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**GENERAL PURPOSE STANDING COMMITTEE No. 4**

**Wednesday 16 September 2009**

**Examination of proposed expenditure for the portfolio areas**

**PLANNING, REDFERN WATERLOO**

**The Committee met at 2.00 p.m.**

**MEMBERS**

The Hon. J. A. Gardiner (Chair)

The Hon. A. Fazio  
The Hon. D. Harwin  
Ms S. P. Hale

The Hon. R. A. Smith  
The Hon. H. S. Tsang  
The Hon. L. J. Voltz

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**PRESENT**

**The Hon. K. K. Keneally**, *Minister for Planning, and Minister for Redfern Waterloo*

**Department of Planning**

**Mr S. Haddad**, *Director General*

**Mr R. Pearson**, *Deputy Director General, Development Assessment and Systems Performance*

**Mr I. Reynolds**, *Deputy Director General, Strategies and Land Release*

**Mr P. Despinidic**, *Director, Finance and Business Services*

**Mr M. Ray**, *Executive Director, Assessment Systems, General Counsel*

**Redfern Waterloo Authority**

**Mr R. Wakelin-King**, *Chief Executive Officer*

**Barangaroo Delivery Authority**

**Mr J. Tabart**, *Chief Executive Officer*

## **CORRECTIONS TO TRANSCRIPT OF COMMITTEE PROCEEDINGS**

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

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

**CHAIR:** I declare this inquiry into Budget Estimates 2009-10 open to the public. I welcome Minister Keneally and accompanying officials. Today the Committee will examine the proposed expenditure for the portfolios of Planning and Redfern Waterloo. In accordance with the Legislative Council 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 photo. In reporting the proceedings of this committee, the media must take responsibility for what is published or the interpretation placed on anything said before the Committee. The guidelines for the broadcast of proceedings are available at the table by the door.

Any messages from attendees in the gallery should be delivered through the Chamber or support staff or the Committee clerks. Minister, I remind you and the officers accompanying you that you are free to pass notes and refer directly to your advisers while at the table. Please turn off mobile phones. The Committee has agreed to no particular sequence for questions.

**Ms KRISTINA KENEALLY:** Madam Chair, I remind you that the Barangaroo Delivery Authority is also one of my portfolio responsibilities.

**CHAIR:** The Committee has resolved that answers to questions on notice should be provided within 35 days for this portfolio. Transcripts of the hearing will be available on the web from tomorrow morning. All witnesses from departments, statutory bodies or corporations will be sworn prior to giving evidence. Minister, you do not need to be sworn because you have already sworn an oath to your office as a member of Parliament.

**SAM HADDAD,** Director General, Department of Planning,

**IAN REYNOLDS,** Deputy Director General, Strategies and Land Release, Department of Planning

**PETER DESPINIDIC,** Director, Finance and Business Services, Department of Planning

**JOHN TABART,** Chief Executive Officer, Barangaroo Delivery Authority,

**ROY WAKELIN-KING,** Chief Executive Officer, Redfern Waterloo Authority, sworn and examined:

**RICHARD PEARSON,** Deputy Director General, Development Assessment and Systems Performance, Department of Planning, and

**MARCUS RAY,** Executive Director, Assessment Systems and General Counsel, Department of Planning, affirmed and examined:

**The Hon. DON HARWIN:** My question is directed to Mr Haddad. Have you ever met or had discussions with Mr Graham Richardson?

**Mr HADDAD:** Yes, I have, in his capacity as a registered lobbyist. In that context, as part of my job I meet with a number of people, local governments and community groups. I meet a wide range of people and I did meet with Mr Richardson as a registered lobbyist representing his client.

**The Hon. DON HARWIN:** Can you tell me on how many occasions you have met or had discussions with Mr Richardson?

**Mr HADDAD:** I met with him last year on about four occasions to the best of my recollection.

**The Hon. DON HARWIN:** On the first occasion, on behalf of whom was Mr Richardson acting or who engaged him?

**Mr HADDAD:** His clients are on the lobbyists' register. I cannot recall who he was representing on the first occasion. However, I can recall the most recent occasion.

**The Hon. DON HARWIN:** Shall we start with the most recent occasion? That might be most convenient.

**Mr HADDAD:** The most recent occasion, which I recall clearly, was earlier this month when I met with him for about 20 minutes. I met with him in his capacity as a registered lobbyist representing his client and in the presence of a departmental officer.

**The Hon. DON HARWIN:** Which client was that?

**Mr HADDAD:** On that occasion it was Mr Roy Medich.

**The Hon. DON HARWIN:** What was the outcome of your discussions with Mr Richardson on that matter when he was acting on behalf of Mr Medich?

**Mr HADDAD:** We have, and I have, consistently indicated in relation to Badgerys Creek employment land generally, including the former CSIRO land, that the release of this land should not occur—that was my clear, consistent advice to Government—without ensuring that proper infrastructure and services arrangements and other land use planning issues were identified and resolved.

At that meeting I clearly indicated to Mr Richardson the reason for his wanting to discuss the matter was to understand why we did not rezone or why the Government did not rezone the land. I indicated to him, consistent with what we had been saying for many years, essentially the reason was that infrastructure services and other requirements associated with the land generally—this area of land, including the so-called Medich and ex-CSIRO or University of Sydney land—have constraints in terms of infrastructure, in terms of services and other land use issues that ought to be addressed before releasing it.

**The Hon. DON HARWIN:** Did you inform the Minister of those discussions?

**Mr HADDAD:** No, I did not.

**The Hon. DON HARWIN:** We have spoken about the most recent occasion on which you met with Mr Richardson, but you thought there was prior to that another three or so. Can you remember, in relation to those three previous meetings, who Mr Richardson was acting on behalf of or engaged by?

**Mr HADDAD:** Mr Richardson acts on behalf of clients that are registered on the lobbyist register. Irrespective of his acting on behalf of those clients, I can inform the Committee that the outcome of any matters that come before me, or the department for that matter, is not affected whatsoever. So, in terms of the issues that were raised with me, I am more than happy to provide the Committee with a written answer on notice, if you like, but there were a couple of issues associated with a number of projects—

**The Hon. DON HARWIN:** Sorry to interrupt: can you remember the projects?

**Mr HADDAD:** I remember, for example, one which was the one that did not proceed—Macarthur South.

**The Hon. DON HARWIN:** He came to see you about that?

**Mr HADDAD:** That is correct. That is an area that basically had been considered for a potential major release. At one of the meetings Mr Richardson was essentially inquiring as to the status of progressing with the issues, whether there were any outstanding issues associated with it and when he could anticipate an answer to that. As a matter of fact, the outcome was that the Government decided not to release Macarthur South for the next 25 years. That is an example of what he raised with me.

**The Hon. DON HARWIN:** You remember an example out of those three where something has not gone ahead. I wonder whether you can remember an example of something that has gone ahead?

**Mr HADDAD:** To be honest, that is why I prefer to give you an accurate account, if you like, of the four or five matters I have been involved with. One matter that has not been completed yet is still in the process of investigations. I have to come back to the Committee if you like.

**The Hon. DON HARWIN:** What is that matter?

**Mr HADDAD:** The Lowes Creek land release area. That is one of the issues he had some interest in on behalf of his client. This matter had been in the system for about three years.

**The Hon. DON HARWIN:** Can you just remind me who the proponent in that project is?

**Mr HADDAD:** Walker.

**Mr REYNOLDS:** No.

**Mr HADDAD:** It is not? My apologies.

**Mr REYNOLDS:** The proponent is a consortium of landowners. Medich is one. Boral is another. There are a number of smaller landowners. The Arentz family I think is one, Maryland Properties—there's a range.

**The Hon. DON HARWIN:** Mr Haddad, what steps do you follow after having had discussions with registered lobbyists such as Mr Richardson to avoid perceptions of conflict of interest?

**Mr HADDAD:** Basically, the officer who assists me at the meeting keeps a record of the discussion. This is basically the process. In many cases, as a matter of fact, what we try to do in many cases, because of the issue of perception in a sense, before advising the final outcome I tend to advise a probity check on the process that has been adopted through the department as well as an independent evaluation of the outcome. Can I just make sure I have gone on record clearly, that in all cases the outcome of the assessment is not really impacted upon in terms of the representations made in that regard. There is a thorough assessment process that we go through and advice is given to government independently on the merits of the case.

**The Hon. DON HARWIN:** Were you ever asked by any Minister or member of Parliament to meet with Mr Richardson?

**Mr HADDAD:** No, never.

**The Hon. DON HARWIN:** When you met with Mr Richardson where did those meetings take place?

**Mr HADDAD:** In our offices in Bridge Street.

**The Hon. DON HARWIN:** None of them took place away from the Department of Planning offices?

**Mr HADDAD:** No.

**The Hon. DON HARWIN:** You mentioned that you met with Mr Richardson in relation to Mr Medich and others who have an interest in the Badgerys Creek area. Have you at any stage met Ron or Roy Medich to discuss rezonings or development applications on other matters as well or also on the Badgerys Creek matter? If so, when and what was discussed?

**Mr HADDAD:** I never met with Mr Ron Medich, never.

**The Hon. DON HARWIN:** Ever?

**Mr HADDAD:** Ever. As a matter of fact I never heard of him until recently, but I have met with Mr Roy Medich as a proponent of developments in the presence of his consultants and in the presence of departmental officers.

**The Hon. DON HARWIN:** Also at the Department of Planning offices?

**Mr HADDAD:** At the Department of Planning, and to the very best of my recollection never outside the Department of Planning in relation to those matters.

**The Hon. DON HARWIN:** Which officers within your department, to your knowledge, have had discussions with Graham Richardson regarding rezonings or development applications?

**Mr HADDAD:** Could you please restate that question?

**The Hon. DON HARWIN:** Certainly, but might I just delay that question for just a minute and go back to the previous question and ask a follow-up question?

**Ms KRISTINA KENEALLY:** You got a note from Mr Hazzard, did you?

**CHAIR:** Order!

**The Hon. DON HARWIN:** In relation to Mr Roy Medich and when you were meeting with Mr Roy Medich, who were the consultants that Mr Medich had with him?

**Mr HADDAD:** It was Planning Workshop. Planning Workshop was acting for Mr Medich and others. I cannot recall their names but essentially they were the consultants. There would have been other consultants which I am unable to recall now, but Planning Workshop was acting as the principal consultant.

**The Hon. DON HARWIN:** My question which you asked me to repeat was: Which officers within your department to your knowledge have had discussions with Graham Richardson regarding rezonings or development applications?

**Mr HADDAD:** The officers in my department who had discussions with them in my presence were the project managers responsible for the relevant projects.

**The Hon. DON HARWIN:** Mr Haddad, if we could go back to your most recent meeting with Mr Richardson which was on the Badgerys Creek matter, which we were referring to earlier in the hearing, at that meeting who was in the room with you other than you and Mr Richardson?

**Mr HADDAD:** Mr Roy Medich and an officer of the department.

**The Hon. DON HARWIN:** Are you able to give me the name, please, of the officer of the department?

**Mr HADDAD:** Mr Andrew Abbey was the project director for this area.

**The Hon. DON HARWIN:** Thank you for that. Is there any particular officer or officers who you are aware of that regularly meet with Graham Richardson and/or other lobbyists to discuss rezonings and/or development applications, particularly in the growth centres of Sydney and the western area of Sydney in particular?

**Mr HADDAD:** I am aware only of officers who discuss with others that are working in the department with me. And the answer to that is no, I'm not aware, other than the departmental officers who are present at meetings or discussions with me, including senior departmental officers as appropriate.

**The Hon. DON HARWIN:** Thank you for that, Mr Haddad. If I might now ask some questions on discussions that you might have had with Mr Obeid. Have you ever met with or had discussions with Mr Eddie Obeid or Mr Moses Obeid or any other members of the Obeid family?

**Mr HADDAD:** I know Mr Obeid as a member of Parliament and also in his previous capacity as Minister for Mineral Resources. I have been with the department for a number of years and worked for different governments, as you would be aware, and Mr Obeid at one stage was Minister for Mineral Resources and I knew him through that capacity.

**The Hon. DON HARWIN:** I imagine you have had many meetings with him in his ministerial capacity.

**Mr HADDAD:** That's right. And then, after that, in his capacity as a member of Parliament. I do meet and have contact and representations from members of Parliament on both sides of Parliament on a reasonably regular basis. That is a part of my job. They bring to my attention issues of a broad nature.

**The Hon. DON HARWIN:** Indeed, parliamentary matters.

**Mr HADDAD:** Issues of—

**The Hon. DON HARWIN:** Yes, indeed. I understand what you are saying. If we could move to Mr Moses Obeid.

**Mr HADDAD:** Yes. I have met Mr Moses Obeid. Mr Obeid just introduced me to Mr Moses Obeid in passing probably a couple of years ago or so. That's in a thing. But not more than that.

**The Hon. DON HARWIN:** Do you have some sort of idea as to a figure of how many times you have met Mr Moses Obeid?

**Mr HADDAD:** No, not—

**The Hon. DON HARWIN:** Is it one or—

**Mr HADDAD:** Maybe. Not really—

**The Hon. DON HARWIN:** Three or five?

**Mr HADDAD:** I mean, I can't recall exactly, but not very often.

**The Hon. DON HARWIN:** Can you remember the topics that were discussed with Mr Moses Obeid?

**Mr HADDAD:** No. There was nothing to do with any planning topics whatsoever. There were no topics. They were just basically an introduction.

**The Hon. DON HARWIN:** So were they entirely social occasions or business meetings?

**Mr HADDAD:** Well, not really social. It was basically an introduction. It had nothing to do—I cannot recall him talking about any particular planning issue or any projects or any rezoning or anything like this.

**The Hon. DON HARWIN:** Well, we have discussed meetings.

**Mr HADDAD:** Yes.

**The Hon. DON HARWIN:** Now I would like to come to telephone calls.

**Mr HADDAD:** Yes.

**The Hon. DON HARWIN:** Mr Haddad, have you ever had any telephone calls from or have you rung Mr Graham Richardson?

**Mr HADDAD:** I had telephone calls from Graham Richardson, yes. I can't recall whether I rang him, but I had telephone calls from him to my office seeking appointments and the like.

**The Hon. DON HARWIN:** And how many?

**Mr HADDAD:** I'll have to take this on notice to give you an accurate figure, but he would be ringing my office to seek appointments and, you know, I haven't got the figure with me right now.

**The Hon. DON HARWIN:** I do understand.

**Mr HADDAD:** Yes.

**The Hon. DON HARWIN:** Can you then give me an indication of approximately when? Have those telephone calls been in the last six months—

**Mr HADDAD:** Yes, they would—I can. I think probably they will not be—as I said, I will not talk to him directly when he will ring on the phone, but he will be ringing my office seeking appointments. That's the majority of cases. So there will be very, very few occasions where I will be talking to him on the phone directly.

**The Hon. DON HARWIN:** So, in the last six months, how often?

**Mr HADDAD:** Maybe a couple of times, I'll say, or once.

**The Hon. DON HARWIN:** Three?

**Mr HADDAD:** No.

**The Hon. DON HARWIN:** Five?

**Mr HADDAD:** No, less than that, I'll say, myself on the phone.

**The Hon. DON HARWIN:** Okay. So maybe only once or twice that he's rung in the last six months.

**Mr HADDAD:** Yes. And it will be basically—the nature of the calls will be inquiring about the status of a matter, or mostly seeking an appointment.

**The Hon. DON HARWIN:** Okay. And in the previous six months?

**Mr HADDAD:** I'll really have to take this to just be able to give you an accurate thing. It's not something that's in my mind they're very often occasion.

**The Hon. DON HARWIN:** So, would you be able then, on notice, Mr Haddad—

**Mr HADDAD:** Yes, with pleasure.

**The Hon. DON HARWIN:** —to provide us with a list of how many—

**Mr HADDAD:** Yes, with pleasure.

**The Hon. DON HARWIN:** —phone calls to you.

**Mr HADDAD:** Yes.

**The Hon. DON HARWIN:** And how many you've made—

**Mr HADDAD:** Sure.

**The Hon. DON HARWIN:** —to Mr Richardson?

**Mr HADDAD:** With pleasure.

**The Hon. DON HARWIN:** Thank you very much. Now, I'd just like to go to the same matter in terms of Mr Eddie Obeid first of all.

**Mr HADDAD:** Yes.

**The Hon. DON HARWIN:** Just to be reasonable about it, in the last six months, how many telephone calls would you—

**Mr HADDAD:** I'll be able to give you this—

**The Hon. DON HARWIN:** —have had from Mr Obeid and made to Mr Obeid?



**Mr HADDAD:** Yes. I have not made—I can't remember me making telephone calls to Mr Obeid, but I will be able to give you that as well, noting again that I get phone calls from many other members of Parliament on both sides.

**The Hon. DON HARWIN:** Thank you.

**Mr HADDAD:** So I can tell you that over the past week, for example, I got many, many phone calls from members of Parliament on both sides, but not Mr Obeid for a long time.

**The Hon. DON HARWIN:** And Mr Moses Obeid?

**Mr HADDAD:** Never Mr Moses Obeid. He never phoned me, and I never rang him—never ever.

**The Hon. DON HARWIN:** Thank you.

**Mr HADDAD:** Never ever. Is that okay? That's clear?

**The Hon. DON HARWIN:** I think I've heard that phrase before somewhere.

**Mr HADDAD:** Not Mr Moses Obeid, never ever.

**The Hon. DON HARWIN:** Never ever.

**Mr HADDAD:** Thank you, ever, ever. All right?

**Ms SYLVIA HALE:** Mr Haddad, you said that you had had representations from Mr Obeid. Has Mr Obeid ever made any representations to you on behalf of Mr Medich or any member of the Medich family or anyone associated with them?

**Mr HADDAD:** No, never ever.

**Ms SYLVIA HALE:** Thank you. Mr Haddad and Minister, I have a series of questions here the answers to which you will probably have to take on notice, but I will go through them. How many times in the last 12 months have you, Mr Haddad, met with proponents of part 3A projects or lobbyists representing those proponents? If so, who were those lobbyists? How many of those meetings involved discussions with the proponent or lobbyist about what would or would not be in the director general's requirements for assessment of a project? How many times in the last 12 months have you met with individuals or groups opposing particular part 3A projects? And how many of those meetings involved discussions with opponents about what would or should be in the director general's requirements for the assessment of the project? I can understand—

**Mr HADDAD:** I am more than happy to take them on notice.

**Ms SYLVIA HALE:** Yes.

**Mr HADDAD:** But if I may through you, Madam Chair, just clarify something, if you don't mind. I do meet, as part of my job, as I said, not only me but my senior executives, with a range of people. This is an important part of our job, not only with proponents and their consultants but as importantly with members of the community and community groups quite extensively. I meet with the Total Environment Centre regularly, on a monthly basis. I meet with a lot of other stakeholder groups. This is part of my job, to be able to feed back into a number of them. I am just putting it in that context.

**Ms SYLVIA HALE:** I understand that. I just want you to give me—

**Mr HADDAD:** I am more than happy to give you that. This is part of the process. I just want also to emphasise that, at the end, the focus is on the outcome itself, the merit assessment of the outcome. This is an important issue to underline, if you do not mind.

**Ms KRISTINA KENEALLY:** On that point, Ms Hale, you may be interested to know that Mr Haddad and I went to the Currawong site. I met with a number of the Friends of Currawong and I think I may have met with you and Ms Rhiannon regarding the Currawong site. I also met with proponents as well as community

representatives in relation to the Oxford Valley rezoning proposal. I went in fact with the Opposition spokesperson, Mr Hazzard, to do that.

**Ms SYLVIA HALE:** I am delighted to hear it, but I would just like you to give me some sort of indication of the number of occasions you have met proponents of major part 3A projects and opponents of those projects.

**Ms KRISTINA KENEALLY:** I am more than delighted to do that, Ms Hale.

**CHAIR:** So, Minister, you are taking that on notice?

**Ms KRISTINA KENEALLY:** Absolutely, Madam Chair.

**The Hon. HENRY TSANG:** Point of order: The Minister has answered. Why would you get the Minister to do that when the Minister has actually answered whom she has met?

**CHAIR:** The Minister has just indicated she is happy to provide that on notice.

**Ms KRISTINA KENEALLY:** I am happy to take it on notice, but I appreciate his objection that Ms Hale did cut me off as I was listing a number of community representatives whom I had met with: people interested in things like the Somersby sand mine proposal; people interested in things like Hilltop rifle range—a number of proponents and community groups—but if she would prefer me not to outline those matters here and put them on notice I am more than happy to do so.

**Ms SYLVIA HALE:** I would like you to give me written detailed information, as I have requested. Minister, do you believe it is appropriate for developers seeking development approvals from the State Government or a local council to be able to donate money to politicians or political parties while the developer's project is being assessed? Do you think that is appropriate?

**Ms KRISTINA KENEALLY:** This Government, the Rees Government, Labor in government, has introduced some of the most—

**Ms SYLVIA HALE:** That is not my question.

**Ms KRISTINA KENEALLY:** —significant transparency reforms when it comes to planning and development donations—laws that came into effect on 1 October—requiring that anyone with a financial interest in a project needs to declare their donation for the two years prior to the development application being lodged. That is a donation, whether it be to the party in government, the Opposition party or, indeed, if possible, the Greens. Those laws have come into effect.

They apply to development applications, whether they be lodged at council level or at State Government. This Government, and I as planning Minister, have delegated my decision-making authority to the Planning Assessment Commission when a reportable political donation is declared. This Government, the Labor Party in government, has introduced the joint regional planning panels to depoliticise planning decisions so that projects of regional significance between \$10 million and \$100 million go to the joint regional planning panels.

**Ms SYLVIA HALE:** Minister, my question was: Do you consider it appropriate that a developer should be able to donate money to a political party, and presumably to the governing party, while that developer's projects are under consideration. I know you tell us about the Planning Assessment Commission and the joint regional planning panels, but it is a fact, is it not, Minister, that you appoint the members of the Planning Assessment Commission and you appoint the majority of members of the joint regional planning panels, so to suggest that they are independent of you as Minister would be something that people would find difficult to swallow.

**Ms KRISTINA KENEALLY:** Those people are appointed by Cabinet. Those people have gone through a merit selection process. For you to impugn the skill, expertise or independence of people on the Planning Assessment Commission or the joint regional planning panels is insulting to them.

**Ms SYLVIA HALE:** I am not impugning their honour or integrity; I have other people in mind.

**Ms KRISTINA KENEALLY:** And who would those people be, Ms Hale?

**CHAIR:** Order!

**Ms SYLVIA HALE:** If you say they have gone to Cabinet, Minister, are not members of the Cabinet members of the party which receives political donations?

**Ms KRISTINA KENEALLY:** That is very clever, Ms Hale. Congratulations.

**Ms SYLVIA HALE:** Thank you, Minister.

**Ms KRISTINA KENEALLY:** By the way, I would like to observe that there is nothing illegal about people making donations. It is done in accordance with the law and in this State, thanks to changes brought in by this Government, it is done with the utmost transparency. If you are asking if I will support your amendment to the Environmental Planning and Assessment Act to make it illegal for people who have made a donation to lodge a development application, no, I will not.

**Ms SYLVIA HALE:** Just to clarify the record, the bill does not seek to prevent those people making a donation to a political party; it is just to prevent such donations being made while their development application is under assessment.

**Ms KRISTINA KENEALLY:** I believe your bill actually says that if someone makes a donation they are not allowed to lodge a development application for 12 months. Is that not the case?

**Ms SYLVIA HALE:** It could well be the case.

**Ms KRISTINA KENEALLY:** It is your bill. I would assume you would know what is in your own bill.

**Ms SYLVIA HALE:** Minister, I am not the one to answer the questions; I am here to ask you questions.

**Ms KRISTINA KENEALLY:** Are you the planning spokesperson for the Greens.

**CHAIR:** Order! Minister, you are here to answer questions, not ask them.

**Ms KRISTINA KENEALLY:** I just wanted to be sure that Ian Cohen was not about to burst into the room.

**Ms SYLVIA HALE:** In light of the Land and Environment Court decision in the Catherine Hill Bay-Gwandalan case, which described the land swap deal between the Government and the developer as a land bribe, will you now withdraw your approval for the new Huntley project, which involves a similar land swap deal between the Government and the developer?

**Ms KRISTINA KENEALLY:** As you are likely aware, Ms Hale, an appeal has been lodged by the Sweetwater Action Group in the Land and Environment Court against the approval of the concept plan and the rezoning for the Huntley Holdings development near Branxton. That matter has been set down for 19 October. As this is a matter before the court I am not going to comment on the likely outcome but to say this: I have asked the department to review how or whether we should proceed in light of the court's judgement in Catherine Hill Bay.

**Ms SYLVIA HALE:** On the ABC's *Stateline* program on 11 September the former Minister for Planning, Frank Sartor, claimed "Government sources" had leaked to the media the Government's legal advice in the Catherine Hill Bay-Gwandalan case in an attempt to influence the outcome of that case. Minister, did you or anyone in your office leak that legal advice? I will also ask the same question subsequently of the director general?

**Ms KRISTINA KENEALLY:** I apologise, Ms Hale. Could you repeat the last part of that question?

**Ms SYLVIA HALE:** It is a question of whether you or any person in your office leaked the legal advice that the former Minister for Planning referred to?

**Ms KRISTINA KENEALLY:** No.

**Ms SYLVIA HALE:** Mr Haddad, did anyone in your department leak that advice?

**Mr HADDAD:** I am aware of reports in recent weeks referring to departmental documents, particularly this legal advice, being leaked from the department. I take this matter very seriously. Whilst we try to be as much as possible transparent—and this is something that I value very highly and the staff, that there are proper mechanisms to be able to make available documents, particularly legal documents, so I take it very seriously. I have requested the executive director of the policy and governance division of my department to investigate and there are measures that have been put in place to investigate whether a leak has in fact occurred or not, and how it has. These are basically the steps that we have taken.

**Ms SYLVIA HALE:** So will you make public the results of that investigation? *[Time expired.]*

**CHAIR:** We will now have questions from the crossbench.

**The Hon. ROY SMITH:** My question is in relation to another part 3A project, the Hilltop regional shooting complex. The local residents action group, backed by the Environmental Defender's Office, has initiated court action in respect to the decision of the Department of Planning about the development by the Department of Sport and Recreation. I understand that the case has been before the court for at least three days with no outcome as yet. How much has the department spent so far in defending the action, what is your understanding of the current situation in relation to the development and how soon can shooters in the region expect to use the expanded complex?

**Ms KRISTINA KENEALLY:** Thank you for your question, Mr Smith. These proceedings have cost \$30,420.84 to date. The current situation is that the hearing has concluded and judgement is reserved. On 9 February 2009, having considered the recommendations of an independent hearing and assessment panel chaired by the former member for Lachlan, I approved the project application for the new regional shooting complex. In approving the project, I imposed a number of conditions to ensure that potential noise, traffic safety and environmental impacts were appropriately managed. The department has exhibited, and is currently assessing, a modification request that seeks to modify the hours of operation, the location and design of sedimentation ponds, the staging of vegetation clearance, and to enable the storage of firearms and ammunition on site during special events.

In answer to your question as to when shooters might be able to use the complex, a series of conditions will need to be met prior to use of the expanded complex. That includes an ecological management plan for approval prior to commencement of any works on the site. The proponent does need to undertake the required works and to gain the necessary approvals prior to commencing work, and that will govern the time frame for use of the expanded complex. This time frame for the commencement of operations for the expanded range will, of course, also be subject to the outcome of these legal proceedings.

**The Hon. ROY SMITH:** Can you advise the Committee what other action has either directly or indirectly been brought about by the Environmental Defenders Office [EDO] in respect of decisions by the Department of Planning? How many of these cases has the department been successful in defending? What has been the cost of defending those actions?

**Ms KRISTINA KENEALLY:** Thank you for your question, Mr Smith. I am advised that the Environmental Defenders Office was involved with nine matters against the Department of Planning and/or the Minister for Planning in the last 12 months. The outcomes of these nine matters to date are as follows. We have won three cases; we have lost one case; one case has been resolved by way of orders by consent; in another case the approval has been varied; the Environmental Defenders Office discontinued one case; judgement has been reserved in one case; and in the last case a hearing date is yet to be set. In regard to the costs of these cases, that information is not all available due to some of the matters not being billed yet, or in circumstances where the Government may have a cost order against it. However, the information on costs we do have indicates a total amount of \$289,200.87 for all the cases.

**Ms SYLVIA HALE:** Minister, I refer to the ABC *Stateline* program of 11 September. On that program Tim Robertson, a barrister and senior counsel specialising in environment and planning law who has represented developers, government and objectors, said he advised developers to go the part 3A route because:

First of all, there's far less scrutiny; secondly, the public don't have a look in; thirdly, there's a possibility of getting an approval faster, although recently it's been very difficult to get quick approvals from the department. And finally, if there is anything dodgy about the development, then it's not likely to be looked at with the same degree of scrutiny as if they went the local government route.

Minister, how do you respond to that perception of the workings of part 3A?

**Ms KRISTINA KENEALLY:** That is one man's opinion. I respectfully disagree with it.

**Ms SYLVIA HALE:** But it is a very informed opinion, is it not? And it is—

**Ms KRISTINA KENEALLY:** I do not know anything about Mr Robertson or his qualifications to make those comments.

**Ms SYLVIA HALE:** But you would agree that it is an opinion shared by very many members of the community?

**Ms KRISTINA KENEALLY:** I agree it is an opinion shared by many members of the Greens party.

**Ms SYLVIA HALE:** And the community. I would suggest that if you looked right across the State you would see that part 3A is the source of huge discontent within the community.

**Ms KRISTINA KENEALLY:** I would suggest it is a source of huge discontent for members of the Greens party. For people in the public who would like to see jobs, economic investment and increased housing affordability, the fact that part 3A exists—and supported some 60,000 jobs in the last 12 months and some \$19 million of capital investment in this State—I think is welcomed by most members of the community.

**Ms SYLVIA HALE:** Minister, if Mr Robertson's assessment is correct—or the public's perception is correct—how does that square with the objectives of the Environmental Planning and Assessment Act? One objective is to promote the sharing of the responsibility for environmental planning between the different levels of government in the State. Clearly, it is held we are not excluding those different levels. Another objective is to provide increased opportunity for public involvement and participation in environmental planning and assessment.

**Ms KRISTINA KENEALLY:** Chair, how much time do we have left for Ms Hale's questions? I would like to know how much time I have to answer this question.

**Ms SYLVIA HALE:** Just be brief. You can take it on notice, if you like.

**Ms KRISTINA KENEALLY:** I would prefer to answer it in full.

**Ms SYLVIA HALE:** I would relish a written response to it.

**Ms KRISTINA KENEALLY:** I would relish giving you a fuller response right now. Let us begin. First of all, let us put part 3A in some context. On average, in New South Wales there are 84,500 development applications determined each year. Of these, 95.8 per cent approximately are determined by council officers under delegation. Approximately 4 per cent of these development applications are determined by elected councillors, and approximately 0.2 per cent are determined by the major projects system. Of that 0.2 per cent, about 45 per cent are determined under parts 4 and 5 of the Environmental Planning and Assessment Act, either by the Minister or the department. Approximately 55 per cent are determined under part 3A, either by the Minister or the department, or by the Planning Assessment Commission [PAC].

First, I would refer you to my media release of 8 September 2009. It outlines the type and number of major project approvals for the last 12 months, indicating that 127 of those were under part 3A—recalling that there are approximately 85,000 development applications lodged in this State. I also note that two major projects were refused and 61 applications for major projects were referred back to council as being of local significance. We had some 9,800 submissions made on those major projects. We also used the Planning Assessment

Commission—in some very notable circumstances—to hold public hearings, such as in relation to the Metropolitan Coal Project, which resulted in an outcome that was welcomed by both the coal industry and environmental groups. It was a decision that protected the drinking water supply under the Eastern Tributary and the Waratah Rivulet. So, first of all, let us put part 3A in that context.

Secondly, you made reference to across the levels of government. One of the goals that this Government has set is to achieve Australia's best planning system. We argue that that is a system where decisions are made efficiently and transparently, where they provide certainty and they are made at the most appropriate level. That is why we have introduced a range of measures to provide straightforward approval processes with straightforward projects, such as the New South Wales Housing Code, which allows the standard family home on a standard block, 450 square metres or larger, to be approved under a 10-day process.

The Housing Industry Association estimates that that will save some 110 days and some \$6,500 in the assessment process for those projects. We have introduced the joint regional planning panels, to ensure that there is a body with a regional focus and the necessary skills and expertise to determine projects of regional significance. And we will—unlike the Opposition—keep part 3A and keep the major projects system. We believe the State has a leadership role to play in supporting jobs and economic investment, and increasing housing affordability in this State.

**The Hon. LYNDIA VOLTZ:** Minister, can you provide advice as to the status of land that is alleged to have been rezoned in western Sydney?

**Ms KRISTINA KENEALLY:** I thank you for your question, Ms Voltz. In recent weeks we have seen allegations made about land that was supposed to have been rezoned in western Sydney. I say "supposed to have been" because these were claims made by the Leader of the Opposition, Mr Barry O'Farrell. These were claims made by a media outlet in this city that land had been rezoned. Let us be clear. We are now about to have an inquiry about a man I had never heard of, Michael McGurk; people I have never met with, the Medichs; and land in western Sydney that the Government did not rezone. It is time to bell this cat right now. I am going to put a bell around this cat. Opposition members here today have not yet asked me one question but have put weasel-worded questions to the Director General because they do not have the guts to state what they are really trying to allege, what they really want people to think—

**CHAIR:** Order! Minister, I would suggest that you do not cast reflections on members of this Committee. You may proceed to answer the question of Ms Voltz but do not cast aspersions, firstly, on the House that has set up a parliamentary inquiry—to be conducted by this Committee, as it happens—and, secondly, on members of the Committee. You may proceed to answer the question of Ms Voltz.

**Ms KRISTINA KENEALLY:** It is an upper House inquiry I am more than happy to appear in front of because I want to answer these questions straight. For all the allegations and all the insinuations, there has not been one credible piece of evidence of any kind of corruption—not one. All this smoke is no evidence of a fire. It is evidence only of a dry ice machine that is being operated by a media outlet that is desperately trying to stave off the decline of broadsheet newspapers—a decline that we are seeing right around the world. It is a dry ice machine that is obscuring the good work this Government is doing in planning; good work such as the affordable rental housing State environmental planning policy; good work in the New South Wales Housing Code; good work in the BASIX system; good work in bringing in project delivery managers and setting time frames for major project approval and rezoning; good work with the Building Professionals Board; good work with the Infrastructure SEPP; good work with the rollout of the Nation Building and Jobs Plan stimulus package; and good work with the Planning Assessment Commission and the joint regional planning panels.

Let us have a good look here at the media coverage about these allegations. First of all, there were claims today of increasing evidence and allegations edging closer to the Government. Two Saturdays ago the *Sydney Morning Herald* said that tapes would bring down the New South Wales Government. Then a few days ago it was that tapes would snare five members of Parliament. Today it is all these allegations are edging closer, despite a clear statement that there is no suggestion that a Minister is involved. Far from edging closer, I would say these allegations are sprinting farther and farther away from any indication of Government involvement. All of this speculation, all of this innuendo and all of this allegation was built on the word of a convicted criminal. There is nothing here despite weeks of effort.

**The Hon. AMANDA FAZIO:** Minister, you have given us a pretty good outline so far of the improvements in the planning system in New South Wales but do you have any further information you would like to give us about the Government's intention to build one of the best planning systems in the country?

**Ms KRISTINA KENEALLY:** I thank you, Ms Fazio. The New South Wales planning system is undergoing its biggest changes in 30 years, but it is not simply change for the sake of change. It is about creating real improvements and real outcomes. It is about confidence in the planning system—confidence for investors that their project will be assessed rigorously and efficiently in the planning system—it is about creating confidence and certainty for proponents as to how the system will respond to their project, and it is about creating confidence in the community that projects will be dealt with transparently and on their merits. To create this confidence in our planning system, the Government has set itself one goal: to build Australia's best planning system.

That is not to build a system so that we can all stand back and admire it. It is to build a system about job creation and economic investment. It is about protecting the environment through sustainable development; it is about planning for our future growth; it is about increasing housing affordability, delivering jobs closer to home; and it is about coming out of this economic downturn in better shape than when we went into it. This goal of creating Australia's best planning system will take a whole-of-government effort in partnership with the community, the development industry and local and Federal governments. We are aided in that task by the legislative changes that were introduced in 2008: those amendments to the Environmental Assessment and Planning Act that started the change. So we start with a good base. The foundations of the system we want are already here in front of us. But that is not enough: we need a clear and concise expression of what that aim is. If we want to have the country's best system, how do we describe it?

We describe it by a system that is transparent, efficient, provides certainty and where those decisions are made at their most appropriate level. I want to impact each one of those briefly. First is transparency. The Planning Assessment Commission comprises appointed independent planning experts who play a significant role in both providing advice on and determining significant planning issues. It was established in November last year and it helps improve public confidence in the planning system, particularly when dealing with development proposals where a perceived conflict of interest exists.

The establishment of the Planning Assessment Commission depoliticises planning decision-making. The functions of the commission do allow for it to determine planning applications where I have delegated my consent authority. The former head of the Department of Planning, Gabrielle Kibble, chairs the Planning Assessment Commission, and other members include Donna Campbell, John Court, Lindsay Kelly, Dr Neil Shepherd, Garry Payne, Janet Thomson, Richard Thorp and Professor Kevin Sproats. The commission is independent of the Government, the Minister and the department. While the Government appoints its members, they are not subject to the direction or the control of the Minister.

We have also introduced the joint regional planning panels. They provide independent, merit-based decision-making and advice to the Minister on regionally significant development proposals. Each regional panel includes three State and two local members nominated by the relevant local council. These panels have already begun to determine new development applications for projects between \$10 million and \$100 million, or projects worth more than \$5 million in the case of ecotourism or local infrastructure, or where the council is the proponent. Members of the public and interested parties are able to make presentations directly to the panel when it meets—similar to local council meetings.

Regional panels are determining a number of coastal, retail, residential and commercial proposals that were previously assessed by the department and determined by the Minister for Planning. These proposals will now be assessed by council staff and determined by regional panels, returning some powers to councils for regionally significant development. I might note that in the last week we have seen the Western Australian Government—that is a Liberal government, I believe—introduce a system almost exactly like the joint regional planning panels. The Government notes that perhaps that is an endorsement of our effort to create the country's best planning system.

**The Hon. LYNDIA VOLTZ:** They know a good system when they see one.

**Ms SYLVIA HALE:** It just shows how little there is to distinguish between Labor and Liberal.

**Ms KRISTINA KENEALLY:** As part of the Government's goal in delivering Australia's best planning system we are looking to provide certainty in decisions. For example, the gateway process in plan making. Plan making has had the reputation of being too complex, too long and too confusing. The new plan-making provisions, which commenced on 1 July this year, streamline and speed up the plan-making process. They abolish the regional environmental plans and they introduce the gateway system. This new approach will allow the State and local governments to work together to simplify and improve plan making.

As of 1 July 2009, regional environmental plans are no longer part of the hierarchy of environmental planning instruments in New South Wales. All existing regional environmental plans are now deemed State environmental planning policies [SEPPs]. The department is reviewing all remaining regional environmental plans as part of these ongoing changes. In July 2009 the Government also changed the way that local environmental plans [LEPs] are developed and approved—this is the gateway process.

This process has the following benefits: it assists in meeting the Government's target of a 50 per cent overall reduction in the time taken to produce local environmental plans [LEPs]; it provides clear and publicly available justification for each plan at an early stage; it ensures that vital New South Wales and Commonwealth agency input is sought at an early stage; and it replaces the former one-size-fits-all system—under which all LEPs, large and small, were subject to the same rigid approval steps—with one that better tailors assessment of the proposal to its complexity. Importantly, it improves links between long-term strategic planning documents, such as regional and metropolitan strategies. This system does not involve any increase in the New South Wales Government's powers and represents a potential reduction of powers because the Minister now can delegate decisions on new plans.

Another aspect of certainty is reducing development contributions. In December last year the Government announced changes on how development levies would be calculated. Changing the amount to be paid and the time when levies are paid will complement the Commonwealth Government's initiatives to stimulate the housing market through the first home buyer grants and social housing measures. Water levies, State government levies and local council levies charged to new developments all have been reduced as a result of these changes. The thresholds for contributions payable to local councils have been set at \$20,000 per lot, with all contributions over \$20,000 requiring approval from the Minister. The Government appointed a contributions review panel, which included independent experts, to review applications from councils seeking to exceed the \$20,000 threshold. The review highlighted inconsistencies and complexities in both local infrastructure funding and planning across New South Wales. It would be fair to say that no two councils use the same approach to determine contributions.

Of the 152 councils in New South Wales, 34 had plans over \$20,000 per lot. As a result of this review 12 councils now have levies below \$20,000 per block, and a reduction to \$20,000 in a thirteenth council appears likely. A further 10 councils have been allowed to continue levying above the threshold. However, savings of up to \$18,000 have been found in those plans. Another 10 councils have been allowed to continue levying at their current above-threshold rates, in almost all cases on the condition that further reviews are undertaken. I have also started to consider with industry groups the implementation of the deferral process for State levies. This has proved to be a complex process and the proposal at the current time is to use a combination of a caveat preventing the sale of land until the levy has been paid or a bank guarantee to secure the levy. The levy review has given the New South Wales Government a good opportunity to work with councils and the development industry to address issues of infrastructure provision and housing affordability. Housing construction is one of the great multipliers in our economy, but it has been hit especially hard by the economic downturn. That is why we are delivering these reductions: in order to create the right conditions for a recovery in the housing sector.

I also mention this part of our determination to create the country's best planning system: efficiency and a determination that decisions will be made at the most appropriate level. In terms of efficiency, we have introduced new time frames for the assessment of major projects and land rezonings. Those time frames are 85 per cent of projects to be determined within three months, 95 per cent of projects to be determined within five months, and no project assessment to take longer than eight months. To achieve these goals, we have brought in a team of project delivery managers. It is their job to work with projects to ensure that they meet these time frames. The clock started ticking six months ago on these new time frames and shortly we will release our public report card on how we are tracking against those time frames. Overall, in terms of rezoning, we want to see a 50 per cent reduction in the amount of time it takes to bring new land to market.

Lastly, on decisions being made at the most appropriate level, the Government is committed to part 3A and retaining the major projects system. In the past 12 months the major projects system has determined 444



major projects. That has seen investment of some \$19 billion and some 60,000 jobs supported by this system. We completely reject the call by the Greens and the Opposition to abolish part 3A because we see that the State has an important role to play—indeed, a leadership role—in supporting major projects and major investment in this State. The Victorian Government has recently announced its determination to introduce a system similar to our system under part 3A. Again, we take that as acknowledgement that we are creating a planning system in New South Wales that other States are seeking to emulate.

**The Hon. HENRY TSANG:** Mr Haddad, I understand as part of your job you are obligated to meet with community groups that may oppose developments, investors, developers, proponents of developments and lobbyists. Taking this question on notice, would you provide the Committee with a list of telephone calls you have received and returned and subsequent meetings you have had in relation to investors and lobbyists associated with the Liberal-Nationals parties or the Greens?

**Mr HADDAD:** Yes.

**Ms SYLVIA HALE:** You are excluding the Labor Party, are you?

**The Hon. HENRY TSANG:** That is already a question on notice.

**The Hon. AMANDA FAZIO:** You should pay more attention, Ms Hale. Minister, you have outlined a great deal of changes that are being implemented in the planning system. Can you tell us how you have consulted with stakeholders and the community during the implementation of these changes?

**Ms KRISTINA KENEALLY:** Absolutely. During the past 12 months we have had widespread consultation with stakeholders and members of the public as part of achieving the goal of Australia's best planning system. For example, an Implementation Advisory Committee made up of peak stakeholder groups, local government representatives and environmental groups has met, roughly, on a monthly basis throughout the year. This committee acts as a forum for discussing and resolving major planning issues. I, in fact, chair those meetings. The committee provided valuable feedback to system changes as they were being developed. For example, in the rollout of joint regional planning panels, the feedback of the Implementation Advisory Committee was significant and, I believe, improved our policy work. In the same vein, the Exempt and Complying Development Committee, which is part of that larger group, consists of experts from local government plus representatives from key professional and industry groups. That committee continues to meet monthly to provide advice on complying development policy.

Also meeting monthly is the Local Government Planning Directors Committee, which is made up of a cross-section of representative local government planning directors to provide essential input and feedback on planning reform. Again, I meet with that group directly. In August I joined with them at a major event held at the Australian Technology Park—the Local Government Planning Directors Forum. The forum was held to share information with local government on the New South Wales Government's initiatives to create Australia's best planning system and to identify preferred options to work together to implement these initiatives. At that forum were 139 people, representing 69 councils across New South Wales, the Local Government and Shires Associations and the regional organisations of councils. In addition, Department of Planning executives, staff, regional directors and members of the Building Professionals Board were in attendance. The purpose of the forum was to share information, to identify preferred options for working together and, in particular, to meet the goal of the country's best planning system. In fact, the forum was so successful that another will be held again before the end of the year, and then it will be held at six-monthly intervals.

We have also consulted on one of the most important elements of the planning system changes in the past 12 months—that is, the introduction of the New South Wales Housing Code. This code outlines how new homes could be built or renovated without requiring homeowners and builders to pass through the development application process. The code provides for the use of complying development certificates where, if a new house or an alteration met a comprehensive checklist-style set of criteria, planning approval to start work would be received within 10 days. Initial proposals for the code were developed with input from a range of key stakeholders, such as the Building Designers Association, the Planning Institute of Australia, the Housing Industry Association, the Australian Institute of Architects, the Master Builders Association, the Association of Accredited Certifiers, the Local Government and Shires Associations, and councils across the State. The code was gazetted in 2008. By far and away this is the most successful implementation. The workshops that we had to follow in the gazettal were the most successful set of implementation workshops we have ever held.

**The Hon. DON HARWIN:** Given that in an answer from one of your own Government members you said you have not met with Mr McGurk or either Mr Roy or Ron Medich, have you ever met or had a discussion by telephone with Graham Richardson?

**Ms KRISTINA KENEALLY:** No.

**The Hon. DON HARWIN:** No, never?

**Ms KRISTINA KENEALLY:** No, never, ever, ever. Do you want me to pinkie-swear on it too, Mr Harwin?

**The Hon. DON HARWIN:** I trust your oath in office, Minister. Would you be able to explain how you understand the probity plan for the Precinct Acceleration Protocol to work?

**Ms KRISTINA KENEALLY:** Yes, I can. First of all, I might point you to the website at [www.gcc.nsw.gov.au](http://www.gcc.nsw.gov.au), where information about precinct acceleration and all the matters relating to the growth centres precinct is available. I trust that you are aware of that website?

**The Hon. DON HARWIN:** Yes.

**Ms KRISTINA KENEALLY:** In June 2006 the Government endorsed a Precinct Acceleration Protocol that allows precinct releases within the growth centres—

**The Hon. DON HARWIN:** Minister, if I looked at the website would you be reading straight off it right now?

**Ms KRISTINA KENEALLY:** No, I would not.

**The Hon. DON HARWIN:** You are not reading off the website right now?

**Ms KRISTINA KENEALLY:** I am not aware that I am.

**The Hon. DON HARWIN:** Please continue.

**Ms KRISTINA KENEALLY:** I am reading off a piece of paper. In June 2006 the Government endorsed—

**The Hon. DON HARWIN:** And they are not the exact same words that are on the website, Minister?

**Ms KRISTINA KENEALLY:** I am reading off a piece of paper, Mr Harwin.

**The Hon. DON HARWIN:** Have you looked at the website, Minister?

**Ms KRISTINA KENEALLY:** Yes, I have in fact.

**The Hon. DON HARWIN:** Please continue.

**Ms KRISTINA KENEALLY:** Thank you, Mr Harwin, I appreciate your politeness this afternoon. In June 2006 the Government endorsed a Precinct Acceleration Protocol that allows precinct releases within the growth centres to be accelerated earlier than proposed by the Government. That is subject to proponents meeting a key condition that the acceleration—including the delivery of major infrastructure needed to service the precinct—be delivered at no cost to Government. In June 2008 the Marsden Park Industrial Precinct in the north-west growth centre was the first precinct to be released under the acceleration protocol. The exhibition of draft planning documents is scheduled for September 2009. The Marsden Park Industrial Precinct will provide 385 hectares of employment land and deliver jobs and investment to Sydney's north-west region, providing a welcome boost to the area's economy.

**The Hon. DON HARWIN:** Minister, if you have got the material there in writing why do you not just table the answer?

**Ms KRISTINA KENEALLY:** I thought the point of these hearings was for you to ask—

**The Hon. DON HARWIN:** If it is a long answer I am happy to have you table it and we can move on to another matter.

**The Hon. AMANDA FAZIO:** Point of order: My understanding in these procedures is that members ask questions and it is up to the Minister to determine how she will answer the question. If the Minister wishes to provide a verbal response to the question rather than a written response, then that is the Minister's choice.

**Ms SYLVIA HALE:** To the point of order: Surely it is appropriate for a person who has asked a question to request the Minister to table the written answer.

**CHAIR:** Minister, it would be great if you could keep your answers shorter, but if you are going to give very long answers it would be appreciated if you could table them so that we can get through more questions.

**The Hon. AMANDA FAZIO:** Further to the point of order: I think that is completely inappropriate. It has always been the case in these budget estimates hearings that Ministers and other witnesses give answers in the form in which they choose to give the answers and it is not for Committee members to direct the Minister or anyone else the way in which they are to answer questions. If the Minister gives only very short answers so that the Hon. Don Harwin can ask more questions, surely then he will only make the accusation that the Minister has not given enough detail. He cannot have it both ways, and I think it is appropriate that you allow the Ministers to answer questions in the way she chooses.

**The Hon. DON HARWIN:** Perhaps I will make it easier and just ask for one specific aspect that I am interested in.

**Ms KRISTINA KENEALLY:** After that lengthy debate, I should say that I only have one sheet of paper.

**The Hon. DON HARWIN:** In the published guidelines for the probity action plan for the Precinct Acceleration Protocol it states, "A database of all contact with potential proponents should be maintained by the secretariat". Have you seen this database, and can you tell the Committee where this database is published, if at all?

**Mr REYNOLDS:** The Precinct Acceleration Protocol, when it was introduced by the Government in mid-2006, involved a separation of powers between the then Growth Centres Commission and the department. The initial call for precinct acceleration proposals was run by the department through a group called the Precinct Acceleration Control Group, which was composed of representatives from the department, the Treasury and the coordinator general. That group had its own probity process to follow, and we can make those details available.

Once the call went out for requests for proposals, they came in and they were considered initially by Cabinet through that process. If they succeeded in going through stage one, they were then referred to the then Growth Centres Commission to finalise the requirements of infrastructure for the precinct acceleration proponents to consider, and in each case that I am aware of that has gone through a separate probity process as well. We can provide those details if you wish.

**The Hon. DON HARWIN:** Yes, if you could provide that on notice? Back to Mr Haddad. Mr Haddad, have you ever had any discussions with Mr Eddie Obeid regarding rezoning of land in Port Macquarie?

**Mr HADDAD:** No.

**The Hon. DON HARWIN:** I will just go back to that meeting you had with Mr Richardson a month ago. With you present at that meeting, as you said in answer to a question, were Mr Richardson—a well-known and, some might say, colourful Labor identity; Mr Ron Medich, who wants a major rezoning done; and the only other person who was in the room was Andrew Abbey. Is not Mr Abbey a former political staffer for Frank Sartor?

**Mr HADDAD:** No, Mr Andrew Abbey is employed by the Department of Planning and he was in the Minister's office, as we do with a number of our officers, and he is now back with the department.

**The Hon. DON HARWIN:** And what was his role in Mr Sartor's ministerial office?

**Mr HADDAD:** We have liaison officers, and that is what I think his role was. But he is back with the department. His substantive position is an employee of the Department of Planning.

**The Hon. DON HARWIN:** Would his role have been senior policy adviser to Minister Sartor?

**Mr HADDAD:** I think so. As I said, his substantive role—and we have people who go to the Minister's office on a routine basis and then they come back to the department.

**The Hon. DON HARWIN:** Was Mr Abbey taking the minutes of the meeting?

**Mr HADDAD:** Yes, and he was present there.

**The Hon. DON HARWIN:** In terms of your procedure as to the way you conduct meetings with lobbyists who are proponents for developers, the independent and untainted observer who was present at that discussion was Mr Abbey?

**Mr HADDAD:** Yes. We take minutes of the meetings and that is documented as per normal procedures.

**The Hon. DON HARWIN:** Mr Haddad, I want to ask you a question about some of the practices that you followed then in terms of the way these meetings are conducted. Do you record a detailed note of a meeting that is held with each lobbyist or each developer who comes to see you?

**Mr HADDAD:** Yes. Generally a note is recorded. With regard to briefings that are received from officers of the department, those briefings are either endorsed by me as being the record of the meeting or not endorsed, and I put comments on the briefing notes as to the outcome of the discussions. The discussions are held with other relevant officers of the department present.

**The Hon. DON HARWIN:** In what form are they retained? Are they retained on the file for the development or is there a different system? Are they filed separately?

**Mr HADDAD:** They are usually retained on the file.

**The Hon. DON HARWIN:** On the file?

**Mr HADDAD:** Usually, yes.

**The Hon. DON HARWIN:** What other ways may they be held?

**Mr HADDAD:** They might be retained in my office on very few occasions by my executive assistant. But the normal practice is that they are returned to the author—to the person present at the meeting—or the relevant officers and then they go on file.

**The Hon. DON HARWIN:** On file?

**Mr HADDAD:** Yes.

**The Hon. DON HARWIN:** Does the same thing happen with telephone calls? Do you keep a file note of telephone calls?

**Mr HADDAD:** Telephone calls are noted in a book. Sometimes I record them and sometimes I do not. It is not done as per the meetings.

**The Hon. DON HARWIN:** And they are retained in the offices of the Department of Planning?

**Mr HADDAD:** Yes. As I tried to say, telephone calls are dealt with in a less disciplined way than formal meetings. If there are requests for meetings, my executive assistant would handle that. That is the practice.

**The Hon. DON HARWIN:** How long are those documents kept in the department's offices in Bridge Street before being sent for storage at the Government records repository or somewhere else?

**Mr HADDAD:** I have to take that question on notice and get the information. I do not know how many years or the timeframe.

**The Hon. DON HARWIN:** Mr Haddad, has Mr Eddie Obeid ever lobbied you on any development application or rezoning before the department?

**Mr HADDAD:** No, he did not, no.

**The Hon. DON HARWIN:** Have you ever met with or had any discussions with Minister Joe Tripodi about development applications or rezoning?

**The Hon. AMANDA FAZIO:** You will not have anything to ask at the inquiry at the rate you are going.

**Ms KRISTINA KENEALLY:** Mr Haddad is the Director General of the Department of Planning and Minister Tripodi is the Minister for Infrastructure. Of course they have had discussions; they have had them in my presence. They meet in the normal course of Government business. Mr Harwin, if you have an allegation to put, just put it. This sort of guilt by association is quite frankly insulting to Mr Haddad and to every public servant in the Department of Planning, not to mention members of Parliament.

**The Hon. DON HARWIN:** Minister, I am—

**Ms KRISTINA KENEALLY:** Attempting to smear the reputations of people.

**The Hon. DON HARWIN:** I am most certainly not trying to do that at all. I reject that. That is not what I am doing. I am asking questions quite deliberately about how the Department of Planning pursues the policies that it does in relation to development applications, rezonings and other matters.

**Ms KRISTINA KENEALLY:** Because the Opposition loves to repeat Mr Richardson's line that he can get done what he needs to get done. Yes, he said that, but in this case what did he get done? His client's land was not rezoned.

**The Hon. DON HARWIN:** With respect, Minister, I am not just asking—

**Ms KRISTINA KENEALLY:** His client's land was declined as State significant because decisions were made on their merits. I find it unbelievable that the Opposition likes to accuse the Government of releasing land without infrastructure in the north west and the south west—erroneous accusations, but made nonetheless—but when it declines to rezone land because it is constrained by infrastructure, the Opposition calls for an inquiry and attempts to smear the good name of Ministers, members of Parliament and public servants without any evidence whatsoever.

**The Hon. DON HARWIN:** I reject that.

**Ms KRISTINA KENEALLY:** You can reject that all you like, but your actions speak louder than your words.

**The Hon. DON HARWIN:** We will keep moving on to other matters. Minister, following the Catherine Hill Bay decision in the Land and Environment Court—which set aside the former Minister's approval of a major development based on what was termed by the judge in that case as "land bribes" and a view that the Minister had not brought an appropriate level of impartiality to his decision making—what steps have you taken to determine how the decision might impact on the many approvals you or your predecessor have given around the State under part 3A?

**Ms KRISTINA KENEALLY:** Of course the Government is reviewing the court case and the ruling to establish whether there are any implications for other specific planning proposals. It may be worthwhile for the Committee to remind itself that the court's decision related to the planning process and not to the proposal itself. The court's decision was based on the fact that the former Minister had signed a deed of agreement and an MOU. On 31 August, I repudiated the deed of agreement and the MOU. I committed that the Government would not appeal the court's decision and that there would be no retrospective legislation in relation to the proposal.

While the Government is reviewing that case, the ruling and its implications, it does not believe that there are wide implications across the planning system. That is due to the limited use that the former Minister made of the MOU and deed of agreement process. The department advises me that the former Minister applied this approach to a very limited number of proposals in the Lower Hunter. We are looking at the implications of the court ruling on those proposals.

**The Hon. DON HARWIN:** I refer back to the previous exchange we had.

**Ms KRISTINA KENEALLY:** You got another note from Mr Hazzard.

**The Hon. DON HARWIN:** Minister, you interjected during Mr Haddad's answer and I want to follow up on something you said. You told the Committee that you had discussions with Mr Tripodi and Mr Haddad on rezonings and development applications. Which ones?

**Ms KRISTINA KENEALLY:** The Western Sydney Employment Lands Investigation Area. Of course, I did. Minister Tripodi is the Minister for Infrastructure. I took that proposal to Cabinet and I consulted with a number of Ministers.

**The Hon. DON HARWIN:** And did they involve land that was the subject of lobbying by Mr Richardson?

**Ms KRISTINA KENEALLY:** It involved land that had been under investigation by the Government since the introduction of the Metropolitan Strategy in 2005. The land was then identified again as the Western Sydney Employment Lands Investigation Area in March 2007.

**The Hon. DON HARWIN:** Sorry, Minister—

**Ms KRISTINA KENEALLY:** Please try to keep up, Mr Harwin. We had a proposal to take to Cabinet for 800 hectares in the Ropes Creek precinct and the south of the Warragamba pipeline precinct to be rezoned for employment land and to add that to the Western Sydney Employment Hub, which was land that had already been largely rezoned for industrial use. That was the proposal I took to Cabinet. Of course I consulted with the Minister for Infrastructure. I also consulted with a number of other Ministers about that proposal. Indeed, it was discussed by the entire Cabinet.

**The Hon. DON HARWIN:** So, it was put to Cabinet and a Cabinet decision was made on it?

**Ms KRISTINA KENEALLY:** Yes, it was.

**The Hon. DON HARWIN:** Did the decision include consideration of any planning implications for the affected properties?

**Ms KRISTINA KENEALLY:** You will have to be more specific than that. I think he needs another note, Mr Hazzard. He does not know what you are asking.

**The Hon. DON HARWIN:** In terms of Mr Richardson's lobbying and— [*Time expired.*]

**Ms KRISTINA KENEALLY:** No, please let him finish. I would like him to finish this question.

**The Hon. DON HARWIN:** Let us just take all the time we need to get it exactly right. Why do we not move on and let the crossbenchers have an opportunity.

**Ms SYLVIA HALE:** Minister, you referred to some 9,800 submissions concerning major projects. I presume that is in the last 12 months?

**Ms KRISTINA KENEALLY:** That is correct.

**Ms SYLVIA HALE:** Because there were about 14,000 in the preceding. Could you give me a breakdown of how many of those 9,800 were in support of the proposal and how many of those submissions were against it?

**Ms KRISTINA KENEALLY:** I cannot give that to you here.

**Ms SYLVIA HALE:** But you will take it on notice?

**Ms KRISTINA KENEALLY:** More than happy to.

**(Short adjournment)**

**Ms SYLVIA HALE:** Minister, I think you said in passing that Gabriel Kibble was now the chair of the Planning Assessment Commission?

**Ms KRISTINA KENEALLY:** It is also on the website, yes.

**Ms SYLVIA HALE:** And she is on the western region for the Joint Regional Planning Panel? She is chair of that?

**Ms KRISTINA KENEALLY:** That is correct.

**Ms SYLVIA HALE:** She is the chair of the Heritage Office within the Department of Planning?

**Ms KRISTINA KENEALLY:** You are correct again.

**Ms SYLVIA HALE:** And she is the administrator of Wollongong council?

**Ms KRISTINA KENEALLY:** One of three, yes.

**Ms SYLVIA HALE:** She was formerly the administrator of Liverpool council?

**Ms KRISTINA KENEALLY:** Yes, that is correct. Would you like me to get you Ms Kibble's CV?

**Ms SYLVIA HALE:** No. Then she was also at the Water Board. It is significant, I think, how one person can become so instrumental—

**Ms KRISTINA KENEALLY:** She was also the Director General of the Department of Planning.

**Ms SYLVIA HALE:** Yes, formerly the Director General of the Department of Planning.

**Ms KRISTINA KENEALLY:** And a nice lady.

**Ms SYLVIA HALE:** Everyone is aware of her antecedents before that. But, it is quite remarkable that the Department of Planning or the Minister is so bereft of talent that they only have one person that they can appoint to such positions simultaneously. It is also true that the positions she has been appointed to, whether it be Liverpool, the Water Board, Wollongong, are all sent in there to prevent the stench arising from those operations, those Labor-controlled councils and the Water Board, from becoming more public?

**Ms KRISTINA KENEALLY:** Yes, Gabriel Kibble, that well-known Labor Party supporter, daughter of Sir John Kerr, yes, that is right!

**The Hon. LYNDIA VOLTZ:** Great friend of the Labor movement!

**Ms KRISTINA KENEALLY:** Great friend of the Labor movement, thank you, Ms Voltz, yes. I think the State is very fortunate to have such a talented public servant and someone who was so willing to continue post retirement to give of her talents to the State of New South Wales. I think the people of New South Wales are very lucky.

**Ms SYLVIA HALE:** Would you provide the Committee with details of the remuneration she receives from holding so many posts simultaneously? Would you take that on notice please.

**Ms KRISTINA KENEALLY:** We can certainly provide that, absolutely. I might add, Ms Hale, I would need to seek advice. The remuneration, if any, for the position as a council administrator would not be within my portfolio area.

**The Hon. AMANDA FAZIO:** It is Local Government.

**Ms SYLVIA HALE:** Certainly. She is a very fortunate woman to be looked upon so kindly by so many Ministers. Has the issue of political donations ever been discussed in any meetings you have had with either proponents or opponents of part 3A projects?

**Ms KRISTINA KENEALLY:** Certainly not with proponents. I cannot recall that any opponent has ever raised it, but certainly not with proponents.

**Ms SYLVIA HALE:** Have you ever had any discussions with officials from the New South Wales Labor Party about political donations by property developers?

**Ms KRISTINA KENEALLY:** No.

**Ms SYLVIA HALE:** You have never had any discussions whatsoever?

**Ms KRISTINA KENEALLY:** No.

**Ms SYLVIA HALE:** Not even when it came to devising legislation that supposedly restrains or restricts those donations?

**Ms KRISTINA KENEALLY:** I have had no discussions with Labor Party head office about any aspect of political donations at all. When I became the planning Minister I made a very clear decision that I would not participate in political party fundraising, that I would be very selective about those things that I would attend, those fundraising events I would attend, whether they be for political parties or any other purpose.

**Ms SYLVIA HALE:** Mr Haddad, on what basis did you form the opinion that the Stamford Plaza mixed-use hotel redevelopment at Double Bay met the criteria for a major project under part 3A of the Act?

**Mr HADDAD:** I was advised that it meets the criteria for a tourism development. I sought legal advice, in fact twice, and I have received confirmation legally that that is the most appropriate planning regime for the development to be assessed under. That is two separate legal advisings I have received.

**Ms SYLVIA HALE:** Is it correct that the proposed development will offer fewer hotels for tourists, namely 66 rooms, than the building it will replace, which currently offers 140 rooms?

**Mr HADDAD:** The development has been described in relevant documentation and further submissions. It is under assessment and we will be advising the Minister, and this aspect will be dealt with.

**Ms SYLVIA HALE:** But you would agree if tourism was essential to it being regarded as a major part 3A project that it is interesting or curious, or whatever, that the hotel currently on the site offers 140 rooms for tourists and it is going to be replaced by a building that offers only 66 rooms?

**Ms KRISTINA KENEALLY:** I am advised that project qualifies as a major project because it will employ 100 or more people in the tourism industry. I am advised that is the criteria under the major projects State environment plan. It is not down to the criteria of the number of rooms. The major project State environment plan is available online and I would encourage you to read it.



**Ms SYLVIA HALE:** Are you aware that while the proponent claims it will provide more than 100 jobs, people who have looked at the submission in detail are convinced that the contrary is the case?

**Mr HADDAD:** As I said, I have challenged this view and I have sought legal advice and independent verification, and that is the advice I have received. We are progressing the assessments. When we advise the Government of the outcome of the assessments, the decision will be made by the Minister and then there will be opportunity for people to challenge or otherwise the outcome of that process.

**Ms SYLVIA HALE:** I would like to just ask a few questions about Redfern and Waterloo, to ensure it gets covered.

**Ms KRISTINA KENEALLY:** Thank you, Ms Hale, it would be welcome.

**Ms SYLVIA HALE:** This is in relation to the Redfern railway station. In a RailCorp document on forward planning, in a section titled "Capacity and service improvement, delivery 2006" on page 175, it is claimed that the Redfern railway station upgrade will be completed by 2011. Is this still the completion date and, if so, who is responsible for bringing that plan to fruition?

**Ms KRISTINA KENEALLY:** That would be a question best put to the Minister for Transport. The Redfern-Waterloo Authority was working with RailCorp but ultimately the redevelopment of Redfern railway station is a matter for RailCorp and the Minister for Transport.

**Ms SYLVIA HALE:** Minister, on another matter which I think specifically concerns the Redfern Waterloo Authority: Have you investigated the appointment of Mr Peter Vladeta, General Manager for the Redfern Waterloo Authority, given claims made by staff in a letter to you dated 15 December 2008 that no proper recruitment process was followed in his appointment to that position?

**Ms KRISTINA KENEALLY:** I am aware of that letter. I referred that letter to the ICAC. I might ask if the chief executive has any further information to add.

**Mr WAKELIN-KING:** I am advised that the letter was referred to ICAC and that further investigation has been conducted, the results of which are currently under consideration in relation to that matter.

**Ms SYLVIA HALE:** Perhaps you would be able to tell us why Mr Vladeta's contract was terminated.

**Mr WAKELIN-KING:** I was not there at the time, but my understanding is that it was part of the overall reductions in relation to SES positions that occurred at the end of last year.

**Ms KRISTINA KENEALLY:** I might also note that Mr Vladeta was brought on when Mr Domm became the chief executive of the Sydney Harbour Foreshore Authority, and Mr Domm continued to hold both of the chief executive officer positions for the RWA and SHFA. When I came on as Minister, and Mr Domm then subsequently resigned from the chief executive officer position of the RWA, I was able to appoint a chief executive officer who could hold that position solely at the RWA and not have the dual responsibility.

**Ms SYLVIA HALE:** Did Mr Vladeta receive a payout on termination? If so, how much did he receive?

**Mr WAKELIN-KING:** I would have to take that question on notice, if I may.

**Ms SYLVIA HALE:** Thank you. Minister or Mr Tabart, have you investigated Mr Chris Saunders, the General Manager of the Australian Technology Park—

**Ms KRISTINA KENEALLY:** I think you mean Mr Wakelin-King. Mr Tabart is the chief executive of the Barangaroo Delivery Authority.

**Ms SYLVIA HALE:** My apologies. Minister or Mr Wakelin-King, have you investigated Mr Chris Saunders, the General Manager of the Australian Technology Park, given claims made by staff in a letter dated 15 December 2008 that no proper recruitment process was followed in his appointment to that position?

**Mr WAKELIN-KING:** My previous comments in relation to the former matter regarding Mr Vladeta and also Mr Saunders apply in relation to that matter.

**Ms KRISTINA KENEALLY:** I might note that these complaints came in the form of an anonymous letter. Nonetheless, we took them very seriously. That is why I sent them to ICAC and that is why Mr Wakelin-King has undertaken the actions that he has outlined.

**Ms SYLVIA HALE:** Can you tell the Committee whether the proper recruitment procedure was followed in both Mr Vladeta's case and Mr Saunders's case?

**Mr WAKELIN-KING:** As indicated, these are matters that are currently under consideration arising from an investigation, and I think it would probably not be appropriate at this time to outline that particular investigation.

**Ms SYLVIA HALE:** Can you not even tell us whether a public advertising of the positions took place?

**Ms KRISTINA KENEALLY:** The questions you are asking relate to activities that would have occurred either before I became the Minister or before Mr Wakelin-King became the chief executive officer. These allegations were made anonymously. We took them seriously. We have referred them to the ICAC and, as Mr Wakelin-King has indicated, there is an investigation under way and it would be inappropriate for him to comment until that is concluded.

**Ms SYLVIA HALE:** Minister, are you aware that in the letter that was signed by RWA staff—

**Ms KRISTINA KENEALLY:** I never received a letter signed by any particular individual.

**Ms SYLVIA HALE:** Well, signed off with the words "RWA staff".

**Ms KRISTINA KENEALLY:** Again, anonymously.

**Ms SYLVIA HALE:** Are you aware that there was an assertion in a letter that the appointments were, and I quote, "blatant political nepotism by former RWA CEO Robert Domm"? And do you think there is any validity in that assertion?

**The Hon. AMANDA FAZIO:** Point of order: My point of order is that the question asked by Ms Hale, even though she claims she is reading from an unsigned document—

**Ms SYLVIA HALE:** I will give you a copy of the letter if you like.

**The Hon. AMANDA FAZIO:** No. I am taking a point of order, if you would be quite for a minute. The question makes an adverse reflection on another person, being a former CEO of the Redfern Waterloo Authority, and that is not within the standing orders relating to General Purpose Standing Committees Budget Estimates. I refer to paragraph 4.11, on page 17, and ask that the question be ruled out of order.

**CHAIR:** Order! I think it is best if we do not make adverse comments about people who are not here, because we may have to get them back again.

**Ms SYLVIA HALE:** Certainly. Has the Redfern Waterloo Authority purchased a property on Little Eveleigh Street?

**Mr WAKELIN-KING:** Yes, it has.

**Ms SYLVIA HALE:** If so, what was the reason for the purchase?

**Mr WAKELIN-KING:** The purchase relates to the redevelopment in relation to Redfern station, as it is adjacent to the rail corridor and may be a key part of the overarching redevelopment, subject to design.

**Ms SYLVIA HALE:** I just tried to ask questions about the redevelopment of Redfern station, and I was told that I was referring them to the wrong person.

**Ms KRISTINA KENEALLY:** You asked about the timing of the delivery of the redevelopment, and that is a question best put to the Minister for Transport.

**Ms SYLVIA HALE:** Presumably the Redfern Waterloo Authority has some interest in the timing of the project and some knowledge of the timing.

**Ms KRISTINA KENEALLY:** Indeed, Ms Hale. I can advise you that plans for the upgrade of Redfern station are progressing. The RWA and Railcorp have formed a joint working group to develop a draft concept design. There are some key issues for consideration that we are working on together. Those include accessibility. The upgrade to the station must maximise accessibility for all members of the community, including those who are less mobile or physically impaired persons. Another is connectivity. The upgrade to the station needs to enhance connectivity to surrounding destinations, including Redfern Street and Redfern town centre, the Australian Technology Park, North Eveleigh, Lawson Street and the university.

Another key issue is a paved concourse. The upgrade to the station needs to incorporate a new paved concourse that enhances accessibility to the station and to platforms and meets Railcorp operation requirements. Another key issue is the unpaved concourse. The upgrade to the station needs to incorporate an unpaved concourse for pedestrians and cyclists. In 2007 the RWA lodged a separate project application with the Department of Planning for a pedestrian/cyclist link over the rail corridor, which is known as the Eveleigh Heritage Walk.

**Ms SYLVIA HALE:** Thank you, Minister, but my question was not about the Redfern station proposal.

**Ms KRISTINA KENEALLY:** I find it extraordinary that the Greens are cutting me off when I am talking about cycle plans.

**Ms SYLVIA HALE:** My question was rather about the time line, because it was my understanding that this railway upgrade was to be completed by 2011, and I was asking whether that was at all likely to occur.

**Ms KRISTINA KENEALLY:** As I have advised you, you should ask the Minister for Transport.

**Ms SYLVIA HALE:** Mr Wakelin-King, regarding the Little Eveleigh Street purchase, what was paid for the Little Eveleigh Street property?

**Mr WAKELIN-KING:** The specific amount I would have to take on notice, and I can come back to you in relation to that.

**Ms SYLVIA HALE:** Thank you. Mr Wakelin-King, in relation to the Eveleigh farmers markets and the Eveleigh craft markets, are either of those markets financially viable?

**Mr WAKELIN-KING:** Both the Eveleigh farmers markets and the artisan markets are a very important part of the development of the community and the urban renewal program in the Redfern-Waterloo area. I can inform the Committee that they are a tremendously successful enterprise in terms of building community capacity and in relation to the development of a new urban environment in Redfern-Waterloo. It is very important that this is discussed and understood. Obviously, in the development of any enterprise, and particularly a market that is in its start-up phase, there will be some commitment of funds to that, and the longer term outlook in terms of their viability is something that we are constantly monitoring.

**Ms SYLVIA HALE:** Would you take on notice the net profit or net loss from the operations of each of those markets to date?

**The Hon. AMANDA FAZIO:** Do you want them closed down if they are not profitable?

**Ms SYLVIA HALE:** No, I am not saying that. I am merely inquiring as to how they are proceeding.

**The Hon. LYNDIA VOLTZ:** Just checking out the capitalist system of them.

**Ms KRISTINA KENEALLY:** I hope you have been to the markets, Ms Hale. They are absolutely tremendous. They are very popular and successful.

**Ms SYLVIA HALE:** Again, it is not your position to ask questions.

**Ms KRISTINA KENEALLY:** I did not ask; I just made the statement that I hoped you had been there.

**Ms SYLVIA HALE:** Again with regard to affordable housing in the Redfern-Waterloo Authority, the authority has received a number of payments for affordable housing from developers, including a large payment from the Carlton and United Breweries site developer. When will these payments translate into actual housing units, where will those units be and is there a plan to spread the units across the area or are they going to be located on one site such as the North Eveleigh redevelopment?

**Mr WAKELIN-KING:** The affordable housing payments that the authority has received, which have been significantly obviously biased towards the \$6 million that has been received by the authority from Frasers Property as part of the voluntary payment agreement between Frasers Property and the Redfern-Waterloo Authority for affordable housing is identified as part of the overarching, once again, built environment plan for the Redfern-Waterloo area. Therefore, the affordable housing will be identified for the Redfern-Waterloo area. There will obviously be, as has been announced previously in the concept plan for North Eveleigh, a significant proportion of those amounts for North Eveleigh but an overarching plan, which is currently under development and will be brought forward to the Minister for consideration by Cabinet, will approach affordable housing for the whole Redfern-Waterloo area. [*Time expired.*]

**The Hon. LYNDA VOLTZ:** Minister, how do you respond to this idea that there is a culture of development for donations?

**Ms KRISTINA KENEALLY:** Thank you, Ms Voltz. You are correct in saying that there are people who like to make the claim that there is a donations for development culture in New South Wales. In fact, it is a claim I hear the member for Ku-ring-gai make quite frequently, both in the Parliament and in the media. It is a glib grab. It has good populist appeal. It probably is a one-liner written for him by an eager staffer with a penchant for alliteration, but that is all it is. It is a one-liner with no substance. If people want to make that claim, such as the member for Ku-ring-gai, they should get down to brass tacks; they should, in fact, tell us which donation, which project, which proponent.

**Ms SYLVIA HALE:** What about Trinity Point and Keith Johnson?

**The Hon. AMANDA FAZIO:** You were not asked this question.

**Ms KRISTINA KENEALLY:** Ms Hale, you have had several hours to ask me questions and you have failed to ask a question like that. All credit to Ms Voltz for putting it forward. Mr O'Farrell and others in his association cite this glib one-liner over and over, but they never back up this claim with any specifics, and I will tell you why: because it is not true. It has been this Government, Labor in government, that has introduced the Planning Assessment Commission [PAC], introduced the joint regional planning panels [JRPPs], introduced transparency in terms of legislation requiring those who have made a donation and who have a financial interest in a development application to publicly declare it.

I realise it has taken a great opportunity away from the Greens to breathlessly reveal things, but it has been this Government that has put out a monthly project update outlining the number of major projects, the types of projects, the jobs and the investment that have flowed from this project. It has been this Government that at the bottom of our press releases on major project approvals—specific major approvals—has noted where a proponent has made a political donation and has provided the links to the website so that can be transparently seen. We do that whether it is a donation to Labor, Liberal or The Nationals.

Now Mr O'Farrell and the New South Wales Opposition refuse to back the reforms we have put into place. They have never endorsed the JRPPs or the PAC. Why, you might ask? You might ask that question. It is because they make these non-specific claims about developers and donations because they want specific developers to donate to their party. People who make a claim about donations for development without backing it up with any specifics are happy to bluster in public, but in private at places like Liberal Party State Conference they are happy to take people's political donations.

Now people like Mr O'Farrell have refused on *Stateline* to rule out taking donations from developers, but if people like Mr O'Farrell had one skerrick of evidence that there is truly a development for donations

culture in New South Wales he would be peddling it far and wide. We have already seen his willingness to peddle unfounded claims—claims about people like Jim Byrnes—that land had been rezoned when it had not. We have already seen his willingness to peddle those sorts of claims. He has no evidence to back up this claim. It is a glib one-liner. And the worst effect of people like Mr O'Farrell and others who make that claim is not what it does to the Labor Party; it is what it does to the profession of planning; it is what it does to the reputation of this State; it is the effect on developers in relation to building more homes and more employment projects.

Let us be clear about this: this smear campaign does have an effect. It belittles the professionals who work in the Department of Planning and planners who work at local council. It suggests, no, it claims that all developers are corrupt. Developers are the people who build affordable homes, who build business parks and industrial estates so people have places to work and people have places to live. This continuing claim, without any evidence, by Barry O'Farrell is a smear on New South Wales and it says to the rest of the world that New South Wales under Barry O'Farrell is a place that does not welcome investment.

**The Hon. LYNDIA VOLTZ:** While we are talking about investment in building New South Wales, I wanted to ask about the Barangaroo headland park. The headland park concept plan was on public exhibition in February-March 2009. What is going to happen as a result of public comments around that?

**Ms KRISTINA KENEALLY:** Thank you, Ms Voltz. I note that the first question we have had so far on Barangaroo has come from a Labor member. Approximately half of Barangaroo will be dedicated to open space and public domain, with a new headland park at the northern end. Following recommendations of the urban design competition jury the Barangaroo Concept Plan was approved in 2007 with specific conditions that a more natural headland and a larger northern cove be created. This will allow Barangaroo to take its natural place amid the other green harbour headlands of Sydney Harbour, including Balls Head, Blues Point and Ballast Point, all of which existed prior to European settlement. The resulting headland park and northern cove would, in effect, create a bookend with Barangaroo and Bennelong that will provide green waterfront space open to the public on the Sydney city foreshore.

The proposal to recreate the natural headland and restore the key natural features of Sydney Harbour immediately west of the Harbour Bridge requires an amendment to the Barangaroo Concept Plan. The concept plan modification report was placed on public exhibition from 4 February 2009 to 6 March 2009. There were a total of 30 submissions to the Department of Planning, 14 from agencies, professional bodies and professional firms and 16 from residents and community members.

The submission considered key issues from the public submissions, including improved public amenity and access, activation, sustainability, and connection to surrounds, including the southern part of Barangaroo. Public submissions were reviewed and as a result the outline of the headland park and northern cove was modified to further interpret the 1836 profile, whilst providing greater amenity through the provision of a dedicated foreshore promenade and accessible rocky outcrops.

The Barangaroo Design Excellence Review Panel, chaired by former Prime Minister Paul Keating, provided urban design and public domain advice to me, the director general, the Department of Planning and the authority. The panel reviewed the Headland Park Concept Plan preferred project report, including the modified outline, prior to approval by the board for submission to the Department of Planning. The panel reviews design and major built form for each stage of Barangaroo. Other members of the panel include Chris Johnson, as deputy chair; Angelo Candalepas, architect; Bridget Smyth, architect and urban designer; Oi Choong, landscape architect; Professor James Weirick, landscape architect; and Leo Schofield, cultural adviser. The preferred project report, including the modified outline, has been submitted to the Department of Planning for determination.

**The Hon. LYNDIA VOLTZ:** Further to that, would you able to give us an indication of when people will be able to enjoy the waterfront precinct and what will happen as part of that?

**Mr TABART:** The permanent works are expected to commence towards the end of 2010, after the successful appointment of a developer for Barangaroo, which will fund the headland park. The works are expected to take about four years and the permanent headland is expected to be ready by 2015. However, there is a plan to open the waterfront walk from a very early stage at Barangaroo, to allow people to again enjoy the waterfront that has been closed for so many years. This will not be the permanent walk, but it will be a temporary walk to allow people to enjoy the space, to be replaced by the permanent works as they are completed in stages.

**The Hon. LYNDIA VOLTZ:** Earlier you spoke about Redfern-Waterloo. Are you able to provide an update on the renewal process for Redfern-Waterloo?

**Ms KRISTINA KENEALLY:** Yes. Under the New South Wales Government's Redfern-Waterloo Plan the Redfern-Waterloo area has been undergoing an urban renewal process that is leading to real change in this critical area of Sydney. I can advise that one of the exciting projects is the garden and artisan markets, which attract thousands of people and provide a great community spirit there. I would hope the Greens do not campaign for its closure if they find out it may be just gaining its financial viability in its early phases.

The implementation of the plan has resulted in the following outcomes for this area: the creation of over 490 employment opportunities for the Aboriginal community; the placement of over 270 members of the Aboriginal community in employment; the redevelopment of old State sites, including the establishment of the Channel 7 building at the Australian Technology Park, the establishment of the National Centre for Indigenous Excellence at the old Redfern Public School, the redevelopment of the old Rachel Forster Hospital, with the proceeds of this sale being directed into the redevelopment of the old Redfern Police Station and the court house into a community medical facility; the approval of the North Eveleigh rail site concept plan, which will result in a new community with over 1,200 dwellings with retail, commercial and community facilities; the approval of the Pemulwuy Project for the redevelopment of the Block; and the upgrade of the Redfern streets and Redfern oval by the City of Sydney.

It is estimated that this urban renewal process will lead to the creation of 18,000 employment opportunities in the Redfern-Waterloo area. This will have significant economic and social benefits for the area and will bring about lasting positive change for the area. The opening of the National Centre for Indigenous Excellence and the Channel 7 building are scheduled to occur in the next six months. This means that these positive changes are both immediate and significant. The work of the police, in partnership with the community, has been an outstanding feature of the change in the Redfern-Waterloo area. Through a process of community-based policing, the Police Force has made a very positive contribution to the reduction of crime in the area. I might note that the greatest symbol of this is when the Chief Executive Officer of the Aboriginal Housing Company, Mick Mundine, nominated the local area commander, Kath Byrne, as the Heffron electorate woman of the year. She then went on to win the New South Wales Woman of the Year award.

The work that is currently being undertaken by both the Government and the Redfern-Waterloo community make this an exciting time for such an important part of Sydney. The results will no doubt be seen soon, with more to follow over the coming years.

**The Hon. HENRY TSANG:** Minister, can you inform the Committee of progress to assist in managing Sydney's population growth?

**Ms KRISTINA KENEALLY:** Thank you, Mr Tsang, for your important question. One of the key planning challenges facing the New South Wales Government is the delivery of sufficient residential and employment land to support the State's growing and changing population. The latest population and household projections for New South Wales show higher population growth than previously projected, due to both an upturn in fertility rates and increased net overseas migration. The latest projections show that the population of New South Wales is projected to grow by 2¼ million, to 9.1 million, by 2036. Most of this growth will occur in the Sydney region, with strong growth also expected in coastal regions outside Sydney. Most inland regions will have moderate population growth.

By 2036 there will be an extra 1.08 million households in New South Wales, requiring an additional 1.13 million dwellings. Dwelling growth is greater than population growth because household size is expected to fall. An additional 1.7 million people are expected to be in Sydney by 2036, requiring an extra 770,000 dwellings. The projected population is larger than we had previously projected, but the average household size is not declining by as much as previously thought. Average household size in Sydney is expected to decline modestly, from 2.61 persons per household in 2006 to 2.49 by 2031. This results in about the same projected increase in households and dwellings to 2031 as projected in the Metropolitan Strategy in 2005.

The New South Wales Government is delivering sufficient quantities of residential and employment land to support the State's growing and changing population. To achieve these goals the department has a range of planning tools to deliver on-the-ground outcomes. This includes working with councils in developing local plans and land releases, declaring locations to be State-significant sites, and assessing development proposals.

The Metropolitan Development Program is a key tool for managing land and housing supply in Sydney. The program develops an indicative 10-year dwelling supply forecast, which assists the Government in meeting the demand of the housing market and maintains housing affordability.

The Metropolitan Development Program also informs government agencies about likely future land release areas that will require infrastructure services such as connection to sewerage, electricity and transport networks. The latest figures from the Metropolitan Development Program show that the current greenfield release areas are sufficient to provide for the expansion of Sydney for the next 25 years and beyond. This land is being progressively released, rezoned and serviced ready for the development industry. Current stocks of released and zoned land meet Government benchmarks. Zoned and serviced land stocks are sufficient for the short to medium term. This is already about two-thirds of the 2031 target. There is also land for a further 100,000 dwellings in the growth centres, which will be released progressively. Total released land is 60 per cent higher than it was in 2002, and now exceeds the Government benchmark of 112,500 dwellings.

Zoned stocks are at record levels. They exceed the Government benchmark of 60,000 lots and are more than double the level of 2002. The increase in zoned stocks is mainly due to the rapid rezoning of land in the growth centres. Approximately half the zoned stocks have been serviced and are ready for developers to lodge applications and commence construction but it is less than the 55,000 benchmark in the State Plan, in large part because a significant share of servicing is undertaken by developers who limit expenditure in response to market conditions. Zoned and serviced stocks of land are sufficient to last more than 10 years at the current rate of dwelling production and are expected to reach the benchmark in coming years as stocks flow through the pipeline and demand increases.

Since detailed record keeping began in 1981, on average about 70 per cent of Sydney's new homes were built in established areas. The Metropolitan Strategy aims for 445,000 additional dwellings to be built in existing areas between 2004 and 2031. Taking into account cyclical variations, we are on track to achieve our established-area housing target for Sydney. Precinct planning, which is a key tool used in the growth centres, is a detailed process that analyses the development potential of each precinct and speeds up the rezoning processes, reducing the time it takes to get land rezoned and to the market. Compared with previous time frames of seven to 10 years, precinct planning has reduced the time required to two to three years.

The North West and South West Growth Centres will provide capacity for 181,000 dwellings, land for employment, and \$7.5 billion in regional infrastructure to support up to 500,000 additional residents in Sydney. For example, the North West Growth Centre has a number of precincts, which include Riverstone and Alex Avenue, North Kellyville, Marsden Park, Riverstone West, Colebee and the North Kellyville precinct. The first precinct to be rezoned in the North West Growth Centre was North Kellyville in December 2008.

**The Hon. HENRY TSANG:** Minister, would you like to table the rest of your answer?

**Ms KRISTINA KENEALLY:** I would be more than pleased to table the rest of my answer, Mr Tsang, thank you.

**Document tabled.**

**The Hon. DON HARWIN:** Mr Haddad, I have a few more questions for you before going back to the Minister. Mr Haddad, why did you not think it was necessary to tell the Minister that you had been lobbied by Mr Richardson on the Western Sydney Employment Lands Investigation Area?

**Ms KRISTINA KENEALLY:** I must say, Mr Harwin, it is the job of the Director—

**The Hon. DON HARWIN:** I did ask Mr Haddad, Minister—

**Ms KRISTINA KENEALLY:** You did, and he will answer.

**The Hon. DON HARWIN:** I am entitled to ask Mr Haddad under the procedures of the Committee.

**The Hon. LYNDIA VOLTZ:** Point of order: The Minister is entitled to answer questions that are asked in regard to her department.

**The Hon. DON HARWIN:** The procedural manual is actually quite clear. It says that members of the Committee are able to ask Ministers or officials.

**The Hon. LYNDIA VOLTZ:** Ministers or officials.

**The Hon. DON HARWIN:** Or officials.

**The Hon. AMANDA FAZIO:** Which paragraph is that, Mr Harwin?

**The Hon. DON HARWIN:** I am very happy to refer you to the paragraph. It is paragraph 4.3. Anyway, Mr Haddad, are you able to respond?

**CHAIR:** Mr Haddad, could you answer the question?

**Ms KRISTINA KENEALLY:** Madam Chair, are you ruling that I am not allowed to answer a question?

**The Hon. LYNDIA VOLTZ:** No, it says that members are permitted to ask questions of a Minister—

**The Hon. AMANDA FAZIO:** That does not cover the point you are making.

**The Hon. DON HARWIN:** Yes, it does.

**The Hon. AMANDA FAZIO:** No, it does not.

**The Hon. DON HARWIN:** Yes, it most certainly does.

**The Hon. AMANDA FAZIO:** It does not.

**The Hon. LYNDIA VOLTZ:** The Minister can answer. You asked a question and the Minister is answering.

**The Hon. DON HARWIN:** It says that I can ask Ministers or public officials.

**The Hon. HENRY TSANG:** Can we wait for the Chair to rule?

**CHAIR:** Order! It says, "... or officers of departments"—the word is "or". Mr Haddad, can you answer the question please?

**Ms KRISTINA KENEALLY:** So you are saying that I cannot answer the question, Madam Chair?

**Ms SYLVIA HALE:** Not if it is not asked of you.

**CHAIR:** The question is being directed to Mr Haddad.

**The Hon. AMANDA FAZIO:** Ms Hale, you were not asked to give a ruling.

**CHAIR:** I have made a ruling.

**The Hon. DON HARWIN:** Would you like me to repeat the question?

**Mr HADDAD:** Yes, if you do not mind.

**The Hon. DON HARWIN:** Why did you not think it was necessary to tell the Minister you had been lobbied by Mr Richardson on the Western Sydney Employment Lands Investigation Area?

**Mr HADDAD:** In dealing with registered lobbyists generally I follow the code of conduct—which I have put on our website—as I have been trained to do and which I have practised. The code provides that professional lobbyists who act on behalf of third-party clients must be registered with the Department of Premier and Cabinet before they can lobby Government representatives or members of Parliament. I have



indicated that the department's planners and executives will not communicate with a lobbyist who is not listed on this register and that all staff have been advised that when contacted by a lobbyist they are to check the register. I keep an update of the register in my office. On a weekly basis it is updated through my office and I have instructed that all staff must complete the compulsory lobbyist code of conduct training. So this is basically as part of the code of conduct that I have instituted in relation to registered lobbyists.

**The Hon. DON HARWIN:** Thank you, Mr Haddad. Minister, I assume your recollection is that Mr Haddad did not brief you about the fact that he had met with Mr Richardson on the Western Sydney Employment Lands Investigation Area?

**Ms KRISTINA KENEALLY:** In fact, Mr Haddad does not brief me on any of his conversations with lobbyists. It is not his job to present the views of lobbyists to the Government. It is his job, as the Director General of the Department of Planning, to present the department's view on the merits of proposals and the department forms its view on the merits of proposals in a number of ways: by considering issues raised in community consultation, by considering issues raised by proponents, and by considering issues raised by other agencies through a consultation process. It is the department's responsibility to present to the Government its advice in a merit-based system. It is not the responsibility of Mr Haddad, anyone at this table, or anyone at the Department of Planning to represent the views of a particular lobbyist. I do not—

**The Hon. DON HARWIN:** You are happy not to know which lobbyists meet with officials?

**Ms KRISTINA KENEALLY:** I am happy to know, under the leadership of Mr Haddad, that the Department of Planning adheres to the lobbyists register and the code of conduct and that Mr Haddad has taken steps to ensure that everyone in the Department of Planning is trained in the use of that register and that they abide by it. I am happy to know that in the Department of Planning we have significant skilled professionals, long-time public servants. Mr Haddad has been a public servant for 30 years. He has served both Coalition and Labor governments with distinction. I am happy to know that a man of this calibre is the Director General of the Department of Planning and that this department is providing advice to me as a Minister and to the Cabinet without fear or favour and is providing advice based on the merits of any particular proposal.

**The Hon. DON HARWIN:** Minister, helpfully, you mentioned before that you had met with Minister Tripodi—and Mr Haddad was with you, of course—on the issue of the Western Sydney Employment Lands Investigation Area. What month was that meeting in?

**Ms KRISTINA KENEALLY:** I would need to check my diary. The announcement was made on 11 August; it would have been in the weeks prior to that.

**The Hon. DON HARWIN:** Just to get the chronology right, Minister, if the announcement was on 11 August, what date did Cabinet consider the brief you put to it? That would have, I presume, also preceded—

**Ms KRISTINA KENEALLY:** I can give you that date and, yes, the meeting would have preceded the Cabinet discussion.

**The Hon. DON HARWIN:** Was the Cabinet discussion much before 11 August?

**Ms KRISTINA KENEALLY:** I would need to check my diary. From memory, it was in July—late July.

**The Hon. DON HARWIN:** You can check that. No doubt you will correct it, if you need to. We can presume, therefore, the meeting with Minister Tripodi was weeks or months prior to that discussion in Cabinet in July.

**Ms KRISTINA KENEALLY:** Days, weeks.

**The Hon. DON HARWIN:** Days or weeks, but not months?

**Ms KRISTINA KENEALLY:** Not months. Do you have a specific allegation to make about Minister Tripodi?

**The Hon. DON HARWIN:** No. But I want to talk about that meeting, since you raised it. At that meeting did Minister Tripodi admit that a close friend and former business associate of his, Mr Daniele, had an interest in land that was the subject of your meeting?

**Ms KRISTINA KENEALLY:** In fact, the subject of our meeting was the 800 hectares that was rezoned. If—and this is a big if—the media reports are accurate, the land that was being rezoned is not part of that land.

**The Hon. DON HARWIN:** Let us be clear: Where was the land that was the subject of the meeting?

**Ms KRISTINA KENEALLY:** The 800 hectares.

**The Hon. DON HARWIN:** Where were the 800 hectares, to be clear for the sake of the transcript?

**Ms KRISTINA KENEALLY:** It is on the department's website, Mr Harwin. It is in the media release.

**The Hon. DON HARWIN:** Do you not know where it is, Minister?

**Ms KRISTINA KENEALLY:** I do, and I am about to tell you. I am flabbergasted how ill-prepared you are as a member of Parliament to come into this chamber and ask questions—

**CHAIR:** Minister, just answer the question. Where was the land?

**The Hon. HENRY TSANG:** You can just get a piece of paper.

**Ms KRISTINA KENEALLY:** You are admitting here that you do not know where the 800 hectares we rezoned is, just like your leader did not know that the former CSIRO land was not rezoned. It is stunning the ignorance that comes from the Opposition.

**CHAIR:** Minister, the Hon. Don Harwin just wants this information on the transcript of these proceedings. Could you put it on the record?

**Ms KRISTINA KENEALLY:** The land that was rezoned, for your information, Madam Chair, and that of Mr Harwin—as is on the public record in many cases and as was announced by the Premier with me and the Minister for Roads—is the Ropes Creek precinct and the south of Warragamba pipeline precinct.

**The Hon. DON HARWIN:** You are saying that the area around Badgerys Creek where the land owned by Mr Danieli is was not discussed at all at that meeting?

**Ms KRISTINA KENEALLY:** No specific landholding was discussed ever. No specific landowner was discussed ever. The purpose of my discussions—and I am speaking slowly so you can understand, Mr Harwin—with Minister Tripodi or any other Minister, or indeed with the entire Cabinet, was about the infrastructure requirements for the 800 hectares that was rezoned and the announcement of the Erskine Park link road.

**The Hon. DON HARWIN:** That answers the question that there was no discussion about the Badgerys Creek area at that meeting.

**Ms KRISTINA KENEALLY:** I would submit to you that the phrase "Badgerys Creek" never came up.

**The Hon. DON HARWIN:** Thank you. We have dealt with that issue for the time being. I now go back to the probity plan for the precinct acceleration project. Mr Reynolds, you undertook to take on notice the issue of the database of all contact with potential proponents, which is being maintained by the department, and you will come back and tell us where this database is published.

**Mr REYNOLDS:** Yes.

**The Hon. DON HARWIN:** Minister, can you explain whether or not the public is able to see the minutes of the Precinct Acceleration Control Group, and where they are available?

**Ms KRISTINA KENEALLY:** I believe that those would be Cabinet in confidence. But I will take advice and come back to you, Mr Harwin.

**The Hon. DON HARWIN:** How many times has a senior officer of the department and/or the director general overturned the recommendation of the Precinct Acceleration Control Group in recommending acceleration of a particular developer's application for approval of a rezoning or development application since this group was established?

**Ms KRISTINA KENEALLY:** Mr Harwin, could you please repeat that question for Mr Reynolds?

**The Hon. DON HARWIN:** Certainly. How many times has a senior officer of the department and/or the director general overturned the recommendation of the Precinct Acceleration Control Group in making a recommendation of either an approval or a rezoning?

**Mr REYNOLDS:** Can I take that on notice? At the relevant times I was employed at the Growth Centres Commission [GCC] and, as I explained, in that relevant period from 2006 through to the end of 2008 there was separation of duties in terms of consideration of precinct acceleration proposals. The PACG, as we call the Precinct Acceleration Control Group, was run through the Department of Planning with the coordinator general and Treasury. That was a process separate from the GCC. I will take that on notice and come back to you.

**The Hon. DON HARWIN:** Minister, there was one more matter relating to that meeting with Minister Tripodi that I wanted to check. As to Minister Tripodi's position on the rezoning of the land that was subsequently rezoned, was he in favour of that rezoning?

**Ms KRISTINA KENEALLY:** He, the Premier, the Government announced in the metropolitan strategy in 2005 that we would have land rezoned in these locations for employment purposes. The Government announced in March 2007 that we would undertake focused investigation on the employment potential of that land. We produced maps; they were publicly available. We undertook that investigation. We secured money from Treasury to do so. If you are asking me whether Minister Tripodi was supportive of the Government's position that there should be employment land rezoned in western Sydney, my answer is of course, yes. Can I say, Mr Harwin, that Minister Tripodi is not the only person supportive of rezoning that land in western Sydney. I quote to you:

Western Sydney is the third biggest population centre in Australia after Sydney and Melbourne and jobs are desperately needed. Promoting lands to be developed for job opportunities is what governments should be doing.

That is a quote. Do you know who that is from? It is Brad Hazzard, 12 August.

**The Hon. DON HARWIN:** Excellent.

**Ms KRISTINA KENEALLY:** Not only did Minister Tripodi support the rezoning of land in western Sydney for employment purposes, but so did Brad Hazzard, the shadow spokesperson for the Opposition. It goes on. Mr Hazzard said—

**The Hon. DON HARWIN:** It is entirely unnecessary to read onto the record something—

**Ms KRISTINA KENEALLY:** You do not want to hear your own party's position on land rezoning in western Sydney?

**The Hon. DON HARWIN:** I am well aware of Mr Hazzard's statements.

**The Hon. HENRY TSANG:** I am interested.

**The Hon. AMANDA FAZIO:** I did not know he had a policy.

**The Hon. DON HARWIN:** Would you be kind enough to tell me what Minister Tripodi argued at the meeting? Did he argue yes or no for a rezoning in terms of Badgerys Creek?

**Ms KRISTINA KENEALLY:** The issue of rezoning at Badgerys Creek was not the subject of the meeting. I met with Minister Tripodi to discuss infrastructure requirements for the 800 hectares which we were rezoning and how we would fund the infrastructure. You may not be aware, but the Government also announced with the rezoning the Erskine Park link road—an \$80 million project, which the Government is funding—a State infrastructure contribution for the western Sydney employment area. Those are matters that it is appropriate that I as the Minister for Planning discuss with the Minister for Infrastructure. Any attempt by you to indicate otherwise is playing the man, not the ball. I might quote to you:

There is no doubt we need employment lands in western Sydney.

Do you know who said that? It was Brad Hazzard, 7 August.

**The Hon. DON HARWIN:** It is unnecessary for you to do that. Minister, the probity plan for the precinct acceleration project—

**Ms KRISTINA KENEALLY:** It continues:

The New South Wales Liberals and Nationals call on Nathan Rees to ensure identified employment lands are financially viable as development sites to give western Sydney much needed job opportunities.

That was Brad Hazzard, 12 August.

**The Hon. DON HARWIN:** Minister, I foreshadow that if you keep reading that quote I will move that the hearing proceed in camera and that an equivalent amount of time be removed from Government members. It is just ridiculous you treating the Committee in this way.

**The Hon. AMANDA FAZIO:** I foreshadow that we will oppose that.

**Ms SYLVIA HALE:** And I foreshadow that you will lose.

**The Hon. DON HARWIN:** Minister, would you like to go back to some other questions?

**Ms KRISTINA KENEALLY:** I am happy to go to every question you like. I find it amusing that the Coalition does not want to hear its own policy positions.

**The Hon. DON HARWIN:** The probity plan for the Precinct Acceleration Protocol states that the PACG will make recommendations to the Government on the outcome of its consideration of the proposals. Where are these recommendations published?

**Mr REYNOLDS:** My understanding—again, not being in the department at the time—is that those recommendations were Cabinet in confidence to Cabinet.

**The Hon. DON HARWIN:** So how can the public have any confidence in the planning system if it is not being transparent and that sort of information is not being made public? That is a question for the Minister. I am sorry, I should have made that clear. I am not going to expect the Deputy Director General to answer a policy question like that.

**Ms KRISTINA KENEALLY:** The Deputy Director General has indicated a willingness to answer it.

**The Hon. DON HARWIN:** It is a policy question so I think it is clear that you should answer that, Minister. But you have been flipping most of these questions to the Deputy Director General, so I just assumed that you are really not that familiar with the protocol.

**The Hon. HENRY TSANG:** That is an insinuation.

**The Hon. AMANDA FAZIO:** Point of order: Madam Chair, that was an inappropriate comment from the Hon. Don Harwin, and he knows it. I ask you to direct him to withdraw that comment. It was just a gratuitous insult.

**The Hon. DON HARWIN:** To the point of order: I have sat here for virtually the entire afternoon taking abuse from the Minister. I do not mind—she can put as much on me as she likes. I am just asking that the Minister answer a policy question; that is all.

**CHAIR:** I think the gratuitous comments are double sided. How about we just have the questions answered?

**Ms KRISTINA KENEALLY:** Ultimately all rezoning proposals go on a public exhibition. All things, like voluntary planning agreements, and all matters go on public exhibition, and decisions are made on their merits.

**The Hon. DON HARWIN:** On Friday 12 June you announced consultation would commence on the bays precincts covering White Bay and Glebe Island to come up with plans for the future of the precinct. Obviously, the community had an expectation that there would be genuine consultation. Later the same day you announced that a refuelling depot had been approved in White Bay with, effectively, wharf 6—the north-eastern section—being completely taken out of the scope of the redevelopment. How do you justify doing that? Is it not the case that the precinct is being looked at? Why was wharf 6 just taken out like that?

**Ms KRISTINA KENEALLY:** First of all, it was not later that day; it was at the exact same time. With the White Bay proposal, we did have a project application to construct and operate a marine refuelling and supply facility. There was comprehensive public consultation and an assessment process. There was a detailed consideration of issues raised in submissions, including noise, traffic, health and safety. As part of that process, former Minister for Planning the Hon. Frank Sartor appointed a panel of experts and a public hearing was held on 4 and 5 February 2008. That process was chaired by the Hon. Andrew Refshauge. The panel recommended approval, subject to conditions, including restricting operating hours and imposing noise limits.

The Department of Planning subsequently recommended approval of the project, subject to those stringent conditions, and I approved the project. You seem to be running a line of argument that suggests that my approval therefore sterilises wharf 6 for any change of use in the future. That is simply not the case. I am advised that the lease conditions for that wharf are time limited. What we are undertaking now is a consultation process that involves a community reference group, the Government task force and an interactive website, which I am advised has had some 3,500 visits and some 350 comments posted on it. Should that process—which involves the website, the community reference group, the task force and, ultimately, a decision by government—result in a change of use for White Bay, then there will be a change of use in the longer term for that part of the White Bay precinct.

**Ms SYLVIA HALE:** Minister, before I return to Badgerys Creek I will get you to clarify one thing for me. You say that the joint regional planning panels and the Planning Assessment Commission are depoliticised because the government members on those panels are appointed by Cabinet. Is it correct that all members of Cabinet are members of the Labor Party?

**Ms KRISTINA KENEALLY:** Your investigative work is extraordinary, Ms Hale. Yes, they are.

**Ms SYLVIA HALE:** Is it also correct that the Election Funding Authority figures and the other electoral figures reveal that between 2003-04 and 2007-08 the Labor Party received \$9.4 million from the development industry?

**Ms KRISTINA KENEALLY:** I could not confirm those figures.

**Ms SYLVIA HALE:** Will you go back and have a look at those electoral returns? It might be interesting reading for you.

**The Hon. AMANDA FAZIO:** Point of order: Madam Chair, I know that we have a very broad range of questions during budget estimates but this is way beyond the scope of anything that could be interpreted as being relevant to budget estimates. I ask you to rule the question out of order.

**CHAIR:** I do not think it comes within the Minister's purview to provide that information to this particular inquiry.

**Ms KRISTINA KENEALLY:** I can provide some more information, if Ms Hale would like, on how the joint regional planning panel members were appointed.

**Ms SYLVIA HALE:** No.

**Ms KRISTINA KENEALLY:** You are not interested in that? You do not want to hear about a merit selection process?

**Ms SYLVIA HALE:** Is it correct that major development projects put forward by significant donors to the Labor Party, such as the Medich group, the Rose Group and the Johnson Property Group, have been approved?

**Ms KRISTINA KENEALLY:** Could you repeat what I think is a rather ridiculous question?

**Ms SYLVIA HALE:** Is it correct that significant donors to the Labor Party, including the Medich group, the Rose Group and the Johnson Property Group, have also been applicants for part 3A approvals and their applications have been approved?

**Ms KRISTINA KENEALLY:** Perhaps you missed it when I said that the application for the former CSIRO site—which I understand is owned by the Medich Property Group—for State significant listing was declined.

**Ms SYLVIA HALE:** Does that mean to say that you have declined—because I understand you were considering two concept plans for the redevelopment of the land at Badgerys Creek—

**Ms KRISTINA KENEALLY:** Which land?

**Ms SYLVIA HALE:** The land surrounding the SITA Advanced Waste Treatment facility on Elizabeth Drive at Kemps Creek. This landfill site is slap-bang in the middle of the Badgerys Creek Consortium land. The report that is on the department's website for major project determinations states:

The area surrounding the landfill is dominated by rural and rural residential development and is fairly sparsely populated. Agricultural land is located to the north, south and west of the site, along with a small number of associated rural residences ... However, the area is likely to be substantially redeveloped in the next few years as Sydney expands westward.

It goes on to say:

The Department is currently investigating the potential listing of this large area as a State Significant Site, and the Minister recently agreed to consider two concept plans for redevelopment of the land within this area for employment uses; one from Australand to develop 560 hectares of land; and the other from the Badgerys Creek Consortium (BCC), which is comprised of the Medich Property Group, University of Sydney and Damjanovich family, to develop 875 hectares of land.

Minister, are you saying that both those concept plans have been rejected?

**Mr HADDAD:** Yes, I have written to the proponents of the concept plan, the Australand site and the other site saying that they are not going to be considered under part 3A because of the broader infrastructure and other constraints.

**Ms SYLVIA HALE:** When did you write?

**Mr HADDAD:** I would have to check, but it would have been around the time probably before this. If you do not mind, I have to check the dates.

**Ms SYLVIA HALE:** When you say "the time probably before this", how much before this do you mean?

**Mr HADDAD:** To be accurate I will have to take the question on notice.

**Ms SYLVIA HALE:** Can you give us an indication? Was the letter dispatched last week, last month or in the last six months?

**Ms KRISTINA KENEALLY:** I can add some information. We have information indicating that it was in May 2008. We will confirm that, but I have seen a copy of the letter and from memory it is May 2008.

**Ms SYLVIA HALE:** This report on the advanced waste facility is dated March 2008 and it says that the department is currently investigating the potential listing of this area and refers specifically to BCC. Are you saying that within two months of that report appearing you decided that you would not investigate it any further?

**Ms KRISTINA KENEALLY:** If you are suggesting that somehow it was big news that we were investigating that land—

**Ms SYLVIA HALE:** No, I am not.

**Ms KRISTINA KENEALLY:** I refer you to the fact that the Metropolitan Strategy 2005 identified the need to rezone land in Western Sydney in these locations for employment purposes. In March 2007 the Government announced an employment land action plan that identified areas under investigation. Mr Haddad wrote in May 2008 stating that he declined to declare these sites as State significant. You made an insinuation that everybody who makes a donation gets an approval. I have read the entire Greens policy on building and planning and I do not see anything that would support development or projects getting off the ground. I have a list here of your bad developer awards.

**Ms SYLVIA HALE:** Once again, it is your function to answer the questions.

**Ms KRISTINA KENEALLY:** The only project that you have ticked off as good is the Camden Haven Eco Village.

**Ms SYLVIA HALE:** Point of order: This really is irrelevant.

**Ms KRISTINA KENEALLY:** Quite frankly, I do not know how the—

**Ms SYLVIA HALE:** The Minister is extraordinarily rude in continuing to pursue a line that is totally irrelevant to this inquiry.

**The Hon. HENRY TSANG:** You have been totally rude all along.

**The Hon. LYNDIA VOLTZ:** To the point of order: Committee members can ask questions but it is up to the Minister to determine how she answers. Members cannot direct a Minister as to how they would like a question answered.

**Ms SYLVIA HALE:** Further to the point of order: The point of budget estimates hearings is to examine government policy and practices. Questions that relate to government policy and practices are therefore within the purview of this Committee. Anything else is irrelevant and out of order.

**Ms KRISTINA KENEALLY:** I agree that the Greens policy is irrelevant.

**The Hon. LYNDIA VOLTZ:** Further to the point of order: The Minister has constantly tried to explain government procedures and policy, but the member is refusing to let her do so and is asking questions that have nothing to do with it. The Minister is trying to explain government policy and procedures.

**CHAIR:** I think the Minister was doing that, but she started to veer off track at the end. We might stay on track.

**Ms SYLVIA HALE:** Mr Haddad, you are saying that the letter informing the Badgerys Creek consortium was sent out possibly in May 2008. You would therefore say that the story on the front-page of today's *Sydney Morning Herald* is completely incorrect. It states that Mr McGurk told a journalist that the Government was set to announce the rezoning of the land earlier this year, but that the announcement was postponed "because Ron blabbed about his political influence". Presumably that is Ron Medich.

**Ms KRISTINA KENEALLY:** That is absolutely incorrect. There is no substance to that allegation. This is a predictable pattern for the *Sydney Morning Herald*: When you have no facts, make allegations, make

insinuations and resort to McCarthyism and guilt by association. This is playing the man not the ball. I submit to you that all decisions about the Western Sydney employment area are made on their merits and they will stand on their merits. I note that the Opposition planning spokesperson supports the rezoning of land in Western Sydney for employment purposes.

**Ms SYLVIA HALE:** Minister and Mr Haddad, you may wish to take these questions on notice. How many projects assessed under part 3A of the Act have not required an assessment with regard to Aboriginal cultural heritage in accordance with part 6 of the National Parks and Wildlife Act 1974? How many projects under part 3A of the Act have included a specific requirement for consultation with the Aboriginal community? How many projects under part 3A have included a specific requirement for any form of Aboriginal cultural heritage assessment? How many Aboriginal staff does the department employ? How many of those Aboriginal staff are employed to review development proposals and related heritage assessments? You may be able to answer that question now rather than take it on notice.

**Ms KRISTINA KENEALLY:** The director general would require those matters to be considered when it is relevant. We will take all those questions on notice and provide the information you are seeking.

**Ms SYLVIA HALE:** What percentage of staff who are responsible for evaluating development applications, concept plans or local environment plans have expertise in relation to Aboriginal culture and heritage? How does Mr Haddad determine whether for any specific part 3A project an assessment of Aboriginal cultural heritage should be done and on what basis that assessment should be undertaken?

**Mr HADDAD:** I am more than happy to expand on those questions. Our guidelines are on the website specifying the circumstances and the processes that we use, but I will provide more information.

**Mr PEARSON:** We would also obtain advice from the Department of the Environment and Climate Change, Water, Heritage and the Arts and call on their Aboriginal heritage expertise where relevant. Where there was a significant Aboriginal heritage issue we would engage our own consultants to investigate it. Those issues would be thoroughly investigated, but we will provide the detail if you would like.

**Ms SYLVIA HALE:** Minister, are you aware of a review of land zonings in the Upper Hacking River catchment being undertaken by Wollongong City Council?

**Mr PEARSON:** I believe that the Department of Planning and Wollongong City Council have had some discussions around that issue. I think a commission of inquiry back in the 1990s identified land in that area with significant development constraints. However, I understand that Wollongong City Council has commenced work looking at those lands at a broad strategic level.

**Ms SYLVIA HALE:** I think the inquiry to which you referred took place in 1994 and it made a number of recommendations. Can you explain why none of those recommendations has as yet been implemented?

**Mr PEARSON:** Can you be specific about the recommendations you are referring to?

**CHAIR:** She said none.

**Ms SYLVIA HALE:** You can take that question on notice.

**Mr PEARSON:** Sure.

**Ms SYLVIA HALE:** Minister, do you agree that the protection and enhancement of the habitat corridors linking the Royal National Park and the lands currently conserved by environment protection should be the chief object of any review of land zonings?

**Ms KRISTINA KENEALLY:** Anywhere in the State?

**Ms SYLVIA HALE:** No, I am talking about the Upper Hacking River catchment, which I made clear.

**Ms KRISTINA KENEALLY:** I need to seek advice on that matter.



**Ms SYLVIA HALE:** Minister, have you taken steps to ensure that the Department of Planning has input into councils' reviews of land zonings to ensure the protection of habitat corridors?

**Mr PEARSON:** Is that a specific question?

**Ms SYLVIA HALE:** The question is what interaction is there between the department and Wollongong council to ensure there is protection and enhancement of habitat corridors linking the Royal National Park and the lands currently being preserved by environmental protection?

**Mr PEARSON:** Obviously that would be an issue that would be investigated as part of any strategic look at the future of those lands, yes.

**Ms SYLVIA HALE:** Do you know if it is the case that within an environmental protected zone approximately 400 building rights are proposed on lots where building rights do not currently exist?

**Mr PEARSON:** Sorry, are we still talking about—

**Ms SYLVIA HALE:** We are still talking about the Upper Hacking River Catchment and the rezonings being considered by Wollongong council. I am talking specifically about the environmental protected zone. I am asking are you aware that within the environmental protected zone approximately 400 building rights are proposed on lots where building rights do not currently exist?

**Mr PEARSON:** My understanding is that there are a large number of paper subdivisions in that location, and that is in large part what the council is trying to wrestle with, the appropriate amount of development that should be located in that area bearing in mind the historic legacy of paper subdivisions. But I think much of your questioning is probably directed at Wollongong council at this stage because it is doing that investigation and there has not, to my knowledge, been huge discussions with the department about that level of detail.

**Ms SYLVIA HALE:** If I can ask you about the Moolarben coal project. How does the Department of Planning intend to resolve the ongoing proposal for expansion and modification of the Moolarben coal project north of Mudgee?

**Ms KRISTINA KENEALLY:** I am sorry, can you repeat that question?

**Ms SYLVIA HALE:** Yes. I am asking how do you intend to resolve the ongoing proposals for expansion and modification of the Moolarben coal project north of Mudgee?

**Mr PEARSON:** I think we are looking at some modification proposals in relation to Moolarben at present. That assessment is taking place currently and the issues being raised through that process will be thoroughly investigated.

**Ms SYLVIA HALE:** What resources does the Department of Planning have to regulate the implementation of conditions of approval for large coalmining operations?

**Mr HADDAD:** We have expended quite considerable resources, particularly over the past five years, in terms of ensuring compliance with conditions of approval, particularly for coalmines, focusing on the Hunter Valley in particular. We do that as a combination of a number of measures. So, we have standard conditions on all major mines, major mines that are approved, requiring them to have independent auditing and monitoring by independent people—that is, people who are qualified and approved by the department in liaison with the Department of Environment and Climate Change—and making available all these reports publicly.

We also respond to complaints from the community from time to time by way of inspections. We have a team in the department that conducts investigations in response to complaints that we receive and we have compliance auditing that we undertake. We have undertaken, I think, about five major compliance audits on a sector-wide basis. We publish the reports publicly and from memory I think we have issued a number of non-compliance certificates as well, with fines.

**Ms SYLVIA HALE:** You said you have undertaken five major audits. Over what period of time is that?

**Mr HADDAD:** I will clarify that later, but I think over the past five or six years since we started focusing more on follow-up actions of major sector-wide auditing.

**Ms SYLVIA HALE:** So you take, roughly, one audit each year?

**Mr HADDAD:** When I say one audit, I do not mean one audit per mine; I am saying per region. For example, we have done an audit on mines in the Singleton region, we have done one in the Muswellbrook region and we have done one in the further Upper Hunter area. I am just talking about regional auditing that we undertake. As I said, this is not the only measure that we do. We do a number of other measures on an ongoing basis.

**The Hon. LYNDIA VOLTZ:** Minister, earlier you were trying to outline to Ms Sylvia Hale the process for the selection of the State members for the joint regional planning panels. Could you outline that for the Committee?

**Ms KRISTINA KENEALLY:** Sure. All State-appointed members to joint regional planning panels are required to have expertise in at least one of the specified areas or fields identified in the Environmental Planning and Assessment Act. The selection process for State-appointed members commenced with an expression of interest process, and that was advertised statewide in local newspapers. In response to this process the Department of Planning received over 300 nominations, and the experience and qualifications of all nominees were reviewed by independent recruitment consultants. The nominees were reviewed by the Director General of the Department of Planning, Ms Gabrielle Kibble, as chair of the Planning Assessment Commission, and Mr John McInerney, planner and independent councillor on the Council of the City of Sydney.

A short list of nominees was prepared for consideration by the Minister for Planning and recommended to Cabinet for appointment. This was in accordance with the "Guidelines for New South Wales Board and Committee Members" prepared by the Department of Premier and Cabinet. In recommending appropriate persons, a range of matters relating to expertise, areas of interest, and the need for diversity of membership were considered. For the western region, which is chaired by Ms Kibble, a similar selection and appointment process was followed, including an expression of interest, review by recruitment consultants and recommendation by senior department executives.

The three members of the current Wagga Wagga planning panel have been appointed as the State members to the new interim Joint Wagga Wagga Planning Panel. So, those members can continue with and complete the work they have already commenced. I know this was done at the request of the mayor of Wagga Wagga. The implementation of regional panels has been supported by an extensive education, information and training package, and this included an orientation program for all State- and council-appointed panel members.

**The Hon. AMANDA FAZIO:** I want to ask you something really different. I want to ask you something in respect of your responsibilities regarding heritage. Can you tell us what you are doing to protect the M24 Japanese midget submarine?

**Ms KRISTINA KENEALLY:** This is one of the great heritage stories of this year. The wreck of the missing Japanese midget submarine M24 was located near Newport by a recreational dive club, No Frills Divers, in November 2006. The M24 was one of three midget submarines that attacked Sydney Harbour on the evening of 31 May 1942. The attack demonstrated the vulnerability of ports like Sydney to long-range Japanese submarine patrols and the need for heightened security. Many older Sydneysiders still recall that fateful night as the harbour lit up with depth charge explosions and tracer fire. The attack led to the sinking of the converted ferry *Kuttabul* with a loss of 21 lives with a further 10 injured. The M24 is the only Japanese midget submarine wreck in Australian waters and is the only surviving maritime relic of this attack conserved in its natural 1942 battle context.

The Department of Planning's Heritage Branch has undertaken detailed investigation of the wreck to determine its physical condition and any associated relics it contains. This critical work has been greatly assisted by diving teams from the Royal Australian Navy and the support of key New South Wales Government agencies such as NSW Water Police, the Sydney Ports Corporation, the Department of Commerce, the Department of Lands and the Department of Environment, Climate Change and Water.

The M24 wreck was added to the State Heritage Register in 2007 under the New South Wales Heritage Act to acknowledge significance to the people of New South Wales. Under the Act, anyone caught damaging or removing any part of the wreck will face penalties of up to \$1.1 million and/or six months in jail. The listing ensures the protection of this internationally significant archaeological site, including its associated relics, and the possible human remains of its two Japanese crew members.

A designated 500-metre no-entry zone was gazetted around the site in 2006 under the Commonwealth Historic Shipwrecks Act 1976 and is under 24/7 surveillance by the Heritage Branch in the Department of Planning. This surveillance system uses acoustic monitoring of the water surrounding the wreck, supported by detailed camera surveillance and alarm monitoring. The system is the only one of its kind in Australia protecting an historic shipwreck and it was a joint initiative of the New South Wales and Federal governments.

Importantly, the New South Wales Government, through its Heritage Branch, has day-to-day management of the wreck site, including the archaeological survey and assessment work. We recently launched a new website developed by the Heritage Branch that showcases the history and the mystery of the 1942 submarine attack on Sydney Harbour. This interactive web site provides a valuable opportunity for the whole community to learn more about this fascinating part of our wartime history.

The archaeological investigations of the M24 wreck have significantly contributed to this fantastic site. There is an innovative 3D animation of the Japanese midget submarine, which includes a "virtual walk through", photos, witness accounts of the attack, underwater footage of the wreck, and much more. The 3D animation of the midget submarine brings the historical plans of the vessel to life while the underwater footage and interviews with the divers who found the wreck are amazing. The new web-based exhibition on the M24 midget submarine will give all generations a chance to learn more about the historic shipwreck and the lead role that the New South Wales Government has had in its protection and management.

I would recommend that everyone visit the new site, called "Managing the Missing Midget Submarine M24", and learn more about this amazing submarine and its history, from attack to discovery. The exhibition will be a valuable way of ensuring that the heritage significance of the midget submarine attack is preserved, together with the physical remains of the M24 site. The site also showcases the State Government's best practice archaeological management of the wreck. This was acknowledged by the National Trust of New South Wales at its April 2009 ceremony, where the project won the Maritime Heritage Award. Just this month the New South Wales Government's leading work was acknowledged internationally by UNESCO with a prestigious "Award of Distinction" in the 2009 UNESCO Asia-Pacific Cultural Heritage Awards announced in Bangkok.

UNESCO cited the project as an exemplary model for in-situ conservation of underwater cultural heritage in the Asia-Pacific. Further, it credited the work as setting a "global benchmark" in the application of heritage law and conservation practice to protect a shipwreck site, demonstrating best practice in the application of UNESCO's guidelines for the protection of underwater cultural heritage. This project exemplifies the professionalism and leadership of the Department of Planning, its Heritage Branch and the Government. It showcases the world-class standard of heritage management and is a further example of the important initiatives that this Government has put in place to protect and preserve sites of heritage significance to the community.

I am a firm advocate of engaging the public in this important work so that everyone can share in these remarkable sites and their personal stories. If you are like I am, and are not inclined to go diving underwater, I invite you to use the website to swim down to the M24 midget submarine wreck site and immerse yourself in this compelling story of our more recent wartime heritage.

**The Hon. AMANDA FAZIO:** Minister, I will save my questions on Badgerys Creek until we actually get to the inquiry. I would like to ask you some questions about rural and regional planning. Minister, could you please inform the Committee of examples of how the New South Wales Government is assisting rural and regional planning, including the finalisation of a number of long-term regional strategies?

**Ms KRISTINA KENEALLY:** Thank you, Ms Fazio, for I appreciate a question about rural and regional New South Wales. The planning system is undergoing major changes especially in the way local environmental plans [LEPs] are developed and approved. LEPs guide decision-making on land use. They determine the areas in which various types of development can be considered and which areas of open space and environmentally sensitive land need to be protected. These plans can have a profound and lasting impact on local communities and can affect the economic well-being of the State. So they need to be done well and they need to be done promptly.

As was alluded to earlier, the Government has set ambitious benchmarks for rezonings: 3 months for a minor rezoning to correct anomalies; 6 to 12 months for routine rezonings; 6 to 12 months for land release and other major rezonings that are consistent with regional or subregional strategies; and 2 years for a comprehensive LEP. The Government aims to reduce the time it takes to approve LEPs by 50 per cent. The Department of Planning uses the Planning Reform Fund to assist local government in the delivery of new LEPs and key strategic projects. The recently announced round 6 funding brings the total financial allocation from the Planning Reform Fund to \$23 million to local government, and that is to help simplify and improve local planning and development. Of the financial contributions allocated to councils from the fund, 72 per cent have been allocated to rural and regional councils.

On 31 March 2006 the New South Wales Government gazetted a standard instrument for preparing new LEPs. That was known as the LEP template. The purpose of the standard instrument LEP as a template for all LEPs across the State is to ensure that all local plans use the same planning language, making it easier for communities to understand what is proposed for their local area. Councils are able to include localised planning objectives and provisions specific to their area, as well as determine zoning, additional land uses, heritage items, and development standards such as height and minimum lot sizes.

I would now like to inform the Committee on the progress being made on the implementation of the standard instrument in the drafting of council-wide LEPs in rural and regional New South Wales. Already, a large number of LEPs have been formally exhibited: Eurobodalla, Gloucester, Greater Taree, Tamworth Regional, Temora, Tumbarumba, Upper Lachlan, Wagga Wagga, Wingecarribee and Wollongong. Two others are currently on exhibition, for Balranald and Cessnock. Muswellbrook and Goulburn-Mulwaree councils have already finalised their council-wide LEP in line with the standard instrument. These LEPs set the land-use planning for the entire region.

The new Muswellbrook shire local environmental plan 2009 is the latest LEP gazetted in regional New South Wales. It replaces the council's 24-year-old LEP and implements the strategic direction and actions of the 2003 Muswellbrook Shire Development Strategy. The new LEP minimises potential conflicts with mining and rural land uses by consolidating urban development around existing centres and townships. The department's Hunter regional office worked closely with Muswellbrook council in the development of the new LEP. This is what the Mayor of Muswellbrook council, Councillor Martin Rush, had to say:

The development of this plan has been intensive of both Council and Departmental staff time. The community is the beneficiary of the rigorous and comprehensive manner in which both organisational staff applied themselves to the drafting process. On behalf of the community can I thank the Department and Council staff for the quality of the document now produced and thank the community for their patience in the preparation of this much anticipated plan.

That is a nice endorsement by a regional mayor. The Department of Planning has eight regional offices across the State. We have offices in Grafton, Tamworth, Newcastle, Gosford, Wollongong, Queanbeyan, Jindabyne and Dubbo. These offices are a key component of service delivery. The regional offices, except for Jindabyne, are involved in the production, delivery and implementation of strategic planning policy, and they have played a significant role in the generation of the Metropolitan Strategy, seven regional strategies and the ten subregional strategies. They also play an important role in the delivery of the standard instrument LEP program, as well as other major LEPs and other land-use planning work such as land release and development applications.

The key functions and priorities for the regional offices are to: develop regional strategic frameworks to guide councils and other State agencies in achieving sustainable development outcomes, including growth, and environmental and economic outcomes; work with councils to implement regional strategic outcomes and State policies through LEPs, policies and approvals; lead to participate in projects that deliver key strategic outcomes relevant to the region including economic, land release, and environmental or agricultural projects; undertake monitoring to ensure the achievement of key regional outcomes, including housing and employment lands; contribute to the development of State policies and reforms; and develop strong and active partnerships between State and local government, communities and businesses.

In addition, these regional offices provide advice regarding the acquisition of significant lands, including iconic coastal sites and construction of coastal cycleways. They provide advice to the public, community groups and the Government. They provide advice and support the Minister and the director general's statutory decision-making and communication. Our regional offices continue to produce a high volume of quality professional work.

Another example of how the New South Wales Government is assisting rural and regional planning is the release of the rural lands State environmental planning policy [SEPP] in May 2008. The introduction of the rural lands State environment planning policy implements the recommendations of the Central West Rural Lands Panel. This SEPP recognises the economic, social and environmental importance of rural lands to this State. The Department of Planning is working with councils to assist them to implement rural planning controls as they prepare new standard local environmental plans. The rural lands State environment planning policy applies to all councils in the State outside Newcastle, Central Coast, Sydney and Wollongong metropolitan area.

The SEPP provides flexibility to encourage innovation in agriculture while reducing land-use conflicts. It creates a framework for the proper management, development and protection of rural lands. The SEPP allows councils to retain existing minimum lot sizes if they so choose. If a local council elects to review its minimum lot size controls for rural land, the review must be in accordance with the rural subdivision principles identified in the SEPP. Consistent with the Central West Rural Lands Panel recommendation that concessional lot provision should be removed, the SEPP directly amended council local environmental plans to remove all remaining concessional lot provisions as they were creating conflicts between genuine farmers and those who wanted a rural lifestyle. I note that saving provisions have been put in place to preserve dwelling entitlements. Thank you, Ms Fazio, for your question.

**The Hon. LYNDIA VOLTZ:** Minister, I have another question for you. It is probably a long time since the department has had to support such a large Federal Government infrastructure scheme as the national building stimulus program, particularly in social housing and schools. How is the Government supporting the implementation of the national building stimulus program?

**Ms KRISTINA KENEALLY:** Thank you very much, and you are correct: it was probably before 1996 that we have ever had such interest in housing and cities. The Federal Government has developed a \$42 billion stimulus package. It is designed to promote economic growth and prosperity by investing in two essential assets for the community: education and housing. The New South Wales Government moved quickly to support the Federal Government's stimulus package and we have been fast-tracking the delivery of projects announced by the Prime Minister.

The Federal stimulus package includes \$21 billion for the States and Territories for education, social housing, and road and rail infrastructure. New South Wales received about \$4.7 billion for schools and \$2 billion for housing over the next two years. These are welcome additions to the funding already provided by the New South Wales Government for building and supporting State schools and social housing. The New South Wales Government responded rapidly and effectively to the current economic crisis through the planning changes, policy and statutory work. For example, introduction of the affordable rental housing policy and changes to the infrastructure State environmental planning policy are driving most of the Federal Government's stimulus package projects in New South Wales. These changes include making it easier for providers of public and social housing to build new homes and extending those provisions that were in place for public schools to all schools in New South Wales—that is, they may self-approve, provided they conform to a set criteria.

The Building the Education Revolution school modernisation program will deliver new school halls, libraries, science labs and language learning centres. There are also provisions for maintenance and renewal of school buildings. All of the work being funded by the Commonwealth will be extra activity to that already financed by the New South Wales Government. The State Government will continue with its existing school building and maintenance program. This includes the \$2 billion Building Better Schools initiative and the \$150 million set aside in the 2008-09 mini-budget for the Principals Priority Building Program. The projects will help support and create jobs right across New South Wales while providing a great opportunity to improve the quality of the learning environment for children.

The amended legislation allows for easy approval of works across both public and private school systems. Currently, public schools can get 10-day approvals for infrastructure such as gyms, school halls and libraries provided they follow standards set out in strict performance criteria. That includes being no more than two storeys tall, managing noise and shadowing impacts. That arrangement is now extended to all New South Wales schools, including private schools, so they can take advantage of the increased funding, which has been made available from the Rudd Government, and get their infrastructure built within the Commonwealth's deadlines. [*Time expired.*]

**The Hon. DON HARWIN:** In the previous bracket of questions we went through the meeting that was held just before Cabinet's consideration for the Western Sydney Employment Lands Investigation Area [WSELIA] and the specific meeting. Minister, let us make it absolutely clear, once and for all.

**Ms KRISTINA KENEALLY:** Very dramatic, Mr Harwin.

**The Hon. DON HARWIN:** Have you ever had any discussions at all with Mr Tripodi at any time—telephone, meeting—about the land that has been referred to in the *Sydney Morning Herald* at Badgerys Creek?

**Ms KRISTINA KENEALLY:** Are you referring to that specific block of land?

**The Hon. DON HARWIN:** No, I am referring to the Medich Property Group's land, Sydney university's land, Mr Daniele's, and the Damjanovich family's land.

**Ms KRISTINA KENEALLY:** I have never had a conversation with Minister Tripodi specifically about any block of land.

**The Hon. DON HARWIN:** Of those ones at Badgerys Creek.

**Ms KRISTINA KENEALLY:** Anywhere in the State.

**The Hon. DON HARWIN:** Anywhere in the State?

**Ms KRISTINA KENEALLY:** Not about a specific block of land. All of my discussions with my ministerial colleagues have been about the western Sydney employment area, the infrastructure requirements and how they would be funded.

**The Hon. DON HARWIN:** In terms of the whole infrastructure issue relating to those lands, surely in that context there have been discussions about this Badgerys Creek area.

**Ms KRISTINA KENEALLY:** The entire Western Sydney Employment Lands Investigation Area, which was announced in March 2007 publicly—there are maps publicly available—has been under consideration by the Government since March 2007.

**The Hon. DON HARWIN:** So your answer really is that, yes, you have spoken to Minister Tripodi about this.

**Ms KRISTINA KENEALLY:** About the entire WSELIA, which is what the Western Sydney Employment Lands Investigation Area is known as, and about what we rezoned as the Western Sydney Employment Area. But you are asking whether I have ever had a conversation about any particular block of land. The answer unequivocally—and I say it very slowly for you, Mr Harwin—is no.

**The Hon. DON HARWIN:** Good, thank you. Did you form a view as to whether Minister Tripodi was lobbying you or trying to influence you to agree to the rezoning of the land in the Badgerys Creek western Sydney employment lands—

**The Hon. AMANDA FAZIO:** Point of order: My point of order is that paragraph 4.4 of the *Legislative Council Budget Estimates Manual 2009-2010* states:

The Budget Estimates inquiry is a broad-ranging inquiry. Wide latitude is allowed in asking questions on any of the proposed expenditure contained in the ... Budget Papers, or on prior expenditure.

I know that committees stray quite widely from that, but asking the Minister for an opinion on the intent of another Minister having a discussion with her sometime ago is broad ranging. However, in respect of paragraph 4.4 under the heading "Rules governing questions" I ask you to rule the question out of order. It is entirely inappropriate. Mr Harwin would be better directing that sort of question to the Minister when she appears before the subsequent inquiry that General Purpose Standing Committee No. 4 is holding into Badgerys Creek land dealings.

**CHAIR:** I rule that, just as it will be appropriate for that question to be asked at that inquiry, it is also appropriate here.

**Ms KRISTINA KENEALLY:** Could you repeat the question please, Mr Harwin?

**The Hon. DON HARWIN:** Yes. Did you form a view as to whether Minister Tripodi was lobbying you or seeking to influence you to agree to the rezoning of the land in question?

**Ms KRISTINA KENEALLY:** No, I did not form that view at all. There was nothing to suggest that whatsoever.

**The Hon. DON HARWIN:** Mr Haddad, pursuing the same topic, have you had any discussions with Minister Tripodi at any time about the rezoning of the land that is described in this article, the pockets that I have outlined to the Minister? Have you had those discussions with Minister Tripodi at any time, either in a meeting or during a telephone call?

**Mr HADDAD:** No, I did not have any discussion with Minister Tripodi about the specific land you are referring to. The whole Western Sydney Employment Land Investigation Area was the subject of discussions in Cabinet processes.

**The Hon. DON HARWIN:** Did you form the view that the Minister was lobbying for the rezoning of that land?

**Mr HADDAD:** I did not form that view.

**The Hon. DON HARWIN:** Thank you. We will leave that matter there today. Mr Ray, are you aware of any close associations between developers and any staff member of the Department of Planning?

**Mr RAY:** No, I am not aware of that.

**The Hon. DON HARWIN:** Has anyone made assertions to you that officers in the department may be dealing with developers without due probity?

**Mr RAY:** No-one has made that assertion to me.

**The Hon. AMANDA FAZIO:** Point of order: I believe it would be appropriate that, if the Hon. Don Harwin has that information, he refer it to the Independent Commission Against Corruption.

**The Hon. DON HARWIN:** Thank you for the suggestion.

**The Hon. AMANDA FAZIO:** It is your public duty to do so.

**The Hon. DON HARWIN:** Thank you. Minister, I return to White Bay. We were talking about wharf 6. Correct me if I am wrong, but I think you used the word "sterilised" in terms of—

**Ms KRISTINA KENEALLY:** No. I was suggesting that that was what you were suggesting.

**The Hon. DON HARWIN:** I apologise for that. You did say that wharf 6 had been leased?

**Ms KRISTINA KENEALLY:** Yes.

**The Hon. DON HARWIN:** What is the period of the lease?

**Ms KRISTINA KENEALLY:** That would be a question for the Minister for Ports and Waterways.

**The Hon. DON HARWIN:** You are not aware of the term of the lease?

**Ms KRISTINA KENEALLY:** I am advised that it is term limited, but the actual detail of the lease would be a question best put to the Minister for Ports and Waterways.

**The Hon. DON HARWIN:** Is it in fact a 10-year lease, with a 10-year option?

**The Hon. HENRY TSANG:** It is a question for the Minister for Ports and Waterways.

**Ms KRISTINA KENEALLY:** As I have just said, the details of the lease would be a matter for New South Wales Maritime.

**The Hon. DON HARWIN:** So you are not aware at all what the lease term is?

**Ms KRISTINA KENEALLY:** I have never seen the lease, and I am not a party to it, and neither is my department.

**The Hon. DON HARWIN:** Or even the lease period?

**Ms KRISTINA KENEALLY:** I am advised that the lease is term limited.

**The Hon. DON HARWIN:** Limited to what term?

**Ms KRISTINA KENEALLY:** I am advised that it is term limited. The actual details of the lease you would have to put to the Minister for Ports and Waterways.

**The Hon. DON HARWIN:** This puzzles me, Minister. You are wanting to prepare a master plan for the future of the White Bay precinct, and yet you cannot tell this Committee how long wharf 6 has been sterilised—or you will not tell this Committee how long wharf 6 has been sterilised—

**Ms KRISTINA KENEALLY:** I do not think it is my job to tell this Committee—

**The Hon. DON HARWIN:** Surely, if you, as Minister for Planning, are responsible for the development of the White Bay precinct—

**Ms KRISTINA KENEALLY:** The Government is responsible for preparing a master plan for the Bay's precinct. That is what we are doing.

**The Hon. DON HARWIN:** And the Department of Planning will be involved in that?

**Ms KRISTINA KENEALLY:** The Department of Planning is one of many departments that will be involved in that.

**The Hon. DON HARWIN:** Mr Haddad, are you aware of what the lease term is for wharf 6?

**Mr HADDAD:** No, I am not aware of the lease terms.

**Ms KRISTINA KENEALLY:** Mr Harwin, with the greatest respect, this is a question that is not within this portfolio. We gave a valid development consent. We have said there are short- and medium-term existing uses in the Bay's precinct. This includes existing leases, not just at White Bay but at other sites in the Bay's precinct. We have also flagged that the Rozelle rail yards and parts of the White Bay precinct will be used for the CBD Metro construction. As a result, nothing will happen at the Bay's precinct in the short term. We have been very clear in our consultation, both online and with the community reference group, that what we are doing is formulating planning principles to create a master plan to guide the development of that precinct in the medium to long term, recognising that over time those leases will expire and there will be an opportunity at White Bay and at Glebe Island to conceive, to imagine, new uses for that site. It may also be the case that some parts of that site will continue in their maritime use. That is precisely a question that the Government will need to answer through its community consultation and through its task force work.

**The Hon. DON HARWIN:** Your indication was that the Minister for Ports and Waterways has principal carriage of that?

**Ms KRISTINA KENEALLY:** The Minister for Ports and Waterways is responsible for the leases in the precinct—the leases that are done by New South Wales Maritime.

**The Hon. DON HARWIN:** Did you have discussions with Minister Tripodi about the fuel depot proposal?



**Ms KRISTINA KENEALLY:** Yes, I did.

**The Hon. DON HARWIN:** Did he indicate to you that he wanted you to approve the depot?

**Ms KRISTINA KENEALLY:** The depot came about as a result of an expression of interest that was conducted before I became the Minister for Planning. I cannot recall—and I would need to check—whether that expression of interest was conducted by New South Wales Maritime or by Sydney Ports. Minister Tripodi simply enquired of me as to the status of the development application, noting that this development application had been under consideration for some time, that it had gone through an independent panel, that it had gone through public hearings and public consultation, and that it was undetermined. As Minister for Planning, I determined it on the recommendation of the Department of Planning following a full merit assessment.

**The Hon. DON HARWIN:** So he did raise with you the fact that this had been outstanding for some time and that he was keen to see the determination of the project go ahead?

**Ms KRISTINA KENEALLY:** I am advised that the expression of interest was issued by Sydney Ports. Mr Harwin, perhaps you do not know this, not having been a Minister in government but it would not be unusual for any portfolio Minister to enquire with me on the status of a development application that is currently before my department—in the same way that community groups enquire on the status of development applications and proponents enquire on the status of development applications.

**The Hon. DON HARWIN:** In determining the Bailey's marine development at wharf 6, did you have any meetings with representatives of the New South Wales Water Police?

**Ms KRISTINA KENEALLY:** Not that I can recall. I would be happy to check my diary, but I do not recall that.

**The Hon. DON HARWIN:** Are you aware of the community concerns regarding the White Bay precinct strategy? Will you meet with the White Bay Precinct Committee, the Balmain Precinct Committee and the White Bay Residents Consultation Group to discuss those issues? If so, when?

**Ms KRISTINA KENEALLY:** In fact, Mr Harwin, I have already met with the community reference group. Slam dunk, Mr Hazzard!

**Ms SYLVIA HALE:** The Minister's self-satisfaction is extraordinary.

**The Hon. HENRY TSANG:** She is a Minister; she should be happy.

**Ms SYLVIA HALE:** Not if you are the Minister for Planning in this State. I would think you would be acutely embarrassed by what you have to do for the Government.

**The Hon. HENRY TSANG:** She has done an excellent job.

**The Hon. LYNDIA VOLTZ:** She does not look embarrassed to me, Sylvia.

**Ms KRISTINA KENEALLY:** I am very proud of the New South Wales planning system.

**Ms SYLVIA HALE:** Minister, I want to ask some questions about the Sydney growth centres Conservation Offset Program funding. The New South Wales Government proposed that as a result of the development of the Sydney growth centres, a \$530 million Conservation Offset Program would be established to protect priority conservation areas within the Cumberland Plain. Has there been any reduction in the amount of that fund? If so, why has that reduction taken place and what is the extent of the reduction?

**Ms KRISTINA KENEALLY:** I will ask the deputy director general if he can address that question.

**Mr REYNOLDS:** You are correct, there is a fund established as part of the levy structure in the growth centres. From memory, that was about \$530 million. You would be aware that the Government has reviewed the growth centres' contributions twice since their institution in the middle of 2006, and that element of the contributions has remained the same.

**Ms SYLVIA HALE:** About \$530 million?

**Mr REYNOLDS:** Yes, over the life of the growth centres.

**Ms SYLVIA HALE:** Has any funding been given to the Department of Environment and Climate Change from the program? If so, how much has the Department of Environment and Climate Change received?

**Mr REYNOLDS:** Yes, I think there has been. I will have to check my records for the correct amount, but my understanding is yes.

**Ms SYLVIA HALE:** When that funding is provided is it on the basis that the Department of Environment and Climate Change wishes to acquire a particular area of land or is it just given to their general revenue?

**Mr REYNOLDS:** It is allied to their proposed offset program. I have just been reminded that that amount of money is indexed as well, so it could be more than \$530 million as we are now talking. The money is allocated to the Department of Environment and Climate Change ultimately to acquire lands on their priority offset program. The details of that would probably be better asked to them.

**Ms SYLVIA HALE:** I return briefly to Redfern-Waterloo and the built environment plan stage two. The built environment plan stage two was advertised as going on exhibition in March 2008. To date—that is, 19 months later—it has not been released. When will it be released for exhibition?

**Ms KRISTINA KENEALLY:** The built environment plan stage two, you are correct, is a project of the Redfern-Waterloo Authority in partnership with Housing NSW. For the information of the Committee, that provides for the renewal of social housing estates within Redfern and Waterloo. Ms Hale, I have a number of things here I can tell you that the built environment plan stage two provides for but—

**Ms SYLVIA HALE:** All I need to know is when it will be released for public exhibition?

**Ms KRISTINA KENEALLY:** That is fine. Housing NSW and the Redfern-Waterloo Authority are continuing to work on it. We are establishing an expert design panel to provide advice and recommendations for the planning controls that the Redfern-Waterloo Authority and Housing NSW formulate and we are also undertaking financial reviews of the project. At this point I am not able to give you a date as to when it will go on public exhibition.

**Ms SYLVIA HALE:** But you are collaborating with the Department of Housing?

**Ms KRISTINA KENEALLY:** Absolutely.

**Ms SYLVIA HALE:** Therefore, are you aware of any plans to sell any Housing NSW land as part of stage two of the plan?

**Ms KRISTINA KENEALLY:** No.

**Ms SYLVIA HALE:** You are not, okay.

**Ms KRISTINA KENEALLY:** You may wish to put questions about the sale of Housing land to the Minister for Housing.

**Ms SYLVIA HALE:** Thank you, I will do so on Friday afternoon. Is the authority considering any public-private partnerships to bring about the developments that have been suggested in stage two?

**Mr WAKELIN-KING:** The built environment plan stage two process about possible planning controls and future planning controls for the social housing sites at Redfern-Waterloo, the subsequent implementation of that development is not a matter for the authority and that will ultimately be a matter for Government once those planning controls are established.

**Ms SYLVIA HALE:** Whose responsibility would any proposal to demolish terraces in Raglan Street, for example, be? Would that be Redfern-Waterloo or the Department of Housing?

**Ms KRISTINA KENEALLY:** That would be with the Department of Housing.

**Ms SYLVIA HALE:** Are there any plans to demolish any terraces in Raglan Street?

**Ms KRISTINA KENEALLY:** As we have just said, that would be with the Department of Housing. As that is my electorate, I am aware that the Department of Housing engages in buying and selling property and is constantly reviewing the built form of the properties it owns. But I am not aware of any specific proposal and that is a question, in terms of my capacity as Minister for Redfern-Waterloo, that is outside my area. I would advise that you are best to put it to the Minister for Housing on Friday.

**Ms SYLVIA HALE:** I understand that the Redfern-Waterloo Authority has told Housing NSW to consult properly with tenants. Did you specify to Housing NSW how any of that consultation should take place?

**Ms KRISTINA KENEALLY:** I am sorry, consult about what?

**Ms SYLVIA HALE:** To inform residents and get their opinions on what was likely to happen in their area?

**Ms KRISTINA KENEALLY:** For the built environment plan stage two specifically or about anything to Housing might do?

**Ms SYLVIA HALE:** As a result of proposals under the built environment plan stage two?

**Ms KRISTINA KENEALLY:** Certainly when we are prepared to go on public exhibition there will be extensive community consultation.

**Ms SYLVIA HALE:** Just to clarify, was there any requirement by the executive of the Redfern-Waterloo Authority that Housing NSW consult adequately with tenants?

**Ms KRISTINA KENEALLY:** I find you—

**Ms SYLVIA HALE:** Are you aware of any?

**Mr WAKELIN-KING:** Perhaps I could say, we are working with Housing NSW obviously in the development of the built environment plan stage two and part of that cooperation, which I can inform the Committee is very positive and constructive cooperation of course, is the consultation process. It would be inappropriate for me to direct Housing NSW to do anything. What we would do is to work up that plan in a collaborative and constructive way and we would implement that plan accordingly once it is finalised. The executive of the Redfern-Waterloo Authority and myself personally have never told Housing NSW to go and consult in a particular manner.

**Ms SYLVIA HALE:** Do the stimulus payments from the Commonwealth fit in with the stage two redevelopments? Will you be using Commonwealth stimulus package money for any part of the stage two developments?

**Mr WAKELIN-KING:** If I could just reaffirm that built environment plan stage two is about the establishment of planning controls. So therefore the actual development post the establishment of those planning controls will be a matter for Housing NSW, in particular obviously in relation to built environment plan stage two.

**Ms SYLVIA HALE:** Has a place of public entertainment licence been granted on the Channel 7 site?

**Mr WAKELIN-KING:** There is an application for such a licence, and that is currently under consideration.

**Ms SYLVIA HALE:** Is that an application for a 24-hour a day licence?

**Mr WAKELIN-KING:** I will have to take that on notice and come back to you.

**Ms SYLVIA HALE:** If it were, I assume you would be putting in place measures to ameliorate the effects on residents?

**Mr WAKELIN-KING:** It would be inappropriate for me to articulate what any potential outcomes of that would be because it is an application that is on foot.

**Ms SYLVIA HALE:** On the Australian Technology Park, what is the timeframe for the sale of the 99-year lease on that park?

**Ms KRISTINA KENEALLY:** You are correct that in the 2008 mini-budget the Government decided to sell the Australian Technology Park on a 99-year lease basis as part of the State's asset sale program. This site is unique and complex and it is a complex site to sell. It comprises a number of different asset types, in that it will appeal to different purchasers. The Australian Technology Park is heritage listed; it contains three development sites; it has site contamination issues; it has legal complexities relating to its operations, its buildings and its leases; it is a heritage site with heritage buildings; and it has a mix of long- and short-term tenants.

The Australian Technology Park Precinct Management Limited [ATPPML] currently manages and operates the site for us. The Government has appointed the State Property Authority to manage the sale process of the Australian Technology Park. A steering committee, comprising representatives of the Redfern-Waterloo Authority, ATPPML and Treasury, have been meeting readily to monitor progress on the due diligence and to make decisions on strategic issues. That due diligence process has commenced with the first stage involving collating key information about the Australian Technology Park site and undertaking a preliminary review of significant documents to identify key issues.

I am advised a due diligence planning workshop has been undertaken and there have been key issues identified and many of those were those I have just outlined. That first stage is continuing. The second stage has also commenced with several consultant reports being commissioned to inform the steering committee. Those reports will provide the steering committee with more up-to-date and professionally based information relating to the commercial property market, site contamination, business operations, conservation management plans and other matters. The Redfern-Waterloo Authority is directly managing a number of matters related to the sale process and that includes stakeholder management, communications and staff information arrangements and other matters. At the moment it is on foot but I cannot give you a date as to when we might proceed with the actual sale.

**Ms SYLVIA HALE:** You have suggested in outlining a range of constraints on the site that, in fact, the return to the Government might be limited by those constraints. One of those constraints is a heritage listing. Under the amendments to the Heritage Act it is now easier for a landowner or the owner of a heritage site to apply to the Government for dispensation and for removal of sites from the register on the ground of economic hardship. Will the State Government apply that proposal to itself and will there be any attempt to—

**The Hon. AMANDA FAZIO:** Point of order: The time for Ms Hale's questions has expired.

**CHAIR:** Minister, did you get enough information to give an answer?

**Ms KRISTINA KENEALLY:** Yes, I did. It would be premature or inappropriate for me to speculate at this point about the return to Government from the sale. It would also be premature to speculate about whether anyone in the future might apply for removal of State heritage listing. Except to say this, any application to remove State heritage listing anywhere by anyone will be looked at and decided on its merits.

**Ms SYLVIA HALE:** You will give no guarantee of preservation of the railway—

**Ms KRISTINA KENEALLY:** It is State heritage listed.

**The Hon. LYNDA VOLTZ:** Point of order: The time for questions has moved to the Government members. It is inappropriate for Ms Hale to keep asking questions.

**Ms KRISTINA KENEALLY:** Ms Hale should know well enough that State heritage listing goes with the site, not the owners.

**CHAIR:** Government members will now ask questions.

**The Hon. HENRY TSANG:** Minister, can you inform the Committee of Government plans to ensure the provision of affordable rental housing?

**Ms KRISTINA KENEALLY:** Yes, I can. Mr Tsang, I think this is one of the most significant policy achievements of the Government in the past 12 months. Providing affordable rental housing is a key responsibility of all levels of government—Commonwealth, State and local government. The State Government understands that we have a role to play. We have moved to enable the provision of sufficient numbers of affordable rental housing. This is being achieved both directly and indirectly. Directly, it is through the actions of agencies such as the Department of Planning, which has developed policies to encourage and streamline the construction of affordable rental housing, and the Department of Housing, which directly commissions and manages the Government's affordable rental housing supply. Indirectly, the Government encourages the provision of affordable rental housing by the private and public community sectors through the provision of incentives, streamlined policies and assistance.

Across New South Wales there are more than 190,000 households with low or moderate incomes who are paying more than 30 per cent of their income on rent. This is categorised as rental stress, and it is a problem that for the past decade has been getting worse, not better. In fact, rents have been rising in both regional and metropolitan areas, with more than half of Sydney's council areas experiencing rent increases of 10 per cent or more in the year to March 2009. This is a major challenge, and one that requires a coordinated effort across all levels of government. I am pleased that the matter has attracted the attention of the Commonwealth, which has recognised the scope of the affordable housing supply problem and has taken concrete steps to address this issue head-on.

As part of the Commonwealth's Nation Building—Economic Stimulus Plan, the Rudd Government is funding the construction and maintenance of social housing throughout Australia. It will provide \$6 billion over 3½ years to construct new social housing and a further \$400 million over two years for repairs and maintenance to existing public housing dwellings. In total, through direct investment and assistance to the social housing sector, the Commonwealth will fund the construction of up to 19,000 new houses across Australia. This funding is a most welcome development. We are working closely with the Commonwealth to put in place planning policies that will support the delivery of affordable rental housing to the community of New South Wales.

A key significant initiative was the gazettal in July of the New South Wales Government's Affordable Rental Housing—State Environmental Planning Policy. This is one of the things I am most proud of as Minister. This policy is designed to increase the amount and diversity of affordable housing in our State. The policy aims to better encourage homeowners, social housing providers and developers to invest and create new affordable rental housing to meet the needs of our existing residents and our growing population. What does this new policy do? It encourages partnerships between private and not-for-profit housing providers; it assists in the provision of housing closer to major employment areas, consistent with the New South Wales State Plan; it militates against the loss of any existing affordable housing; it supports innovative affordable housing styles, including granny flats and new generation boarding houses; and it delivers good urban design outcomes.

The new affordable rental housing policy is part of the Government's commitment to creating Australia's best planning system. It delivers on our promises to do what was required to support the provision of affordable rental housing for the citizens of New South Wales. The new policy specifically includes improved concessions and incentives for infill housing. This will encourage greater links between private and community housing sectors and support the development of housing projects containing a mix of both market-priced and affordable dwellings. For example, low-rise developments such as townhouses and villas will now be permitted in all urban residential zones if they contain more than 50 per cent affordable housing for a period of 10 years and if, in the Sydney region, they are close to public transport. Where residential flats are already permissible, housing providers will receive a floor space bonus if they offer at least 20 per cent of the flats in a development as affordable rental housing.

Another key initiative is the extension of the provisions of the existing infrastructure State environmental planning policy to support the provision of affordable rental housing through faster approval processes. Under the changes, both Housing New South Wales and developers entering into a joint venture

partnership with it can apply to the Department of Planning for a site compatibility certificate for land near Sydney train stations. These certificates allow the public housing provider to lodge an application for a low-rise residential flat building without the need for rezoning, which would generally be assessed by the local council. The new policy also contains provisions to support the development of a newer style of boarding house with self-contained rooms in residential zones and appropriate business zones, which will support students, singles, young adults, couples and key workers; allow self-approval by the Department of Ageing, Disability and Home Care for group homes of up to 10 bedrooms; and allow self-approval by Housing New South Wales for public housing of no more than 20 units and two-storeys, provided it meets existing guidelines relating to good design outcomes. It will also support the greater take-up of granny flats, through streamlined approval processes.

With granny flats, for example, the policy provides alternatives to ensure that this process is streamlined. A granny flat can be created through three different methods, all of which are now much easier, thanks to the changes introduced by the Government. You can convert part of an existing home into a granny flat, you can build a granny flat extension to an existing home, or you can build a new detached granny flat on an existing property. Once a decision has been made as to which style of granny flat is best for a property, the homeowner can seek approval for the work either by a traditional development application through local council or through the Housing Code checklist process. If using the Housing Code, provided the project meets the criteria, the proposed work can receive approval within 10 days, allowing for a much faster start to the construction.

Taken together, these policies have laid the foundation for a significant expansion of the quantity of affordable rental housing developments in New South Wales. They have streamlined approval processes for various types of affordable housing. They have provided encouragement to the private and community sectors to build affordable housing projects or incorporate affordable rental housing elements into new residential projects. They have positioned New South Wales to benefit from the Commonwealth's social housing initiative, while maximising the outcomes achievable from that package for this State. In particular, it has set in place long-term measures to ensure that the State's stock of affordable rental housing will continue to rise, irrespective of Commonwealth funding, thanks to the incentives built into the Affordable Housing Rental Policy. Most importantly, this has already increased the supply of affordable rental housing in New South Wales, and it will continue to do so for the foreseeable future.

That is the best possible outcome for the community. The Commonwealth, State and local governments are working together to provide affordable rental homes for those in our society most in need. This policy delivers good social outcomes. It will no doubt make a difference to the most vulnerable members of our community. This is the quintessential attitude of a fair go in action: helping those in need when times are tough.

**The Hon. LYNDIA VOLTZ:** Minister, could you update the Committee on the Local Infrastructure Fund?

**Ms KRISTINA KENEALLY:** The New South Wales Government strongly agrees that the provision of community infrastructure in a timely manner to new development areas is critical. The Government has to do more than just release land; it also has to make sure that land—whether in western Sydney or anywhere else in the State—is adequately serviced by new local infrastructure, such as roads and stormwater facilities. The Local Infrastructure Fund was announced as part of the 2009-2010 State budget. The \$200 million scheme will provide interest-free loans to councils to fast-track local infrastructure projects that have been delayed due to local funding shortfalls, and this will assist the provision of new housing and employment. Applications for the fund were called for in June 2009 and closed on 31 August 2009. Local councils were able to apply for funds for projects that will support urban development, such as roads, water, sewerage and drainage. Projects to be funded through the fund must cost a minimum of \$1 million, and no more than 10 per cent of the total funding can be spent on specialist advice or design and permit costs.

We have been very happy with the interest in the scheme from local councils. Over 100 applications have been received. A very rigorous assessment system has been put in place to assess these applications. The applications are being assessed by an assessment panel comprising an independent chair, Dr Neil Shepherd, and representatives of the Department of Planning, Treasury and the Division of Local Government in the Department of Premier and Cabinet, using advice from technical specialists. All applications must meet eligibility criteria as well as undergo a preliminary check to make sure they are eligible and sufficiently complete. Applications are assessed against the equally weighted essential funding criteria of ability to deliver works essential to urban development, accelerated infrastructure provision and value for money.

To guide the assessment of the applications in a fair and transparent manner, a specialised probity adviser has been appointed. The applications will be assessed in accordance with the fund guidelines and the assessment and probity plan, which has been prepared in consultation with the adviser and endorsed by the assessment panel. Technical specialists will undertake an initial assessment of the applications against the selection criteria and an independent evaluation panel will assess the applications. The Department of Planning is currently going through these applications and we hope a decision can be made in November after approval by the Treasurer and me. Fast-tracking these infrastructure projects will support local jobs, provide an immediate local economic stimulus in the construction sector, and deliver long-term infrastructure for local communities.

**CHAIR:** That brings us to the conclusion of this hearing. I thank the Minister and her officers for their assistance today.

**(The witnesses withdrew)**

**The Committee proceeded to deliberate.**

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