

GENERAL PURPOSE STANDING COMMITTEE No. 4

Thursday 20 June 2002

Examination of proposed expenditure for the portfolio areas

PLANNING, ABORIGINAL AFFAIRS, AND HOUSING

The Committee met at 8.00 p.m.

MEMBERS

The Hon. Jennifer Gardiner (Chair)

The Hon. Ian Cohen
The Hon. Patricia Forsythe
The Hon. Amanda Fazio

The Hon. John Hatzistergos
The Hon. Ian Macdonald
The Hon. David Oldfield

PRESENT

The Hon. Dr A. J. Refshauge, *Deputy Premier, Minister for Planning, Minister for Aboriginal Affairs, and Minister for Housing*

Ms D. Willcox, *Chief of Staff*

Department of Aboriginal Affairs

Ms. L. Burney, *Director-General*

Mr R. Davidson, *Deputy Director-General*

Department of Housing

Mr A. Cappie-Wood, *Director-General*

Department of Planning

Ms S. Holliday, *Director-General*

Mr W. Brailey, *Director Finance*

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CHAIR: I advise that the Hon. Patricia Forsythe has been nominated as a substitute member in place of the Hon. Charlie Lynn, the Hon. Amanda Fazio has been nominated as a substitute member in place of the Hon. Jan Burnswoods, and the Hon. John Hatzistergos has been nominated as a substitute member in place of the Hon. Janelle Saffin.

I welcome you to the public hearing of General Purpose Standing Committee No. 4. I thank the Minister and departmental officers for attending this evening. At this meeting the Committee will examine the proposed expenditure for the portfolio areas of Urban Affairs and Planning, Aboriginal Affairs, and Housing. Before proceeding commence, some procedural matters need to be attended. Paragraph 4 of the resolution referring the budget estimates to the Committee requires evidence to be heard in public. The Committee has previously resolved to authorise the media to broadcast sound and video excerpts of its public proceedings. Copies of those guidelines for broadcasting are available from the attendants.

I point out that in accordance with the Legislative Council's guidelines for the broadcast of proceedings, only members of the Committee and witnesses may be filmed or recorded. People in the public gallery should not be the primary focus of any filming or photos. In reporting proceedings of this Committee, you must take responsibility for what you publish or what interpretation you place on anything that is said before the Committee.

Whilst there is no provision for members to refer directly to their own staff while at the table, witnesses, members and their staff are advised that any messages should be delivered through the attendant on duty, or the Committee clerks. For the benefit of members and Hansard could departmental officers identify themselves by name, position and department or agency before answering any question referred to them.

The Hon. IAN COHEN: I refer to Budget Paper No. 3, Volume 2, page 14-47. Average staffing, estimated full-time, has increased from 41 to 48. Last year I asked a question regarding temporary workers. You advised me that your department head was in the process of making temporary workers permanent. How is this proceeding, and of the 48 workers how many are now permanent?

Dr REFSHAUGE: We do not have the exact figure here but it is about a third of all temporary employees.

The Hon. IAN COHEN: Do you recall that you advised me in this Committee last year that you were in the process of making permanent—

Dr REFSHAUGE: Yes.

The Hon. IAN COHEN: Can you offer an explanation? I was hoping for a 100 per cent answer this year.

Ms BURNEY: The department is in the process, as indicated last year, of filling the permanent positions. Part of the reason it has taken so long is because of the process that needs to be gone through in terms of getting position descriptions sorted out, and the approval process for advertising is about nine weeks to three months at the moment. We have almost all the positions assessed in terms of their level, and you may have noticed that there have been many positions advertised with the department recently.

The Hon. IAN COHEN: Again referring to Budget Paper No. 3, Volume 2, page 14-47, can you explain why there is no budget allocation this year for recurrent grants to non-profit organisations? I understand that last year it appeared in the budget papers as \$190,000.

Dr REFSHAUGE: We do run a grants program, which is in the order of \$800,000 a year. Because the grants program is basically one raft of programs, it is like this has been a Treasury determination to format the one particular grant. I will get more specific information about that later.

The Hon. IAN COHEN: Do you agree that it was a recurrent grants program?

Dr REFSHAUGE: We do not have recurrent grants program, we have a one-off grants program. It is recurrent funding, in the sense that it is not capital funding, so therefore the terminology might be referring to the payment of people's wages and therefore it is seen as recurrent. Our grants program is not to provide ongoing grants; they are one-off projects. Occasionally we would find one that goes for more than one year, but if it is more than one year I would expect that that should be taken up by other government agencies. In that sense would see this as seed funding to get projects tested out that otherwise may not meet criteria for other agencies.

The Hon. IAN COHEN: Referring to page 14-49, can you pinpoint any specific allocation regarding any policy objectives or programs to address major deficiencies in housing and essential infrastructure experienced by a number of Aboriginal communities?

Dr REFSHAUGE: That is usually done through other agencies—Housing particularly would be the agency you would be looking at for housing issues, and the Aboriginal Housing Office in particular. The role that the department would have would be very much a monitoring role, and the monitoring would be small compared with the monitoring of the department itself.

The Hon. IAN COHEN: The program would start under your Ministry of Aboriginal Affairs in terms of developing the idea, the project?

Dr REFSHAUGE: No. Usually it would be monitoring other agencies. We would expect to be involved in policies and projects on their own. The Aboriginal Communities Development Program [ACDP] is a specific, almost unique program in a number of senses. In the sense that we are talking about today, that is where it aligns with an agency, that is run by the Department of Aboriginal Affairs. Within that, there is I suppose more practical policy development than theoretical policy development. That is done in consultation with local communities to determine what would be the best results for the problems an individual community faces. We work very well in that way by having what is known as a working party in each of the towns that we have chosen for the ACDP. Also, work is done at that level that is not directly paid for as if they are our staff, but it is paid for through the ACDP. It does fund for project managers and works with the local working party, so there will be an enormous amount of practical policy development on the site rather than at the department.

The Hon. IAN COHEN: On pages 41 to 49 of the Social Justice Budget Statement are a number of initiatives designed to meet the needs and aspirations of Aboriginal people. Have any of these initiatives been monitored and reviewed since their introduction to see if they are achieving what they are designed to achieve?

Dr REFSHAUGE: A number of them are in the process of being monitored now. You may have missed the Premier talking about the economic business partnership that has been developed with the Department of State and Regional Development. Some significant work has been started there, and he outlined was outlining some early results of that work. The improving outcomes of Aboriginal communities, the initiative of the chief executive officers group on Aboriginal Affairs is really just starting. Part of the project itself will be evaluation, but some hard work has certainly been done on that project, and a feedback study from that has been very positive from the point of view of the communities that were visited by CEOs from different agencies, and also of the CEOs of government agencies which have participated in the program.

The Hon. IAN COHEN: When you say visited, has there been a proper assessment?

Dr REFSHAUGE: There has been a proper assessment of that early pilot, but it is now about to go further ahead. The full program is just starting. The pilot was really to work out the parameters, and there have been some assessments of that, and it was very successful.

The Hon. IAN COHEN: Have any Aboriginal people been involved in the review?

Dr REFSHAUGE: Very much so. Most of the other programs that I see here are new programs, except for the ACDP. That has been assessed in a number of ways, and there is ongoing assessment of it. One of the exciting things is the number of apprentices that have been employed. I think that is a very good outcome: 91 apprentices have been employed through that program, and the last figure I have shows that 300 people had clean water for the first time in their life, provided through this program. I think that we in Sydney would find it pretty amazing if we did not have that all our life, and to be able to provide it through this program is obviously a successful outcome.

The housing and health component, which is a major part—I suppose a sub-part—of the ACDP program, has been assessed in a number of ways, particularly by the proponents who oversight the work, who developed the program. It is a program that is so successful the Commonwealth is also funding it. They tend to fund at a lesser level than we do in New South Wales, and therefore the results they get are not as good as the results that we get. We are getting very good results because of the funding we put behind the housing and health program.

The Hon. PATRICIA FORSYTHE: Minister, your Labor colleague Premier Beattie has announced proposals to pay \$4,000 to each individual who may not have been paid appropriately by the Government for their labours over many years. Today Premier Carr talked about the necessity of getting Aboriginal people off welfare dependency. Has any money been allocated in the budget to provide a scheme along similar lines to that which Premier Beattie proposes? If not, what is being proposed by the Government to meet the criteria the Premier referred to today?

Dr REFSHAUGE: That would not come through this budget allocation; that would come through a different portfolio.

The Hon. PATRICIA FORSYTHE: Which portfolio would that be?

Dr REFSHAUGE: I am not fully aware, although I would expect that it would probably come through Community Services.

The Hon. PATRICIA FORSYTHE: Earlier, in answer to a question from the Honourable Ian Cohen you referred to the grants program. In your annual report on page 17 you refer to the Croc Eisteddfod and the work that it is undertaking. Has any money been provided to the Croc Eisteddfod, and if not, why not?

Dr REFSHAUGE: Yes, there has been money provided for the Croc Eisteddfod. Each year the annual report lists the organisations which get funding, and the Croc Eisteddfod has been one. I must admit that if it continues to apply for regular funding, I would be keen for it to receive funding from other agencies. If it is a program that is seen as successful and ongoing, it would be better to be funded from elsewhere.

The Hon. PATRICIA FORSYTHE: So, your department has no recurrent funding?

Dr REFSHAUGE: We have not.

The Hon. PATRICIA FORSYTHE: They are all single, one-off annual grants?

Dr REFSHAUGE: Single, one-off grants. That is not to say that a program that has been very successful, and that we believe would need another year to gain stability to be able to get further funding, would be excluded, but the focus is very strongly on one funding only.

The Hon. PATRICIA FORSYTHE: As the Croc Eisteddfod primarily involves young Aboriginal people, why would you say that they have to find support in another portfolio?

Dr REFSHAUGE: Because we see that all of government has a responsibility for Aboriginal people. We do not say that if it happens to contain the word "Aboriginal" it must come to my department. It would be a poor way of providing service to say that Aboriginal Affairs should provide for Aboriginal health or Aboriginal education. If kids are getting value from it, it should be

coming from the funding agency that has those sorts of programs within its standard; otherwise it would be an easy dumping place for other people to put their projects towards rather than using us more effectively as a targeted seed-funding program.

The Hon. PATRICIA FORSYTHE: Your director-general has indicated that she is going to seek preselection for the seat of Canterbury, I believe. Have you indicated to her what her obligations may be in her role as director-general leading up to the preselection, and, should she be successful at the selection, in the following period, and can you indicate those arrangements?

The Hon. Ian Macdonald: This is not a budget question.

The Hon. PATRICIA FORSYTHE: It is in fact. It relates to what costs will be incurred.

CHAIR: Order! The question relates to the director-general and the coming financial year.

Dr REFSHAUGE: Could you repeat the question?

The Hon. PATRICIA FORSYTHE: Yes. The director-general has indicated that it is her intention to stand for the seat of Canterbury. What action have you taken to advise about her obligations as director-general in the leadup to any preselection and, should she be successful at the selection, in the following period, and what costs you anticipate would be incurred?

The Hon. Ian Macdonald: Madam Chair, that question was clearly out of order. It has no budgetary implication whatsoever; it relates to her obligations. What has that got to do with the budget?

The Hon. PATRICIA FORSYTHE: It may well be that she is asked to stand aside. That would be very relevant to the budget provisions. I think the Minister is happy to answer the question.

The Hon. Amanda Fazio: I do not think the Minister should be put in the position of having to answer it. I take objection to that question being asked in this hearing because it clearly has nothing to do with the budget estimates for the Department of Aboriginal Affairs. Secondly, it seeks an opinion on something so completely hypothetical that it is totally irrelevant. Ms Burney might be offered a wonderful job in the corporate sector. Is the Hon. Patricia Forsythe going to ask what would be the recruitment and replacement costs if Ms Burney and a whole raft of other senior staff left the department?

The Hon. PATRICIA FORSYTHE: In terms of chief executive service and the senior executive service employment it is a contractual arrangement and I would think it is perfectly appropriate to ask the question.

CHAIR: The question is in order because it directly relates to what financial obligations might be imposed upon taxpayers in New South Wales in such circumstances. Dr Refshauge might like to answer the question.

Dr REFSHAUGE: The legislative provisions relevant to the position of public sector employees or officers contesting State elections are section 13B of the Constitution Act 1902, the Constitution (Public Service) Amendment Act 1916, Public Services Act 1980, section 98, and the Police Service Act 1990, section 92. Premier's Department circular 95/4 should also be consulted. Public sector employees standing for election to State Parliament are not required to resign until declared elected. In this situation, the last day of service is the day upon which the employee is declared elected. (See Constitution Public Service Amendment Act 1916). Notwithstanding the above, employees who are intending to nominate as candidates should be advised to consider appropriate legal arrangements to cover the election period.

In this regard, attention should be also be drawn to provisions of 8 (1) 4.11, Political and Community Participation, page 331. In order to avoid potential conflict, it would be preferable for

employees to take leave for election campaign purposes from and including the day of nomination for the election. Members of the Police Service should have regard to section 92 (1) of the Police Service Act 1990. When contesting election, leave may be taken with or without pay, whatever is the employee's preference, and the time that is available. Ms Burney has sought advice from the head of the Premier's Department, and has informed the ICAC, the Ombudsman, the director-general of the Cabinet Office and me about her arrangements, and she is following the requirements of the Acts and the Personnel Handbook, which was issued in August 1999.

The Hon. PATRICIA FORSYTHE: The Aboriginal Communities Development Program appears to have been massively underspent this year—only \$3.65 million, when the budget papers suggested an anticipated \$18.965 million. In fact, it was promised that over seven years \$200 million would be spent. As my colleague the shadow Minister would say, it sounds not only hollow but downright dodgy, especially when we look back to what you said last year: that you had signed off on \$53 million worth of programs, which also does not seem to have been spent. What was the \$3.65 million actually spent on, what projects did not get done, and why not?

Dr REFSHAUGE: We expect to spend \$16.6 million this year, according to advice from other Goods and Services, who are managing the program. There are a number of factors that ensure a greater rate of construction and expenditure in the next year, and that is partly due to the progress that we have been making at the level of the working parties. As you are aware, the program is not implemented by governments without the consent of the Aboriginal communities. It is a program that is very much in the hands of the Aboriginal communities themselves. The money is available, the budget is allocated, and that money can be spent. But for us to force funding for communities to build or change things, when they are still determining whether something should be in one place or another, or whether they want to change it, would totally defeat the concept of the program, which is to be very much management and, as much as possible, community control.

Yes, we are committed to spending the money. The money is there; it will not be lost. We obviously would like to see results sooner rather than later, but the whole concept of the program is to work in consultation, in conjunction with local communities. We cannot make them work faster than they want to work or feel capable of working, or change the way in which the way they work. We want to ensure that there is effective consultation throughout the whole community. A program of this size will always cause difficulties. Some people will feel that others are getting more of a benefit than they are. You will often find that a local council will feel that it should be getting a slice of the action, that this is a funding source from the Government, and will often try to load up programs with their own interests, which they should be paying for themselves. We do not fall for that, but we do make sure the money is targeted and goes where it should go. These problems are likely to be ongoing to some degree, but as time goes by there might be fewer of those problems. As you can see, the expenditure is certainly increasing as we have gone through those programs.

The Hon. PATRICIA FORSYTHE: And the actual expenditure of the \$3.65 million, the details of those projects?

Dr REFSHAUGE: Sorry, I am not sure what you are referring to. We are expecting to spend this year 16.6 million.

The Hon. PATRICIA FORSYTHE: Yes, but according to the budget papers you have actually spent \$3.65 million?

Dr REFSHAUGE: No, that is not what we expect to spend. That is what the budget papers at that stage said that we would spend. The latest information is that we are likely to spend to \$16.6 million.

The Hon. PATRICIA FORSYTHE: The revised budget for 2001-02 was \$3.65 million. Was that money actually spent?

Dr REFSHAUGE: That has been spent, but these papers were prepared before the end of the financial year.

The Hon. PATRICIA FORSYTHE: On what? How did you spend 3.65 million?

Dr REFSHAUGE: By the end of next week we will have spent \$16 million, not \$3.6 million.

The Hon. PATRICIA FORSYTHE: Can you provide a list of the projects that you spent it on?

Dr REFSHAUGE: Yes, I can. There has been some interesting work on houses in the priority communities: 20 in Armidale, one in Brewarrina, three in Collarenebri—

The Hon. PATRICIA FORSYTHE: Would you like to table that list?

Dr REFSHAUGE: No.

The Hon. David OLDFIELD: I would like to hear it.

CHAIR: Are you happy for this to go into your time?

The Hon. David OLDFIELD: Yes, I am more than happy.

Dr REFSHAUGE: A total of 57 were completed by April 2002, and another three are under way in Brewarrina. With regard to refurbishment of houses, there have been four in Bourke, three in Cabbage Tree Island, 16 in Coonamble one in Dareton, 30 in Gulargambone, five in Wilcannia and four in Walgett: a total of 63. Five in Fig Tree Island and one in Brewarrina are to be completed. Currently under way are three in Armidale, one in Bourke, seven in Brewarrina, seven in Goodooga. There have been 10 houses purchased: seven in Walgett, one in Wilcannia, two in Gulargambone and two in Coonamble. We are contemplating purchasing another 15: four in Armidale, five in Cabbage Tree Island and six at Kempsey. Some houses were almost completed in the former year but were completed within the last year include one at Coonamble, two at Dareton, one at Gulargambone and two at Morpeth.

Works were also carried out in seven communities. In Bourke renovations were commenced to nine houses. Works also included rainwater tanks for selected houses, stormwater drainage to Alice Edwards Village, and street lighting between the levee and Alice Edwards Village. There was also sterilising and worming of feral dogs. Money was spent on house renovations, street lighting and employment and training at Dareton. At Coonamble, apart from the houses I have talked about, a family park was created. At Goodooga there were upgrades to the water supply and development of on-site sewerage. There was also an upgrade to an internal road, as well as training for staff.

In Gulargambone, a family recreational park was created. There was landscaping and fencing in the town of Walgett, and also at Namoi and Gingie; road repairs and a training and employment program at Namoi; an upgrade to Walgett township sewerage; and playgrounds at Namoi and Gingie. At Wilcannia there was an upgrade of Reid Street park, two new parks on the Mallee and at Warrali, kerbing and guttering and roadworks. External laundry and cooking facilities were provided for 32 houses, as well as an upgrade of sewerage and a relocation of some septic tanks. There was also provision for TAFE teachers and apprentices. In Armidale there was provision for public housing, upgraded emergency accommodation, stormwater and drainage control at Narwan Village, and minor water and sewerage works on individual properties. There was funding to provide accommodation for training on site, extra storage for the CDEP equipment, community activities and supervision of apprentices and trainees.

At Boggabilla, the community park was upgraded, and roads and paths were also upgraded. In Bourke, rainwater tanks were provided to selected houses, remedial works were completed to two stormwater channels in Alice Edwards Avenue, and revegetation and environment rehabilitation were carried out at Alice Edwards Village to reduce dust. A rage cage and football field were provided, and restoration of an existing park in Alice Edward Village. Work was carried out to reinstate the road paving, pave crossings and provide speed control devices on the loop at Alice Edwards Village. Some money was also spent on employment and training. Serviced blocks of land and subdivisions were purchased in Brewarrina and houses were constructed. In west Brewarrina the

elevated tank was removed, a new pump station was constructed, and reticulation improvements were carried out.

At Barwon 4 pavements were reconstructed and a review carried out of the road strategies, layout and levels. Improved pedestrian pathways were provided at west Brewarrina and Barwon 4 and a duplicate raw water mains was provided to west Brewarrina and Barwon 4. Installation of fire markers to all the hydrants and the installation of additional fire hydrants were completed, and supervision costs were provided for 20 trainees for three years. Apart from the construction and renovation of houses, Cabbage Tree Island also received an upgrade of roads and footpaths and community development and training; Collarenebri received a sewerage upgrade, roads and park upgrades and provision of a community hall; Coonamble received funding for employment and training; Dareton received upgrades to roads and paths; and Enngonia received upgrades to roads and paths, a park and a stormwater drainage system.

Again apart from houses, at Goodooga there was improved water quality, waste water management, training of apprentices, streetscape improvement, environmental rehabilitation and improved stormwater drainage; Gulargambone, employment and training; Kempsey, repairs and maintenance, upgrade of stormwater drainage, street lighting and supervision of 23 trainees/apprentices; Lightning Ridge, garbage disposal and other sundry works; Menindee, a community hall, and house upgrades; Moree, upgrades to power and street lighting, and landscaping; Muli Muli, water and sewerage works, community park upgrade, roads and paths upgrades and community hall.

At Murrin Bridge infrastructure was upgraded to replace the septic tanks, and tanks were installed for 13 houses; water holding tanks were upgraded to install a water line from the river and connect housing to the system; kerbing and guttering and discharge areas were constructed; a new waste disposal landfill site was designed and constructed; internal roads and edges and footpaths were upgraded; bathrooms, kitchens and laundries were renovated; street lighting was upgraded; and supervision provided for 15 trainees. Again apart from housing, in Tabulam sewerage works were completed and funding provided for employment and training; in Walgett, rainwater tanks, landscaping, fencing, and training and employment programs; at Weilmoringle, water and sewerage infrastructure upgrades, stormwater drainage, levee construction, fire control, landscaping, power and street lighting, garbage disposal and animal control; in Wilcannia, major landscaping, fencing, road repair and sewerage works. Then there was the other program—

CHAIR: The Hon. David Oldfield's time has expired. Government members would like to hear to hear the rest of your answer in their time, Dr Refshaug, so you may continue.

Dr REFSHAUGE: In Housing for Health, which is a sub-sketch of the ACDP, work is being done in seven communities: the Mehi Crescent, Stanley Village, Bellbrook, Armidale-Harwin Village, Brewarrina, Condobolin, Willow Bend, and Kempsey. Water and sewerage works have been completed in a number of communities as well: Bennelong Haven, Brewarrina, Dareton, Cabbage Tree Island, Coffs Harbour, Collarenebri, Quirindi Beach, Figtree Estate, Green Hills, Loftus Road, New Burnt Bridge, Old Burnt Bridge, Stuart's Point, Moree, Murray's Flat, Pillaga and Walhollow. Other sewerage projects that have already been concluded include Armidale, Brungle, Cabbage Tree Island, Collarenebri, Quirindi, Cummeragunja, Cowra, Erambie, Fig Tree Island, Grong Grong, Karuah, Loftus Road, Moree, Murray's Flats, Wellington, Stuart's Point, Tingha and Wallaga Lake. That is a quick update.

The Hon. DAVID OLDFIELD: With regard to the figures of \$3.65 million and \$16 million that were referred to by the Hon. Patricia Forsythe, do I gather from what you are saying that the record reflects \$3.65 million but within the next few weeks you will have expended the entire \$16 million?

Dr REFSHAUGE: Yes. I think part of the confusion has been in the early figures. Some of the money was provided through another government agency, so therefore the accuracy of that first figure was certainly, from my point of view a point of contention. I think the way it was collected was a problem rather than the information—that right or wrong information rather than the information that was provided was inaccurate.

The Hon. IAN COHEN: I refer to the Social Justice Budget Statement. Have any of the programs or initiatives listed on pages 41 to 49 for the Department of Aboriginal Affairs been cut this year?

Dr REFSHAUGE: No.

The Hon. IAN COHEN: None at all?

Dr REFSHAUGE: No. There may be programs that had a specifically defined time frame within these broader programs, and they obviously finished them and therefore moved on to others, but, no, there is no cut in the program.

The Hon. IAN COHEN: Are there any new initiatives or budgetary allocations for Aboriginal crime prevention measures, for example?

Dr REFSHAUGE: Yes, there are lots, but they are usually in another portfolio, like Police.

The Hon. IAN COHEN: But nothing starts in the Aboriginal Affairs portfolio?

Dr REFSHAUGE: Again, crime is not confined to one section of the community and therefore it should be seen as a whole-of-government approach provided by other government agencies.

The Hon. IAN COHEN: Should I ask you about affordable housing for Aborigines under Housing?

Dr REFSHAUGE: Yes.

The Hon. IAN COHEN: And sentencing alternatives, projects like that?

Dr REFSHAUGE: This would be under the Attorney General's Department.

The Hon. IAN COHEN: So, nothing at all in those programs emanates from this department?

Dr REFSHAUGE: No. Advice.

The Hon. IAN COHEN: Advice only?

Dr REFSHAUGE: Yes. Apart from the ACDP program we do not run programs. Actually, I suppose you should say the ACDP runs the program; we do not run the actual program.

The Hon. IAN COHEN: You do not, for example, have any programs to address the state of Aboriginal health, for example, running from this department?

Dr REFSHAUGE: No.

CHAIR: Minister, can you explain why it is taken from 1997 to this budget for your department, in concert with the Fisheries Department, to come up with any application of funds for an indigenous fisheries strategy?

Dr REFSHAUGE: It is not up to my department to provide funds for an indigenous fisheries strategy.

CHAIR: But it was up to your department to work with the Fisheries Department in getting to the point where funds could be allocated. Why have you taken so many years to get to this point?

Dr REFSHAUGE: They do not come through my agency.

CHAIR: The Hon. Eddie Obeid always flicks them off to you, so you are flicking them back to him?

Dr REFSHAUGE: In budget allocations there has never been funding through my agency for a fisheries strategy.

CHAIR: That is correct, and there has been nothing else happen either.

Dr REFSHAUGE: You asked about the funding. I am saying—

CHAIR: I am asking you why it has taken so many years for you to deliver on your promise that you made in 1997 for an indigenous fisheries strategy?

Dr REFSHAUGE: I do not remember making that promise through the Department of Aboriginal Affairs. This is done through the Fisheries Department. It is very easy to say that everything that may be related to Aborigines should always come through the Department Aboriginal Affairs. That would be a poor concept, a poor way of doing business, and in fact, all governments have decided not to do it that way; they consider that it is much better to do it a different way.

CHAIR: All right, I will get the quote for you later.

Dr REFSHAUGE: To say that a particular project should be covered by a particular agency in an appropriate way to actually provide that service would be, I think, a poor quality and a divisive way of doing it. It is much better to have it come through the agency that has that core responsibility.

CHAIR: It would probably be better to have an agency that actually did something. We will now move to the Housing portfolio. I welcome Mr Cappie-Wood.

The Hon. PATRICIA FORSYTHE: Minister, how much did your department spend on consultants over the past 12 months?

Dr REFSHAUGE: In the year 2001-02, \$1.8 million, consisting of core expenditure of \$1.010 million. Housing is the lead agency but this is for a number of other agencies, \$347,800, and for Human Services CEOs—again Housing is the lead CEO, \$49,100.

The Hon. PATRICIA FORSYTHE: You announced recently in regard to the Minto housing estate that 800 homes would be bulldozed and replaced with freestanding houses and terrace homes, of which about 20 to 30 per cent would be public housing. That will leave potentially about 640 tenants or households with nowhere to live on the estate. Where is it anticipated they will go?

Dr REFSHAUGE: They will be living in surrounding areas and areas further afield. The number of housing or accommodation units that we have at the moment will not be diminished as a result of this project, as the density will be changed. So instead of having a large concentration of public housing on one site we will be reducing that concentration.

The Hon. PATRICIA FORSYTHE: What consultation takes place with the residents about the relocation?

Dr REFSHAUGE: A large amount of consultation. That area has an intensive Tenants for Management Program working at the moment, which is very focused on community consultation. The announcement was greeted, not universally but almost universally, with great support from the tenants. There are obviously a lot of questions to be asked after an announcement like that. At the moment a lot of work is being done so that the tenants can be quite clearly aware of the plan, but it will not be happening in the very near future. There is a time frame which requires master planning, and it will also be staged so that it is not all done in one hit, and that area had quite a reasonable turnover of tenants anyway. So we do not foresee any significant problems with people having to be rehoused directly from that estate.

The Hon. PATRICIA FORSYTHE: In the past the department has taken a decision to convert the Radburn style housing but in this case it is a proposal that seems to be quite radical to bulldoze them. Why have you made a different decision in the case of the Minto housing estate?

Dr REFSHAUGE: Minto provided us with greater options. The problem we have with housing is the small amount of funds that are available, particularly as the Federal Government keeps on cutting back on the funding for public housing, in our estimation. The Federal Government has effectively removed about \$260 million, so that makes it difficult for us to provide for all of the people who require public housing. We have been looking at a number of opportunities. Some of them work best if we do a community renewal program and turn around the houses, as with the Radburn estate. A big problem that faces many of the estates is that they are not strata titled, so they are not subdivided into one big block. The costs of subdividing would be quite prohibitive, and therefore the best option for the available dollars and also for the community is what is likely to give the best outcomes for them. The opportunities at Minto were better for us looking for our joint venture with the private sector.

The Hon. PATRICIA FORSYTHE: What is your estimated income from the Minto project?

Dr REFSHAUGE: We expect the total project to be about \$350 million.

The Hon. PATRICIA FORSYTHE: That is income?

Dr REFSHAUGE: No, this will be cost neutral for us. We will end up with more. We will end up with houses, the same accommodation and unit numbers. It will be obviously newer stock rather than older stock, there will be better configuration, and the area itself will become much more of a mixed area rather than one that is dominated by public housing.

The Hon. PATRICIA FORSYTHE: When you say it will be cost neutral, does that take into account the income the State will receive from things such as stamp duty?

Dr REFSHAUGE: I will take in from the Department of Housing's point of view. There is a normal movement of housing and the stamp duty that occurs is projected by the Treasury.

The Hon. PATRICIA FORSYTHE: When you have completed the Minto project, or even before, are there other Radburn housing estates still in the State and what are your proposals for those areas?

Dr REFSHAUGE: A number of them are still having work done in turning them around. With others we are looking at what options will be best. There are other estates that are not the standard Radburn style but still are, from a design point of view, not the best for providing maximum opportunities for a functioning community. You may have heard that we are doing a similar thing in a part of Waterloo, around the area just north of the PCYC. Again we are going into a joint venture with a private developer to effectively knock down the existing houses and rebuild housing for the public housing sector, the same number of accommodation units, but with private housing there as well. There will also be some funding out of this package for upgrading the PCYC. This has just been agreed to in principle by the South Sydney council, who sees this as good for that area as well.

The Hon. PATRICIA FORSYTHE: Has the department done a review of maintenance backlog, and if so, what does it estimate is the current level of maintenance backlog?

Dr REFSHAUGE: The maintenance backlog is almost exactly the amount that was cut by the former Liberal Government for seven years under Greiner and Fahey. Funding for maintenance was dramatically reduced and that effectively led to the backlog. It was not only the lack of funding for the maintenance during the Fahey and Greiner governments, but the fact that the maintenance was not done led to the cost of the repair becoming greater, because what might have been a dripping tap or a leaking pipe turned out to be damage to the foundations, and therefore much

more extensive upgrade would be required. You can almost target it directly to decisions that were made by the Greiner and Fahey governments, to the dramatic cut in maintenance funding to the backlog that we have now. The backlog is of the order of \$750 million now. We have cut that down from what it was when we first came to government.

But there is also, because of changes to other regulations, probably another \$350 million in regard to other statutory upgrades that will be required as well. It is worth noting also that the budget for this present year includes extra funding on what was budgeted at the time the budget was brought down for maintenance upgrades over the next three years. We have got about \$100 million extra in the budget this year, so we can use that in a structured way over the next three years to again try to ease the backlog. That is not funding from the Commonwealth-State Housing Agreement. This is not money from the Commonwealth Government. The Commonwealth Government, as I say, has been cutting its funding, but the State Government has put that extra money in now.

The Hon. PATRICIA FORSYTHE: How many tenants were evicted from public housing in 2001?

Dr REFSHAUGE: In the 12 months to March 2002 the department took 6,856 matters to the Residential Tenancies Tribunal. Of those, 354 were for nuisance and annoyance, and 551 were either evicted or were vacated under threat of being evicted.

The Hon. PATRICIA FORSYTHE: What would these people have to do to be restored to the list? Is there a guarantee that they cannot come back into housing?

Dr REFSHAUGE: No, but if they could show that the problem—the reason they were evicted—has been resolved, they would have to be eligible. It is worth noting the changes that we recently announced in regard to renewal of tenancies. They have not actually been implemented yet, because the computer system needs to be brought into line, but it will start towards the end of the year. It will allow another option so that those tenants who are not fulfilling their obligations as good tenants, will be hopefully able, through the Residential Tenancies Tribunal, to be put onto renewable tenancies, therefore much closer managed tenancies, rather than have the option of eviction or non-eviction.

The Hon. DAVID OLDFIELD: You mentioned a figure of \$1.8 million in consultancy fees in response to a question by the Hon. Patricia Forsythe. How does that figure relate to that for previous years?

Dr REFSHAUGE: It is significantly higher, because a large amount of that was from other responsibilities taken on. In 2000-01 it was \$711,000; in 1993-94, it was \$691,000. I might point out some of the consultants that we have been working with. There was the expenditure directly incurred by the department rather than the Business Link Project for which we are lead agency, which includes the Department of Community Services and the Department of Ageing, Disability and Homecare. The Department is also focused on the development of a new business model for the sustainability of the department in the social housing sector, and it included a major refocusing of the department of late, or leading to a refocusing of the department through what has been called in the department the business destinations project, and also the contestability project, because we are committed to reviewing our own long-term operations. So much of our funding is limited, we need to make sure we get the best value for it. We also participate in a national consumer satisfaction survey with other States. This is organised by the Federal Government, and that costs \$251,350. On that matter of satisfaction, we do very well.

The Hon. DAVID OLDFIELD: Have there been any changes recently to eligibility for public housing?

Dr REFSHAUGE: No. That is not to say we are not looking at how we can best target what we do, and there has been over the years an agreement, part of the Commonwealth-State Housing Agreement, that we should be targeting those in greatest need more clearly than just broadly taking all comers. We have certainly been doing that, and we probably do that better than the other States do. The way the program is working has probably become more efficient towards targeting those in most need, but the actual eligibility criteria has not changed.

The Hon. DAVID OLDFIELD: Understanding that you now have a desire to work more towards those in need or in more need, am I right in understanding that there is little to no eligibility criteria from a financial point of view?

Dr REFSHAUGE: No.

The Hon. DAVID OLDFIELD: Will you tell me briefly what that is?

Dr REFSHAUGE: The eligibility from a financial criteria is a maximum total weekly income for one person of \$395; two people, \$500; three people, \$580; four people, \$665; five people, \$720; and six people, \$775.

The Hon. DAVID OLDFIELD: That is a maximum weekly income of just over \$700?

Dr REFSHAUGE: For six people, \$775.

The Hon. DAVID OLDFIELD: Is there any relationship in the eligibility to assets?

Dr REFSHAUGE: We are in the process of changing that now. Yes, there is an asset limit as well.

The Hon. DAVID OLDFIELD: So is that an acknowledgement that there is a need for change, or has been a need for change, in that area of assets?

Dr REFSHAUGE: Yes, there is an acknowledgement that we should be changing part of that, and we are in the process of doing that.

The Hon. DAVID OLDFIELD: What would be the value of public housing in New South Wales?

Dr REFSHAUGE: The value to an individual is significant, obviously.

The Hon. DAVID OLDFIELD: No, I mean the value of the asset.

Dr REFSHAUGE: About \$17 billion, and that includes the land.

The Hon. DAVID OLDFIELD: How many people are housed?

Dr REFSHAUGE: About 130,000 properties; 350,000 people.

The Hon. DAVID OLDFIELD: How many people are on the list?

Dr REFSHAUGE: About 90,000. There actually has been a slight drop in the last couple of years. I do not see that as because we are housing more people; I think it is more of an aberration. But it is nice that it is not going up.

The Hon. DAVID OLDFIELD: What is the rent range?

Dr REFSHAUGE: We are moving towards 25 per cent of total family income, and currently it is 23 per cent of total family income.

The Hon. DAVID OLDFIELD: Currently it is 23 per cent and you are working towards 25 per cent?

Dr REFSHAUGE: Yes, going on 1 per cent per year for new tenants over the next two years. There is a small group—war veterans and aged pensioners—who our previous Minister promised would keep their rental at 19 per cent. I decided at the time that I would change them, but I have maintained that percentage.

The Hon. DAVID OLDFIELD: What would be the value of damage to public housing in 2001?

Dr REFSHAUGE: Damage as opposed to wear and tear, about \$6 million.

The Hon. DAVID OLDFIELD: That includes vandalism?

Dr REFSHAUGE: Yes.

The Hon. DAVID OLDFIELD: So, everything, about \$6 million?

Dr REFSHAUGE: Yes.

The Hon. IAN COHEN: I understand that the budget papers specify that for 2002-03 a total of \$631.7 million of Commonwealth, State and other funds will be applied to assist 500,000 people on low incomes with housing needs.

Dr REFSHAUGE: Yes.

The Hon. IAN COHEN: Given that public servants working in departments which administer the Housing Assistance Program are due for a 4 per cent pay rise on 1 January 2003 and a 5 per cent pay rise on 1 July 2003, how much of this money allocation will be swallowed up to cover the two pay rises?

Dr REFSHAUGE: All the funding will be internally generated.

The Hon. IAN COHEN: So, there will be no impact on the—

Dr REFSHAUGE: No. Well, there will be an impact. We are not getting supplementation for those pay rises. We are not getting extra funding from outside the department's budget. What we are doing is making the way in which we provide the service more efficient, and that includes restructuring and reducing the number of regions to reduce the number of staff that we have, so we are funding it through our own internal efficiencies.

The Hon. IAN COHEN: So the pay rises will come out of the staff reduction and efficiency?

Dr REFSHAUGE: Yes. Do you want to know some of the things we have been doing?

The Hon. IAN COHEN: Not if you are going to give me a whole list, no. We do not want to waste time. Page 14-7 of Budget Paper No. 3, Volume 2 specifies that the \$494 million to be provided from the Consolidated Fund is a reduction on the \$502.1 million budgeted for 2001-02, which reflects a shift to leasing and completion of upgrades and housing stock transferred to the Aboriginal Housing Office, offset by extra State support for new housing products and services. Given that the public housing waiting list is almost 100,000, why is there any reduction at all?

Dr REFSHAUGE: The reduction is funding from the Commonwealth-State Housing Agreement. I think you were asking about funding from the Department of Housing to the Aboriginal Housing Office for the upgrade of their houses. Some years ago the Aboriginal Housing Office was established to separate Aboriginal housing through the actual housing providers from the funding through the department, and set up a separate agency that runs and develops policies for Aboriginal housing through Aboriginal housing providers. Many of the houses that were provided came through the Housing for Aborigines Program, a Federal program, but many of those houses were in poor repair, so the Government decided that there should be a program to improve the quality of those houses that were transferred through the Aboriginal Housing Office. That program is coming to an end. There is a reduction in that funding because the job has been done.

The Hon. IAN COHEN: You mentioned houses in poor repair. I had reason to visit some public housing within the last six months, and I found a really poor standard of workmanship on new public housing and I was told that there was a planned obsolescence of public housing in the other development in the place, and that they were talking about 10 years for some of the redevelopments around the Redfern area, inner city public housing. Is that a problem? Do you recognise that as a problem, and if it is, what sort of inspection is undertaken to oversee what appears to me to be quite poor quality. I am talking in terms of the infrastructure, quality of concrete and such like, in new public housing developments?

Dr REFSHAUGE: There certainly is no planned obsolescence from the department's point of view, from the Government's point of view. If a builder is not providing the standards that the general public would expect, and we would expect, then the builder is not providing what is required under the tender. If we find any evidence of that we will take the normal legal action against the builder.

The Hon. IAN COHEN: Have you had examples of that, say in the last 12 months? Have there been cases successfully taken to court?

Dr REFSHAUGE: Yes. It has been a regular occurrence that people have not provided service of the standard we want. We negotiate with them to do that, and if there is a difficulty in them achieving the quality we want they are obviously never used again. But most of the time we are able to get builders to provide to the specifications that are required. If you have any evidence or information about any such cases, I am very keen to take on any issue where the quality of housing that is being provided is not what could be expected by a private purchaser.

The Hon. IAN COHEN: I appreciate that there is a perception that people in public housing are a little reticent to come forward in case they may lose their—

Dr REFSHAUGE: I can give you a guarantee they will not lose their house. I absolutely guarantee they will not lose their house by complaining about the workmanship of the building of that house or the repairs of that house. We encourage them to do that. The best feedback we can get is from the tenants themselves; they know what has been happening in their house. In fact, they can bring it up in a more anonymous way if they would like to.

The Hon. IAN COHEN: What were the costs of implementing strategies contained in the department's disability action plan in 2001-02? What were those strategies and what were the outcomes of implementation?

Dr REFSHAUGE: A lot of work has been done to collate the figures. It will take some time. It would probably be best if we take that question on notice. We will give you also a detailed description of the outcomes.

The Hon. IAN COHEN: In regard to disability housing, what was the total expenditure on modification of public housing to accommodate people with disability in 2001-02 and what is the allocated expenditure in 2002-03?

Dr REFSHAUGE: About \$4 million a year, this year and the following year.

The Hon. IAN COHEN: It will be the same for the following year?

Dr REFSHAUGE: About the same, yes.

The Hon. DAVID OLDFIELD: Minister, were the answers you gave me earlier with regard to income gross or net figures? They are similar to the Federal figures for family allowance.

The Hon. IAN COHEN: How many people with a disability are currently accommodated in public housing?

Dr REFSHAUGE: It depends on your definition of the word "disability". It can include physical only, it can include a disability from a—

The Hon. IAN COHEN: Anyone who would qualify for disability housing, whether it be physical, psychological, or illness. Anything that acknowledges special needs.

Dr REFSHAUGE: About 23 per cent.

The Hon. IAN COHEN: Of public housing?

Dr REFSHAUGE: Yes. That has not particularly changed over the last several years.

The Hon. IAN COHEN: Can you inform the Committee to what level of unmet demand for public housing there is amongst people with disabilities? Is there a waiting list?

Dr REFSHAUGE: Our waiting list is probably the best measure we have, but we do know that there are a large number of people who are eligible who are not on the waiting list. If these people have a disability they tend to apply particularly for priority housing. They will probably get on the list, so we would expect the unmet need to appear on the waiting list itself to be a high level percentage unmet need of people would be eligible even though they have not applied. The percentage on the waiting list is about 30 per cent, but if you see the percentage of people who would be eligible—not who applied but who are eligible—it would probably be more like about 15 per cent. Almost of the people who are eligible and have applied, and are disabled or have a disability, would be seeking priority housing, and if they do have a disability most of them would be deemed to be priority housing and they get housed significantly faster—within the first three to six months of applying, compared to somebody who is just waiting for their turn, when 10 years is not unusual.

The Hon. IAN COHEN: As a medical practitioner you would be well aware of the different needs of people with disabilities. Do you have a budget allocation or people in the department who are specifically looking at allocating relevant housing? I have been to housing for people with disabilities that has taps in the wrong places, shelving that is inaccessible, and that type of thing. So do you have an allocation that specifically looks into those issues?

Dr REFSHAUGE: Yes, very much so. That is part of the formula of adapting the houses for maintenance for people with disabilities.

The Hon. DAVID OLDFIELD: There is one particular agency in New South Wales that deals with that as a support unit in the Cessnock area.

Dr REFSHAUGE: A number of agencies work with disabled people who often work with—

The Hon. DAVID OLDFIELD: Who organise the renovations.

Dr REFSHAUGE: I am advised there is a home modification service.

The Hon. DAVID OLDFIELD: Yes.

The Hon. PATRICIA FORSYTHE: Minister, you gave me a figure earlier for the number of people who have been evicted in the last 12 months. How many of those were in fact evicted for antisocial behaviour?

Dr REFSHAUGE: The actual eviction is sometimes for non-payment of rent, which is often easier to prove than poor behaviour, because it is not easy to get people to give evidence about it.

The Hon. PATRICIA FORSYTHE: But you have identified that in the past 12 months as grounds upon which you press an eviction.

Dr REFSHAUGE: The eviction itself may have been for non-payment of rent, but that may have been the thing that we have used to have them evicted because it was the easiest thing to prove. It may have been one of a number of reasons and the other reasons may have been in fact more of a problem—it might have been their antisocial behaviour. As I say, that is more difficult to prove and if you have got another reason that is easier to prove, you might use that.

The Hon. PATRICIA FORSYTHE: But you might have a list that has 540 people on it for non-payment of rent and 10 people for antisocial behaviour. You do know why you have evicted them. How many have actually been evicted for antisocial behaviour?

Dr REFSHAUGE: That is exactly what I was saying. There are a lot of reasons why we evict them. The way in which we evicted them may appear to have been the non-payment of rent because that was the easiest thing to prove, and that is the record that we—

The Hon. PATRICIA FORSYTHE: But how many were evicted on the grounds of antisocial behaviour?

Dr REFSHAUGE: That we have used antisocial behaviour and only that for the eviction?

The Hon. PATRICIA FORSYTHE: Yes.

Dr REFSHAUGE: To give you some indication, we took about 190 for nuisance and annoyance. Before they appeared at the Residential Tenancies Tribunal they vacated. That may be, from our point of view, a success but it is not necessarily an eviction. But the action we took led to the end result that we wanted.

The Hon. DAVID OLDFIELD: It sounds like the ones who were evicted for nuisance and annoyance were the ones who were also still paying the rent.

Dr REFSHAUGE: Yes. It is much easier to evict somebody with some clear, classic, understandable tangible reason. Often they go hand in hand. But if they are paying their rent and it is nuisance and annoyance, obviously we take them to the tribunal for nuisance and annoyance, and because it takes a lot of effort to get the information about that, they probably know the jig is up and they leave beforehand.

The Hon. IAN COHEN: This almost sounds a bit too obvious, but I am just wondering if any new services, programs or funding have been provided for homeless people, people who are doing it tough on the streets, in the Housing portfolio.

Dr REFSHAUGE: Yes, in regard to homelessness \$53.52 million has been allocated for programs through the government portfolio. That includes crisis accommodation programs, almost \$17 million; RentStart, \$23.7 million; a special assistance subsidy of almost \$11 million; and mortgage assistance, which surprisingly can be useful for homeless people as well, \$1 million. I think you are aware that we also work with the Council of the City of Sydney Homeless Persons Information Centre and Brokerage Service with the funds to the tune of \$310,000.

The Hon. IAN COHEN: Are these new services?

Dr REFSHAUGE: These are services that have begun in the last year.

The Hon. IAN COHEN: So they are new, additional services?

Dr REFSHAUGE: Over the last year.

The Hon. IAN COHEN: They were not in place before this last financial year?

Dr REFSHAUGE: That is right. We have announced a new homelessness initiative in the Hunter, of \$0.42 million. You may also be aware that I re-endorsed the protocol in regard to homelessness, but also recently extended it to the whole of the State.

CHAIR: We will now move to the final session, which deals with the Planning portfolio.

The Hon. PATRICIA FORSYTHE: Minister, I have some questions in relation to the Sydney Harbour Foreshore Authority. Are you able to take those questions tonight? I do not see anybody on the list from the authority.

Dr REFSHAUGE: There is nobody from the authority here, but I am happy to take questions on that.

CHAIR: Can I confirm that you are happy to take a few questions on notice?

Dr REFSHAUGE: Yes.

The Hon. DAVID OLDFIELD: Minister, with regard to decisions that you take at your level regarding, say, heritage or interim heritage, is there anything related to that in reports you consider on things such as the adverse act of such orders on the community?

Dr REFSHAUGE: Yes, I do. I very much take advice from the Heritage Office in regard to heritage orders and although if we have got a heritage order that can last for a number of years, I am always keen to resolve the difficulty within a much shorter time frame, and give clear instructions to my department, whose job is to solve the problems, certainly to be aware of the issues and to solve them. They do have a pretty reasonable track record in that regard, although in some areas the solution can sometimes be very difficult to find. But I do take into account the impact on the owner and the impact on the community in my decision to sign anything in relation to heritage.

The Hon. DAVID OLDFIELD: Is it common, or reasonably common, for you to need to overrule also planning decisions by the Local Councils?

Dr REFSHAUGE: No, very uncommon.

The Hon. DAVID OLDFIELD: What would be the typical situation in those uncommon circumstances?

Dr REFSHAUGE: Once a decision is made by council it would go to (indistinct) The decisions that council make are usually in regard to rezoning, and I have to actually sign them. They cannot do their rezoning themselves. I take advice from my department on that and also Crown Solicitor's advice. If there is a change, that has usually been negotiated between my department and local government before it gets to me. So it would be rare for me to make a variation to a local government matter without significant discussion having already taken place between the agency and the council. If a resolution is not achieved that way, it would mean doing what the council permits.

The Hon. PATRICIA FORSYTHE: In relation to the Sydney Fish Market redevelopment, in the 1999 budget allocation it was originally set at a \$3.4 million project. I see in this year's budget it is allocated \$24 million. Why has the variation occurred?

Dr REFSHAUGE: The projects have been extended to include the port's Waterways Authority's site on Black Wattle Bay as well, so the proposal is significant.

The Hon. PATRICIA FORSYTHE: So it is a broadening of the original project?

Dr REFSHAUGE: Yes.

The Hon. PATRICIA FORSYTHE: In relation also to the Sydney Harbour Foreshore Authority, is there a policy in relation to, for example, land sales, and whether all revenue can be retained by the authority, or whether there is any requirement for the authority to provide some dividend to the Government?

Dr REFSHAUGE: There is a dividend, which is determined by the Government each year.

The Hon. PATRICIA FORSYTHE: Is that a percentage of the sales?

Dr REFSHAUGE: No, each year it is determined from the revenues and the expenditure of the agency what the dividend shall be. It is separately determined each year.

The Hon. PATRICIA FORSYTHE: Can you supply that amount?

Dr REFSHAUGE: I cannot right now but I can certainly provide it.

The Hon. PATRICIA FORSYTHE: Can you take it on notice for the past year and what is anticipated for the budget year ahead?

Dr REFSHAUGE: Yes, I am not sure if we do have a figure for each year.

The Hon. PATRICIA FORSYTHE: Is there any variation in the policy or is it a fixed percentage?

Dr REFSHAUGE: No, it is a determination each year through negotiation.

The Hon. PATRICIA FORSYTHE: I understand that the Government signed a timber supply agreement for the South Coast charcoal plant prior to the plant actually being given approval. Did this compromise the work of your department, and what advice did the Department of Planning provide you about that proposal?

Dr REFSHAUGE: No, it did not compromise the assessment of the proposal. The advice I got from my department in short was that there was no technical reason, no reason in planning terms, why I would legitimately refuse that proposal for the charcoal plant.

The Hon. PATRICIA FORSYTHE: Is there any precedent for that approval process, if you like, to have been done in that order? In other words, the department's approval was not received until after other aspects of the proposal had already been signed off by the Government?

Dr REFSHAUGE: They are two separate processes, and there is plenty of precedent where people would have lined up their suppliers or their market before they had the development approval. I think that applies to both the public sector and private sector.

The Hon. PATRICIA FORSYTHE: In relation to Plan First, I understand as part of that plan there is to be a new tax on development. What is the forecast income over the next five years from that Plan First development tax?

Dr REFSHAUGE: It is not a tax. We are not having a tax.

The Hon. PATRICIA FORSYTHE: How would you describe the income from development as listed under Plan First, the contribution?

Dr REFSHAUGE: That is a 0.064 per cent user-charge fee that is being imposed upon development applications over \$50,000. We expect that in a full year we will get about \$7.5 million. The same fee is charged in Victoria, except they do not have a threshold of \$50,000, they have a threshold of \$10,000.

The Hon. PATRICIA FORSYTHE: What do you anticipate that will mean in terms of the additional cost of a new home unit or a new home?

Dr REFSHAUGE: If you give me the price of a new home I will tell you what it is. It is 0.064 per cent. That is not an approximate percentage, it is exact.

The Hon. PATRICIA FORSYTHE: In relation to councils that have been seeking exemptions under SEPP 5, provided they have some low-income housing—

Dr REFSHAUGE: No, it is not low income housing. SEPP 5 is not about low income housing.

The Hon. PATRICIA FORSYTHE: But has Ku-ring-gai Council, for example, sought exemptions from SEPP 5, as an offset by being asked to provide low-income housing?

Dr REFSHAUGE: No. SEPP 5 is not a provision for low-income housing.

The Hon. PATRICIA FORSYTHE: I am aware what SEPP 5 is, but I am also aware that the council is trying to get exemptions.

Dr REFSHAUGE: We do not provide exemptions on the trade of people buying low-income housing.

The Hon. PATRICIA FORSYTHE: Am I right in saying that Kogarah Council has had some exemptions under their paying policy?

Dr REFSHAUGE: Yes.

The Hon. PATRICIA FORSYTHE: On what basis was that given?

Dr REFSHAUGE: SEPP 5, as you say you are aware, is about aged and disabled housing, it is not about affordable housing. It is having a different housing choice for people in regard to the structure, the shape and the size of the house. If a council can provide for that aged housing through other means, and project into the future rather than just look into the past, they should be exempt from SEPP5. Affordable production depends on the land cost. If you have more expensive land you tend to build a more expensive house. Kogarah Council did show it could provide for the aged and the disabled over the next decade or so, and therefore it got an exemption. Ku-ring-gai has not applied.

The Hon. PATRICIA FORSYTHE: But it is also an area of high land value. In terms of affordable housing—

Dr REFSHAUGE: SEPP 5 is not about affordable housing. Exemption from SEPP 5 has got nothing to do with affordable housing; it is to do with aged care.

The Hon. PATRICIA FORSYTHE: I know what SEPP 5 housing refers to.

Dr REFSHAUGE: Why are you asking about affordable housing?

The Hon. PATRICIA FORSYTHE: Because I understood that the grounds on which Kogarah may have been granted an exemption is that it was able to provide full housing.

Dr REFSHAUGE: No. It is about providing for their ageing population.

The Hon. PATRICIA FORSYTHE: In relation to the proposed purchase of Ballast Point, what forms of development are planned for the 30 per cent of the site that I understand is in line for some development? What is the proposed usage of the site?

Dr REFSHAUGE: Two things: working harbour and open space.

The Hon. PATRICIA FORSYTHE: What was the first part?

Dr REFSHAUGE: Working harbour, with maritime activity—a small part of it, on the waterfront. It has been used for some time, and I think of late, as a small refuelling place. I would say that would be the most appropriate use for it, and that would certainly be an important part of it.

The Hon. IAN COHEN: Following on from some of the questions on Plan First, what assistance will your department be providing to local councils for the implementation of Plan First?

Dr REFSHAUGE: A number of things. What we find exciting at the moment is that councils want to assist in implementation of Plan First, so at the moment we are getting almost an avalanche of councils desperately wanting to be part of or be in the first tranche of regional planning. To be seen, we would have a small part of the total amount of money that would be spent each year on Plan First in regional councils, particularly on the strategic planning issue but also further down the track in ensuring they have upgraded their LEPs and are consistent with the regional planners. We will not be handing out money to councils and telling them to do as they like. It will be more of a submission basis, we will ask them what they will be doing with it and work with them to make sure that we get the results.

The Hon. IAN COHEN: Does that include upgrading of technology such as geographic information systems and training of staff?

Dr REFSHAUGE: It is unlikely to be that. That would come through in other ways.

The Hon. IAN COHEN: Are you saying it would be happening through your Department? I can see that there is a major strategy or expectation from your department and councils could be seen as having to administer that and build it up. That would be quite an expensive process, would you not agree?

Dr REFSHAUGE: No, I think that we are all, in all of our jobs, becoming more computer literate and using technology better, but we have, through another part of the Government, through the agency, a program called IPlan, which is technically putting the department on line, and getting used to IT. We have an Internet planning forum, giving the public access to planning information across the State. We have that planning information available, and that will then come on line available to councils. They will have their own information as well, which they will feed in to us, and we will make sure that it is available if required. There is enormous movement in this area. We are spending \$3.5 million in this present year, and to finish the first stages we have \$2.1 million further in the coming year. So I think that will be a major prompt to local councils, and other local community groups will be interested in the information as well. We want to make sure it is available for them.

The Hon. IAN COHEN: Is there a timetable for the introduction of Plan First?

Dr REFSHAUGE: Yes. We expect, in about five years, to roll out the regional strategies and development of the first LEPs. The important part of course, is our statewide plan—to collate all the existing State plans into one. Some early work is being done on that, but effectively my announcement will formally start from 1 July. I would expect that that would be completed within 12 months. However, my advice is that it will be significantly completed within 12 months I keep some margin for error in case unforeseen circumstances arise, and the strategic regional plans would take somewhere between 18 months to three years to be developed. We started in the areas where there is significant interest and experience in regional planning, because I have got no doubt that there will be more interest as you start the comprehensive project. It is better to have people with experience to solve the problems and they are keen to be the mentors for other councils, other regions that will be going in the second batch.

The Hon. IAN COHEN: Moving on to coastal land acquisition funding, what is the annual level of funding for the Coastal Lands Acquisition Scheme [CLAS]?

Dr REFSHAUGE: We get an annual allocation of about \$1.5 million, but if there is a need to purchase more, especially land that has already been identified, and the option comes up, then we can quite reasonably go to Treasury with an application.

The Hon. IAN COHEN: How long has the allocation been at this level?

Dr REFSHAUGE: Since about 1973.

The Hon. IAN COHEN: Are there any conditions on the allocation of funds to the CLAS, and are any unspent funds recovered by Treasury or are they rolled over in some way?

Dr REFSHAUGE: Because if we need to purchase more we get money from Treasury, it tends to fund us to what we expect to use. I think we have always been able to spend what we get, and we frequently get more.

The Hon. IAN COHEN: So nothing has been returned. For example, in the year to June 2001 has anything been returned?

Dr REFSHAUGE: My advice is that we have always spent; there has never been anything to return. It may be worthwhile also recognising that through the comprehensive coastal assessment that we have just started embarking upon we may find other sites that will be part of that scheme and we might say, "This is an important one. When it comes up we should buy it." So there might be an expansion of the sites through that property.

The Hon. IAN COHEN: What is the average time it takes from beginning to completion of sale to finalise the purchase of coastal land? Have there been delays?

Dr REFSHAUGE: There are delays, yes. A person may not want to sell, so it takes until they are prepared to change their mind.

The Hon. IAN COHEN: Is that the only reason for delay—that someone does not want to sell?

Dr REFSHAUGE: That is land that has been identified that we—I suppose sometimes people think their land is worth a lot more than we think it is worth.

The Hon. IAN COHEN: What are the objectives of the Coastal Land Protection Scheme?

Dr REFSHAUGE: It is exactly that: protection of coastal lands which have been identified as prime lands for protection.

The Hon. IAN COHEN: Is the principle objective to fund the purchase of lands identified in 1973 as acquisition essential, known as red lands?

Dr REFSHAUGE: Yes.

The Hon. IAN COHEN: This involves scenic protection and other values, but also public access to the coast?

Dr REFSHAUGE: Yes. Any particular site might be important for access to a larger area. Obviously that would be strategically important as well, and that would be on the list as well.

The Hon. IAN COHEN: Can you indicate to the Committee how many hectares of red land are still to be acquired, and the value of those lands that are earmarked?

Dr REFSHAUGE: About 1,500 hectares have been identified for acquisition, valued at approximately \$29 million (indistinct)

The Hon. IAN COHEN: So, at \$1.5 million a year, are we looking at five, 10, 20 years?

Dr REFSHAUGE: As I said, \$1.5 is the allocation that Treasury provides. If those lands become available and we need more money, we can go to Treasury and get it. So, it really is that the timing is out of our hands; it is not being limited by our budget.

The Hon. IAN COHEN: Have any of the CLPS funds been used to acquire other non-red coastal lands?

Dr REFSHAUGE: It can be.

The Hon. IAN COHEN: Has it been?

Dr REFSHAUGE: I will have to take that on notice. I do not remember any in my time, but there may be some in the past where it was strategic but not identified at the time. What time frame are you interested in—going back to 1973?

The Hon. IAN COHEN: No, I do not expect that. Perhaps even in the term of your Government, back to 1995 would be fair.

Dr REFSHAUGE: I will see if I can get to 1995.

The Hon. IAN COHEN: And perhaps the basis on which those lands were required that were not red lands.

Dr REFSHAUGE: Yes.

The Hon. IAN COHEN: Referring now to the M5 East tunnel, what are you doing to ensure that the conditions of approval for the M5 east tunnel (indistinct) emissions are complied with when the fans at Turella are turned off?

Dr REFSHAUGE: We have set up a number of monitoring bodies and processes. I am advised those monitoring processes are continuing and they have their own mechanisms for recording, and that will include through us if they believe the conditions that we have imposed are not being met. The advice I am getting is that in fact the conditions are being met.

The Hon. PATRICIA FORSYTHE: Minister, I refer again to Ballast Point. What percentage of the area could be zoned as a working harbour?

Dr REFSHAUGE: That is to be determined. We are going through the consultation process with that. I think my colleague will be gaining further information today.

The Hon. PATRICIA FORSYTHE: How broad is the zoning for a working harbour? Does it encompass, for example, things such as a retail area or restaurants?

Dr REFSHAUGE: It is highly unlikely that there will be restaurants. But at the moment it does not have a legal definition. It is, I suppose, more of a philosophical intention to make sure that what we have on the harbour is not just a residential foreshore and a pond where you do not have any activities. A working harbour has to be a working harbour—not just ferries, barges and ships coming in, and therefore there is now a prime activity for it rather than being a lake or a water playground. That is part of what the harbour is as well. It is part of the city, part of the environment, so it is more of a concept in that sense. But that will be worked out through the consultation process accordingly.

The Hon. PATRICIA FORSYTHE: Does the department have a concept plan under way?

Dr REFSHAUGE: No. We had to purchase the land first and we are starting the consultation process to get the best use of that. The indications are that the vast majority will be open space, and we will want to reserve it as an option a working harbour.

The Hon. PATRICIA FORSYTHE: In relation to your earlier answer on the Mogo plant approval, did your department express any objections to the signing off of the timber supply agreement before it had an opportunity to conclude its work in terms of its determination?

Dr REFSHAUGE: It would not be appropriate for us to object to a commercial agreement being made. Our assessment would be on the merits of the proposal and not whether somebody signs an agreement. A similar issue might be—and it is worthwhile raising it—the Woodlawn mine site. Part of the commitment the company gave was that the miners who lost their jobs would get their entitlements paid for. It is very clear from legal advice to me that I am not allowed to take that into consideration in making the decision about whether it goes ahead or not. It in fact would be improper if I took that into consideration. People might think that I should. In fact, people have lobbied me to ask me that I should, but I point out to them that the way the law is structured here, and appropriately, is that is not a consideration that I should take into account.

The Hon. PATRICIA FORSYTHE: I refer again to the issue regarding Ku-ring-gai Council. What does Ku-ring-gai Council have to do to get its housing strategy accepted?

Dr REFSHAUGE: It is very clear that the Ku-ring-gai Council has not been prepared to recognise the needs of its community in a way that will take them through a residential strategy. We have been working with the council to try to assist it with that, and I will take advice, and have done so, from your colleague the member for Ku-ring-gai, as to the best way to achieve that. Because Ku-ring-gai Council has failed where almost every other council in Sydney has succeeded, and it has had a very long time to do it, I have decided that I should take over the planning powers for a strip along the railway line—not into the further beaches and suburbs—to do the rezoning myself.

The Hon. PATRICIA FORSYTHE: Will that include any component of affordable housing?

Dr REFSHAUGE: Affordable housing in any development of significant size is an option. It would certainly be an option for the council to pursue if it wants to.

The Hon. PATRICIA FORSYTHE: Is it an option you are pursuing?

Dr REFSHAUGE: The option is for council to pursue. The council would be assessing the DAs, or could be assessing the DAs. It would be allowed to look at affordable housing, if it wanted to. That is again one of council's options. I do not think Ku-ring-gai has ever exercised that option; I do not think it has ever looked at affordable housing in any form. But you may encourage it to do so.

The Hon. PATRICIA FORSYTHE: It is a bit difficult with the land prices.

Dr REFSHAUGE: That may be an even better reason to do it.

The Hon. PATRICIA FORSYTHE: What about in that area where you are going to exercise the planning?

Dr REFSHAUGE: I am doing the rezoning. That does not usually fit; you do not usually do that. Again, you could encourage it if you wanted to ensure affordable housing. If you would like some information from me about any comments you might put to them and also let me know of any approaches you make to them, I might be keen to support you on that.

The Hon. PATRICIA FORSYTHE: In the wake of the census figures that came out this week, when will the department be upgrading its assessment, of say, the impact in terms of land release?

Dr REFSHAUGE: I think the figures that have come out really show that the need to provide housing for aged people in the community is paramount. In fact, the *Sydney Morning Herald* editorial highlighted that anybody who ignores the aging of our communities is really neglecting their responsibilities. Think this highlights again the need for Ku-ring-gai to get its residential strategy in order. Those census figures very clearly show an ageing population—a pressure that we all face, we all need to respond to. Ku-ring-gai has not been doing that, and anything you can do to encourage Ku-ring-gai to play its role, to be part of Sydney, to make sure that it can do what other councils have been able to do—and that is to look after the needs of their ageing population—would be very helpful to us all.

The Hon. IAN COHEN: Returning to the Mogo charcoal plant, in your role with planning is there an impact in terms of the wood supply agreement to guarantee that the supply is actually forest residue? Do you take an interest in that issue?

Dr REFSHAUGE: Yes. Very much so. It is a condition of the concern. One of the conditions that they have to comply with is that no saw logs were to be used in the charcoal manufacturing plant. If they do, then they will have to stop it, and if they continue to do it, I can close the plant down. I have told them very clearly that they are not to use saw logs, and I have told them that if they do, I can and I will close their plant down.

The Hon. IAN COHEN: Following a motion that was agreed to in the upper House the wood supply agreement has now been made publicly available. That wood supply agreement stipulates the lengths of logs to be cut, but the only stipulation it makes in regard to their diameter is that they must be a minimum of 15 centimetres in diameter. Does that concern you at all?

Dr REFSHAUGE: What makes it a concern?

The Hon. IAN COHEN: Well, 15 centimetres minimum is very close to a millable saw log, and anything in excess of that would be regarded as a saw log, and also the description of them having to be cut to a certain length—and I do not have the measurement on me right now—indicates to me quite clearly that the specifications in the wood supply agreement allow for saw logs.

Dr REFSHAUGE: I have made it very clear that saw logs are not to be used.

The Hon. IAN COHEN: If the specifications allow for saw logs, is this not a contradiction in allowing something to go ahead that actually specifies the dimension of saw logs?

Dr REFSHAUGE: I do not think there is any confusion. The conditions are very clear. Those conditions are the conditions I imposed. If they break those conditions, they are breaking the conditions of their consent. They do not then have the consent.

The Hon. IAN COHEN: But if the agreement—which was formerly commercial in confidence but is now on public record and is available in the Clerk's Office—indicates that saw logs are to be used, is that of concern to you and your department?

Dr REFSHAUGE: What is of concern to me is that they meet their conditions of consent, and whatever arrangements are made elsewhere in some ways are irrelevant to that. They have to meet their conditions of consent. A condition of consent is that they are not to use saw logs. If they happen to bring saw logs in and say, "We are allowed to do it," I say, "My conditions of consent say you are not allowed to do it. If you bring them in and you use them, you are breaking the consent. You stop or I will close it down." These are overriding conditions; they are not optional, they are not to be traded with someone else. These are compulsory conditions.

The Hon. IAN COHEN: May I put it to you this way. If you observe an agreement that is signed off by State Forests as a department under the auspices of a fellow Minister, and it is signed off as clearly indicated to be dimensions of saw logs—the diameter being in excess of 15 centimetres and also cut to certain lengths, which I suggest are saw log lengths—is that not of concern to your department?

Dr REFSHAUGE: What is of concern to me is my conditions. Amen. My concern is my responsibility. Say, for example, they had an agreement that they would bring triple-level trucks down the highways, and the Department of Roads says they are not allowed to do it. It would not matter what agreement they have got. If they are not allowed to do it, they are not allowed to do it. I am saying they have got conditions as to what they can do, and if they are agreeing to something different with somebody else, that is irrelevant to me. They are only allowed to do what I say they are allowed to do. If they break that condition, that is a break in their consent. I say, "Stop doing it," and if they do not stop doing it, I close them down.

The Hon. IAN COHEN: Would it not be reasonable to say that—

Dr REFSHAUGE: They may want to re-arrange their negotiations elsewhere, but that is irrelevant to me. I cannot take that into consideration. I have to look at what conditions are put on the agreement, and whatever else they do, commercially or socially, outside those conditions—provided they do not interrupt the conditions—are up to them. Whether they have agreements with government agencies or private companies or somebody else is irrelevant in that sense. They have got to meet my conditions. If they meet my conditions, they can go ahead, from my point of view. If they do not meet my conditions, they cannot.

The Hon. IAN COHEN: Does the commercial agreement that specifies that which I have described not indicate that there is an inadequacy in the catchment to actually supply material in the conditions that you agree with, within those specifications that you would find reasonable? Does your department also have an interest in the capability of State Forests, or whatever agency, to source material that is within the specification, that you would find agreeable, which is forest residue.

Dr REFSHAUGE: This is what I was saying about Woodlawn. There are things that you may think I should take into consideration and that I should be concerned with, but because of my legal responsibility I cannot be concerned with, because if that becomes part of the determination it changes the process, and the process is clearly explained in the Environmental Protection Act. Therefore, I cannot take those into consideration.

The Hon. IAN COHEN: So you are saying that at the present time you cannot take the agreement which specifies a certain size of log into consideration. However, if a certain size of log trundles down the road to the woodchip mill in the future, and it is clearly sawmill log specification, then you can close the plant down at that point?

Dr REFSHAUGE: That is right.

The Hon. IAN COHEN: But you cannot take notice of a commercial wood supply agreement that indicates that those logs can be used right now, or when the mill starts.

Dr REFSHAUGE: It is quite reasonable. You might think they have got somebody who says, "Look, I can get logs from old-growth forests," and I would say, "Well, that is not my issue." I have to work on the conditions and the way in which the mill works rather than on agreements that are made. They might be, from your point of view, the central part of it. From my point of view they are peripheral to the approval of this plant going ahead. I cannot take those things into account. The Woodlawn case is a classic one. You may think it would be nice—and others certainly do think that—that I would take into consideration the fact that this company is going to pay workers their entitlements. A wonderful outcome!

They may also think it a great idea if they paid the Greens \$2 million in campaign funds. It would be a great idea. They may also think that it would be a great idea if they re-forested 40,000 hectares of Cumberland Woodlands. That would be a great idea. But I cannot take those into consideration. I am not allowed to. I have to take into consideration the merits of the development application form. There are things that you would see as very important in the broad scheme of things to be considered, but the way in which the Environmental Protection Act legitimises my role means I am constrained as to what I can do. When you think of what the options could be, it is probably a better way to do it. At a later time the Act may be changed.

The Hon. IAN COHEN: You can see my obvious point—

Dr REFSHAUGE: But you can also see mine.

The Hon. IAN COHEN: —that some acknowledgment right now could save a great deal of conflict and angst in the community, because it is quite clear that there are issues arising.

Dr REFSHAUGE: That may be an issue to take up with Forests, who will say, "You are not going to be able to use them, so why have an agreement." I suggest that is an option you might look at.

The Hon. IAN COHEN: I am certainly look at all options.

Dr REFSHAUGE: From my point of view, I have got to work with what I have to do.

The Committee proceeded to deliberate.