debnam view; well, it was his view last week or today, but it could have changed. We are still, for example, paying for the Windsor Road and the north-west rail link—things which, at the time of land releases, there had been a failure to address.

The third issue is that flooding the market with land will reduce housing costs. The simple fact is that the Productivity Commission had a very seminal piece of work done on this in March 2004, and it said, and I quote, the dominant source of widespread explosion in prices has been a

general surge in demand. It is not, as Howard and Costello and the Opposition have said, due to restriction of land supply. The evidence is incontrovertible. Land supply is a factor, but there is a significant stock of 26,000 lots zoned and serviced now, and they are not moving. If you talk to the land developers, they will tell you that there just is not the demand. Moreover, there are different submarkets. A lot of people choose to live in existing suburbs. They choose to live in apartments. Not everyone chooses to live on a quarter-acre block, or in western Sydney type land. People have different wants and needs, and at the end of the day they are free to choose where they want to live.

The other myth is that the price of land flows directly to the cost of buying a new home. The issue is much more complex than that. It has got to do with whether production costs actually restrict the supply of land. If it does, then the price goes up. The actual price of land and housing is determined by the equilibrium of demand and supply, not so much by supply. If people will not invest because costs of land and whatever are too high, that is when it affects price. It does not necessarily flow through directly. That is a bit of a myth, because the cost structures are often similar in a lot of areas but the prices that people are willing to pay are a lot different, because it depends very much on which sites are sought after. But there are a lot of important facts that I think people need to understand. One is that Sydney house and land prices have always been higher than in other capitals because people want to live here. Sydney leads the housing cycle, and the property cycle runs for approximately eight years as we know. It can vary, but that is the sort of order that we have. The Government has released greenfield land—I have already quoted the figures—and 40,000 and more lots are coming to growth centres. We will have a stock of 60,000 zoned and serviced lots.

The third important thing to realise is that at the moment developers and the market are holding things up. Developers have stopped. It is not moving. They cannot pre-commit. They cannot get sales. The market is very sluggish due to a lot of factors. In part it is due to the reality of the property cycle, but it is also due to interest rate rises in expectation of further interest rate rises. It is important to know that. The other important fact is that the State levy has not stopped land reaching the market because, as I said, 26,000 zoned and serviced potential homes, but 90 per cent of it has no State infrastructure levy. The other thing to recognise, as I have already said, is that we are increasing stock further. To make sure there is always a supply we established the land supply chief executives group, which will follow up major parcels of land through the system to make sure there are no bottlenecks. The other point is the GST, which is such a blow to New South Wales—up to \$3 billion of our money out of our economy every year. Think about the \$7.5 billion infrastructure we need for growth centres. Imagine 2½ years of a full GST, and we could just to pay for it out of taxes. It is such a pity that the State is paralysed for having too many bus stops, or the pretext is that we have too many bus stops.

**The Hon. GREG PEARCE:** You should talk to the Treasurer, who says he does not want all that money. Thank you for this document. It probably has saved me a lot of time digging through boxes pursuant to an order for papers.

**Mr FRANK SARTOR:** I am always willing to help, as you were so helpful in other matters.

**The Hon. GREG PEARCE:** I have not had time to check whether these are in the list, but I want to ask you about a few of the current projects that are listed on the web site.

**Mr FRANK SARTOR:** We will put all the approvals on the web site. There are some here. We have all the refusals, but what we do not have here are those that were withdrawn.

**The Hon. GREG PEARCE:** You will put both of those on the web site?

**Mr FRANK SARTOR:** Yes, they are all going on the web site. Apparently they are already on the web site.

**The Hon. GREG PEARCE:** Last night?

**Mr FRANK SARTOR:** This was printed only yesterday because I knew you would ask me the question.

**The Hon. GREG PEARCE:** One in the list at the moment is multilevel commercial building at 390-422 Harris Street, Ultimo. It is the Global Switch office building, which is to be the Government Printing Office. How does that get to be on the list?

**Mr FRANK SARTOR:** All the stuff in the Pymont-Ultimo area traditionally, when Robert Webster did the REP, became government consents. Because it is owned by the Government—in this case the Sydney Harbour Foreshore Authority [SHFA]—it remains a government consent. I think SHFA does the assessment for that.

**Mr HADDAD:** Yes, it did.

**Mr FRANK SARTOR:** We have devolved some of those based on the council, but there are still a lot of residual number of parcels around Darling Harbour and Pymont that is ours.

**Mr HADDAD:** There are certain planning estimates, like this one—an REP—where we list in the schedule certain development that go automatically to the Minister without discussion.

**Mr FRANK SARTOR:** Robert Webster did this. I simply inherited his legacy.

**The Hon. GREG PEARCE:** There has been some controversy about the slither of road at West Ryde that is on the list. Can you explain why that is on the list?

**Mr FRANK SARTOR:** Which one is that? There are about three major sites in Ryde that want rezonings. It is the CRI site?

**The Hon. GREG PEARCE:** Yes.

**Mr FRANK SARTOR:** It is the one where they want 30 storeys and they are getting 10 or 12.

**The Hon. GREG PEARCE:** Yes, the CRI site.

**Mr HADDAD:** That is not a development application that is with us now.

**The Hon. GREG PEARCE:** It is on the web site. Unfortunately, they are not numbered. It is application—

**Mr FRANK SARTOR:** Can we get back to you on that rather than guess, because there were a number at Top Ryde and West Ryde and I cannot remember which is which.

**The Hon. GREG PEARCE:** Perhaps you might have to take this one on notice as well, the Advanced Metal Manufacturing and Warehousing facility at Ingleburn.

**Mr FRANK SARTOR:** I determined that two days ago. In fact, I spoke about this in Parliament either yesterday or the day before.

**The Hon. GREG PEARCE:** I have not caught up with yesterday.

**Mr FRANK SARTOR:** I gave a comprehensive answer. You should read it. It is very good.

**The Hon. GREG PEARCE:** I will. I have not had the opportunity yet. I assume that the five-storey residential development at Cronulla is there as a coastal?

**Mr FRANK SARTOR:** Yes, my understanding is that it came in as a coastal. It is being assessed. It is close to being finalised. It may well have some issues, I do not know. I will wait for the assessment report.

**The Hon. GREG PEARCE:** You have answered most of the other questions I was go to ask you, which is good and if they are on the web site that is even better. Earlier you referred to the other



plans that flow from the Metropolitan Strategy. What is the progress of the various regional plans? They seem to have been waiting for some time.

**Mr FRANK SARTOR:** In fairness, you cannot have it both ways. A lot of work is being done, but subregional planning involves local government. The department is working very closely with councils. There are some delays. Councils are asking for more time, which is what councils do, sometimes for good reason and sometimes because of the way they are structured. The subregional strategies are quite important. If it takes a bit longer, so be it. Some of the subregional strategies will emerge in the next few months and others will take longer as they continue to work through the details with local councils. Of the 10 subregions I expect that not all 10 would be exhibited in the next six months, but some will be. It really depends. I have met with all the local government regional organisation of councils and local government associations. They want more time on some of this stuff. In some cases they have quite legitimate reasons for more time and we are working with them. The important thing is, yes, they are happening. Yes, they will be delivered. But we wanted to have every opportunity to make sure that the data that they have and our data, what comes through is viable and that councils are comfortable with them. At the end of the day they will administer these new LEPs that emerge, not us. It is a joint effort, and with any joint effort it takes two to get something somewhere.

**The Hon. GREG PEARCE:** At one stage you said that the Central Coast would be finished in March 2006.

**Mr FRANK SARTOR:** You are talking about the regional strategy?

**The Hon. GREG PEARCE:** Yes.

**Mr FRANK SARTOR:** I thought you were talking about subregional. I was talking Sydney. The Central Coast is getting close

**The Hon. GREG PEARCE:** What is the delay on it?

**Mr FRANK SARTOR:** We had to do a lot more work on it. It went to Cabinet twice. We have been discussing it. We were concerned about water levels, which influences the degree to which we can project growth. There were a number of issues that colleagues wanted addressed, and they are being addressed. It is getting close to release. We should be able to finalise it soon. We are doing work on a number of sites. We have called in the Wyong Employment Zone at the request of Wyong Shire Council. We called in Warnervale to resolve it, not at the request of the council, but I think it will be a better result. We are dealing with Gosford Town Centre. I had a very productive meeting with the council, and there is a reference group. The other part of that layer is the regional strategy, which I hope will be released for public comment soon. That continues as we roll them out. The North Coast strategy seems to have been very well received in most quarters. The South Coast strategy requires the work that the Refshauge committee is doing. It is looking at 17 difficult sites before we can finalise that. The Illawarra strategy seems to be well received, as far as I can tell. The Hunter strategy is complex. I have said before about Hunter that we are looking at possible environmental gains through land offsets, and discussions have been taking place with a range of government departments and property owners about that.

**The Hon. GREG PEARCE:** On Hunter, is it true that Graham Richardson has been lobbying you on the lower Hunter plan?

**Mr FRANK SARTOR:** I do not recall Graham Richardson ever lobbying me on the Hunter, and it probably would not have the desired effect if he did.

**The Hon. GREG PEARCE:** Had you finished on the Hunter? You were telling us about it.

**Mr FRANK SARTOR:** I was simply saying it is a particularly difficult complex one. There is a bigger debate about growth, but there is also a big debate about environmental conservation. I have spoken to Minister Debus several times. I have been meeting with other departments, the Department of Lands. We need to set out a strategy for 25 years. The target we had in the draft was 125,000 people, but we had some criticism from both the property groups and environmental groups

about environment outcomes. A lot of cross-agency work has been done on the Hunter as a whole-of-government thing and discussions with major landholders. If we can get some environmental offsets that give us a big gain we may allow some other development, but it has to be measured against huge public benefit. That work is progressing constructively. It took a long time, and it takes a long time. It would take whatever time it takes to get the right result.

**The Hon. GREG PEARCE:** What role do you have now in relation to Landcom?

**Mr FRANK SARTOR:** I am the portfolio Minister for Landcom and there are shareholding Ministers as well. Sean O'Toole is here, if you want to talk to him. He and I meet monthly and talk more often. I had asked Landcom to assist. Landcom is an agency that often assists and provides a service to government. In relation to growth centres, Marsden Park and Riverstone scheduled lands, the paperwork for the subdivisions were done in the 1880s.

**The Hon. GREG PEARCE:** In the 1880s?

**Mr FRANK SARTOR:** In the 1880s, a lot of them. They go back to land grants in one of them, I think. There are probably 1,000 unit holders altogether between Marsden and Riverstone. Landcom is working with the Riverstone landholders to see if they can develop a consensus for some land swaps to try to get them to develop them into more parcels and to preserve and achieve environmental outcomes. It is very difficult though because, for example, the group that Landcom is negotiating with represents 60 per cent of the landholders. Even if they agree, what about the other 40 per cent? It is very difficult with multiple landholders to get agreement.

But, whereas a private developer would not put the time in, I will ask Landcom to try and see if they can cut a deal with the landholders and resolve it; likewise, when that is done, a bit further down the track with the Marsden Park people and their lands as well. It is like the good work they are doing and Green Square. Landcom is working with the city council on Green Square. There are a number of government agencies involved and they are trying to resolve it, unlock data and provide a town centre and they are working with the council very closely because I think there is a direct contribution towards it to resolve Green Square and to allow the development of Green Square. I think that is going very well. It provides in some places a similar role to the role that the Redfern-Waterloo Authority provides in the immediate Redfern area.

**The Hon. GREG PEARCE:** You said you have asked Landcom. Did you actually direct them, or is it done on a commercial basis?

**Mr FRANK SARTOR:** Landcom has a portfolio of jobs. Some of them are strictly commercial jobs. Some of them I suppose are sort of advanced government lands—you have got to do advanced development work to release government land—and some of it are the specific tasks that the Government has facilitated, like Beacon Hill High after the decision was taken to sell. Landcom was asked to do the work. They work those through different roles. It is not entirely just a commercial entity.

**The Hon. GREG PEARCE:** So when you ask them to do something, they do have to do it.

**Mr FRANK SARTOR:** They do it, subject to the Treasurer's agreement, because their portfolio must be such that they are also viable commercially.

**Ms SYLVIA HALE:** Minister, I would like to ask a question about planning and land releases that have gone on in relation to the north-west growth centre. Some of it will traverse the time when DUAP was running the show and then it will go through DIPNR and then it will go through the Department of Planning, so you may need to take your answer on notice. In August 2003, I understand there was a one week long urban planning workshop convened by DUAP and held at the Rooty Hill RSL. It was attended by DUAP staff, the Water Board, and other government agencies to develop a master plan for the north-west sector. There were council and other officers who were invited to attend.

**Mr FRANK SARTOR:** August 2003?

**Ms SYLVIA HALE:** August 2003. Over the next four months until about January 2004, the change from DUAP to DIPNR occurred in around about January, and DIPNR's urban planning team advised members of the community that their technical work had been totally completed and had been passed on for finalisation, presumably to Cabinet. As far as I know, it then went up to the State Cabinet's Committee on Infrastructure in January 2004. On 13 December 2004, the final version was published, but as the plans were not put out in hard copy, a first draft was put onto the Internet.

In broad form, the published first plan was essentially no different from that that had been developed at the Rooty Hill planning workshop, and it showed a railway line from Rouse Hill to Vineyard. That was still shown on the diagrams. However, in the six months that passed from December 2004 to June 2005, when the final second plan was published on the Internet with hard copy plans released, some very significant changes had been introduced, presumably at the Cabinet level—one assumes as a result of lobbying by particular vested interests. A number of the cornerstone assumptions—

**Mr FRANK SARTOR:** You should not presume anything. I never presume anything.

**Ms SYLVIA HALE:** All right. But secondly, when the second plan was published, a number of the cornerstone assumptions—

**The Hon. GREG PEARCE:** Is this a question?

**Ms SYLVIA HALE:** I want the Minister to clarify the time frame, to correct me if I am incorrect. A number of the cornerstone assumptions at the Rooty Hill meeting had now disappeared, and those assumptions were that there would be new rail stations at Box Hill and Nirimba, and there would be a Rouse Hill to Vineyard railway station. A further major introduction to the plan at that stage was the introduction of the landscape and rural lifestyle zone. But, despite having the landscape and rural lifestyle zone introduced and the railway stations and the railway line deleted, this second plan at no stage returned to the group of expert planners who had been convened for the Rooty Hill meeting. The plan that the technical planners had developed had been substantially and fundamentally changed.

Minister, as a result of this, it would seem—and this is where I stand to be corrected—that the major beneficiaries of this change were Landcom, the and Stocklands in the Box Hill. I gather also that so far as the Riverstone scheduled lands were concerned, a designated high conservation national park area was changed to an urban development area with full tree removal. The introduction of the landscape and rural lifestyle zoning had a major impact on land prices out there and there was something like a 50 per cent drop in the value of acreage properties. Just weeks before this announcement of the second plan, a heavily wooded five-acre block of land in Tallawong Road, Rouse Hill, was sold in a hurry, just before the bottom dropped out of the market. Is it correct, Minister, that Integral Energy, for example, was never informed of the impact of its proposals?

**The Hon. GREG PEARCE:** You might have to take this on notice.

**Mr FRANK SARTOR:** I am absorbing all the minutiae.

**Ms SYLVIA HALE:** DIPNR failed to confront Integral Energy about any of the endangered species or wildlife corridor problems associated with its transmission line easements. The suggestion is, Minister, and this is what I would like you to comment on, that the releases that were undertaken in the north-west growth zones were designed to benefit significant landholders in the area to the detriment of smaller landholders, and there was a major political interference by Cabinet in the plan that was finally released for the north-west growth sector.

**Mr FRANK SARTOR:** Would you mind repeating the question? Let me answer it in these terms. I cannot possibly answer on details of which I have no knowledge. I simply was not there. In relation to the urban design workshops, this was a strategic vision exercise. The plans had to be tested and funding sources identified for infrastructure. I believe that the principles are intact. My involvement in any change was in relation to the rural and lifestyle overlay which, by the way, was not a zoning. It was just an overlay.

**Ms SYLVIA HALE:** But it has the effect of a zoning.

**Mr FRANK SARTOR:** Yes, but it was removed for the reason that it was not adding any value and it was simply affecting people's property values. I cannot discuss Cabinet deliberations—not that I was even privy to them, but even if I were, I could not. All I can say is that the work that has been done since Angus has been on board and since I have been involved has been simply trying to practically implement the spirit and the strategic intent of what was required, and I think that is what was done. There is still more work to go on for the exact rail corridors because you have just got to do a lot of ground true things. It is just not simple. That is why that particular leg is still an indicative line on the map. It is not a final line on the map. I might also say—do you want to say this, Angus?

**Mr DAWSON:** Thank you very much, Minister. In terms of the work that the Growth Centres Commission did in recommending to Cabinet the sequence of the land release, that work had no bearing on landowners and no bearing on land ownership. Its bearing is in delivering, as fast as we possibly could, land supply to Western Sydney, based on the best use of resources. Of course, as I said earlier, to deliver land release, we need to put in infrastructure as and when it is needed. What we looked at was not only the infrastructure that was dealt with by the Growth Centres Commission but also that dealt with by other infrastructure agencies, such as Sydney Water and Integral Energy, and made sure that the land release progression and the land release timing would be done in terms of the best use of public resources.

**Mr FRANK SARTOR:** I am still not aware, and not a lot of these others are, because our issue was always about which one could we get going more quickly, and often the location of sewage treatment plants is one of the key drivers.

**Ms SYLVIA HALE:** Minister, when the City of Cities policy was released, it contained a number of undertakings about the sequence in which green field land would be made available for new urban development. At page 262 of the City of Cities, it sets out the eight threshold sustainability criteria that had been drafted by Professor Newman. They encompass access, infrastructure provision, housing diversity, avoidance of risk, natural resources, environmental protection, employment lands and quality and equity of services.

The Government has announced that it intends to vary the envisaged sequencing of land and to potentially all areas outside the designated growth centres boundaries. I understand you are going to develop a precinct acceleration protocol, governing the release of land within the growth centres. Will that protocol be consistent with land release criteria set by Professor Newman? Will it not be compromised or limited to the developer's willingness to meet the full cost of relevant infrastructure?

**Mr FRANK SARTOR:** It is important to distinguish between land within the growth centre areas and land outside the growth centre areas. Land outside the growth centre areas is subject to sustainability criteria and has to prove itself in terms of infrastructure and all those criteria. They would have to meet probably the full cost of infrastructure. That has been the case. The sustainability is there for two reasons for this sort of land: first, because there were quite a number of parcels in the system that had already started the process and we could not just say no, forget it—that work was already there.

Second, it is possible to get some other land sites that could be developed that would still be generally consistent with Metro, and meet all of our criteria. This is theoretically possible. Within the growth centre areas, the Growth Centre Commission board has recommended something largely similar to the work previously done, but retested what the sequencing ought to be, based on exactly what Angus Dawson said: maximising land release at the most cost-effective way. There are landholders who insist that they can bring it to market sooner and they can pay the full infrastructure costs. The precincts protocol, which I hope will be published soon and made available to all potential landholders, basically says "Put up, or shut up. You tell us if you can do it".

They would have to pick up a much more expensive burden, because the Government is not going to put in money to accelerate those. They will have to put in whatever money is needed to accelerate and meet 100 per cent of infrastructure costs. They said that they can do that, and the Government said, "Okay, if you reckon you can do it, show it to us." But it is still in the growth

centre, so in the long run it is still part of the plan; it is not new settlements. It will be settlements that will happen anyway.

**Ms SYLVIA HALE:** They will have to meet the sustainability criteria, plus pay for the infrastructure?

**Mr FRANK SARTOR:** Because it is the growth centres, the Government has already made the decision that that will be developed. It is not as if it is a question of when they will be developed. If they want to accelerate the development they have to meet those obligations sooner.

**Mr DAWSON:** As the Minister said, in the process of the work the department did, and Sam Haddad would have to confirm this, what is in the growth centres has already been done to meet the sustainability criteria. Therefore, if the precincts are accelerated and they go through an independent process from the commission to do that, they have already met those criteria in any event. As the Minister said, it is about the development industry and certain landholders saying that they had the capability to bring forward the precincts by the use of their resources to bring in the planning and the infrastructure to do that work. The discussion that the commission and the Minister had before he handed this work over to Mr Haddad's department was that this would be a good thing, as it would get more land released in the framework of the Metropolitan Strategy and in the framework of the Growth Centres Commission.

Also in effect it would be off the Government's balance sheet because the proponents would pay for that infrastructure. At the same time the commission could do its work and therefore we are getting the benefit of both worlds. As the Minister said, he has now established that group within the department and Sam Haddad is running that group.

**Ms SYLVIA HALE:** Minister, the timeline that I outlined, will you take that question on notice and confirm that the details are correct?

**Mr FRANK SARTOR:** What? That long question?

**Ms SYLVIA HALE:** Yes please, that is right.

**Mr FRANK SARTOR:** Do I have to reread your question?

**Ms SYLVIA HALE:** Indeed you do; or at least a bureaucrat within your department, I submit.

**Mr FRANK SARTOR:** I have answered your question. I cannot possibly have that knowledge.

**Ms SYLVIA HALE:** Will you confirm those dates and that the events are correct?

**Mr FRANK SARTOR:** I cannot confirm what I do not know.

**Ms SYLVIA HALE:** That is why I am asking you to take it on notice.

**Mr FRANK SARTOR:** There is no way that I can find out, without a royal commission.

**Ms SYLVIA HALE:** You have a whole department, Minister, many of whose representatives were there when the Department of Urban Affairs and Planning was in existence and were there when the Department of Infrastructure, Planning and Natural Resources was in existence?

**Mr FRANK SARTOR:** I will do a deal with you: If you rephrase that the question—

**Ms SYLVIA HALE:** No, Minister. You are the Government—

**Mr FRANK SARTOR:** No, I am trying to be helpful. If you rephrase your question to be more specific I will see if we have the information to answer it. That question is so general.

**Ms SYLVIA HALE:** I have given you a specific date.

**Mr FRANK SARTOR:** I do not know how I could possibly answer that.

**The Hon. JAN BURNSWOODS:** Perhaps the question could be written out in a slightly more meaningful way.

**Ms SYLVIA HALE:** The dates were August 2003, January 2004 to Cabinet, and 13 December—

**Mr FRANK SARTOR:** I am not sure what the import of your question is.

**Ms SYLVIA HALE:** I want to confirm that those were the actual steps in the release of the north-west sector—

**Mr FRANK SARTOR:** Okay. The situation is that firstly I cannot answer any questions about Cabinet deliberations, past or present. That is a "No". In relation to the question you have raised, any information we have to inform you, we will provide it. I do not know that we have it.

**CHAIR:** We will now go to Government questions.

**The Hon. JAN BURNSWOODS:** Minister, you were asked questions about specific developments. What are the planning grounds on which you approved the Ryde Rehabilitation Centre redevelopment in the electorate of Lane Cove?

**Mr FRANK SARTOR:** The Royal Rehabilitation Hospital treats patients with dramatic injuries— spinal cord injuries, brain injury, amputations, burns and strokes—that may result from motor accidents, falls, workplace accidents, sporting activities et cetera. It does some terrific work. It has 550 patients on site and 9,000 external patients visit it every year. It is funded to the tune of \$30 million, mostly from the New South Wales Government. It has a 18-hectare site. The current facilities are disjointed. They are not that functional. They desperately need an upgrade. The hospital has sought a redevelopment to allow the funding of a new facility. Because it is such a big site it is a good site to do that with, because it can be properly planned. After several attempts with Ryde council to deal with it—Ryde council kept refusing—the hospital went to my predecessor to have it declared a State significant project and my predecessor declared it State significant. We have given it thorough assessment. We have met with the council many times. We looked at everything—traffic, whatever. The approval that was given provides for very low-scale development near other residences, so there is no overshadowing or privacy issue: two-storey, three-storey and a couple of five-storey buildings and I think a six-storey building right on Victoria Road. There is five hectares of open space. The traffic studies have been done to death and the council's own traffic consultants and the RTA and others have shown that the effects on traffic will be minimal.

**Ms SYLVIA HALE:** Does it not double the number of residences in Putney?

**Mr FRANK SARTOR:** What you have to understand is that the amount of traffic in Morrison Road was more 10 years ago than it will be after this development is built because of the work the RTA has already done and a lot more traffic measures. So the traffic argument is a nonsense. Even after the development has happened there will still be less traffic on Morrison Road than existed 10 years ago. That is not sufficient reason to refuse the development. I have reduced the scale a bit from 900 to 800 on the advice of the department. It is 50 dwellings per hectare. It is a perfect site for reasonably dense development. It has bus services on Victoria Road. The planning case was overwhelming that it should be approved, and that is what happened. There were no real grounds for refusing it. As for the location of the riding for the disabled, one of the conditions addresses that to make sure that we assist in the relocation.

**CHAIR:** That concludes the hearing. I thank the Minister and his officers for their attendance today.

**(The witnesses withdrew)**

**The Committee proceeded to deliberate.**

---