

REPORT OF PROCEEDINGS BEFORE

STANDING COMMITTEE ON STATE DEVELOPMENT

**INQUIRY INTO ASPECTS OF AGRICULTURE IN NEW SOUTH
WALES**

Uncorrected Transcript

At Sydney on Monday 24 September 2007

The Committee met at 11.00 a.m.

PRESENT

The Hon. A. Catanzariti (Chair)

The Hon. M. R. Mason-Cox

Reverend the Hon. F. J. Nile

The Hon. M. J. Pavey

The Hon. C. M. Robertson

The Hon. M. S. Veitch

RICHARD JOHN PEARSON, Executive Director, Rural and Regional Planning, New South Wales Department of Planning, Bridge Street, Sydney, affirmed and examined:

CHAIR: Welcome to this public hearing of the Standing Committee on State Development inquiring into aspects of agriculture in New South Wales. The Committee is examining the contribution of agriculture to the New South Wales economy, impediments to sustaining appropriate levels of production, capacity and growth in the agricultural industry and initiatives to address those impediments.

The Committee hearings are not intended to provide a forum for people to make adverse reflections about others. Therefore, the protection afforded to Committee witnesses under parliamentary privilege should not be abused during the hearings. I therefore request that witnesses avoid the mention of other individuals unless it is absolutely essential to address the terms of reference. Thank you very much for taking the time this morning to address the Committee. Would you like to make an opening statement before we begin with questions?

Mr PEARSON: I will. It will be brief but it may help the Committee to understand the Department of Planning's interests in relation to agriculture and some of the elements in the planning system that we use to try to protect agricultural land and to ensure that the interface between agricultural land use and urban and rural lifestyle development is well managed. Thank you to the Committee for the opportunity to highlight a number of the initiatives that the department is currently undertaking that relate to the protection of the agricultural industry in New South Wales through better protection of agricultural land.

I understand that the Committee is considering the contribution of agriculture to the economy with a particular view to identify strategies to redress impediments to growth in agriculture. Very briefly—and I know the Committee has probably already heard these statistics—agriculture is a very significant industry in New South Wales. It was worth \$8.6 billion at 2003-04 and it contributes 87,000 jobs to the workforce so anything that Planning can do to try to enhance and protect that industry is worth doing. There are a number of things that we do in the Department of Planning that falls within the realm of strategic planning and under the Environmental Planning and Assessment Act that I will very briefly run through.

We are preparing a number of regional strategies across the non-metropolitan parts of the State that are quite relevant to agriculture. At the highest level in those documents, there is recognition that we have a State Plan and that it places importance on encouraging economic development in regional developments. This translates to action through the preparation of our regional strategies for high-growth areas, so we are preparing strategies right along the New South Wales coast from the far North Coast in the north to the South Coast regional strategies in the south.

They are high-level strategic documents that direct environmental and development outcomes over the next 25 years. They identify projected growth for the regions in terms of new people, housing and jobs and they set about ensuring that there is enough land identified for development to meet the growth. They establish a framework, which provide certainty for investment and help ensure job creation. They inform government decisions on infrastructure, investment and priorities.

Part of the challenge of preparing the strategies has been to ensure that there is enough land set aside for growth and urban development without jeopardising existing activities or the natural environment. A particular challenge to coastal areas is to ensure that we do not end up with rural lifestyle development or urbanisation impacting adversely on our agricultural economies. We have now prepared strategies for the entire coastal region outside metropolitan Sydney. We have got the far North Coast, we have a draft strategy for the mid North Coast, we have a Lower Hunter strategy, we have a draft strategy for the Central Coast and we have strategies for the Illawarra and the South Coast.

We are also working on the inland regional strategies. We have one currently underway for Sydney-Canberra corridor, which is well advanced and will be on public exhibition in the near future and we are doing a regional strategy for the Murray Valley, which is essentially all the councils along the Murray River, and that includes working with the Victorian Government.

With the strategies we about trying to avoid ad hoc, unplanned growth, which is costly both for infrastructure provision and can result in poor environmental outcomes and also potentially impact on the agricultural backbone of a lot of these regions. They are about ensuring growth and that change is managed in a sustainable way. It is particularly important when considering new urban development, because that often occurs on land that was previously used for agriculture.

Some of the strategies have particular ways of protecting agricultural land. In the Lower Hunter, the vineyards area is protected. With the far North Coast, we have done a mapping project to protect significant agricultural lands. We also have a mapping strategy underway for the mid North Coast where we are looking at very high value agricultural areas on the mid North Coast and how we can best protect those while allowing for growth in regional areas. I will not go into all the numbers associated with the regional strategies. They are all available on the department's website for the Committee or others to look at, or I can make copies available.

Moving to local environmental plans [LEPs], all councils are preparing local environmental plans. We have a planning reform program that is seeing councils updating their local environmental plan. They are the basic statutory tools that define land use zoning as well as the key standards that councils need to meet. Councils use those to assess individual development applications against what, we hope, are clear and consistently applied criteria.

Over the years we have come to an awareness that a lot of LEPs are probably not affectively doing that job so we have a program of reform underway at the moment where councils are looking at their plans based on what we call a standard LEP format. That does not mean that we expect, or indeed want, every council to have exactly the same standard and zones. It is about trying to have individual difference but within a reasonably consistent format. So if you are looking at the controls in the Bathurst shire or if you are looking at the controls in the Tweed shire at least the format is relatively consistent but they will be quite different in terms of what they are trying to achieve, so individual differences in a standard format is probably the way I would look to categorise it.

It is definitely not a one-size-fits-all policy. That is something that has been misconstrued, particularly in relation to minimum lot size. The Government is not about trying to impose a standard minimum lot size on regional council areas. It is a process that councils go through to work out what size lot they need to sustain their agricultural industries, but we are not about imposing a standard one size fits all.

To conclude, the standard LEP has brought with it a need for rural communities to consider the need for rural subdivision and settlement in their areas and to plan for it strategically and to work out over the next 10 years or so how much additional demand they will have for rural residential or rural lifestyle housing and where they should put it strategically so that they can service it with infrastructure so that they do not put it in places where they will have conflict issues with important adjoining agricultural industries.

It is also worth mentioning that the Minister for Planning earlier this year convened a Central West rural lands inquiry, which covered the 13 local government areas of the Central West in response to community concerns about the whole issue of rural land management. The panel was chaired by Garry West, former National Party Minister. It included Jock Laurie from New South Wales Farmers, who I know has addressed this Committee, Bill Gillooly, from the Local Government Association, and Gabrielle Kibble, former Director of the Department of Planning. The inquiry was asked to provide advice and a way forward to resolving the issue of rural subdivision in the Central West and its potential to impact on agriculture. I am happy to table the report. I have a number of copies. It is publicly available.

Report tabled.

The report contained a number of recommendations, which we are looking at, including the recommendation to prepare a rural lands SEPP across the State to try to address some of these issues. The panel conducted five hearings; they received 75 presentations and 105 written submissions. As a stakeholder reference group representing all mayors, it was a very significant opportunity for the community and councils to put their case on the issue.

Some of the findings of the inquiry were that we should retain existing minimum lot sizes; that we should not necessarily require councils to revise their minimum lot size but if they wanted to, we need to set up some objective criteria for them to do that; we should retain existing rights to build homes on rural land where the subdivisions have already been approved; we should prepare a State policy; we should remove concession lots, which is an area that has been somewhat misused in the past; and require new LEPs to recognise the changing face of agriculture. In the past we have been in a position where we have said, "This is what is happening now in relation to agriculture and that is the way it is always going to be."

Agriculture, like everything, is changing and we need to provide opportunities for change into the future. Importantly, we need to better educate tree changers and people moving to rural areas about farming and what it means. There is noise and there is dust; it is an industry and people need to be aware of that before they go and live in rural areas. The Minister has asked us to carefully examine the panel's recommendations and provide advice on how they can be implemented, including the need for a rural lands SEPP. That is probably all I wanted to say.

CHAIR: Could you explain the process for determining a local environment plan and the process for rezoning sections covered by that LEP?

Mr PEARSON: Certainly. It depends whether we are talking about a whole of shire LEP or an amendment to an LEP to do a spot rezoning, but essentially the process is pretty much the same. The council decides it wants to prepare a new LEP, that is called a section 54 resolution by the council, and they come to the department saying that they want to prepare an LEP. That resolution is sent to the LEP review panel, which is convened by the Department of Planning. Based on advice from the council and from the regional office of the department, the LEP panel considers whether the LEP should proceed or not, and I can discuss some of the criteria that are used to make that decision. The council then consults with government agencies at the section 62 stage, as it is called, to find out what the concerns and issues are of the agencies.

Council then prepares the plan incorporating agency comments. If necessary, they prepare an environmental study depending on the scale of the LEP, but that is not something that we frivolously require councils to do, it has to be of some significance. The LEP is exhibited for a period of a minimum of 28 days, but sometimes longer. That is at the section 65-66 stage. Council then decides if it wants to continue the plan or amend the plan. A legal opinion is obtained, as to whether the plan can legally be made, from parliamentary counsel. The plan is sent to the department, which reviews the plan, recommends it to the Minister at the section 69 stage and then the Minister, if he agrees, makes the plan at the section 70 stage.

The Hon. MELINDA PAVEY: Mr Pearson, you mentioned at the beginning that all councils throughout New South Wales are going through an LEP process. That is all metropolitan, regional and rural councils?

Mr PEARSON: That is correct.

The Hon. MELINDA PAVEY: How many councils have submitted their revised standard LEP?

Mr PEARSON: It is a five-year program and we are about a year into the program. There have been probably 10 or a dozen that have submitted requests at the section 65 stage to put the plan on exhibition, which requires a review of the plan by both ourselves and parliamentary counsel before it goes on exhibition. There have not as yet been any plans that have got to the end of the stage in terms of finalisation. We have a program that will see the 152 councils with the LEP in place by March 2011, which is the cut-off point.

The Hon. MELINDA PAVEY: A busy month, that month.

Mr PEARSON: Well, we have to do a lot of the work before March 2011 or it certainly would be a busy month. We had a two, three and five-year roll-out regime; so there are councils that have to

do it in two years, there are councils that have to do it in three years and there are councils that have to do it in five years.

The Hon. MELINDA PAVEY: As I travel around the State, that is a concern raised by councils, that they feel a little inhibited from moving forward with their plans until they get this process out of the way. You mentioned in your testimony that there was not a standard one-size-fits-all goal by the department, but for many of the regional areas your recommendation is a 400-hectare minimum lot size. Is that correct?

Mr PEARSON: No. I will talk about life pre the Central West panel report and that was that the Department of Primary Industries and the Department of Planning and council would work together. In the process of reviewing their LEP we would look at the minimum lot size for agriculture attached to a dwelling, so that was the issue: How much land do you need to have an entitlement for a new dwelling? There was a process that we worked through with the council and with the Department of Primary Industries, as I mentioned, that would look at whether they had got it right, so if it was 200 hectares in a council area, is that the right size for a viable farm or should it be higher or should it be lower, or should you have a range of minimum lot sizes across the local government area? You do not necessarily need a single standard. There was a methodology that the Department of Primary Industries applied to that process based on financial viability considerations. That was reviewed by the Central West panel. Their view was that that methodology was lacking somewhat: It did give you a reasonable indication of financial viability, but there were a lot of other things that were important—

The Hon. MELINDA PAVEY: Variables.

Mr PEARSON: —including off-farm income, so the landscape is changing on that issue of minimum lot size as a result of the Central West panel. Certainly I can categorically say that the Department of Planning never had a view that 400 hectares was the magic number, nor did the Department of Primary Industries, but there were a couple of locations where 400 hectares became the standard and I think people thought it was coming in everywhere.

The Hon. MELINDA PAVEY: This is the evidence that we are getting, that you can have a 400-hectare farm and it can be on very marginal land, poor soil and no water, and there is no way that anyone could make any money out of 400 hectares.

Mr PEARSON: That is agreed, yes.

The Hon. MELINDA PAVEY: And on the coast you could have 10 hectares if you have water and hydroponics.

Mr PEARSON: Yes.

The Hon. MELINDA PAVEY: I think it is good to see the response to this issue. You raised also the issue about the conflict between farming and tree changes and sea changes moving in. Is there a practice anywhere in the world where there are covenants on buying land, so that when you buy land it becomes part of the total process, acknowledging the right to farm on adjoining areas and even the right to sustainably look after the property that you own through weed management and dog management so that we could have what a lot of regional communities want, that is, more people living there to help enhance their economies and at the same time dealing with the issues of maintaining and supporting agriculture and protecting the environment by keeping the weeds off some of the properties and making sure dogs or cats do not run riot?

Mr PEARSON: Sure, I agree with the sentiment. I think my reaction to the idea of covenants is that it is more about restricting what you can do with your land rather than acknowledging the rights of someone adjoining you to do what they want to do on their land. I definitely think there is a need for vastly improved education of people moving into these areas about what agriculture means and there will be issues associated with it. I think the Goulburn Mulwaree council has done a very good publication that is about rural lifestyle expectations and issues very broadly in the council area. I also think there is an opportunity in section 149 certificates, which are provided to people when they are buying their land, which relates to the sorts of controls and things that apply to that land to give them a much clearer idea of what they are buying into, that it is not just

peace, quiet and sunshine, there are other things that happen in rural areas that they should be aware of. So I think that is part of looking at the response to the Central West panel report.

The Hon. MELINDA PAVEY: What you are saying is that there would be better explanation or better reporting under section 149 when a person is buying a property?

Mr PEARSON: I think there is potential for that to do some of the things that you were suggesting under a covenant approach.

Reverend the Hon. FRED NILE: You mentioned that under section 64 in the preparation of the LEP it goes to a review panel. Where does that review panel operate? Is it a State panel? The reason for the question is that we have had a lot of people saying that they feel the rezoning decision should be made at a more regional level.

Mr PEARSON: Yes, I have noted some of that in the evidence. The LEP panel was set up about 18 months ago. It operates in Sydney to review LEPs, but it includes local government representation and Department of Planning representation. We have a policy that if we disagree with what a council is proposing in an LEP amendment the panel does actually discuss it with the council over the phone or face-to-face if the council wants to come to the meeting to tease out their issues: Why they think it is a good idea; why we might have a difference of opinion. So while it is conducted in Sydney there are certainly opportunities for local council and regional input to the process.

Our regional offices actually receive the LEP amendment from the council and provide advice to the LEP panel on the proposal. I should also say that in the last 12 months I think 82 per cent of LEPs referred to the panel have been supported, so four out of five are supported, the ones that are not are in the minority, and I guess when they are not supported it is usually for one of two reasons: Because it is a speculative proposal that might have been thrown up that actually does not fit within the strategy of where the council is going, so it might be an urban proposal that is outside its urban growth strategy or it might be a rural subdivision proposal that is remote from infrastructure and services, or there are very minor things that we think you could deal with in the comprehensive LEP program.

As we have discussed, it is ambitious, we have to get councils there over the next four years and we do not want too many of their resources being devoted to individual spot rezonings, which are very time and resource-intensive exercises even for small things: You have to put them on exhibition, prepare the material, deal with agencies and have a parliamentary counsel process. Where possible we like councils to roll those up into single amendments rather than doing them one by one, but it is very much not a brick wall that says, "Thou shalt not do LEP amendments". As I say, four out of five get through the gate, so I think it is reasonably balanced in its decision-making.

Reverend the Hon. FRED NILE: You said 82 per cent are approved. Is there any bottleneck in the time delay?

Mr PEARSON: The Minister has indicated that he is looking at the planning system generally in terms of whether there are areas of reform that are required. Plan making, as it is called, or the LEP system is one of those areas that we are looking at. I think that there probably are ways that we can improve time frames under the LEP system. It is a system without time frames. That part of the Act has not been reviewed since it came into force in 1979, so I think there definitely is an opportunity to look at it and see if we can do things more efficiently and improve time frames. It is not a particularly streamlined part of the Act; I think it is overdue for reform.

Reverend the Hon. FRED NILE: When you say the regional office gives advice, you would not consider deputising the approval process to them?

Mr PEARSON: The regional office used to have that role, but, to be honest, getting that decision at the start of the process is certainly not time-consuming. That is not the slow part of the process by any means. More than 70 per cent are responded to within 25 days, so if the council comes in at section 54 and says, "I want to do an LEP amendment", more than 70 per cent get an answer within 25 days, so less than a month, as to whether they can proceed or not. Four out of five of them

get the answer they want. So, I do not think that front-end of the system is the problem; it is further down the system that things seem to take time.

CHAIR: How many regional offices do you have, and where are they?

Mr PEARSON: We have five offices. The North Coast is in Grafton. We have—

The Hon. MELINDA PAVEY: Queanbeyan, do you?

Mr PEARSON: We do have an office in Queanbeyan, yes.

The Hon. MELINDA PAVEY: Sorry.

Mr PEARSON: That is all right, you can answer for me. You are going well. We have an office in Newcastle and an office in Wollongong.

The Hon. MELINDA PAVEY: That is not regional.

Mr PEARSON: Well, it is not Sydney. We have an office in Dubbo, that is very regional, and we have a smaller regional office in Tamworth, which is sort of a satellite of the Dubbo office. So, we have six.

The Hon. MELINDA PAVEY: How many staff?

Mr PEARSON: In my area—I am executive director for regional and rural planning—we have about 70-odd people in my division, of which there would only be about 10 in head office. So, the majority of them are in the regional locations, including Wollongong and Newcastle.

The Hon. MELINDA PAVEY: Are you finding it hard to keep staff, with the demand on planners?

Mr PEARSON: You find it is a bit more stable in the regions. Queanbeyan is a bit of an exception because of the Canberra influence, but in most of the other regions we are almost the employer of choice.

CHAIR: Are there any offices in the south-west?

Mr PEARSON: Queanbeyan services that area. It is a big world. They do a lot of travel.

The Hon. MELINDA PAVEY: I noted the regional strategies are focused on all the coastal and river areas, and that is obviously driven by the value of the land and the value of that seachange?

Mr PEARSON: It is very driven by growth and development. Planning traditionally has been about managing rapid growth and making sure we are putting it in the right places and not compromising the environment. We have not done so much of trying to stimulate areas where there is not growth or activity but that may be a challenge for the future.

The Hon. MICHAEL VEITCH: Just so you know, I am also a councillor on Young Shire Council, which is serviced from Queanbeyan.

Mr PEARSON: Okay, yes.

The Hon. MICHAEL VEITCH: A lot of the testimony that has been presented to the Committee has been around the acceptance and the acknowledgement of the right to responsibly farm people's land. That clash between the urban growth and redefining of the land use to allow development spread has also been highlighted. One of the things I am having difficulty trying to get my head around is the definition of prime agricultural land or, as you refer to it, significant agricultural land. Can you enlighten us as to the planning definition of prime agricultural land?

Mr PEARSON: We rely very heavily on the Department of Primary Industries for that. It is the government expert on agricultural land so in large regard we defer to it on that. There are a couple of examples that are worth mentioning. On the far North Coast we did an exercise where we looked at State significant farmland and regionally significant farmland. We are doing that same exercise on the mid-North Coast at the moment. Those exercises have really concentrated on where are the really productive soils, the really well watered locations, the alluvial valleys and locations that have very good natural resource attributes but that also have high-value farming activity—the Cudgen plateau on the North Coast, for example.

We are doing the process on the mid-North Coast. We are not locking up the whole region. I think on the mid-North Coast we have worked out in the draft that it is about 8 per cent of the region which is really high prime agricultural land that we were mapping. We are basically saying we do not think it is appropriate for urban or rural residential development in these locations because they are really important for growing crops or grazing or whatever—agricultural activity. But that still leaves 92 per cent of the region where all these other activities occur. So, I think it is those targeted policies that are worth pursuing. They make much more sense than trying to impose a blanket minimum lot size over a region. In answer to your question, I would have to say you are probably better off asking DPI what it thinks is prime agricultural land. It has its landscape classification.

The Hon. MICHAEL VEITCH: I did.

Mr PEARSON: What did it say, ask me?

The Hon. MICHAEL VEITCH: It is interesting that some of the issues that the DPI raised were covered in the review of land use planning in the central west. The other thing is the change—a lot of this is based on the historic use of farming land—there would appear to be a lack of flexibility in accepting new opportunity or initiative. Are there any plans to include that mechanism or a mechanism to allow those flexible changes to an LEP?

Mr PEARSON: Yes. I think that has been something which, through the central west panel, has come out as an area. Our policy settings have been a bit reflective of what exist today in agriculture and trying to protect it. It is probably not unreasonable, given that it is an \$8 billion industry, that we are trying to protect what we have. Like everything, you have to look at where things are going, and certainly in the central west a lot has been made of niche agriculture. It is close to Sydney, it is close to markets. Maybe the best use of land out there is not broad-scale grazing. Maybe it is growing olives or vines in the watered areas. You still have to consider your traditional industries but I think that was definitely a point that came home in the report that I tabled today and which we are going to have a closer look at.

The Hon. MICHAEL VEITCH: My last question relates to the CMAs and vegetation plans, particularly in development applications and the development of new LEPs. Are you able to talk us through how the Department of Planning works with the CMAs in that process?

Mr PEARSON: There are two issues, I suppose. There are the LEPs and development applications. With LEPs, the CMAs are one of the bodies that are consulted—it is section 62—to get their views on the proposal, be it a spot rezoning or a shire-wide LEP. So, they are very strongly factored into the LEP process. I should say that their views are not a veto, though. If they decide they do not like something at an LEP stage, it does not represent a veto. That is a consultation exercise. A development application can be a different exercise. I know some situations have been brought forward to this inquiry where you have a requirement to get an approval both under the EPA Act and under the Native Vegetation Act. That is a sort of urban-rural interface area.

That is an area where we have a working party looking at that issue, whether we have the settings right in that location or not. The Native Vegetation Act is not my legislation but you do not need consent for a single dwelling in that interface area. It is more where you are doing dual occupancy or a subdivision. There have been examples like aged housing or churches that have required consents under both pieces of legislation and have been effectively stopped because of the offset requirement. That is an area we are looking at under the dual consents working group, which involves local government and CMAs in the process just to see whether we have the right relationship between the two Acts in that situation.

The Hon. MELINDA PAVEY: How long has that working group being going?

Mr PEARSON: It was really only from about April of this year that it re-activated. We were aware of the issue, obviously, beforehand but there has been some new energy put into it to try to sort it through because some examples are coming up that can be a little bizarre and we need to make sure it is right.

The Hon. MATTHEW MASON-COX: My concerns relate to delays and the lack of accountability of your department in relation to reviewing plans?

Mr PEARSON: LEPs?

The Hon. MATTHEW MASON-COX: Yes. You mentioned that after the section 54 resolutions, after about 25 days 75 per cent were approved or passed to the next part of the process. With regard to the rural councils you also mentioned there was a time frame of two to five years depending on which category they were in. Can you tell me where most of the rural councils are in that two to five year time frame and the priority you give them?

Mr PEARSON: I do not have that detailed information before me but they are spread across the spectrum. The reason for doing that was twofold. There were councils that were real priorities because their planning was so far behind the eight ball that they needed a new plan, so they were put in a higher priority. Some councils were significantly advanced in their work so they were able to do it within a reasonable time frame. Others needed to do a lot of work and they were not going to get there unless they had a three-year time frame or a five-year time frame. I cannot give you the breakup today but I am happy to provide that.

The Hon. MATTHEW MASON-COX: Can I also ask you, in relation to the cost of that process for councils and the resources, a number of councils I have spoken to have problems getting the appropriately qualified staff. I wondered what measures your department has taken to assist them through the process by seconding staff or providing additional resources to them. We are finding it basically puts a gridlock on any development in that rural-urban interface until they have the LEP approved. So, we end up with no development, which undermines the growth prospects of those areas.

Mr PEARSON: There is no hold on development in those regions. They continue to operate under the existing LEPs. Opportunities are available under the existing LEPs and that can happen through a development application process, so there is no hold there.

The Hon. MATTHEW MASON-COX: That is not what I have been told by a number of councils.

The Hon. CHRISTINE ROBERTSON: Quite a few councils on our inquiry this month have said that though.

Mr PEARSON: Have said what, I am sorry?

The Hon. CHRISTINE ROBERTSON: Have said that they can review their LEP for change for specific issues.

Mr PEARSON: Yes. There are two things. If they have existing zoned rural residential or urban land or employment land but they are doing it under the LEP, obviously development can continue to occur on those lands during that period. There have been some examples. If they do not have enough urban-zoned land and they are not due for four years but they want to bring on some urgent residential land, we will work with them on that. This is not about saying, "You are not going to be able to do anything for four years." We will look for reasonable opportunities to bring things on in the shorter term.

I suppose the flip side is—and while we are trying to be a bit structured about what councils do, because they need to do the comprehensive LEP and resources are limited—we have to try to work with councils so they make use of the resources as best as they can so they are not continually

rezoning this site or that site or another site that they are trying to put some energy into the bigger game of getting a new direction for the next 10, 15 or 20 years right. I should also say that the department does provide planning reform funding to local councils to do the work, to engage consultants, to employ staff if necessary. So, it is not like we are saying, "Off you go, there is no money available." Seconding staff is a little harder because we are not that flush with staff ourselves but we do try to work with them as best we can.

The Hon. MATTHEW MASON-COX: Do you have a best practice time line in relation to the development of a new LEP?

Mr PEARSON: The time line is two years, three years or five years, depending on—

The Hon. MATTHEW MASON-COX: Your department's review of the LEP and your involvement in the LEP process, do you have a time line as to how you keep your own performance accountable, the performance indicators for your department and the like?

Mr PEARSON: I mentioned earlier that we are looking at reviewing the plan-making system because it is not a system with tight time frames. It is very broad, general. We obviously try to deal with LEPs as promptly as we can but the problem is they are not that often in our control in the system. The section 54 to us, notifying the council it is okay to proceed, we have got it and we are dealing with more than 70 per cent of those in 25 days. But it is then over to the councils and they have to consult with agencies, they have to put it on exhibition, and they have to consider comments they get from the community at exhibition. Often the LEP is lost to a department of planning for considerable periods of time because it is back in the council's ballpark. Then it comes back to us and we will try to deal with it as quickly as possible. It has to go also to Parliamentary Counsel who, again, given priorities, may need to spend a fair bit of time on the LEP as well, which is why we are looking at should we have a better system.

The Hon. MATTHEW MASON-COX: Who is conducting the review and when do you expect it to report?

Mr PEARSON: The Minister has indicated that we are looking at a number of different parts of the planning system, this being one. He is hoping to get a discussion paper out later this year.

Reverend the Hon. FRED NILE: Is there any delay in the Parliamentary Counsel area? Do they have sufficient staff because sometimes we have problems getting things done here at Parliament and they say they are under stress. Unless it is a separate section that is dealing with these areas, is it?

Mr PEARSON: Their resources can be stretched, I am sure, particularly when legislation is required and, you know, they have to look at minor LEP amendments as well. But I cannot speak for them in terms of whether or not their resourcing is adequate.

Reverend the Hon. FRED NILE: There is no delay that you are aware of from their end?

Mr PEARSON: There can be periods, depending on when you give it to them. If you are giving it to them in November and, you know, they are drafting legislation, then I suppose it could take more time than might normally be the case. But I am sure they have resource issues like all of us.

The Hon. CHRISTINE ROBERTSON: Over time, not specific to this inquiry, there has been some discussion on the DPI agricultural mapping on the North Coast. I recognise that this is not your department's responsibility, but many people up there perceive that the mapping was done on too broad a scale to pick up specific properties and issues in relation to prime agricultural land. Why I am using this as an example is that as this mapping stretches out across the State I can imagine there will be increasing conflicts between agriculture and development even though the mapping is designed to stop it. Do you know of any process through the DPI to have this mapping reconsidered in certain circumstances?

Mr PEARSON: They have not asked us. They have not told us they want to do that. But it is not something that is being done across large areas of the State. I suppose the reason the far North Coast and mid-North Coast are being looked at is, number one, because it is very fertile land and,

particularly on the far North Coast, it was adjoining significant urbanisation pressures—really good quality soils that you do not want houses on. So, I guess that was the motivation for doing it, but it is pretty limited when you look at it as a total picture compared with what is available in the region. It is not locking up large areas of land. I would say generally on the North Coast the process has been reasonably well supported by the broader community. You will get landholders who will raise issues with it, and that is to be expected, but as long as we have a solid basis for doing it and we are doing it on a very targeted basis, I do not think it is an unreasonable process.

The Hon. CHRISTINE ROBERTSON: Is there a process perhaps to challenge or change part of the mapping?

Mr PEARSON: I guess if there is somebody who owns land and they are saying that it is not prime ag land and our mapping says it is, then the process to challenge or review it, I guess the Department of Primary Industry's needs to review it because we take advice from them. That would be the process.

The Hon. CHRISTINE ROBERTSON: Another matter I am interested in hearing about, and I am sorry to be so ignorant of council operations, but do LEPs include access to services and infrastructure?

Mr PEARSON: LEPs essentially set out the land use, zoning and development standards framework, but LEPs are just a reflection of the strategic planning for the area—deciding where you want to put your new urban development, where you want to put your rural lifestyle, and servicing and infrastructure reconsiderations in determining those things so that you do not have people living without the basic infrastructure or with inadequate roads. They are very much a factor in that strategic planning.

The Hon. CHRISTINE ROBERTSON: I guess I am asking this question historically because places like Coffs Harbour 20 years ago got into a lot of trouble because it had incredibly high growth without infrastructure included, and many of the regional centres are pushing west of the range as well for very high growth.

Mr PEARSON: Yes. Well, I suppose that did happen historically. I suppose now we are much more attuned to it and councils through section 94 are able to levy developers to provide infrastructure. The State Government looks also to get a reasonable level of contribution from developers for significant development, but that is where you also then have to watch the urban flipside, which is ensuring that housing is affordable and that you are not overproviding in relation to infrastructure.

The Hon. CHRISTINE ROBERTSON: Have you any expectations on the outcome of working with the interface between the CMA and the LEP process? It was interesting some local governments, not all, perceived that interface to be a problem?

Mr PEARSON: No. I think we just need to have a careful look at the issue. You are right, in some places it does not really come on the radar, but in others there are significant issues being raised. So we just need to get a feel across the State of what the problems may be, whether we need to amend any of the legislation, whether it is a practical issue or whether it is just what is happening is reasonable because we have got a strong government commitment to protect native vegetation and is it just a consequence of that commitment or, you know, in those interface areas is there something more at work that we need to address?

The Hon. MICHAEL VEITCH: Are you aware of any LEP processes or development applications that have been delayed by CMA involvement?

Mr PEARSON: Well, whether "delay" is the right word, I am sure there are examples where things are taking longer because of that fact. I cannot give you any numbers or particular examples but, obviously, it is an important consideration, I guess, if you are putting something in that fringe area and you are going to have to clear significant vegetation and CMA is raising concerns with it. You will need to try to resolve them, yes.

CHAIR: How do workers' quarters fit into LEP situations?

Mr PEARSON: Traditionally under LEPs you have been able to have workers' dwellings—I forget the exact terminology.

The Hon. CHRISTINE ROBERTSON: Shacks!

Mr PEARSON: Well, I do not think you would call them shacks. I suppose that was why the whole idea of concessional lots came into being, because it was more about trying to provide somewhere for a worker to live or for family members to move into as they got older, but then the system was getting abused. It might have been set up theoretically for that purpose, but then others were moving in. They were creating those land use conflict things that we spoke about. But there are opportunities to do that if you can control it legitimately. Though I suppose, how do you control it?

CHAIR: I was thinking more of the itinerant workers that come in; you really need those dwellings now.

Mr PEARSON: So, for fruit picking and things like that you mean?

The Hon. MICHAEL VEITCH: Seasonal shearers and track harvesters.

Mr PEARSON: I guess that is an issue that we would expect councils to be across and addressing as part of their LEP and strategic planning exercise. If they are identifying that they have a shortage of affordable housing because of that, either on farm or in town, then I guess we need them to document that and we can look at a way forward.

CHAIR: Is there an overall strategic plan for agriculture in New South Wales?

Mr PEARSON: Again, you are probably better off directing that to the DPI, but there certainly is, I think it is called a sustainable agriculture policy. I could not tell you what year that is but in the earlier 2000s I thought. I can find out if you like, or the DPI could certainly.

CHAIR: If you would not mind doing that.

The Hon. MATTHEW MASON-COX: In the case of those councils that were amalgamated into new councils, what are the transitional provisions relating to them so far as LEPs and developments are concerned?

The Hon. CHRISTINE ROBERTSON: What has this to do with our terms of reference?

The Hon. MATTHEW MASON-COX: It is very significant. A council like Palarang Council has had trouble with getting plans together to ensure that it can develop on the fringe, and that development is important for the sustainability of that area.

CHAIR: You can answer that question.

Mr PEARSON: There are a few areas where councils have moved ahead and done a consolidating LEP. I can think of parts of the Bathurst-Evans—there are several councils, it was actually Lithgow, Evans and a couple of other councils. I think there were about three councils that came into one and we had three LEPs. It was and is confusing to know the rules across the shire if you have three LEPs. So, we encourage councils to do a consolidating LEP. I think Armadale-Dumaresq is another example where they are going through that.

The Hon. CHRISTINE ROBERTSON: And Tamworth.

Mr PEARSON: And Tamworth-Parry, yes. They are going through exercises of consolidating so that the controls apply across the shire. We encourage that, and certainly as part of the standard LEP they will be doing that as well. The main drive of the standard LEP was to simplify the planning system, which is just a very complex and difficult system to navigate. If we can have the

rules looking the same with each council area and one plan applying to the council area, I think it is a big leap forward.

The Hon. MATTHEW MASON-COX: So a new council area like Palerang, what does it have in place for a planning instrument, an LEP if you like, until it gets a new LEP? What does it have in place for development applications to be looked at?

Mr PEARSON: Oh, well, they would do it under the existing controls. So, whatever they had.

The Hon. CHRISTINE ROBERTSON: They would have to use both.

Mr PEARSON: They were Yarralumla and another one, I think, for Palerang?

The Hon. MICHAEL VEITCH: Yes, Braidwood.

Mr PEARSON: Yes. If you are in the Braidwood part, then the Braidwood controls would apply, and then the Yarralumla. It is not a good situation to be in long term and we would encourage them to bring it together.

Reverend the Hon. FRED NILE: If there is conflict between a long-established farming enterprise and new residents who move in and complain about the smell of a pig farm and so on and try to raise even, I suppose, court action or something like that, or complaints, do you get involved in any way in trying to support that agricultural enterprise to say, "Look, it has been approved, it has a right to be there" and so on?

Mr PEARSON: I suppose our role is more about trying to stop those sorts of things happening in the future; so, to try to put those developments not into those conflicting situations. The situation you have described is more one where the Department of Environment and Climate Change—the old EPA—would be getting involved more in the issue than us and, obviously, the local council. I suppose planning is very directed at future land use and trying not to repeat the mistakes of the past. If we could provide a useful role in something like that, we would, but we would not actually have a statutory role. So, it very much limits what our role could be other than trying to help.

The Hon. MICHAEL VEITCH: In that instance though, I know at Young Shire Council we have an issue with an abattoir and the town has grown significantly towards the abattoir. Cherry orchards have had several years of non-productive crops and so they actually are pulling out the cherry orchards, subdividing the land and selling it for residential and odour has become a significant complaint at the council and with the former EPA. The council was told to include buffer zones within its new LEP. What is the mechanism to accommodate or include buffer zones in an LEP? What is the land use?

Mr PEARSON: We traditionally, I think, have a 400-metre-buffer around sewage treatment plants, for example, so you just would not allow urban development within that. An abattoir is probably not 400 metres. It is another issue that the Central West panel has raised, the issue of land use conflict and the need for buffers. Do we need to get to the situation where we prescribe buffers for more situations than just sewage treatment plants, for example? That is something we are looking at.

Clearly, it would be open to Young Shire Council to be very conservative in drawing its urban footprint so that you do not put people within that zone. The science is not difficult about working out where the odour is going to end up and where you should draw a line, be it 200 metres, 300 metres or whatever.

The Hon. MICHAEL VEITCH: Young has been unique because to the south we are actually landlocked by another shire council less than 10 kilometres away, so they have different land zonings.

Mr PEARSON: Yes.

The Hon. MATTHEW MASON-COX: When can we expect the Sydney-Canberra corridor strategy and how long has it taken for the next one to be finalised?

Mr PEARSON: We expect it very soon. How long has it taken? I did not get the second part of your question, I am sorry?

The Hon. MATTHEW MASON-COX: There was a previous one?

Mr PEARSON: There is an existing one.

The Hon. MATTHEW MASON-COX: About six years ago. So how long has it taken now, six years?

Mr PEARSON: No, we have not been working on the new strategy for that length of time. It is probably a couple of years or so. Because we had a focus on the coastal regions, which is where the majority of the growth and development occurred, that is where we put our priorities. Sydney-Canberra certainly does have some issues; certainly in terms of managing growth around Queanbeyan is another part of it. They are all challenges but it will be on public exhibition very soon.

The Hon. MATTHEW MASON-COX: It is an interesting situation where one finds in Queanbeyan that the Australian Capital Territory and New South Wales governments refer to this wonderful Sydney-Canberra corridor strategy, which does not exist and is being updated and therefore planning sits in this vacuum whilst these documents are finalised.

Mr PEARSON: We have continued to do planning in that area. The Queanbeyan land release inquiry is an example of that. We have not just sat back and neglected the region by any means, but getting that strategy right has taken a bit longer.

CHAIR: I ask that you answer the questions on notice by 5 October 2007. The Committee thanks you for attending the hearing today and for your evidence.

(The witness withdrew)

(The Committee adjourned at 12.03 p.m.)
