

# **GENERAL PURPOSE STANDING COMMITTEE No. 4**

**Thursday 10 February 2005**

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

## **HOUSING**

**The Committee met at 11.00 a.m.**

### **MEMBERS**

The Hon. J. A. Gardiner (Chair)

The Hon. J. C. Burnswoods  
The Hon. K. F. Griffin  
The Hon. S. P. Hale

The Hon. D. T. Harwin  
The Hon. D. E. Oldfield  
The Hon. E. M. Roozendaal

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### **PRESENT**

**Department of Housing**  
**T. Barnes**, *Director-General*  
**M. R. Allen**, *Deputy Director-General, Operations*

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

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

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

**CHAIR:** I declare this session in relation to the Housing portfolio open for questions. Firstly, if I could deal with unoccupied public housing. Would you be able to provide the Committee with the most recent available figures in relation to unoccupied public housing?

**Mr BARNES:** I think it was around 1,700 unoccupied the last time that I checked the figures. I would have to take that on notice to give you the precise figure.

**CHAIR:** That is 1,700?

**Mr BARNES:** That is my memory.

**CHAIR:** Are those clustered in any particular part of the State? For example, are most of them in the central Sydney area or are they spread out across the Hunter, the Illawarra and so on?

**Mr BARNES:** Well, no, they would be spread across the State. Keeping in mind that around 80,000 of our 130,000 residents are within the metropolitan area, there would usually be a higher percentage within the Sydney metropolitan area, but the reason for those are that often they are units undergoing renovation or improvement, modifications, for example, for new tenants or it may be disabled modifications. Our objective is, of course, to have them filled as early as possible and within the Sydney area. Because the waiting list and the demand are very high, we would obviously be trying to fill those as quickly as we can.

**CHAIR:** Would you be able to provide—and I appreciate that you will probably have to take this on notice—a breakdown of that figure across the central Sydney region, the Hunter region, the northern region, the south-eastern region, the south-western region, the western region and the Western Sydney region?

**Mr BARNES:** Yes, I am happy to provide that. But I will take it on notice, though, for detail.

**CHAIR:** Given that there are apparently over 73,000 people on the Department of Housing waiting list, is it not a matter of concern that there are those nearly 2,000 places unoccupied?

**Mr BARNES:** Well, no, firstly it is less than 2,000 and, as I mentioned before, the reasons for them being unoccupied are not that we are not wishing to have them occupied; it is moreover that they are going through a process either of being on offer to an applicant or going through a process of being upgraded or having renovations or modifications undertaken to them. Our actual void numbers have been decreasing and on the measures that are undertaken across Australia, I can report that the New South Wales figures, in terms of unoccupied dwellings and voids or turnarounds, are right up there with the best results.

**CHAIR:** What is the average time that a dwelling is unoccupied?

**Mr BARNES:** Well, it varies across New South Wales. I might just ask Mr Allen if he can assist with that information.

**Mr ALLEN:** The average vacancy period is approximately 30 days, which is nationally the second lowest level for any housing authority across Australia.

**CHAIR:** Is there much variation between different parts of the State as to what the average is?

**Mr ALLEN:** No, there is not a great deal of difference; certainly not a significant difference. As Mr Barnes said, it has got more to do with the nature of the repairs and the work being done to the property that affects the average, not the location.

**The Hon. DON HARWIN:** Mr Barnes, I wonder if you can tell me what the total amount of unpaid rent owed to the Department of Housing is?

**Mr BARNES:** I would have to take on notice the exact figure. What I can advise is that the amount of arrears is around 1 per cent of our total collectables in each year, and I will come back to the Committee on notice with that the precise figure.

**The Hon. DON HARWIN:** One per cent of arrears?

**Mr BARNES:** Yes.

**The Hon. DON HARWIN:** Are you able to make an estimate in dollar terms of what that might be?

**Mr BARNES:** No, I would rather take it on notice to be precise.

**The Hon. DON HARWIN:** I am not quite sure why it would need to be taken on notice. Surely it is a figure that you have available. You would know; you would have to be reporting it?

**Mr BARNES:** Well, no, I do not have the figure with me and I do not carry that particular figure in my head. I am happy to have it checked and bring back advice about that. What I have been looking at is moreover our general statistics in terms of our performance overall, as I mentioned in the previous answer, so I just do not have that figure in my head.

**The Hon. DON HARWIN:** But would it be a figure that requires administrative work in terms of calculating the figure, or is it just simply a figure you do not have here?

**Mr BARNES:** It is simply a figure I don't have here.

**The Hon. DON HARWIN:** Right. So it would be possible, no doubt therefore, to be able to contact someone at the department and get them to provide you with that figure—you have other staff here—prior to the end of this estimates hearing today?

**Mr BARNES:** Yes, I believe that, if there is urgency to know that figure today, I would be able to do that.

**The Hon. DON HARWIN:** I would just like to know that figure today, if that is all right. So could you undertake—

**Mr BARNES:** Yes.

**The Hon. DON HARWIN:** —that one of your staff will do that before the end of the hearing at 12.30 p.m.?

**Mr BARNES:** Sure.

**CHAIR:** Mr Barnes, can you provide the Committee with information as to how many tenants in New South Wales public housing are paying market rent?

**Mr BARNES:** Again, I do not have the exact number before me here. But I can indicate that around 91 per cent of our tenants are on a benefit and therefore, being on a benefit, they would come under the policy of paying 25 per cent of their income by way of rent. Nine per cent are not on a benefit and those therefore would be more related to market. Again, the precise number I could provide to the Committee.

**CHAIR:** You could provide that?

**Mr BARNES:** Yes, if you wish. I will take it on notice.

**CHAIR:** And would you again be able to provide a breakdown?

**Mr BARNES:** Across the State?

**CHAIR:** By region.

**Mr BARNES:** Yes.

**CHAIR:** Is there not a problem with so many people being on the waiting list—about 73,000—when there are people who can afford market rent who are still in public housing? Is the department trying to address that? If so, how?

**Mr BARNES:** Well, it is a matter that the department has before it, to review a range of our policies, which is certainly under way during my term of office. One of the matters is the issue raised. The department is clearly looking at its responsibilities in terms of the Public Housing Act and the provision of support that is provided across the State. That is one of the issues that certainly we have before us at the present time.

**CHAIR:** Can you give us an idea of what other issues are encompassed by that review?

**Mr BARNES:** Well, in my time—as has been my practice in other positions—I have been undertaking reviews across all aspects of the department's operation, so the question is that we are generally reviewing, as part of an ongoing process, a range of ways in which the department operates, both in terms of its maintenance costs and its management of tenure, and tenure issues.

**CHAIR:** Can you advise the Committee how many tenants were evicted from public housing during the last calendar year?

**Mr BARNES:** Yes. There were 232 tenants evicted.

**CHAIR:** Can you tell me how that relates to the previous year? Is that an improvement? Does that indicate a better performance by the tenants, or what is the trend line?

**Mr BARNES:** Well, that is for the year 2003-04. My memory is that that is around standard in terms of the trend over recent years. To provide further particulars, I do not have the previous years to give you a trend line. We could come back, and take that on notice, if the Committee wishes.

**CHAIR:** That would be appreciated. Can you tell us also what was the estimated value of damage to public housing in that same time frame?

**Mr BARNES:** Yes. What I can advise the Committee is that in the year 2003-04, the department charged tenants a total of \$7.5 million for property damage that was attributed to the tenants.

**Ms SYLVIA HALE:** Mr Barnes, you may recall that in September last year I asked you a series of questions about a specific case of asbestos contamination in public housing at Wauchope Crescent in Coogee.

**Mr BARNES:** Yes.

**Ms SYLVIA HALE:** Could you update me as to what the department has done since last September about assessing the problem and removing any exposure to asbestos from the site?

**Mr BARNES:** Well, I am limited in the amount of information I can provide to this extent: that the matter is one before the courts at the present time, and I am mindful of the issue of sub judice. What I am able to advise is that the department has, in respect of that and any other properties where there may have been a concern regarding asbestos, followed its usual policy and our safe working practices around asbestos and asbestos removal, and we would follow that for all properties where there has been either a concern raised or evidence of asbestos present.

**Ms SYLVIA HALE:** So has there been removal of asbestos from those properties?

**Mr BARNES:** No, look, I am sorry. I am not prepared to go into detail in respect of that particular matter.

**Ms SYLVIA HALE:** So, has the department conducted any tests out there?

**Mr BARNES:** Well, I am sorry, I am not prepared to go into detail in respect of that matter. It is a matter before the courts.

**Ms SYLVIA HALE:** Let's assume that—and I am told in fact—there were inspections of the entire block which were conducted on two or possibly three occasions and I assume that the litigation refers to the tenants of only one of the units in the block, do you not think if there were tests done on both the presence of asbestos and of air quality that in relation to the other tenants in that block your findings should have been made available to them?

**Mr BARNES:** Well, I am not aware of the other tenants having raised a concern and what I can say is that on the documentation that I have perused personally, I am satisfied that the department has taken appropriate steps in terms of that particular instance and in respect generally of that area.

**Ms SYLVIA HALE:** So you are saying that had the department found asbestos on site, it would have removed it?

**Mr BARNES:** Yes.

**Ms SYLVIA HALE:** And as far as you know, no asbestos has been removed?

**Mr BARNES:** I guess we need to have some understanding around the issue of asbestos. Asbestos in its undisturbed state is in itself not a threat to tenants, our staff or our contractors; it is only if asbestos were to be disturbed that it becomes a matter of concern. So the evidence of asbestos in itself is not a reason for it to be removed.

**Ms SYLVIA HALE:** But you may recall that I gave you some photographs where the ceiling had been disturbed, the eaves on the block had been disturbed and in fact people had punched holes some time before and that that had created asbestos threads and contaminated the air.

**Mr BARNES:** Well, I am sorry, you are going into detail that is before the courts and I am not able to make comment about that detail.

**Ms SYLVIA HALE:** I can understand how the department may be anxious to preserve its position in relation to one litigant, but surely if tests have been conducted, does the department consider it has any responsibility to other tenants with whom it is not engaged in litigation?

**Mr BARNES:** As I have mentioned, I am satisfied on information I have perused that the department has acted responsibly and in accordance with legislation in terms of that particular premises and others that may be within the same precinct.

**Ms SYLVIA HALE:** If the department has acted responsibly and has nothing to fear from the results of any of these tests, is the department prepared to release those test results to the public or to tenants?

**Mr BARNES:** Well, the matter of any test results which relates to a court matter would be before the court, and until the court determines the position, it would not be appropriate for us to release them, no.

**Ms SYLVIA HALE:** But there was evidence of asbestos within switchboards, people working on those switchboards with no masks, and those switchboards were in public corridors. If the department has done tests and you say that you have acted in accordance with your obligations—

**Mr BARNES:** Correct.

**Ms SYLVIA HALE:** —surely, in the interests of the peace of mind of other residents and, as you say, you have nothing to fear from the litigation, why should you not release those findings, those test results?

**Mr BARNES:** My answer is, again, that all of those are issues which relate to the matter of the legal action.

**Ms SYLVIA HALE:** But these are other people I am talking about, not just the litigant.

**Mr BARNES:** My answer has been that our actions in relation overall to the area have been in accordance with our public and legal requirements. I am not aware of other tenants having raised the concern. Should they have concern, we would be happy to have a discussion with them through our appropriate officers, but as for this morning, I am not in a position to go into detail on the matters you are pursuing.

**Ms SYLVIA HALE:** Has the department notified WorkCover about the presence of asbestos in these units?

**Mr BARNES:** At the risk of repeating myself, I am not prepared to give specific answers around that matter. What I am prepared to say is that the department follows its normal practice in relation to asbestos and if there were concerns regarding asbestos and it's being disturbed, our practice would be to notify WorkCover.

**Ms SYLVIA HALE:** It is not just a question of practice; it is obligatory, is it not, to notify WorkCover?

**Mr BARNES:** Correct.

**Ms SYLVIA HALE:** So if it is obligatory, surely you can say, yes, we have notified WorkCover or, no, we have not.

**Mr BARNES:** No, I'm sorry. You are seeking details around a specific case which is before the court.

**Ms SYLVIA HALE:** But I am seeking—

**Mr BARNES:** And I have answered.

**The Hon. ERIC ROOZENDAAL:** Point of order: Ms Sylvia Hale has now asked the witness probably in the vicinity of 15 questions around this issue. The witness continues to answer appropriately, indicating that there are legal matters at hand and his reluctance to go into some detail. I suggest that the Chair indicate to Ms Sylvia Hale that she might want to move on since it is clear that he has answered these questions to the extent he wishes to.

**CHAIR:** I think Ms Sylvia Hale is going to move on.

**Ms SYLVIA HALE:** Yes, to another question. I understand that WorkCover requires that warning signage be erected near exposed asbestos. Has the department erected any such signs in the units?

**Mr BARNES:** Look, I am not prepared to answer questions related to that specific incident.

**The Hon. JAN BURNSWOODS:** This is moving on, is it?

**Ms SYLVIA HALE:** You will recall that in September I also mentioned one woman had contacted me from these units and that she had been without a stove for four years because electrical contractors have not been prepared to enter the site, due to the presence of asbestos. I think I provided you with copies of their signed statements and the indication that they would not do the work to install the stove until the asbestos had been removed. Last September during these hearings, the Minister said, "... that is someone who has fallen between the cracks, and that is unfortunate and unacceptable". I spoke to the woman concerned this morning and she says that she is still without a stove. Given that it is now four months since the Minister said the situation is unacceptable, can you

tell me when the department intends to connect the stove, or if it has determined that it will not connect the stove?

**Mr BARNES:** For clarification, is this the same person related to your previous questions regarding asbestos who is taking action against the department?

**Ms SYLVIA HALE:** I do not know who is taking action against the department or not. I am just talking about a person who is without a stove for four years.

**Mr BARNES:** Okay. Is it the same unit that you referred to?

**Ms SYLVIA HALE:** It could well be, but I find that irrelevant. Merely because someone may be taking action against the department, that does not resolve the problem of being without a stove for four years.

**Mr BARNES:** In relation to the stove, if it is the same unit, my understanding is that the department has been refused access by the tenant to the property in respect of a replacement of the stove. That is my understanding.

**Ms SYLVIA HALE:** Last September I said to you, Mr Barnes, "You mentioned contractors. It is my understanding that contractors working at units in Wauchope Crescent, Coogee, worked on a switchboard", which was in a corridor, "without any form of protective clothing, despite the presence of considerable amounts of asbestos dust." The then Minister, Mr Scully, said, "If that is the case, that is of great concern. It is a serious matter. I would expect the director-general to take that up with WorkCover tomorrow morning." Did you do so?

**Mr BARNES:** I am prepared to answer generally to say that what I did do is check the department's practices in respect of all of our contractors and subcontractors, and we have arrangements in place for contractors, both contractually and in terms of the requirements under their respective Acts, to follow the requirements of both WorkCover and occupational health and safety. As a department we continually remind contractors in relation to their obligations. And last year, in fact, I wrote to all contractors and again reminded them of their need to follow the respective legislation and safe working practices.

**Ms SYLVIA HALE:** But my understanding from Mr Scully's remarks was that you would make specific inquiry, and I quote again "If that is the case, that is of great concern. It is a serious matter. I would expect the director-general to take that up with WorkCover tomorrow morning." It is my understanding that he is suggesting that you will follow up on the specifics of this case rather than issue a general reminder to all departments.

**Mr BARNES:** The answer I just provided was a general answer because from my understanding I believe you are returning to related facts around the court case, for which I am not prepared to answer.

**Ms SYLVIA HALE:** But I am talking about a switchboard that is in a corridor that is accessed by children and people living in a whole set of units, a block of units. I am not concerned about a litigant in this instance I am concerned about the other tenants who are not engaged in litigation with the department. I am concerned about their safety and the department's procedures.

**Mr BARNES:** Yes, and I appreciate that concern. And in answer to that concern I have mentioned that the department has taken action appropriate to its requirements under legislation, but I am not in a position to speak about matters that will relate to a court case and that may have some bearing on the court's determination, and some of the issues you are raising go to that.

**Ms SYLVIA HALE:** Can I turn to the issue of residential parks, caravan parks, relocatable home parks? As you know, there are a number of parks within Sydney and along the coastline in particular that have closed or are under threat of closure. Given the significant decline in this type of housing and the fact that many of these residents could not resolve their housing situation in the private market due to cost and the need for bonds, has the department developed any strategies for assisting people who are obliged to leave a park that closes?



**Mr BARNES:** In answer to the issue around caravan parks and caravan park closures, that is a matter—a policy and a strategic matter—that DIPNR has been pursuing and the department has been one of the parties to a joint Government working group to address the issue of caravan park closures. As to specific policies in relation to caravan park tenants, I am not aware of the specific policy we would have.

**Ms SYLVIA HALE:** But presumably if people are obliged to leave a park and then seek public housing they become very much the problem of your department, is that correct, if they cannot obtain private rental accommodation?

**Mr BARNES:** Yes, but the department has, as part of its processes, for any applicant and assessment process. Anyone who would be in that circumstance would present at, I would expect, the Department of Housing Office and then would complete the appropriate application, and that application then does give consideration to individual circumstances related to such matters as levels of income, numbers of children, et cetera. What I am not aware of is if we have a specific policy or support for caravan park tenants. We have a general range of policies that address people who are in need. I can go on, if you wish, and mention a range of things around our crisis accommodation.

**Ms SYLVIA HALE:** No.

**Mr BARNES:** We have a range of other policies and support systems in place, but specifically around caravan park tenants I am not aware of a specific policy around those.

**Ms SYLVIA HALE:** But you would well be aware that, for example, in the Fairfield area there is a very real prospect of up to 600 people there finding themselves without homes, similarly at Gosford in Tasker's caravan park there is a possibility of several hundred people finding themselves without homes. Do you think it is appropriate that the department should develop a policy addressing the specific situation and needs of these people?

**Mr BARNES:** I am certainly happy to look at that further, but on the present policies we have, we already have in place a range of support mechanisms, for example, Rent Start and Rent Assistance, for which we provided some 52,000 people last year with rent assistance. We have crisis accommodation. There is already a range of support mechanisms. The department has to then address the specifics and circumstances of individuals.

**Ms SYLVIA HALE:** Perhaps you can confirm whether the department uses caravan parks as a form of emergency or relief housing for crisis accommodation? Does it not avail itself of caravan parks to provide emergency or crisis accommodation?

**Mr BARNES:** As part of the various suppliers and providers we have under crisis accommodation the department uses a range of providers from motels and in some locations there may be caravan parks as well. But what I am saying in answering your question is that if there are people who now, as a result of a caravan park closure, and circumstances where they are seeking support that if they require public housing we would address their circumstances and we have a range of measures in place to provide support.

**Ms SYLVIA HALE:** But do you recognise that the residents of many of these parks are particularly vulnerable because many of them are elderly, a lot of them have sunk their life savings into these homes on the mistaken assumption that they have a guarantee that they have permanent possession of that home when, in fact, they are only renting the plot on which the home stands? There is a significant number who are elderly and who will be unable to relocate and who will be unable to take with them the home that they leave behind. Surely it is something of a crisis, would you not think, if these closures proceed?

**Mr BARNES:** If they proceed, but I am certainly well aware of those circumstances. I have relatives who are both aged and live in similar circumstances, so I understand the circumstances people may find themselves in if a caravan park were to be closed, and that is of concern and that is why there is a Government working party with a range of government departments looking at all of those issues. As for the department, as I have mentioned we have a range of measures of support and

assistance, and it really gets down to the particular circumstances of each individual. For example, if someone already owns one of those homes—they can be quite substantial—they may well have a market price and they may well be able to realise funds from those. Their circumstances may be very different from someone who is simply renting a caravan. It gets down to a case-by-case analysis and evaluation based on the department's priority waiting list and its policies of assistance.

**Ms SYLVIA HALE:** But you would also be aware that if they cost anything up to \$100,000 or \$200,000, the park owner who requires tenants to vacate is under no obligation to pay them a market value for those units and, in fact, offers frequently only a derisory amount?

**Mr BARNES:** Yes, and I understand that. But what I am saying is that you have to look at the circumstances of each particular applicant and if an applicant who had even \$10,000, \$20,000 or \$30,000 were to present their circumstances are somewhat different to someone who presents with no funds. You need to look at each particular case.

**Ms SYLVIA HALE:** Where you are aware of the possibility that a park may close does the department provide outreach services to those residents so that they can be aware of how they can access departmental assistance?

**Mr BARNES:** I will ask Mr Allen to answer, if you do not mind.

**Mr ALLEN:** The department takes a very proactive approach when we are notified of a potential caravan park closures. Staff will visit the residents and the management of those individual caravan parks and certainly make the residents aware, as Mr Barnes has outlined, of the range of services that we can provide to assist them subject to an assessment of their eligibility. That has been practice, and we doorknock quite literally each of the residents in those caravan parks and talk with them, as well as leaving printed information for them to follow up and we would then follow up with them at a later stage as well, as Mr Barnes has indicated, liaising with the other government agencies and non-government agencies in the area who might also be required to assist those residents.

**Ms SYLVIA HALE:** Are you aware that in relation to the Lansdowne caravan park at Lansvale near Fairfield that the park and village service, which is funded by the Department of Fair Trading, this week attempted to have an information session with tenants of the park to inform them of their rights and their obligations, but the park management—it is a Meriton-owned park—refused to allow the park and village service onto the site so that it could inform residents? Have you encountered any such difficulties, or do you anticipate encountering those?

**Mr ALLEN:** I am not familiar with the circumstances around the particular failure to hold a meeting that you have mentioned, but our experience with other caravan park closures, and they have not been numerous, have been that the managers and owners of those caravan parks have co-operated with a variety of government agencies, including ourselves, in facilitating discussion with the provision of information to those residents. I am not surprised by that situation you have brought to our attention, but I am not familiar with the circumstances of the details.

**Ms SYLVIA HALE:** In that case Meriton has been rather aggressive in its attitude in not allowing residents to hold a meeting of residents on the site, but also excluding the park and village services.

**The Hon. DAVID OLDFIELD:** Mr Barnes, is there a means test at all in place with regard to a person's capacity to gain public housing?

**Mr BARNES:** I will ask Mr Allen to answer that.

**Mr ALLEN:** Yes, there is a range of eligibility criteria that need to be met, including income criterion and property ownership criterion.

**The Hon. DAVID OLDFIELD:** Would you briefly outline that for me?

**Mr ALLEN:** There are set levels of weekly income.

**The Hon. DAVID OLDFIELD:** What is it set at?

**Mr ALLEN:** It is set at a number of different levels depending on the family size and it starts at approximately \$350 per week for individuals and moves up on a graduated scale to other household sizes, and there are other criteria around Australian residency, property ownership and other broader housing needs issues.

**The Hon. DAVID OLDFIELD:** Say, for example, you had a family of five—three children, husband, wife, two of the people working—what would be the income that would be expected that would fall within the criteria?

**Mr ALLEN:** I can provide it, on notice, with full details of what that income eligibility criterion is by household size, so that you have that information.

**The Hon. DAVID OLDFIELD:** That would be good. What is the criterion regarding property?

**Mr ALLEN:** The eligibility regarding property ownership is such that if people have property ownership then the general expectation would be that they would avail themselves of the opportunity to house themselves in that particular property. In some cases there will be exceptions where access to the property is not available to the person and we would take that into account in assessing the eligibility.

**The Hon. DAVID OLDFIELD:** Are you saying that if the person has a property that person is not eligible unless there is some specific barring of that person accessing the property?

**Mr ALLEN:** The general requirement is that if people are able to house themselves through their own resources in an adequate and appropriate manner then that is the department's expectation that they would do that, yes.

**The Hon. DAVID OLDFIELD:** Is there a hard and fast rule there, or not?

**Mr ALLEN:** No, there cannot be a hard and fast rule. We need to assess each case on its merits, but there are certainly policy criteria that set out the way in which we would determine and consider each individual case.

**The Hon. DAVID OLDFIELD:** Can you give me all of that?

**Mr ALLEN:** Yes.

**The Hon. DAVID OLDFIELD:** What is the general breakdown of time for a person to be able to gain housing? I gather that there are a couple of categories, perhaps, with regard to those who want to move to a particular location as opposed to, "We'll take anything" and I understand that there will be some differences between one, two and three bedrooms and so on.

**Mr ALLEN:** It is difficult to give you a specific answer in that case because it depends, as you have indicated, on the location in which someone wishes to live, the size and type of property in which they wish to reside. It is not just about how many bedrooms but it is about other means, for example, if there is a need for a single-level cottage that may well differ from location to location and so the time it takes does vary according to those factors. However, with cases that are assessed as being more urgent, we have a priority housing policy system that does provide an opportunity to deal with more urgent cases more quickly and we would deal with them on that basis.

**The Hon. DAVID OLDFIELD:** Can you give me something on notice that is quite particular in those areas with regard to times, access, single dwelling, multistorey, whatever?

**Mr ALLEN:** We will certainly take it as a question on notice and see what information is available to provide to you.

**The Hon. DAVID OLDFIELD:** Previously when I asked about values of properties, I got an answer back saying that the property values in the department's portfolio ranged between \$5,000 and \$2.1 million. Is that a misprint I have? What sort of properties do you have that would be worth \$5,000?

**Mr BARNES:** Bearing in mind that we have property all across New South Wales, those, for example, may be parcels of land in country towns with very low value, they may be parcels of land that could even be a small reserve that again has a low value or sometimes an access lane that is still in freehold title and therefore has a value. It is not surprising.

**The Hon. DAVID OLDFIELD:** Are we talking only about land value?

**Mr BARNES:** Yes. There may be no building on the property therefore there is only land.

**The Hon. DAVID OLDFIELD:** When I have been given these values of \$5,000 and \$2.1 million is that land value only?

**Mr BARNES:** No, it would be the value of the property, but if there is no building on it then there would be only land.

**The Hon. DAVID OLDFIELD:** I hate to presume things, so excuse me if this seems like a stupid question, but I would rather be stupid than presume incorrectly.

**The Hon. JAN BURNSWOODS:** You do not have to try harder.

**The Hon. DAVID OLDFIELD:** You have no idea. You, of course, are exempt from land tax?

**Mr BARNES:** From land tax?

**The Hon. DAVID OLDFIELD:** Yes.

**Mr BARNES:** Yes.

**The Hon. DAVID OLDFIELD:** What about council rates?

**Mr BARNES:** No, the department pays council rates.

**The Hon. DAVID OLDFIELD:** What is the arrangement with regard to strata fees?

**Mr BARNES:** Strata fees? Yes, we do.

**The Hon. DAVID OLDFIELD:** You do pay strata fees?

**Mr BARNES:** Yes.

**The Hon. DAVID OLDFIELD:** Can I get on notice the value of properties in the portfolio in excess of \$600,000?

**Mr BARNES:** Yes.

**The Hon. DAVID OLDFIELD:** The 25 per cent of income that is paid by tenants, is that just across the board 25 per cent?

**Mr BARNES:** No, it does vary. It depends, for example, on a range of factors. It generally applies to the majority of our tenants who would be on a benefit, but there may be some who are on the particular benefit at a point in time when a policy may have changed. For example, it may be a pensioner and in that case it could be 20, 21 or 22 per cent, or it may be people with a family tax benefit, in other words a benefit they receive because they have children, and if that is assessed as income that proportion of the income would be assessed at less than 25 per cent.

**The Hon. DAVID OLDFIELD:** So 25 per cent is a maximum?

**Mr BARNES:** No. Yes, I suppose, other than market. Yes.

**The Hon. DAVID OLDFIELD:** Is it 20 to 25 per cent or does it go lower than that?

**Mr BARNES:** It would be in the range of 20 to 25 per cent, but it depends what you are assessing. If you are assessing just the pension that a person receives or the benefit the individual receives then it would typically be 25 per cent, but if it is part of the total income for family tax benefit because they have children then that proportion would be assessed as a lesser figure.

**The Hon. DAVID OLDFIELD:** Is this net income or gross income?

**Mr BARNES:** No, it is gross.

**The Hon. DAVID OLDFIELD:** Could I get from you, obviously on notice, the total of the amount paid in strata fees and the amount paid in council rates?

**Mr BARNES:** Yes, we will take that on notice.

**The Hon. DAVID OLDFIELD:** What is the total value of the portfolio?

**Mr BARNES:** It is around \$28 million.

**The Hon. DAVID OLDFIELD:** Could I also get on notice the total gross rank income?

**Mr BARNES:** Yes, we will take that on notice.

**The Hon. DAVID OLDFIELD:** Could I also get a breakdown, percentage wise, of the type of welfare this 91 per cent of people who are on a benefit of some kind in public housing, for example, unemployment, disability, age pension? Could I get a percentage breakdown of that?

**Mr BARNES:** Yes, I will take that on notice and we will provide what information the department has collected and is able to collect.

**The Hon. DAVID OLDFIELD:** Thank you. In questions I asked previously you let us know that there are 15 properties that are worth in excess of \$1 million. In fact, one is worth \$2.1 million. Could I get, please, an understanding, on notice of course, of how long those properties have been occupied by current tenants? We are talking one year, five years, 10 years? Have people been in them a long time? Can I get an understanding of those 15 properties and the length of time the current tenants have been there?

**Mr BARNES:** Just for clarification, do you mean the tenants who reside there as at 2005 or how long those properties have been tenanted by public housing tenants?

**The Hon. DAVID OLDFIELD:** The ones who reside there as at 2005. Have they been there since 1995, since 1990 or whatever it might be?

**Mr BARNES:** I will take that question on notice.

**The Hon. DAVID OLDFIELD:** Of course, yes.

**Mr BARNES:** Again, we will provide what information we are able to provide.

**The Hon. DAVID OLDFIELD:** I am sorry, most of these I am not expecting you to be able to tell me right now, of course. Can I also get a breakdown of how many apartments, how many townhouses and how many units are in the portfolio?

**Mr BARNES:** Yes, we will take that on notice.

**The Hon. DAVID OLDFIELD:** Could I also get an understanding of however you would feel best it expressed as to where there are, in the case of units, properties where the whole block is Housing Department as opposed to individual units that are housed, obviously, where you would be paying strata fees? How many are in the blocks as opposed to how many are individuals in apartment buildings that are not owned fully by the department?

**Mr BARNES:** Yes, I will take that on notice.

**The Hon. JAN BURNSWOODS:** I wonder if you could give the Committee some details about the current Commonwealth-State Housing Agreement [CSHA] and the extent to which the details of that agreement contribute to the difficulty facing New South Wales in housing, for instance, the people on the waiting list?

**Mr BARNES:** The current agreement is a five-year agreement that was signed by the previous Minister on July 2003. In total terms the funding will be less than the department had received under previous agreements.

**The Hon. JAN BURNSWOODS:** Is that less in real terms or less in money terms?

**Mr BARNES:** Less in real terms in the order of around \$200 million is my recollection, and that certainly does not assist when the department is looking at a range of services it provides and also in seeking to provide increased assistance throughout New South Wales to people in need of public housing support. Funding at the present time is around \$300 million from the Commonwealth and around \$147 million from the State per annum, so in broad terms certainly the funding from the CSHA agreement is considerably less over the five-year period than was previously the case.

**The Hon. JAN BURNSWOODS:** Can you give us any sort of estimate, I realise it would be fairly rough, over the term of the current agreement of how many people the \$200 million shortfall being shortchanged by the Commonwealth that you have mentioned might have had New South Wales had those funds available?

**Mr BARNES:** It is difficult to quantify the exact number because it would depend if you used those funds for the new-built residence or were to move into head leasing. There are different benefits of either approach. Head leasing would provide a greater number it does add to the recurrent, as it obviously keeps repeating. The exact numbers we would be happy to bring back on notice. We are happy to do a calculation in relation to that.

**The Hon. JAN BURNSWOODS:** I refer again to Commonwealth funding, or lack thereof, and what it means to New South Wales. Discussions have been conducted about rental assistance and the fact that New South Wales, and Sydney in particular, is a much more expensive place to rent than anywhere else in Australia. Can you provide any information about the way in which the levels of Commonwealth assistance impact on New South Wales?

**Mr BARNES:** I can speak broadly on the issue. Commonwealth rent assistance is not provided through my department but directly by the Commonwealth Government through its own agencies. It is a standard figure across Australia. I am sure all New South Wales residents, and particularly Sydney residents, are well aware of the relativity of the Sydney market to the markets in other parts of Australia. The issue is that in the smaller States, for example, Tasmania, South Australia and even Western Australia, rents are very much lower than in Sydney. Therefore, there is a disproportionate benefit and that adds to the disadvantage of people within metropolitan and perhaps regional areas of New South Wales who are under greater stress in terms of their housing need. The previous Minister raised that concern and the department has been requested to examine it and to take it up at the Commonwealth level.

**The Hon. JAN BURNSWOODS:** I assume that if the rental assistance is, in effect, so much less useful for a resident of Sydney than that would have an impact on the waiting list for public housing. Proportionately there would be more people in Sydney unable even to think about the private rental market.

**Mr BARNES:** It certainly adds to the pressures on the Department of Housing from a range of areas, simply for the reasons you have outlined—that people do not receive the same proportionate benefit and the high rents in Sydney market and on the coastal fringe mean they are less able to find accommodation in the private sector. For those reasons, the department has had to develop other assistance, for example, the Rent Start assistance and other special assistance that we provide to people who are having difficulty and who are perhaps trying to find accommodation in the private sector. It certainly adds to the pressure.

**The Hon. JAN BURNSWOODS:** I understand that the department has also implemented a pilot program using some public housing to provide reasonably priced rental housing for relatively lowly paid workers in Sydney so that we do not end up in a situation in which the work force needed in Sydney cannot afford to live here.

**Mr BARNES:** Through the Centre for Affordable Housing the department has been looking at a range of development-type options. The concept was not that the department itself would continue to provide accommodation of that nature but to demonstrate to organisations, perhaps community housing groups and the private sector more broadly, that through innovation new dwellings could be provided and support could be offered to assist people in housing need who may not be eligible under the criteria for public housing but who were suffering housing stress in a heated market such as Sydney. One demonstration project was run to show another way to provide accommodation for people on a low income but who were employed and therefore would not be eligible for public housing under our policies.

**The Hon. JAN BURNSWOODS:** You mentioned community housing. I am sure that you know the Standing Committee on Social Issues, which I chair and of which the Hon. Ms Griffin is a member, completed a report into community housing and the Government has responded. Can you provide details of the statistics on community housing and the extent to which it continues to be a growth area in housing in New South Wales?

**Mr BARNES:** The report from the Legislative Council committee supported the development of further opportunities for community housing, and it has been growing. My memory is that we went from having approximately 5,000 units, homes or accommodation with community housing to approximately 11,500 now. So the community housing sector has been developing. The department is working with the sector across a range of initiatives and one of those is in relation to regulation which was one of the recommendations from the upper House inquiry.

Currently we have been consulting with community housing providers on the issue of regulation which has been welcomed, I might add, by the associations as a support way for them in terms of both good governance and to be able to demonstrate to other support providers, such as lending institutions and the like, that there is, in fact, a regulatory system which will give confidence to allow further leveraging from values they may already have within properties to then expand their property portfolios. At the present time the department is still working through many of the recommendations to report back to the Government about implementation but certainly has been most supportive of the inquiry recommendations and has been pursuing them with the community housing sector through a consultative process.

**The Hon. KAYEE GRIFFIN:** A small number of councils have affordable housing policies or are working towards those sorts of strategies. When councils look at those types of policies does the Department of Housing get involved, given the comments you just made in relation to community housing?

**Mr BARNES:** Yes, they do. The department has a Centre for Affordable Housing which not only welcomes those inquiries but we have been more proactively promoting the Centre for Affordable Housing. We have been working with a number of councils already on things like town planning local environmental plans and the like on the issue of affordable housing. This year in June the department is holding, in fact, a conference for local government, and has placed an officer within the Local Government Association to provide direct support to council planners and council community workers in the development of their strategies for particular council areas. It is an area which we see has great potential for working in partnership with local government and which where council could also perhaps assist, in some areas at least, in further development growth of the

community housing sector. So there are great opportunities through this approach. Yes, we have been very upfront in terms of promoting affordable housing and those initiatives with the local government sector.

**The Hon. KAYEE GRIFFIN:** Do you know the number of councils involved up to now in supporting an affordable housing strategy?

**Mr BARNES:** I am unable to quote a precise number of all of the councils that have made contact but I think it is in the order of 10 or 12 with whom we work very closely in developing specific strategies and assisting in local environmental plan amendments and the like. I know we have been working with my previous council, Parramatta, and a few quite closely, but as to the exact number that made contact with us, I am not able to provide that today but I would be happy to take it on notice.

**The Hon. KAYEE GRIFFIN:** The Hon. David Oldfield asked a question on notice in relation to the break-up of recipients of Department of Housing residents who are on aged pensions, unemployment benefits or disability pensions. My understanding is that the Commonwealth has changed the names of some of those benefits. Is that the way you are still structured at the moment? Is it difficult because of the changes the Commonwealth has made or is going to make to the benefits to put the break-up into those categories?

**Mr BARNES:** It may be. In my answer I might have said something to the effect that we would be happy to provide the information that we are able to collect, and in the categories. So we would have to go back and examine what we currently have. I am aware of Centrelink's current categories but we need to look at our databanks, and we can provide that for recent applicants, but for those who have been within public housing for many years we may not have the information at hand in relation to the specific benefit they may have in 2005, as to the benefit they may have received or that we reviewed at our last reviews. We will certainly do our best to provide whatever information we are able from Centrelink and from our data.

**The Hon. KAYEE GRIFFIN:** I would have thought it would be very difficult because of the changes to the categories?

**Mr BARNES:** It may be but we will do our best.

**The Hon. DON HARWIN:** Mr Barnes, are you able to answer my earlier question? Is information available in relation to the amount of unpaid rent owed to the Department of Housing?

**Mr BARNES:** Yes, I do have that figure. The figure was approximately \$3.65 million as at 30 June 2004 which is for rent arrears, excluding what we would call matters of fraud.

**The Hon. DON HARWIN:** What did you say?

**Mr BARNES:** Excluding any figures that had been identified as matters we are pursuing because of fraud.

**Ms SYLVIA HALE:** I understand that public housing tenants can now be obliged to enter into acceptable behaviour agreements and can be evicted if they either fail to enter into those agreements or if they fail to observe them. How many people have been evicted as a result of either failing to enter or failing to observe?

**Mr BARNES:** No, I do not because at the present time the department has not implemented those legislative changes. What it is working on at the present time is two pilots, one within the Wagga Wagga region and the other within the Newcastle region. Those pilots are being undertaken in conjunction with other government department agencies and at this point in time we have not evicted anyone because we were still putting in place the necessary policies and support mechanisms to then run and test those pilots.

**Ms SYLVIA HALE:** When will the pilot programs be completed?



**Mr BARNES:** From memory, the program for those pilots is for us to have a report back by approximately six months from now and then, based on those reports, for a review to be undertaken as to the effectiveness of the policies and the support mechanisms, procedures and the like. We would then be in a position, I would expect, to be able to advise our Minister in terms of further implementation of the program across the State.

**Ms SYLVIA HALE:** Does the department have any figures on the percentage of public housing tenants or households in which there is an incident of mental illness or psychiatric problems?

**Mr BARNES:** I do not know if I have the figures before me today. My memory is that it is approximately 11,000 but I would be happy to take it on notice and provide you with the figures.

**Ms SYLVIA HALE:** Yes, both the absolute figure plus the percentage. It has been suggested that the redevelopment of the Minto Housing Estate will only generate enough funds to replace 505 out of 937 public housing units. I also understand that Mr Gilbertson claimed at a recent departmental briefing on the proposed Bonnyrigg redevelopment that enough funds would be generated from that redevelopment to replace all of the Bonnyrigg stock—some on site and some elsewhere in south-western Sydney. Is that true?

**Mr BARNES:** There are two points in your question. In respect of the latter question regarding the Bonnyrigg proposed development, my recollection is that Mr Gilbertson made remarks along those lines but he qualified them, as I would need to this morning, to say that this is part of a process which the department is going through now with an expression of interest. Those expressions of interest are now out and will close around 31 March and the department will then need to go through a process of seeking further details from a smaller number. It will then be an assessment around the respondents as to the actual project costs, returns and deliverables. We really will not know in absolute terms or in any way final way until we have gone through that process. On our projections, our expectation is that the project should be able to achieve a result which would ensure that there is no loss of public housing from within the Bonnyrigg area.

**Ms SYLVIA HALE:** Why do you have that expectation at Bonnyrigg whereas in relation to Minto it seems to have fallen far short and there has been quite a dramatic decline in the amount of public housing that is expected to be available?

**Mr BARNES:** The Minto project is still one which is going through an evaluation process. We have been working with the Campbelltown City Council and with Landcom as to a range of development options in respect of that particular estate. When you look at any of these redevelopments there is a range of factors which come into consideration in determining any evaluations. They are the natural things that I am sure people here would well understand: proximity to other services, proximity to shopping facilities, values which may be for land in close proximity to the redevelopment and demand within particular areas. So there is a range of factors that come within each project. What I am able to say in respect to Minto is that it is still a project that is under development in terms of its overall project scope, size, project planning, master planning et cetera.

But clearly the objective from the department's point of view is that if there is any less provision of public housing within the Minto suburb or area, the department will then be seeking to ensure there is no overall loss of public housing stock, and that will be part of our project objective and project funding to ensure that those stocks, if not replaced within the particular estate, are replaced within the department's portfolio.

**The Hon. DON HARWIN:** In relation to occupied and unoccupied properties on a regional basis, what is the total public housing stock leased and owned? What is the available information and how is that information kept? I am asking in relation to quantity, apart from keeping statistics of how many by region, what other ways does the department accumulate that information in terms of keeping that information in forms that would be available? For example, do you keep that information by region, by local government area, by post code, by locality or by State electorate?

**Mr ALLEN:** The information recorded in our database is generally grouped around local government areas which is a fairly standard statistical approach, and the information would be available at a local government area level.

**The Hon. DON HARWIN:** It would not be available at a post code level?

**Mr ALLEN:** I cannot give you a clear answer on that, I am not sure. I know that it is at least available at a local government area level.

**The Hon. DON HARWIN:** Could you take that question on notice in terms of post code, locality and State electorate?

**Mr BARNES:** Yes, we will take that on notice.

**The Hon. DON HARWIN:** I have one other related question. In terms of those statistics about occupied properties and the availability of the information—you say that it will be available fairly easily, presumably by region and local government area—at what point do you effectively take the census, if you like? Would the figures be available on an annual, quarterly or monthly basis, or all three?

**Mr ALLEN:** It would be all three.

**The Hon. DON HARWIN:** So if I asked I could have the total number of occupied and unoccupied properties on a monthly basis. You would have those statistics and they would be available.

**Mr ALLEN:** We would be able to draw that information down at a point in time. How far back we could go in a retrospective context I would have to take on notice. But certainly information is generally reviewed on a quarterly basis and aggregates up from there.

**The Hon. DON HARWIN:** So on a quarterly basis you would push the button presumably and keep those figures.

**Mr ALLEN:** That is correct.

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

**Mr BARNES:** May I seek some clarification in taking that question on notice? Are you seeking that information for the past 12 months?

**The Hon. DON HARWIN:** No, I will probably ask that question on notice through the House when I have decided on exact parameters. I was just seeking from you an idea of how I could ask the question, that is all.

**Ms SYLVIA HALE:** Mr Barnes, it is correct that as yet in relation to Minto there has been no partnership developed with a private company.

**Mr BARNES:** That is correct, there has not been?

**Ms SYLVIA HALE:** I understand that the demolitions are continuing out there, is that correct?

**Mr BARNES:** There have been some demolitions continuing in areas where, following consultation with the resident action group—there is a resident group that we are consulting with; in fact, I have personally gone out and met with them on a couple of occasions—we have had vacancies. They would ultimately be properties at low standard and not economically able to be brought to standard for reletting in the short term—in fact, the request from the resident action group is that it would be better if they were demolished. So we have been demolishing those which have been through a process of consultation that are vacant and not able to be upgraded, or not upgraded economically, for short-term rental.

**Ms SYLVIA HALE:** So it is only a very specific type of property that is being demolished.

**Mr BARNES:** Yes, a type or in some cases it may be a precinct, for example, because there may be two or three properties adjacent or adjoining.

**Ms SYLVIA HALE:** After consultation and agreement with the local community.

**Mr BARNES:** Yes. In fact, they have requested it.

**Ms SYLVIA HALE:** Sure. What will happen at Minto if you have gone ahead and demolished these properties and no successful partnership agreement is entered into?

**Mr BARNES:** I guess the first thing I should say is that I am confident that we will be able to enter into an appropriate arrangement with the private sector in one form or other to have a redevelopment occur within Minto. As to what will happen if we cannot, frankly, all indications I have received back is that that is not a possibility.

**Ms SYLVIA HALE:** If you enter into such an agreement where will the obligation lie to rehouse tenants who have been displaced? Will the obligation be on the private partner or will it be on the department?

**Mr BARNES:** The department accepts its responsibility in terms of rehousing. We have already developed a specialist rehousing team and we are maintaining a list of tenants who wish to be rehoused. So the department does not sidestep its obligations in that regard. As to how the department may be able to contractually make arrangements to deal either itself with the issue of relocation or with the private sector, they are matters which would need to be explored as part of the commercial arrangements that we would ultimately need to examine and enter into. But as for today, my answer is that the department nonetheless will accept its responsibility to follow through on the rehousing of tenants should they wish to.

**Ms SYLVIA HALE:** So presumably part of the agreement is that tenants be rehoused on site rather than be relocated elsewhere. The obligation would be on the private partner to ensure that that accommodation is made available.

**Mr BARNES:** Firstly, there are some tenants who may not wish to be rehoused.

**Ms SYLVIA HALE:** Assuming there are tenants who do wish to be.

**Mr BARNES:** There are some tenants who have to date indicated that they wish to be rehoused. So the department has formed a group to ensure that we stay in contact with those tenants and also to communicate et cetera and to monitor their ongoing needs. Now the department would therefore accept the responsibility that, should those people wish to then return to Minto, they would be given a first option to occupy new residences within the Minto redeveloped area.

**Ms SYLVIA HALE:** My concern is that one of the problems with public-private partnerships [PPPs] is that they become subject to commercial-in-confidence agreements and they are not open to public scrutiny. So while there may be a public announcement that people will be rehoused on site rather than sent out to the back of Bourke or whatever, there will be no way of publicly making sure that that promise is adhered to, or in fact that the type of accommodation they may be offered is appropriate to their needs.

**The Hon. DAVID OLDFIELD:** Madam Chair, is this part of my five minutes?

**CHAIR:** Yes, it is.

**Ms SYLVIA HALE:** That is my last question.

**The Hon. ERIC ROOZENDAAL:** What was the answer from the Chair?

**CHAIR:** Yes.

**Mr BARNES:** I will try to be brief with my answer.

**The Hon. ERIC ROOZENDAAL:** Yes, that is part of Mr Oldfield's five minutes?

**CHAIR:** Yes. Sorry, Mr Barnes.

**Mr BARNES:** My answer—and I will be brief—is that I believe there is a way, and that is that the responsibility, which I have already indicated, is with the department to follow through on rehousing. We have the group and we have consultation and communication processes already, and we will continue those. As to the how-to, if indeed it was a contractual requirement for the private sector to be involved in rehousing, it would be the department's responsibility to follow through on that. It does not in any way sidestep its responsibility to those tenants who wish to be rehoused.

**Ms SYLVIA HALE:** But you are obviously very conscious of the Port Macquarie Base Hospital fiasco.

**CHAIR:** Mr Oldfield.

**The Hon. DAVID OLDFIELD:** Mr Barnes, I do not expect you to be able to answer any of these questions today so I ask you to take them on notice. If you can answer them now, please do so. It was suggested to me in a previous answer you have given that 15 properties are valued at more than \$1 million. Would I get the specific rent breakdowns of those 15 properties? Could I also get the rates and strata fees, if any are paid, on those 15 properties? Could I have any general information on the overall ages of tenants across the board? I mean the ages of primary tenants—husbands, wives—not necessarily children.

**Mr BARNES:** In respect of those properties?

**The Hon. DAVID OLDFIELD:** Yes. Could I get a breakdown of persons who have been in public housing over five years, 10 years, 15 years and over 20 years—numbers?

**Mr BARNES:** Again in respect of those 15 properties?

**The Hon. DAVID OLDFIELD:** No, this is all properties.

**Mr BARNES:** That is more general.

**The Hon. DAVID OLDFIELD:** My first question is with regard to the 15 properties—the rents specifically for those properties—I do not expect you to give me the specific rents for 130. I would like the rates and strata fees, if any, specifically for those 15. I would like the ages of tenants across the board—primary tenants only; not children—and the number of persons in public housing across the board for five, 10, 15 or 20 years. If I could revise my previous question with regard to property values, could I have the number of properties between \$500,000 and \$600,000; between \$600,000 and \$700,000; between \$700,000 and \$800,000; between \$800,000 and \$900,000; and between \$900,000 and \$1 million? Could I also get the number of properties specifically in Sydney, Newcastle and Wollongong, and then could I get the other properties across the States just by local government area [LGA]—so X number in Manly and so on; whatever the LGA is.

**Mr BARNES:** Yes, I understand.

**The Hon. JAN BURNSWOODS:** Could I also have the number of person hours that it will take to provide all of the statistical information that this Committee has asked for so far?

**The Hon. DAVID OLDFIELD:** We will offset that against the taxpayers' funds that are rorted by virtue of your salary.

**The Hon. JAN BURNSWOODS:** Perhaps we could send the bill to the Commonwealth.

**Mr BARNES:** It will be a considerable amount of work. Obviously I cannot give the number of person hours that it will take to collect and to provide this reporting, but it will be considerable. I

will take on notice the questions asked. To the best of our ability and information we have available we will provide that information to the committee.

**The Hon. DAVID OLDFIELD:** Thank you very much.

**CHAIR:** I appreciate that.

**The Hon. DAVID OLDFIELD:** I have another question on notice. Could I have the total value of properties just based on land values, not property values as such?

**Mr BARNES:** We will take that on notice and provide information that we have available. I am not sure that we have it broken up into those categories but whatever we can provide we will.

**CHAIR:** Mr Harwin has a clarification question.

**The Hon. DON HARWIN:** I think Mr Allen was helping me on this point before. To ensure that we keep the person hours as low as possible in terms of providing information, you mentioned that quarterly figures were available. So that I know when asking my questions, could you specify for which months you keep the quarterly figures so that I ask about the right months and the figures are easily available? For example, are the quarters from the beginning of the financial year?

**Mr ALLEN:** They are traditional quarters—three, six, nine and 12 months.

**The Hon. DON HARWIN:** Excellent, thank you. Therefore, I can ask for the information for those quarters based on the financial year.

**Mr ALLEN:** Yes, you can.

**Ms SYLVIA HALE:** Mr Burns, what other sites is the department currently considering for public-private partnerships?

**Mr BARNES:** The department has been going through a review of a range of its sites. I am not in a position to provide that information because at this point in time we have identified only one site for PPPs—that is, the Bonnyrigg site. Clearly, throughout New South Wales there would be other areas that may have potential but the position we have taken is that we are concentrating our efforts in respect of the Bonnyrigg estate. Based on the experiences that we have at that estate the department will be better able to evaluate what other areas may be appropriate for further development under a PPP model.

**Ms SYLVIA HALE:** What proportion of all the new public housing development do you wish to see completed through public-private partnerships?

**Mr BARNES:** The department has not determined a particular percentage or proportion. Perhaps what I am able to say is that if we look at our total portfolio it is a relatively small proportion overall because we have properties right across New South Wales. The potential for PPPs is higher in the areas of high value, which is predominantly in the Sydney area. The third component would be PPPs only really work where the department has a high level of ownership within a particular area. So you are mainly talking estates. Even with all of our estates, if all of them were to be done through a PPP, my memory is something around 15 per cent of our total portfolio. So it is a relatively small number overall but nonetheless worth pursuing.

**Ms SYLVIA HALE:** I will now ask you a few questions about a specific property. I understand that you may have to provide the answers on notice. It is in relation to 34 Wentworth Street in Glebe. There are 120 units there and I believe a few years ago approximately half of them were in public ownership and half were in private ownership. Now I understand that only about 10 Department of Housing tenants are left and the department appears to be selling off these units slowly, one or two at a time. Why is the department pursuing this policy?

**Mr BARNES:** I do not have the answers available today so I will have to take that on notice. I am happy to come back to you.

**Ms SYLVIA HALE:** Do you agree that one of the disadvantages facing public housing tenants who are displaced from inner-city locations to out west or the south-west is the consequent increase in transport costs? They are often far from where jobs are available and so on. This is not necessarily a good policy to be pursuing, at least in relation to this block.

**Mr BARNES:** I will take on notice the issue about whether or not this is a policy position the department is pursuing. I will come back on that point. I am aware, and the department is most conscious, of cost of living, and factors that affect cost of living are clearly transport, transport to work, to education and to other facilities. Certainly, it is something that we have a high level of understanding around.

**Ms SYLVIA HALE:** When you take that question on notice, could you explain whether there are any specific circumstances that have brought about the department's retreating from ownership of units in that area?

**Mr BARNES:** Yes.

**Ms SYLVIA HALE:** Ms Griffin referred to council affordable housing initiatives, and I think you indicated 10 or 12 councils were developing affordable housing policies. What problems are councils confronting when it comes to the implementation of those policies?

**Mr BARNES:** First, I was running on memory with that number, so I will have that checked. The sorts of issues, from my experience with local government, there are many. That is, as to how the council may put into effect the town planning requirements, for example. Who may provide the affordable housing? Who has the tenancy management of affordable housing? What issues are there in relation to both the first tenant and then subsequent tenants so you have the ongoing benefit? There are a range of issues that council would need to have before it in examining its affordable housing strategy. They are matters that the Centre for Affordable Housing is seeking to assist councils in their understanding and in developing alternative options and models. That is the reason for our conference. The conference this year will have a range of speakers, internationally and within Australia, and we would be encouraging councils, elected and senior staff, to attend the conference to examine these points and to understand what may be happening in other locations and globally. Certainly there are a range of matters.

**The Hon. DAVID OLDFIELD:** When you come over the Sydney Harbour Bridge, if you are coming this way from the north side, on the left hand side there is one in The Rocks, a very tall apartment building, a very cubicle block. Is that a public housing building?

**Mr BARNES:** I will ask Mr Allen to answer that.

**The Hon. DAVID OLDFIELD:** Can you picture the one I mean on the left?

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

**The Hon. DAVID OLDFIELD:** It comes up above the height of the harbour bridge and they all look like little glass cubicles that you can look through from one end to the other.

**Mr ALLEN:** That particular building is the Sirius Building. It is in Gloucester Street.

**The Hon. DAVID OLDFIELD:** That is a public housing building, the whole thing?

**Mr ALLEN:** Yes, it is.

**Ms SYLVIA HALE:** Are you aware of councils encountering any problems with DIPNR, the department, in implementation of mandatory affordable housing provisions?

**Mr BARNES:** There is only one specific one I am aware of, because I used to work there. I know Parramatta council has been in negotiation with DIPNR in relation to its local environmental plan.

**Ms SYLVIA HALE:** I understand Waverley was also finding difficulty with it?

**Mr BARNES:** I must confess I was not aware of the Waverley one. I understand in respect of Parramatta, it has been working with DIPNR in relation to the details, and the details I am not across. I do not understand currently what the points of difference may be.

**The Committee proceeded to deliberate.**

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