

**LEGISLATIVE ASSEMBLY FOR THE
AUSTRALIAN CAPITAL TERRITORY**

SELECT COMMITTEE ON ESTIMATES

(Reference: Appropriation Bill 2002-2003)

Members:

**MR G HUMPHRIES (The Chair)
MR J HARGREAVES
MS R DUNDAS
MRS V DUNNE
MS K GALLAGHER**

TRANSCRIPT OF EVIDENCE

CANBERRA

FRIDAY, 26 JULY 2002

**Secretary to the committee:
Mr P McCormack (Ph: 620 50142)**

By authority of the Legislative Assembly for the Australian Capital Territory

The committee met at 2.05 pm.

Appearances:

Mr T Quinlan, Treasurer, Minister for Economic Development, Business and Tourism, Minister for Sport, Racing and Gaming and Minister for Police, Emergency Services and Corrections

Department of Justice and Community Safety—

Mr J Ryan, Director, ACT Corrective Services

Mr M Ockwell, Executive Director, Corporate

THE CHAIR: I thank the minister and his officers for their indulgence in coming back this afternoon. Today we will deal with the Corrective Services program and when we finish with you we will go to another minister who also ran out of time on a previous occasion.

I will just re-read this advice to witnesses. You should understand that these proceedings are legal proceedings of the Legislative Assembly protected by parliamentary privilege. That gives you certain protections but also certain responsibilities. It means that you are protected from certain legal action, such as being sued for defamation for what you say at this public hearing. It also means you have a responsibility to tell the committee the truth. Giving false or misleading evidence will be treated by the Assembly as a serious matter.

We ask witnesses to state their names and the capacity in which they appear before the committee when they come to the table to give evidence. We might as well plough straight on. Do you have any opening statement you wish to make, minister?

Mr Quinlan: No, thanks Chair.

THE CHAIR: Okay. Could I go to output 5.1—I assume it is still 5.1; I am looking at page 295 of the old document but I assume it is the same in the new one. To start with, I am just curious about why there are a number of categories where information on quantity measures is not available, I assume, or possibly not applicable. For example, with respect to the number of Court Transport Unit escort tasks, we have numbers for last year, both targets and outcomes, but for some reason the numbers are unavailable next year. The terminology elsewhere in the document is that certain measures are discontinued, but here a different language is used. Is there any reason for that or is it just the way it has been put?

Mr Quinlan: I will leave that to my officer.

Mr Ryan: James Ryan, Director, ACT Corrective Services. That is just the way it has been put. Certainly on the example which you gave, we felt that to give those averages for the number of escort tasks didn't necessarily give us a true indication of how we were spending our resources. For example, they don't allow us to show what that task is, what the level of the task is, and therefore the number of people used on it; where the task was to, inside the ACT or outside the ACT, and therefore how long it would take. We were certainly finding that as a planning tool it wasn't helping us much at all.

THE CHAIR: So we haven't previously measured the average number of prisoners, for example, or at least it has not been indicated as a measure for an output class, but it is now going to be measured in the future?

Mr Ryan: Yes.

THE CHAIR: I notice that some of the items under the heading "Quality"—number of deaths in custody, number of escapes from custody—have been given zeroes. That is very good to see. I was just going to ask about that. You had escapes from custody in the previous financial year—in 2000-2001, I think?

Mr Ryan: Yes.

THE CHAIR: Obviously measures have been taken since that time to make the Belconnen Remand Centre more secure?

Mr Ryan: Yes, we have. The place is being progressively wired in, to the extent that whereas in the past at least in some parts of Belconnen you could look up and see the sky, that is no longer possible. We have also spent a lot of money on extra staff and extra cameras, and extra measures outside of the perimeter as best we can to help prevent escapes. We have also used that knowledge to help us in our temporary remand facility that is under construction now. But both facilities will still remain inherently insecure because of the lack of a perimeter.

THE CHAIR: All right. Are there any further questions on corrections?

MS DUNDAS: Can I go back a step. You were asking about the outputs in terms of number of remand days. Is there any way that we can have a comparison between the number of remand days and the number of remandees?

Mr Ryan: Well, you could, but to me the average number of remand days has never meant much at all. It is a figure that New South Wales tends to use to bill us. But the figure that certainly operationally means a lot to us is the number of remandees that we have in the place at any given time, and from that we derive quite readily the average number of remandees.

MS DUNDAS: The estimated outcome for number of remand days was significantly higher than the target. Now that you have changed to a new measure, are we estimating higher than we were in 2001-02, are we looking at staying steady? Do you see where my question is going?

Mr Ryan: Yes, I do. There is a huge amount of guess work in this and in guessing, or estimating I should say, the likely outcome for 2001-02 there was an over-estimation and the estimate for 2002-03, set at 70, could quite easily be incorrect. The average figure for last year was 63.8. As of today, we sit on 64. The peak that we hit last year was 91. I don't know whether between now and the end of this financial year we are likely to maintain 64 or shoot up to 91, but we think that probably about 70 as an average is as good a guess—and it is largely that—that we can make in the circumstances.

MS DUNDAS: That is the number of remand days? Do you have the figure for number of periodic detentions?

Mr Ryan: For periodic detention?

MS DUNDAS: You have changed from number of prisoner days to number of prisoners as well as number of remand days to average number of remandees. You have estimated that you will have 150 as your average number of prisoners as opposed to 2,400—

Mr Ryan: It is the number of prisoners. That again is just restating in the same way as we did for the remand centre what our likely projection is going to be for prisoners in New South Wales.

MS DUNDAS: But you were able to give us a figure of the estimated outcome for number of remandees at 63.8 for the last year.

Mr Ryan: Yes.

MS DUNDAS: What is the average number of prisoners for the last year?

Mr Ryan: Last year the figure was 138. However, the previous year it was 150. It is difficult to know, yet again, how it is going to go because during the last six months there has been a dip in the number of remandees, a dip in the number of prisoners in New South Wales, and at the same time the numbers subjected to community-based orders have shot up by 18 per cent. It is really largely a question of whether and when the court is likely to vary that, and they will as it suits them. Quite easily we could get, for example, a percentage of those on community-based orders flying, for whatever reason, into the remand centre and then in due course into New South Wales.

MS DUNDAS: Is that the number of offenders under community corrections supervision?

Mr Ryan: Yes.

MS DUNDAS: Just to continue this line of questioning on periodic detention days and periodic detainees: can you give us the average estimated outcome for the number of periodic detainees for last year?

Mr Ryan: Yes, I think I can. I have only expressed these as monthly tables, not annual tables. In 2001-02 the average that we had for the month was 66. The previous year was 76, and the year before that was 68.

MS DUNDAS: Now you are expecting that to go down to 28? The average number of periodic detainees, which you have estimated a target of—

Mr Ryan: I am sorry. The 76 and 66 figures I gave you are those that we have warrants for. What we find in practice is that although, for example, last year we had 66 warrants, the average turning up was closer to 30. Since we made that estimate, I might add, after being consistently under 30, we have been consistently at 30 or over. What is not shown

there is the number of warrants that are out for people who actually attend, and the figure you see on page 295—the 28—is the number that we think are likely to turn up.

MS DUNDAS: Is it worrying that you have a whole lot of warrants out for people who aren't showing up?

Mr Ryan: Yes, but it's not unusual. The process is such that if they continue to do that, eventually they finish up back in court where they may be placed on a further periodic detention order or they may be breached and sent to jail. But, yes, it is a worry. The other people in the country that do have periodic detention, namely New South Wales, have the same problems—greater problems than we do, I understand.

MR SMYTH: Does the upgrade to the PDC leave you with enough beds to cater? If all 68 turned up, would there be enough beds in the periodic detention centre for them?

Mr Ryan: If they all turned up we would be in trouble, at least until such time as the temporary remand centre at Symonston is built. The temporary remand centre being immediately adjacent to the PDC, provided that is not full, would enable us to put some people in there as well as in the PDC itself. But, yes, we would be embarrassed if suddenly our remand numbers shot up to 91 and all of these warrants were filled by bodies on a Friday night.

MR SMYTH: The breakdown now at the periodic detention centre is how many beds for periodic detention and how many beds for the additional remand facility?

Mr Ryan: Thirty for each.

MR SMYTH: And the existing BRC: how will you manage the flow; at what point will you move remandees from Belconnen to Symonston?

Mr Ryan: As of today, when we have 64 we would already be moving some people out there—in particular people like fine defaulters; people who represent low risk, such as women, and not all women but most women who are on remand. They are not going to a better place but at least it gives more options for separation and hopefully more opportunity for them to move around.

MR SMYTH: So the threshold is that when BRC gets to about 60—

Mr Ryan: 58.

MR SMYTH: you will start moving people across to Symonston. All remandees are classified as maximum security, aren't they?

Mr Ryan: Yes, they are.

MR SMYTH: What system will you use to determine who goes from BRC to Symonston?

Mr Ryan: That will be determined by the operations staff at Belconnen, and will be based on their assessment or the superintendent's assessment of risk—risk of escape, risk of their health being impaired in any way if they are removed from the bulk of the services that will remain at Belconnen. In other words, we wouldn't put anyone at Symonston who is a known escapee or who requires fairly constant observation.

MR SMYTH: Does that mean the full range of services that you would currently provide at BRC won't be available at Symonston?

Mr Ryan: The full range will be there, but not staffed at the same level and not as constantly. We have yet to see from health their final plan with respect to how they deliver the health services. But we will be providing a clinic on site.

MR SMYTH: The health services does worry me. I can't find it in the health budget. Is there additional funding? If I understand this right, health provides the medical services and have the money to provide them in their budget?

Mr Ryan: That's correct.

MR SMYTH: And they currently have a budget that covers BRC and BRC's needs?

Mr Ryan: Yes.

MR SMYTH: Is there additional money—this probably isn't for you, but you might know—in the health budget to cover the additional need at Symonston?

Mr Ryan: No, there is not.

MR SMYTH: So does that mean you will be—

MRS DUNNE: So they are doing that out of their existing resources?

Mr Ryan: Pardon?

MRS DUNNE: They are servicing the PDC out of their existing resources?

Mr Ryan: The new temporary remand?

MRS DUNNE: The remand facility.

Mr Ryan: Yes, they will have to. I suppose they are hoping that the ramp up for services there will be gradual enough to enable them to ease their way into it. But the only way that I could see they could deal with it, and you would really have to speak to them, would be to make sure that services that are delivered at Belconnen are then delivered by the same people across at Symonston on a daily basis.

The other opportunity they have is that services are also delivered into Quamby, and there are certain people that deliver services into Quamby who would only need to go 100 metres down the hill to deliver the same services into the new temporary remand.

Mr Quinlan: And when we have got prisoners in the watch-house and the court cells or whatever, we have still got to provide services for 91. We have been to 91 before.

MR SMYTH: The budget for the health services to Quamby comes from the health budget as well?

Mr Ryan: Yes.

MR SMYTH: There seems to be an inconsistency. On page 153 of BP3 there is a series of numbers for the operational costs of the upgraded periodic detention centre to a remand facility. I have got the old BP4. At page 274 in the old BP4, operational costs of the upgraded periodic detention centre has a series of different figures. Is that because there is a mistake or is there other money somewhere else? The initiative announced on page 153 of BP3 starts at \$1,817,000 for the current year but the changes to appropriation only has it as \$1,739,000. Is there money somewhere else?

Mr Ryan: I am looking at page 153 and the operational cost of the upgrade is 1.8.

MR SMYTH: But it says at page 274 of the original BP4 that it is 1.7. They vary the whole way through. Is there money from somewhere else?

Mr Ryan: No, there is not, and I don't know why they are different. I would point out, though, that the figure that is in for this financial year I am assuming represents the fact that we don't get a full-year effect. We don't really know until we get in there and operate it, and see what sort of savings we could get out of having it adjacent to the PDC. But it may well be that if anything is not quite right it would be the out years.

Mr Quinlan: We will take that on notice to find out what it is, because it's not a big deal.

MR SMYTH: It just might be a typo or something. You mention it is the temporary facility. How long is it intended that the temporary remand centre at Symonston will be in existence?

Mr Quinlan: Until we have a permanent adequate remand centre.

MR SMYTH: And when is that likely to be? You have got two years of planning money for the ongoing design and construction of the remand centre, which runs out in 03-04. So will we expect by June 2004 that a new remand centre will be up and running?

Mr Quinlan: I shouldn't think so. It would be a bit hard. But we would be on the planning stage. We would expect, and correct me if I am wrong, that we will probably have the site—I think the term Mr Ryan used is to have the ducks in the row for the site—by the middle of next calendar year.

MRS DUNNE: Sorry, what was that expression again?

Mr Quinlan: Have all the ducks in a row. Get your ducks in a row.

MR SMYTH: All the ducks lined up. So we'll know by mid-2003?

Mr Quinlan: In 2003. Let me put it this way: if we start now, because we're rolling on—

MR SMYTH: You have started though, haven't you?

Mr Quinlan: Yes. If we start, if we go from here positively on site selection et cetera then we could have—could have—the site nailed by June of next year. That is with all the processes having been—you know, the notification, the planning processes—passed.

THE CHAIR: That wouldn't include a variation to the Territory Plan if it was required because that usually takes at least a year.

Mr Ockwell: Michael Ockwell, Executive Director, Corporate. The site we are looking at currently would not require an amendment to the Territory Plan. But the minister is referring to the carrying out of a preliminary assessment under the Land (Planning and Environment) Act, as was required with the former site. From that experience it tells us that we are probably looking at about eight to 10 months to complete that planning process and actually secure the site.

THE CHAIR: So what site is that?

Mr Ryan: There has been no final selection of a site yet.

THE CHAIR: Yes, but you have got a site in mind, haven't you?

MR SMYTH: You were speaking very confidently of a site a minute ago.

Mr Quinlan: At this point in time we have not firmed up on a given site and therefore it would be inappropriate and not real smart to be putting it about now.

THE CHAIR: So it's a secret site for a prison?

Mr Quinlan: Secret site, yes.

MR SMYTH: Is the committee allowed to see the list of sites?

Mr Quinlan: No.

MRS DUNNE: Because there is only one site on the list, I suspect.

Mr Quinlan: Off the top of my head—

MR SMYTH: Is there more than one name on the list of sites?

Mr Quinlan: Can we cease this game. Is it bigger than a bread box? You know, forget it.

MR SMYTH: Well you won't tell us, so if we are going to have to play 20 questions, we will play 20 questions.

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MRS DUNNE: We can go around looking for bits on the Territory Plan that you can build a prison on.

Mr Quinlan: As we have said, we are looking at sites and work has gone on. So the work has firmed up. Decisions are yet to be made so it would seem entirely inappropriate to be making any public pronouncement.

MRS DUNNE: To scare the horses just yet.

Mr Quinlan: Exactly.

MS DUNDAS: You said that about the V8 race last week and then made an announcement on the Friday.

MRS DUNNE: The very next day.

MR HARGREAVES: No he didn't. He said he would tell us soon. It certainly was soon.

MS DUNDAS: Within a month.

THE CHAIR: It was soon all right.

Mr Quinlan: These things have to be managed.

MR SMYTH: To continue the 20 questions: is the site that you might be selecting big enough for just a remand centre or will there be room there for a prison as well?

Mr Quinlan: I have given all the information on site location that I am prepared to give at this stage. Can we stop playing—

MR SMYTH: Well that doesn't stop me from asking questions, I assume?

THE CHAIR: Can you tell us when the community will be taken into your confidence about this site?

Mr Quinlan: By November.

Mr Ryan: Or sooner, hopefully for the site.

Mr Quinlan: Well, before the end of this year.

MS DUNDAS: Tomorrow?

MR SMYTH: Yes, that game again. You have nominated in the budget that in the out years there will be \$50 million for the remand centre. Is that predicated on it being a stand-alone remand centre?

Mr Quinlan: I think on everybody else's claim, \$50 million will be tight for a remand centre.

MR SMYTH: The Rengain report says \$61 million for a stand-alone.

Mr Quinlan: Yes. Okay. So what we have done is allowed in the budget \$50 million, and I will insist upon discipline in the costing of the process. That estimate may firm up but at this stage I am saying we want a cost-effective job done. So, from my perspective, it seemed to be commonsense to put in a figure that is considered to be in the ballpark for it but not to take the first estimate of the Rengain report. It may cost more than \$50 million in the long run, but at this point if corrections want more than \$50 million they are going to have to work for it.

MR SMYTH: Is the \$50 million predicated on providing the same level of services and size as, say, the Rengain report did or have some of your criteria for the project changed?

Mr Quinlan: I haven't got to that point in the planning process. As you have observed quite correctly, that planning process still goes on. So we haven't got there. But certainly what we are looking for is an adequate remand centre.

MR SMYTH: Okay. Are there criteria for the planning of the remand centre that we could see? Are there any terms of reference criteria or are we just planning this as it goes?

Mr Ryan: The only existing ones are those that you see in the Rengain report. We are going through a process with the consultants, the same consultants, to revisit all of those requirements—in other words, to reaffirm all the detail in the brief we gave to the consultants. So it may change.

MR SMYTH: So Rengain is doing the work?

Mr Ryan: Rengain is doing the work.

MR SMYTH: Rengain in April last year said \$61 million for a stand-alone remand centre?

Mr Ryan: Yes.

MR SMYTH: The government is currently saying they will build it for \$50 million?

Mr Ryan: Yes.

Mr Quinlan: Wait. Let's not—

MR SMYTH: They will build their remand centre—

Mr Quinlan: Let's not build too many straw men. No, what we said was at this point we have allowed \$50 million. So at least you have got in the forward estimates an indication that we are going to be spending that large lump. Now, it may be \$61 million in the future. But, as I have said, to get to that point there are a few hurdles to be gotten over.

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MR SMYTH: Okay. But if the \$61 million is at April 2001 and you have said you probably didn't expect it to be built by June 2004, there is going to be at least three or four years CPI on top of Rengain's assessment of 61, which makes it closer to 70 rather than 50.

Mr Quinlan: No. I think you are missing the point that in 2001 they probably would have had to allow for some time to build it as well.

MR SMYTH: Yes. The contingency is built in but the contingency would be added at the end of the project from the day that you started. But what will we get for \$50 million? Your policy states you want to build a state-of-art prison system and remand centre or a remand system that allows the provision of programs that will break the cycle of recidivism. What is going to get it back to \$50 million? Are you abandoning your policy or do you have some magic way of achieving it?

Mr Quinlan: I have said right from the outset that whatever we do has to be cost-effective in terms of the prison. In terms of the remand centre, we don't have a choice. We have to in fact build a remand centre. The one that exists at Belconnen is entirely inadequate and something should have been done a lot sooner than this. Nevertheless—

MR SMYTH: So why not go with the Symonston site and build a combined prison-remand centre there, given that all that work has been done?

Mr Quinlan: Because we have decided that we will not build a corrections facility at Symonston.

MR SMYTH: The Liberal Party will give you a get out of jail free card. We won't give you any grief and say, in the interests of building a genuine rehabilitation system, go and build at Symonston now.

Mr Quinlan: Well I hate to disavow you but the value of that card is not rated highly by the ALP.

MR SMYTH: Well, all right. I get back to the question: is there a set of terms of reference for the planning of the new remand centre? It is based on the same criteria that we had for Rengain when we were there.

Mr Ryan: Not yet. Our consultants will be with us producing those and they will be based on the previous ones and updated. We will be looking at opportunities for deleting those things that we think we can delete. It will be a refinement of their initial report, and it was always expected that that would happen anyway.

MR SMYTH: The terms of reference for the prison: are they available yet?

Mr Quinlan: No.

MR SMYTH: The money for the prison project shows up as ACT prison project office, minus \$300,000. Is the prison project office still operating?

Mr Quinlan: Yes.

MR SMYTH: Why has it suffered a cut of \$300,000?

Mr Ockwell: Because of the way the planning process worked last financial year, we didn't expend the budget. There is a figure of, I think, \$1.256 million in the budget for 2002-03, and only 2002-03 you might note, for the continuation of the prison project office over that period. That office will be doing the detailed work. It has just been the subject of discussion in relation to planning for the remand centre and will be involved in the revision and development of a new set of specifications for a comprehensive facility.

THE CHAIR: Can I go back to the temporary remand centre. You say you are going to build 30 beds, but what is the actual expected number of people you would anticipate having in that centre on a daily basis? Not 30, presumably?

Mr Quinlan: If history repeats itself, it could be up to 30 people.

THE CHAIR: Well, all right, let's explore that idea. How many fine defaulters do you have on average in the system at any one time?

Mr Ryan: Those numbers are very low and certainly wouldn't approach the 30 number. So it is not just fine defaulters that we—

THE CHAIR: It would be a couple of day, wouldn't it, on average, at most?

Mr Ryan: Yes. It has been as high as I think eight, but usually closer to one or two.

THE CHAIR: And you would have usually five or six women in the system?

Mr Ryan: Yes.

THE CHAIR: On the present sorts of projections, I can't see where you are going to get anywhere near 30 people, based on this premise that they should be low-risk people. If you have got a remand centre there—

Mr Quinlan: Lower than, Mr Humphries. It is lower than. What Mr Ryan is trying to communicate is that what we want to do is put the lower risk prisoners out at Symonston. That will be counting down from the worst to what would be assessed as the highest—even though they are all in maximum security, down to the lowest. Yes, there will be some real life criminals there at times.

THE CHAIR: You are saying that on average the 30 lowest will get put over there?

Mr Quinlan: Sorry?

THE CHAIR: The 30 lowest risk people will get put over there?

Mr Quinlan: Look, you couldn't even say that. Mr Ryan and his people have a problem every day with separations, if the mix is there. So, in fact, there is quite a number of parameters that are going to be taken into account before you divide up a prison population. One of the criteria is that we don't want high-risk people out there. All right?

THE CHAIR: Yes. But what I am putting to you is that you won't have enough actual low-risk people, like fine defaulters and some women and so on, to put out there on a daily basis to satisfy that overflow need. You will find increasingly, particularly in times of high pressure, that people with unacceptably high levels of risk are going to be moved over to that remand centre.

The point about this operation, which you emphasised when you were making that original announcement, Minister, was that this would be a site for people who were low risk. I put it to you that the way you have described it opens it up for the pressures at the Belconnen Remand Centre to result in people with high risk being put in that centre.

Mr Quinlan: Mr Humphries, I think you are actually trying to argue this thing into a particular corner. But let me say that I don't think it is beyond the wit of mankind, beyond the wit of the correctional services people, to be able to rate the remandees to the point of having a far lower risk profile at Symonston than there will be at Belconnen. High risk and low risk, the degree of risk of a remandee, is not black and white. It is not risk/no risk. That is why it is going to have locks and keys on it; that is why it is going to have cameras; that is why it is built as a secure facility; that is why it has the accoutrements of a maximum security prison.

MRS DUNNE: So is it going to be maximum security, Mr Ryan?

Mr Ryan: Yes.

MRS DUNNE: So if it is going to be maximum security, why do we have to make assessments? If the security level is the same at the BRC as at the temporary remand centre at the PDC, why are we making assessments about risk?

Mr Quinlan: All remandees are by definition maximum security.

MRS DUNNE: Yes, I know that, Minister. Why are we going through the charade of making assessments and putting lower risk maximum security prisoners out at the PDC facility if the security is at the same level?

Mr Quinlan: Because that is a commitment that I made.

THE CHAIR: Minister, with great respect, if I can butt in again, you have already made a commitment publicly about the kind of people that will be going into the facility at Symonston. You have created a strong impression in the public mind that there will be only low-risk people at that centre. Now, I put it to you that at any given time, particularly times of high pressure, there simply will not be a large enough cohort of low-risk people in the system to justify that kind of transfer.

Mr Quinlan: I will ask Mr Ryan to just give you a profile of what he would see as a 90 cohort.

Mr Ryan: I think comparisons between Belconnen and the new temporary remand centre are a bit like comparing Belconnen with the MRRC remand centre in Sydney. Both are high security but one facility, namely the MRRC, achieves it with state-of-the-

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art construction, state-of-the-art surveillance devices, et cetera. Just because we can't replicate that doesn't mean that we don't regard the prisoners that we do have in Belconnen as being high security.

Equally, too, when we compare the BRC with the new temporary remand centre, we will regard all of the prisoners contained in both as high security but we will take cognisance of the fact that if we have a choice, and we will have a choice, in the first instance those that present the greatest risk to us we would place in Belconnen. Why? Because it is perhaps better secured, it is closer to a police station, which is a big concern at Symonston—it is a fair way from a police station—and I suppose it enables us to deliver services to those in it better than at Symonston.

When we talk about risk we are not just talking about risk of escape and risk to the public. We are also talking about risk to the individual detainees. And certainly those detainees that have greater issues with respect to their health care, et cetera, we prefer to keep at Belconnen.

But it is true that if we finished up with 70 or 80 people who are of high risk, some who are in that group may have to finish up at Symonston. But along the way we will make sure that those—

THE CHAIR: You just said that you may have some people with high risk at Symonston. I contrast that statement with what the Minister said when he announced Symonston, which was that only people with low risk would go there.

Mr Quinlan: You had better look at exactly what I said, without trying to re-invent it, Mr Humphries, as is your wont—

THE CHAIR: Well, sorry.

Mr Quinlan: Because what I said was we will have a protocol there that will try to ensure that it accommodates the people of lower risk.

THE CHAIR: I don't recall the "try to" bit.

Mr Quinlan: Now, if we have a 90-person gang of desperados arrested on one day and they have to be banged up, then, yes, we will have to use Symonston.

THE CHAIR: I am just putting it to you, Minister, that this is not consistent with what you previously said.

MR SMYTH: That's different to what you have said previously, Mr Quinlan.

Mr Quinlan: Oh, crap.

THE CHAIR: You created the strong impression, if not said so in as many words—and I will fish out your release on this subject. You said it would be to house only low-risk remandees.

Mr Quinlan: I did not.

THE CHAIR: Well, I will check what you said.

MR HARGREAVES: Could I ask a question please about this remandee thing, because I wanted to get something clarified for the record. We have two different types of remandees. We have those sentenced and those who have appeared before the courts, been found guilty and are awaiting sentence.

THE CHAIR: No, they are not remandees, John.

MR HARGREAVES: They are remanded in custody awaiting sentence.

THE CHAIR: No, they have been sentenced.

MR HARGREAVES: And I corrected that, but you didn't hear the second part. The second part was that these people have appeared before the court, have been found guilty and have been remanded for sentence. And the other type of people are people who have not appeared before the court, for the court case itself, but have been remanded in custody to appear before the court. Now, there are different classifications of risk for both of those two groups, are there not?

Mr Ryan: Yes, but we tend not to hit on those as perhaps the driving classifications. You may well find someone, for example, who is guilty of an offence and may have even been sentenced and awaiting removal into New South Wales, occasionally out at Belconnen. But the nature of the offence may be such that the person doesn't really present a risk to the community. It is those that present a risk of flight and, if they got out, a risk to the community, and those who have risks to themselves, that we are mainly concerned about when we are working out where they are going to be. They are the things that drive us rather than the things you have mentioned. But they are all considerations—there is no doubt about that.

THE CHAIR: Isn't it true, Mr Ryan, that the number of people sentenced and awaiting transport to New South Wales are quite small in number; that it would average only two or three a day.

Mr Ryan: Very small.

THE CHAIR: And that those who are going to be transported to New South Wales ipso facto are high-risk prisoners because they have been sentenced to a term of imprisonment in New South Wales.

Mr Ryan: Yes, they are. But when they get into New South Wales they will be assessed in the same way as we do, based on what we know of them as to what sort of a risk they present for things like escape, injury to other prisoners, suicide, self-harm, and so on.

THE CHAIR: Yes. Are there any other questions?

MR SMYTH: Can I just clarify something. The terms of reference and the criteria for the construction of the remand centre: they will be available when?

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Mr Ryan: Probably in about one month.

MR SMYTH: And the criteria for the prison and the terms of reference for the construction of the prison will be available when?

Mr Quinlan: That won't be until towards the end of the year.

MR SMYTH: And at this stage the construction of the remand centre is expected to be when? When will the new remand centre open?

Mr Quinlan: I will say this much, and this much only: it is unlikely that the first sod of the new facility will be turned before the commencement of the 2003-04 financial year. Is that right?

Mr Ryan: That's right.

MR SMYTH: And a construction period of what time?

Mr Ryan: In excess of 12 months.

MR SMYTH: So the earliest we could expect to see it is June 2004?

Mr Quinlan: Yes, absolutely.

MR SMYTH: And the prison?

Mr Quinlan: Well, if the decisions come around it might end up being done in conjunction. But if it was a bigger project it would take longer, wouldn't it?

Mr Ryan: Three or four months longer.

Mr Quinlan: But at this stage, Mr Smyth, I am not citing on getting some fixed dates for your own purpose. What I am interested in doing is first of all redressing the chronic situation that I found.

MR SMYTH: To which there was also an answer.

Mr Quinlan: Well, not an obvious answer, I wouldn't have thought.

MR SMYTH: I would have thought the Rengain report said the construction could start pretty much immediately and you had to take a decision that would allow it to.

Mr Quinlan: I don't think it was in that situation. But even so, there was not a prospect of having a relief of the chronic situation that existed at Belconnen within a reasonable period of time. This is, of course, a judgement thing. But when I entered this portfolio and then became personally familiar with the situation at Belconnen, I can tell this committee that I was actually frightened by it. I was frightened by the prospect, by the situations that a facility like Belconnen could give rise to. I might be easily scared. I had meetings with officers and we decided very quickly that something had to be done that

will be done a lot faster than building a whole new prison and remand centre, whether it be at Symonston, and start this year or no.

MR SMYTH: But Mr Ryan has just said the difference is only three or four months. Again, there is a solution that if you are that worried and that scared about what you have found, surely it makes the solution that is in the Rengain report, that we received in 2001, all the more obvious.

Mr Quinlan: I am sorry, Mr Smyth. We can sit here all day if you want to play this game. I have said that this government is committed not to build a jail at Symonston.

MR SMYTH: Sure.

Mr Quinlan: This government also found a situation which should have been addressed and redressed a lot earlier than it is being redressed right now. Those are the paths that I took. Criticise them if you like, try and invent some process to criticise them, but they are the judgements that I have made.

THE CHAIR: Could I ask about the perimeter fencing at the temporary facility at Symonston. I assume it is to be less temporary than the temporary parliament house, for example?

MRS DUNNE: That was the analogy I was thinking of.

THE CHAIR: Yes. I understood that there was no development application for—

Mr Quinlan: It is a building site fence, by the way.

MR SMYTH: That fence goes. It's a construction fence.

THE CHAIR: Sorry, what is a construction fence? The fence that is there at the moment?

Mr Quinlan: The fence that is there now is a construction site fence.

THE CHAIR: Fine. So it will go.

Mr Quinlan: Yes.

THE CHAIR: And what will it be replaced with?

Mr Ryan: The site will look pretty much the same as it does now from the outside, with the exception that there will be a 1.8 metre pool-type fence around it, a courtesy fence, just to, I suppose—

MR SMYTH: That is an interesting use of words.

MR HARGREAVES: It's to stop people breaking in.

MR SMYTH: To stop people falling into the remand centre.

Mr Ryan: We are concerned about people wandering off the road and up to the wall of the facility, that's all. There is not going to be any attempt to place any obstacles in between the road and the facility, and we have not been able to do so because of the requirement to remove trees if we wanted to put any reasonable fence around it. We therefore had to rely on good early warning by way of cameras and sensors and by way of hardening the existing facility itself in a way that we have done pretty much at Belconnen.

THE CHAIR: So the actual sort of barrier to prevent escape is the wall of the building itself?

Mr Ryan: And other things inside the building, and on top of it.

THE CHAIR: Like what? Inside the building? Aren't there cells right next to the wall?

Mr Ryan: There are cells right next to the wall but we have clad them with steel.

THE CHAIR: That is what you have done or you are doing that?

Mr Ryan: Well, they are being built now. I think you could go out and see that in some of the cells already.

THE CHAIR: Okay. So will it be more or less secure, in that sense, than BRC?

Mr Ryan: I still think it is less secure because of it being so remote there. Our ability to react from the outside is perhaps limited. I still think that Belconnen is probably more secure. During the day there will be more people there at any given time. But there won't be all that much in it as far as security is concerned. The bulk of our services remain at Belconnen. That is the reason why those that give us less concern with respect to all things are more likely to finish up out there at Symonston.

THE CHAIR: So we will have high-risk prisoners—your words—at a less secure facility than the BRC, and there have been plenty escapes from the BRC in recent years, only 200 metres or so from housing. Is that what you are saying?

Mr Ryan: That proportion of our prisoner profile, prisoner population, that presents at the lower end of the risk, whatever that is on any given day. And, yes, they will be within a couple of hundred metres of some houses but Belconnen is in the middle of almost the Belconnen Mall.

Mr Quinlan: The point that we make is that you will have even more high-risk prisoners in a only marginally more secure facility in Belconnen and we have the same regard for the burghers of Belconnen.

MRS DUNNE: Mr Ryan, I have been dying to ask this question for some time. Are there categories of prisoners, the remandees, that you would categorically rule out ever moving to the PDC facility, even if you were over-crowded?

Mr Quinlan: You don't have categories, do you?

THE CHAIR: But you are creating categories. That is what you were just telling us—you are creating them.

MRS DUNNE: You are creating categories. You are going to have some grading system. Is there is some point in the grading system at which you would say, “The risk is too great”? Have you got to that stage?

Mr Ryan: Yes. The first group would be those who require continuous observation, and they are the ones that we like to keep at Belconnen; and anyone we know who is high risk of escape—a known escapee, for example. They are two groups that we would say, “No, don’t send those to Symonston, keep them at Belconnen.”

MRS DUNNE: So even if you were packed to the gunwales, you might get to someone and you’d say, “No, I can’t move that person.” What do you do?

Mr Ryan: To the point where we would have to move those groups to Symonston we would have to have 69, or in operational numbers 58, of those who rate even higher. So it’s unlikely.

MRS DUNNE: But if you got to that situation, would you then revert to the tried and true method of transferring people interstate?

Mr Ryan: No. I think we would look after them here. It is very much a hypothetical question, and it’s highly unlikely. If we were forced ever to move someone who was at high risk of escape out to Symonston: to say that the solution to that should be to send them into New South Wales, I don’t think we’d do that either. We would perhaps put them maybe in the court cells overnight with a number of people to guard them.

The ultimate way of keeping someone secure is in their cells. I might add that both Belconnen and Symonston are very secure if we decide to keep them in their cells all day. But the modern practices have to be such that you can’t do that, and it is when you let them out of their cells that they do things and get out.

MRS DUNNE: So that what this means is that you will rule out categorically ever moving a remandee interstate once you have built this facility?

Mr Ryan: No, not at all, because I could foresee the day if we don’t solve this remand problem one day that we will get to the point where both Belconnen and Symonston are full.

MR SMYTH: Just one more question. Minister, the chief police officer of the ACT, Mr Murray, said in answer to the final question when we were looking at the AFP the other day that he was in favour of a time-out facility. Has the government changed its stance on this and will we see a time-out facility for remandees with mental health problems?

Mr Quinlan: I think the argument that we have had publicly in relation to time-out facilities is based on some confusion. There is, as I understand it, a thing called a time-out centre for people that have dual diagnosis of some sort of particular, say, substance

abuse problem and behavioural problem. They are people that have not necessarily been through the system. But I think you have got to understand—or if you want to—that once someone is in the penal system then to a large extent it is a case of the courts. But there are forensic health facilities available in some places where needed.

MR SMYTH: This is different to a forensic health facility.

Mr Quinlan: Yes. But I don't think it is likely that we are going to have a situation where we have effectively another remand centre because they have been charged. So once they are in the system, under charge of law—

MR SMYTH: Well, Justice Burns and Ron Cahill have all said they would like an alternative to sentencing or putting people into remand.

Mr Quinlan: And I think there is the possibility of some degree of diversion and a diversionary process before they fall into the system. I would ask Mr Ryan to comment as to the likelihood of how many people would fit through that narrow funnel. It's not likely to change the facilities that we need. It is a facility that might be an add-on, if we can afford it. We have already got the Hennessy House thing that the previous government—

MR SMYTH: No, Hennessy House is different to a time-out facility.

Mr Quinlan: We are talking gradations now. We had the Hennessy House thing, which the previous government opened with great fanfare and then didn't staff. We have actually staffed that and brought that into action. Somewhere between that and a remand centre, where someone who is already in the penal system and therefore a certain custodial process or release process is required, there may be room for a diversionary facility. But it is not going, I don't think, to change to a great degree the required configuration of custodial facilities. Mr Ryan knows a lot more about it than I do.

Mr Ryan: The only thing I would add is that I certainly support the notion of an option, a further option, for judges and magistrates to divert people. But it is going to be very difficult for them to divert all of those who have mental health problems. Already we have up to 30 per cent of the people going through the remand centre having some level of mental health problem.

MR SMYTH: Thirty per cent?

Mr Ryan: About 30 per cent, and that is not much different to what appears in other jurisdictions.

MR SMYTH: No.

Mr Ryan: The ability, though, to divert those, or the need to divert those, is much smaller. For example, most of those people that have these various levels of mental health problems are dealt with in the mainstream of the facility, and that happens in other jurisdictions as well. It is those that can't be dealt with properly in the mainstream that we would like to see dealt with in a forensic mental health facility. I know that is different to what you are talking about. But what a time-out facility would do is, before

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they even got into the justice system, divert perhaps some of those who would be likely to finish up in our system, either as part of the 30 per cent or part of a somewhat smaller number that need to be dealt with in a special facility. Those numbers that either would be diverted into something like time-out or into a forensic mental health facility would, I think, be in the order of four to six on the figures that I get now, but you would really need to speak to health about that—they have a much better feel for that than I do.

This is a problem that all jurisdictions are wrestling with. None of them have solved it in the same way. We are not the only jurisdiction that doesn't have forensic mental health facilities, and we are not the only jurisdiction that doesn't have a time-out facility either.

MR SMYTH: When we were planning for the prison when we were in government, Mr Moore and I spoke often of making sure that those that get into the criminal justice system are those that really deserve to be there. If you have a mental health problem and you are having an episode, you have come off your medication or something has upset you and you shove a policeman in the chest, he is going to collar you and take you to the hospital. If the hospital is full you currently more than likely end up in the BRC.

The dilemma is—and I know you are aware of all this—that a person who has a mental health problem has done something stupid, rather than a criminal who has done something criminal. I think as a society what we ought to be doing is trying to keep out of the system—we know that when they get there 70 per cent of them just go back—those people who have a mental health problem and get them proper treatment for that problem. And I am yet to hear anything to convince me that the current government is—I am pleased to hear you have shifted your words, Mr Quinlan.

Mr Quinlan: I beg your pardon.

MR SMYTH: I think I heard things today that I haven't heard you say.

Mr Quinlan: I beg your pardon.

MR SMYTH: I am pleased to hear you acknowledge that there are people with mental health problems and time-out may be useful. I don't think I have heard you say that before.

Mr Quinlan: What I really have tried to say politely today, Mr Smyth, is that I do believe that you have confused an issue for nothing more than political purposes in a public forum.

MR SMYTH: All right. In that case you haven't shifted—

Mr Quinlan: If I need to say that directly.

MR SMYTH: If you haven't shifted your opinion that's a shame because you seem to be on your own.

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Mr Quinlan: It did appear from what I was hearing from you that you had this concept, and you were peddling this concept, that we would not need to build an extra campus for the remand centre because we could put in a time-out facility instead, and that would obviate the need for it. You have just received the numbers that tell you you were wrong.

MR SMYTH: No, I have just received a number that says 30 per cent have mental health problems.

Mr Quinlan: And it is not quite so blunt.

THE CHAIR: I am sorry—let's not have an exchange about this. Are there any further questions? Ms Dundas?

MS DUNDAS: Thank you Mr Humphries. Just to go back to periodic detention: you state that currently about half the people are showing up and that this is a problem also in New South Wales. How long has this trend been occurring and has this contributed to the increase of considerations of the Sentence Administration Board?

Mr Ryan: As far as the second part of the question is concerned, no, certainly not directly. To my knowledge it has been going on ever since the periodic detention centre opened. But the only way to fix it, in my view, is to treat more seriously breaches that occur. And that is out of our hands; that is dealt with by the court.

MS DUNDAS: I am new to the Assembly, but when did the PDC open?

Mr Ryan: Six years ago.

MS DUNDAS: And so the problem has been ongoing for six years, but you see it as a problem that needs to be fixed in the courts?

Mr Ryan: Perhaps I could put it another way. I wouldn't like to criticise what the courts are doing, but we can't—

MR SMYTH: Which is against the standing orders.

Mr Ryan: I have no control over how breaches are handled. From where I sit it appears to be too easy for people who have been given a sentence of periodic detention to get away with not doing the right thing. The system is, however, set up to give them some chances. They get three chances to do the wrong thing before they are taken before the court.

MS DUNDAS: Can you please explain to me why there has been an increase in the number of considerations by the Sentence Administration Board?

Mr Ryan: Yes. The Sentence Administration Board considerations are driven by numbers of people going through the system, coming out of jail and on parole, and in turn by the complexity of the considerations; you may get an individual who goes before the board on two, three, four occasions or the board may have to meet on two, three or four occasions to sort out their problem; and the increase in the number of breaches of

those people who are, say, on parole and are then brought before the Sentence Administration Board because of those breaches. I think they are the main things.

MS DUNDAS: Do you have any explanation why, over the last financial year, we would have had such an increase from 90 to 440? Is that to do with a lot more people coming out or is it more breaches?

Mr Ryan: A combination of both.

MS DUNDAS: Are breaches again a court matter, or—

Mr Ryan: No, breach of parole can go to the Parole Board. It just reflects, I suppose, an increase in numbers and clearly what has been an increase in risk taken by the justice system to allow someone in the first place to go on parole. And it reflects those cases where the risk taken hasn't turned out the way we would like it to turn out.

But the complexity of the cases coming before the Sentence Administration Board is affected by the requirement now to consider more carefully victims issues, and that wasn't the case before last year. Before the Rehabilitation of Offenders Act came into play there wasn't the same level of requirement to deal with victims issues, and that is taking more of their time.

MS DUNDAS: I am also interested in the target for the numbers of offenders under community corrections. The footnote explains that they have continued to rise over recent years. But from the estimated outcome from last year to the target for this year, you have chosen the same number. Is that because they have risen and now plateaued, and if that is the case, can you tell us why they rose in the first place?

Mr Ryan: Yes. We think that there was a bit of a bubble and we do hope that it will plateau. I must say I am not hugely confident that that will happen, but that's the best advice that I have.

Mr Quinlan: If I can just add to that because I have had a briefing from police this morning. What we saw was a concerted operation last year against property crime and we saw a lot of people charged, in effect. And we saw a drop in property crime and a dramatic increase in the number of remandees, et cetera. We are now seeing in police numbers, in crime numbers, a little bit of an upsurge again. There are a number of factors: apparently heroin is available again. The police do have to consider exactly what the reaction will be. We don't really want to be doing this huge wave stuff. To do the big operation last year they pulled out a whole lot of resources and a lot of overtime applied to it et cetera. But this year—

MS DUNDAS: And it is Operation Anchorage?

Mr Quinlan: Yes. This year, because recruitment into the base of the police force has now picked up, the numbers of police are picking up and as long as we can elevate the skills base as well, the knowledge base, we may be able to keep the effort up higher without necessarily having these orgies of overtime. That is a management process that we're going through.

MS DUNDAS: Okay. I am also interested in the number of community service work hours. It fell about 250 days short of the target for the last financial year. Can you explain what happened there?

Mr Ryan: That figure, or the achievement of the maximum that we could handle, is entirely in the hands of the courts. That together with home detention represents two areas of options that are available that aren't being totally utilised. All we can do is make recommendations to the magistrates. They know that these options are available but whether or not they use them is up to them. We think that both options still are valid and should be maintained.

MS DUNDAS: Quickly on home detention: I understand that it is a new system and, again, you have reclassified how you will be monitoring it over the years from the number of home detention days to the number of home detention clients. Again, can you tell us what was the 2001-02 number of clients figure?

Mr Ryan: Yes. We had only four people complete the program. There are still two currently on the program and they are about to finish in a couple of weeks. We have not had any women yet, although we have had some juveniles. In fact, one of them on that program now is a juvenile. We have had some indigenous offenders. In fact, both that are on the program now are indigenous. We feel that the lack of uptake in the program has got a lot to do with the stringent requirements for eligibility, which preclude many of the offenders.

MS DUNDAS: With only an increase from, say, six to eight in your target for the number of home detention clients, can you explain why the cost of home detention per day is dropping from \$900 to \$150?

Mr Ryan: Yes, we are not filling positions.

MS DUNDAS: So the \$900 was an estimate for how many?

Mr Ryan: \$900 was an estimate for the maximum number that we thought we could originally cater for, which was 10 and for a staffing against that, whatever—I can't give you that off the top of my head, but I know that there are positions unfilled. What we are doing, and intend to do, is divert—

MS DUNDAS: Sorry. When you talk about positions, do you mean positions—

Mr Ryan: Staff—our staff positions.

MS DUNDAS: Monitoring and running the system.

Mr Ryan: Yes. Home detention team staff. We also see that there is a bit of scope to divert other staff who otherwise can't do other jobs into assisting home detention as required. Now that we have reduced that figure, probably we will suddenly get 10 people in.

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MS DUNDAS: I think I got that. So the drop is basically because you don't have as much take-up of the program as you thought; so you don't have as much staff, so you have been able to reduce costs?

Mr Ryan: Less staff but we hope to get a better uptake. So more people going through. Our fixed costs will be reduced—more people going through it and therefore the cost per person will be less, we hope.

MS DUNDAS: I have one last question, Mr Humphries. When we spoke to the Department of Education, Youth and Family Services, who have responsibility now for youth justice, they were quite appalled at the use of a quality measure of the number of deaths in custody and the number of escapes from custody. Have you given any consideration about whether or not this is a quality measure you wish to continue with?

Mr Ryan: Whether I like it or not, it will be a measure used if any of them ever occur. It is one of the first yardsticks that government and the community use, rightly or wrongly. So I don't see there is any avoiding that. They are measures that have to be up there in lights unfortunately.

MS DUNDAS: It might be something you need to—

Mr Quinlan: A lot of that stuff there you see really is targets. They are estimated frequency of events.

MS DUNDAS: And I am quite happy to see them all at zero.

Mr Quinlan: The zeroes—I am talking about all the other stuff; the days and whatever. To a large extent Mr Ryan doesn't have any control over what the court sends him. He is in the receiver's court.

Mr Ryan: Surely it is fair to say: I would be surprised if youth justice said that their target for escapes and deaths should be anything other than zero.

MS DUNDAS: No. They were quite happy to have them zero. They were just appalled that they had to have them in there at all as a quality measure.

Mr Ryan: Well, their history, as with ours, has shown that they need to do just that.

MS DUNDAS: I am interested because there was a different feeling coming from the other department.

THE CHAIR: Are there any further questions, Ms Dundas?

MS DUNDAS: No.

MRS DUNNE: Ms Dundas has asked all the questions I could possibly think of asking.

THE CHAIR: In that case, Minister, I think we have finished with you.

Mr Quinlan: Thank you.

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THE CHAIR: Thank you for your time and that of your officers. I beg your pardon, Minister: there is a question I want to ask you before you go.

Mr Quinlan: The Chinese water torture.

THE CHAIR: You should have moved faster. The question relates to something you said to the committee on Thursday of last week about the Gungahlin Drive extension. Officers will not be needed to assist you in relation to this question; presumably it is a matter that you can deal with.

Mr Corbell yesterday indicated to the committee that he may have misled members about the time at which he knew that there was no possibility of building the Gungahlin Drive extension on the original timetable and within the original cost proposed for that road. Mr Corbell indicated that there was a cabinet meeting on 27 May at which the capital works program in draft form indicated a different time and a different budget for the road than the one that was subsequently referred to by the Minister on 4 June. You were asked on 18 July when you knew that the road wouldn't be on time and within budget, and you indicated that it was, and I quote your words, "probably a couple of days before that was announced," and that was on 19 June.

I am asking you whether you also wish to alter your evidence to the committee about that matter. Mr Corbell indicated that he would have been aware well before 19 June. I wonder whether you would consider whether you also knew in fact well before 19 June.

Mr Quinlan: I can't recall the topic; I can't recall internalising the topic at all. Remember that when we are talking about budgets we are talking, as you would be well aware, of a whole lot of papers and that rolling through, and I am focusing on the generalities, the bottom line, the quantum. I don't recall actually looking up each project and saying, "I wonder when this project will be staged?" and then comparing that to some framework that I might have had in my head for each of those projects and saying, "Oh, that's different." It is just something that is not going to resonate, is it?

THE CHAIR: Whose submission would the capital works program for each year be?

Mr Quinlan: Whose submission for the capital works—

THE CHAIR: In the cabinet.

Mr Quinlan: As you know, it is gathered up through Treasury and then it is presented as a complete document, and then—

MRS DUNNE: It's your submission?

THE CHAIR: So it's your submission to cabinet?

Mr Quinlan: It could have been under a submission. Budget cabinet is fairly fluid in terms of the number of pieces of paper you get, because you are getting updates of updates.

THE CHAIR: Okay. But do you wish then to change the indication you gave to the committee about when you knew about the road not being able to be built within budget and on time? Was it a couple of days before 19 June or was it earlier than that?

Mr Quinlan: I don't know exactly how to answer that inasmuch as it didn't resonate with me as an issue, given that we were discussing a whole lot of other stuff and the capital budget didn't take up a lot of the time of the preparation of this budget overall. So are you asking me did I know consciously by heart every number in the documents that come forward?

THE CHAIR: I am not asking you that.

Mr Quinlan: A lot of documents come forward, capital budgets come forward. I look at the bottom lines, the capacity to pay, our cash position and operating position, that sort of stuff, but I do rely on the figures that have come through. Unless a particular topic is discussed in detail then you say, "Well okay"—unless we are scratching off projects. But do I notice the timing of each of the projects? No I didn't.

THE CHAIR: I was giving you a chance to be able to amend the record if you wished to, since one minister has already amended the record. So his evidence of what occurred is different now to yours. Do you want to take that question on notice and decide what your knowledge was? I am not asking you to recall what your knowledge is right now; I am asking you to indicate perhaps on notice whether your knowledge might have been greater than you suggested on the last occasion when you spoke to the committee about this matter.

Mr Quinlan: Thank you very much, Mr Chairman.

THE CHAIR: Okay. Thank you very much, Minister.

Short adjournment

Appearances:

Mr S Corbell, Minister for Education, Youth and Family Services, Minister for Planning and Minister for Industrial Relations

Department of Urban Services—

Mr A Thompson, Chief Executive

Planning and Land Management—

Mr L Hawkins, Executive Director

Gungahlin Development Authority—

Mrs A McGrath, Chief Executive Officer

Kingston Foreshore Development Authority—

Mr G Lowe, Acting Chief Executive Officer

THE CHAIR: Welcome back, Minister. Thank you for your attendance and that of your officials. I don't think I need to re-read the housekeeping details. I am sure you are all aware of the injunction about the giving of evidence by witnesses, so I won't repeat those.

We are here today to proceed with, and hopefully complete, discussion on Planning and Land Management, the Gungahlin Development Authority and the Kingston Foreshore Development Authority. Might I suggest that it might be best if we deal with the GDA and the KFDA first so those officers can leave and then we will go on to deal with any general issues in PALM.

Mr Corbell: That's fine, Mr Chairman. Can I just check—I understand my office has advised the committee office that I need to leave at 5 pm today.

THE CHAIR: I understand that. Perhaps we can call the GDA up first. Alphabetically speaking it is the first. Are there any questions of the Gungahlin Development Authority?

MRS DUNNE: I suppose the biggest dig in town for the GDA at the moment is Yerrabi stage 2. Can you give an exposition of the progress on Yerrabi stage 2—where you are and where to from here?

Mrs McGrath: Anne McGrath, Chief Executive Officer, Gungahlin Development Authority. To date the authority has commenced detail planning of Yerrabi stage 2. We have engaged a core team of private sector consultants comprising the Village Building Co, who are project managers for the project; WP Brown, who are consulting engineers; and The Expert Client, who is the urban designer.

MRS DUNNE: Sorry, The Expert Client is the name of a company?

Mrs McGrath: That's right. John Tate is the principal of that company. The progress that we have made to date is that we have undertaken a detailed tree survey and we have discussed those issues with Environment ACT. We have adopted a concept plan for the estate and we are currently preparing the implementation plan for lodgement with Planning and Land Management.

Our expectation is that plan should be completed within the next couple of weeks for lodgement. There will be probably about a one-month approval process, during which time we will also prepare lease and development conditions. We are hoping to be in a position by the end of September to be able to begin marketing of the estate to the general public and to builders.

MRS DUNNE: How will that marketing take place?

Mrs McGrath: We haven't determined the exact methodology. Certainly the yield and the housing mix for the estate means that, with the number of town house and terraced sites, there will be a significant number of sales to builders. But we expect to have something like 60 cottage to standard size housing sites, which we would expect, in the first instance, to be made available to individual purchasers.

MRS DUNNE: So the cottage and standard res would go over the counter or by auction or—

Mrs McGrath: Auction is a possibility because some of the sites are certainly quite prestigious and I think that there may well be a case for auctioning some of those sites. But we haven't determined that yet and we will need to adopt a policy position on that. But otherwise, we may actually have to have ballots because the interest that has been shown in the estate to date means I suspect that we will not have quite enough cottage/court yards. So we may well have to have ballots.

MRS DUNNE: Is it your intention to limit access to the cottage and standard res to, say, building groups or building consortiums? Are you trying to actually stop them from coming in and buying up the street and then developing them?

Mrs McGrath: As I said, in the first instance our priority is to ensure that individual purchasers have access to blocks. Once that process has been gone through, for the balance we would be looking to market the estate in such a way as to ensure that we have a very good mixture of housing types and building types. So what limits we place on sales to builders we will have to consider in terms of the interest that is there and the availability of sites.

MRS DUNNE: I think there is general agreement that there is a fair amount of pent up demand in Gungahlin for sites, so you would see that there would be higher levels of interest. If you are going to start marketing in September, when do you think you will make up your mind about how you will actually market it and what bits will be available to whom and how?

Mrs McGrath: The first sites that we will be marketing in September will be a number of cottage courtyards—probably around 20 in the first instance, which would comprise stage 1A—and the marketing of the remainder of stage 1 should occur perhaps later in that calendar year or early next calendar year, depending on advice from our market advisers on timing. But I would expect that we should have a fairly definitive view on marketing probably at our next steering committee meeting, which would be in August.

MRS DUNNE: Who comprises the steering committee?

Mrs McGrath: The steering committee are representatives of the authority.

MRS DUNNE: Okay, but not the project manager, urban designer and civil contractor?

Mrs McGrath: They have input into that. They directly meet with the steering committee and we generally try and reach consensus. Ultimately, the steering committee is responsible, and it is their decision, but certainly the advice of our advisers is highly valued.

MRS DUNNE: I have had some representation from constituents, which I haven't had an opportunity to go into fully, but there has been some concern raised about building heights and things around the lake foreshore. In the development of the plan so far—and you did give a presentation to the Gungahlin Community Council the other day, which I unfortunately missed; and that might have answered my question, so forgive me for this—with your steering committee, the project manager, the urban designer et cetera, have things like building heights been set in concrete, so to speak, yet?

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Mrs McGrath: Certainly we have reached a view about building heights but nothing is, as you say, in concrete. The issue of building heights has also been raised with us, and it was raised at the community council meeting. The plan, as currently proposed, proposes that terraced housing principally be located around the lake edge and that the cottage courtyard be set further back in the estate, closer to Gundaroo Drive.

The concern was raised about having town houses on the lake and then blocking the views of the people behind. The example that was given was in, I think, the Ngunnawal Lakeside Estate—something like that. There was a restriction on building height in that estate to single storey, though in effect that is not quite what happened. But that was mainly due to concern from Palmerston residents about actually having views across that rather than within the estate itself.

The reality is that if you had cottage courtyard blocks on the lake the chances are you would still have two-storey. The slope of the estate means that you actually can get some very good views from some of the housing that is set back. We would argue that in fact the way in which the housing estate is being developed there is far more equitable access to views across that lake than probably in a standard kind of development.

Just one last thing: there will be some three-storey development but that will be directly opposite the three-storey development that is being proposed by the Village Building Co in their project, which is a mixed-use area and that actually won't interfere with anyone's views from the Yerrabi Estate.

MRS DUNNE: So what directions or policy indications have you received about the sorts of urban design issues that you should take into account when developing Yerrabi stage 2?

Mrs McGrath: The urban design principles that we have adopted for Yerrabi stage 2 are the principles that were set out in the Territory Plan variation for the Gungahlin town centre and central area, which were in fact developed in 1996. We have done further work since then and developed a draft development control plan, which articulates many of those principles but also picks up a significant number of principles that are now in DV200. So even though that preceded that, the principles are curiously—well, not curiously really, because they are forward looking—quite similar.

MRS DUNNE: Is the draft development control plan widely available?

Mrs McGrath: Yes, it is on our website.

MRS DUNNE: Are there other sorts of directions or instructions from your board or from the government that guide the way the project manager, the civil contractors and the urban designers go about their contracting?

Mr Corbell: Mrs Dunne, I will just make a comment. The only formal direction the government has given is to direct the authority to proceed with the development of Yerrabi Estate stage 2 as a pilot public sector land development project, and that is the direction which I tabled in the Assembly on 9 April.

MRS DUNNE: Are there documents that underpin that?

Mr Corbell: No, it is simply that direction that says we want the GDA to develop the estate itself rather than release the raw land and do the currently conventional land release and estate subdivision process. So that's the only formal direction that has been given.

I have had a briefing from the GDA, from Mrs McGrath and other members of the authority, on their progress to date in relation to implementing that direction. They have briefed me on the urban design principles they are seeking to implement for that estate, which I certainly consider to be best practice.

MRS DUNNE: So that all of those things—your urban design principles—are currently available?

Mrs McGrath: Yes.

Mr Corbell: Yes.

MRS DUNNE: Such as on a website or something like that?

Mrs McGrath: That's right.

MRS DUNNE: There is no other documentation that underpins the development. You have said, Minister, that there is no real documentation that underpins the tabled direction?

Mr Corbell: There was advice from government agencies in the lead-up to the government's decision to issue that direction. But that is solely around the decision about whether or not GDA should do the project. It doesn't deal with the urban design or the urban design issues that you have raised.

MRS DUNNE: Could the committee receive a copy of the advice that underpins your direction?

Mr Corbell: I would need to take that on notice and see whether it is appropriate to release that.

MRS DUNNE: Okay, thank you.

Mrs McGrath: Could I just mention that there is one document that is not on the website but it is one that a consultant working for us has developed jointly with PALM and with Environment ACT, and that is on water and urban design. We can make that available.

MRS DUNNE: That would be good. It is a hobby horse issue, isn't it? I am interested in that.

Mr Thompson: Mr Chair, if I could just make one observation. Essentially what is happening with Yerrabi 2 is that there was a pre-existing framework, which was a 1996 framework if you like. The authority has been releasing land for the last number of years

in accordance with that framework and that framework has essentially been part of, if you like, the auction document when the land was being released as raw land. So there was essentially a framework that attached to Yerrabi 1 and to Horse Park Estate as well. The difference here, of course, is that now it's not so much about the framework; it's just simply about the mechanism for development of the estate within that framework—whether it's done by a private sector developer or by the authority itself.

MRS DUNNE: Yes, I understand that Mr Thompson. What I am probably trying to get at is: are there any policy parameters, Minister, that you have put on the GDA? Are there any particular outcomes that you were asking for or that PALM was asking for, seeing that this is a pilot?

Mr Corbell: It is a pilot in that it is government itself, through the GDA, doing land subdivision. That is the pilot nature of it. The purpose of that is to see how a government agency is able to deliver this form of land development activity. We believe that it is a type of activity which can be delivered very well and all the indications to date show that that is the case, although the final product, of course, is the test. So in regard to the urban design and other issues you raise, I have been briefed, as indicated by the GDA, on the urban design principles they are wanting to apply to the estate, and these are very much best practice principles.

MRS DUNNE: But you haven't set any conditions or milestones that you want them to achieve. You don't want them to achieve a certain level of profit? You have said you want them to achieve a certain level of urban design and there is stuff to do with storm water retention and those sorts of things. But you haven't set sort of profit parameters?

Mr Corbell: No.

MRS DUNNE: Okay.

Mr Corbell: It is it's important to remember that GDA is a statutory authority responsible for the management of its own finances. It is not a government department. I don't believe it would appropriate in those circumstances to have that level of direct involvement in terms of the GDA's financial management.

MRS DUNNE: Okay.

Mr Corbell: I should stress that I have said to Mrs McGrath and the authority that we would want to see a good outcome. They know that.

MRS DUNNE: Okay. But you haven't quantified that good outcome? What I'm asking is: you haven't quantified that good outcome?

Mr Corbell: No, not in any substantive terms, no.

MRS DUNNE: Okay

Mr Corbell: We have confidence in the GDA delivering a quality product.

MRS DUNNE: Okay. And is everything going swimmingly?

Mrs McGrath: Yes, I would say it is going very well.

MRS DUNNE: When people are raising concerns about building heights and those sorts of things, you are able to address those?

Mrs McGrath: Yes, I feel quite confident we are able to address those. In fact, I think the person who raised that in an email to me indicated he thought that we were 75 per cent right. So it wasn't too bad, I thought.

MRS DUNNE: I suppose 75 per cent satisfaction isn't too bad. What I would like to touch on is a couple of things that are related and go to the heart of the function of the GDA. I asked a couple of questions on notice, you might recall, and they have been answered. Thank you. One of the questions was: are you entirely satisfied with the outcome on Yerrabi 1?

Mrs McGrath: I believe we have a good outcome out of that, yes.

MRS DUNNE: It is a good outcome. Is it substantially different from your original desired outcome?

Mrs McGrath: Not substantially.

Mr Corbell: In what sense? Financially or in terms of design outcomes?

MRS DUNNE: Any of those things—in terms of design or—

Mr Corbell: I think it would be reasonable to say that—Mrs McGrath can add some detail on this—given that it was a private land development activity, the return has been appropriate in the current market. I think that would be an accurate comment. And equally, the design has abided by the design parameters set by the government. The other point I would make is that the costs and the return are different in a private land development activity than they are in a public land development activity.

MRS DUNNE: Yes, that's right.

Mr Corbell: So you can't necessarily draw direct comparisons. You have to take each in context.

MRS DUNNE: I wasn't proposing to do that. But what I was trying to ascertain was that you are generally satisfied with the outcome in terms of urban design. It is hard to tell when you actually look at it on the ground because it is still a construction site. But you are happy with the outcome as an urban design?

Mrs McGrath: I would say generally. I mean, there are elements of the estate that we would not have done in the same way. But in terms of the major—

MRS DUNNE: So was that up to you, the developer or the planners?

Mrs McGrath: It was a negotiated position in the end on some items. The agreement with the developer is that the plans would be approved by the GDA. In terms of the underlying urban structure of the estate, which was all about legibility and permeability—all those sorts of issues; connection to the town centre and lake, good urban form around the lake shore—I believe that, yes, we have achieved that. There are some pockets in the estate which move away from that and I guess we would have approached them differently. But it was an agreed position in the end.

MRS DUNNE: So that overall it's a good outcome and you eventually ended up receiving cash in hand of slightly more than \$1 million—\$1.17 million more—than was originally offered.

Mr Corbell: I think Mrs McGrath has indicated that the GDA is generally happy with the outcome but it has some reservations about elements of the estate which, had it, I think, been more within the control of the GDA, would have perhaps been different and improved.

MRS DUNNE: But isn't part of the problem that the GDA is not a land approver, that it is sort of an agent for land development; and you may have views about design but the final decision about design and what is approved and not approved is not within your bailiwick but the responsibility of PALM?

Mrs McGrath: Certainly the final approval is with PALM. We are not planners but we do spend a lot of time working closely with PALM and our views and PALM's are generally very much in accord.

Mr Corbell: I think it would be fair to say that, unlike private land development companies, the GDA, like any government agency, has to have consideration to a broader range of issues, including broader public interests and considerations.

MRS DUNNE: But as a result of the AD(JR) matter that resulted in a fairly substantial delay in the implementation of Yerrabi, the GDA did end up obtaining \$1.17 million more in revenue at a cost of \$123,000 in court costs. Do you think that the court costs and the court process was a desirable thing?

Mrs McGrath: I would have to say no-one likes standing up in court or going through that kind of process. No, I would not say that was a desirable thing.

MRS DUNNE: But didn't the court process in this AD(JR) matter indicate that there were flaws in the way that the GDA conducted its tender?

Mrs McGrath: That was certainly expressed in the judgment. The authority didn't necessarily share the views that were expressed in that judgment.

MRS DUNNE: But Mr Justice Higgins' views prevailed.

Mrs McGrath: Indeed.

MRS DUNNE: I am going back in history a little bit, but this goes to the way the GDA runs things. In answer to my question about Otway Court you told me that there were 27 dwellings built in the project and the cash component for the land was \$113,000 a block. I couldn't find a calculator when I was sitting here earlier this afternoon working this out, but my long division tells me that is \$4,203 per dwelling unit. Is that correct?

Mrs McGrath: That could be the case. I am sorry, I don't know the maths either. But it wasn't just the cash return. That site was unserviced, and the developer was required to undertake works to the value of about \$615,000.

MRS DUNNE: So that would take the value up to about \$18,000 per block.

Mrs McGrath: I actually don't think it is that high, but we can take that on notice.

MRS DUNNE: But somewhere between \$15,000 and \$18,000 per block.

Mrs McGrath: Well, we can take that on notice.

MRS DUNNE: Yes. The point I am trying to make is that my recollection at the time was that other land in Gungahlin was selling at at least the \$20,000 to \$25,000 mark for cottage and courtyard blocks, and for multiunit development you would expect that they would sell for at a higher level than that. That is normally the equation—standard res is cheaper per unit dwelling than more dense development.

Mrs McGrath: Servicing costs: no, sorry, I'm not quite sure—

MRS DUNNE: What I am trying to get at is that if I were going out to buy land to build 27 multiunit units on, and I was in the open market, I would expect to pay considerably more than \$4,203 a block raw land.

Mrs McGrath: Well at that time not necessarily, because what you have to look at is the density. This was a one-hectare site with 27 dwellings in it. So you are looking at a per hectare figure of, say, 30 dwellings per hectare, and that is unprecedented in a greenfields area. There is no such equivalent anywhere in Gungahlin, or indeed in Tuggeranong, certainly at the same stage of development. A more equitable way of doing that would be to look at a per square metre basis and compare it with other multiunit dwellings. There was a three-storey apartment building in that development as well. So it was a very efficient development in terms of land take.

MRS DUNNE: Sorry, where is the three-storey apartment building in Otway Court?

Mrs McGrath: The three-storey apartment building is on the corner. There are nine apartments.

MRS DUNNE: So that is part of the 27.

Mrs McGrath: That's right, and there are also two other apartments over the garages associated with that. So it is a very dense development and it is just not relevant to compare it with a greenfields development of, say, 11 to 15 dwellings a hectare, which is probably half what you would normally get.

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MRS DUNNE: Yes, I know. But the normal equation is that for multiunit developments you get more dollars per unit that you put on the site than if you were going out and building a standard res on a greenfields site. And at the time, standard res was selling for about \$25,000 a block raw land component in Gungahlin.

Mr Corbell: I don't really understand your point, Mrs Dunne. If I can just elaborate a bit. Mrs McGrath has indicated that the circumstances of this particular development are quite unique. It was the first residential development in the central area of Gungahlin. It is a unit/apartment/townhouse development and it is quite a high density. It is also a development, of course, approved by the Liberal Party when in government.

MRS DUNNE: Yes.

Mr Corbell: So I am not quite sure what your point is.

MRS DUNNE: My point is, and I said it at the time, that we gave the land away; that we should have had a much higher return.

Mr Corbell: Well clearly your boss didn't listen to your advice.

MRS DUNNE: We gave the land away and it has been confirmed by the prices over time.

Mr Corbell: Well you should take that up with Mr Humphries and Mr Smyth. They were in cabinet.

MRS DUNNE: I don't think the decision about making the sale was a cabinet level decision. It was a decision made by the GDA.

Mr Corbell: I'm sure Mr Smyth would have been aware of it as the responsible minister.

MRS DUNNE: Actually, I don't think Mr Smyth was the responsible minister.

MR HARGREAVES: It's executive responsibility.

Mr Corbell: The Treasurer was Mr Humphries, the person whom you worked for in government. So you were advising your boss and your boss didn't agree with you. Well, I would take it up with your former boss.

MRS DUNNE: Still, to some extent, yes.

Mr Corbell: Clearly.

MRS DUNNE: How is the Horse Park development that was sold just before going?

Mrs McGrath: Developers have started work and I understand it has been progressing well.

MRS DUNNE: Has there been any problem or hold-up to date?

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Mr Corbell: Yes, there was a hold-up in relation to the trees on the estate. The trees had to be assessed in accordance with the tree protection legislation. That resulted to some modifications to the implementation plan for the estate.

MRS DUNNE: What modifications were they?

Mr Corbell: I couldn't tell you exactly. They are planning modifications and I couldn't describe those here and now.

MRS DUNNE: Mrs McGrath, can you tell me what they were?

Mrs McGrath: Some of the modifications were to change some of the areas of open space, to relocate the open space to where some of the trees were. The trees were quite scattered, so instead of necessarily having a park that may have accommodated a hectare, for example, that open space was then maybe split into 600-square metre or 300-square metre lots.

MRS DUNNE: Were there specifications in the L and Ds that had to be changed; were the parameters of the estate changed in any way; or is it internal juggling?

Mr Corbell: It was internal juggling.

Mrs McGrath: Internal juggling.

MRS DUNNE: Okay. I have been told by a number of people that as a result of the internal juggling the GDA was approached and eventually agreed to giving away some extra land. Is that the case?

Mr Corbell: No, it's not. No, no such decision has been made.

MRS DUNNE: No such decision has been made.

Mr Corbell: No.

MRS DUNNE: Have you been approached to give some concession of extra land?

Mr Corbell: I don't think it is appropriate to reveal commercial-in-confidence discussions between a party and the GDA. The bottom line is that no decision has been made and the GDA has not approved any release of additional land.

MRS DUNNE: So you have been approached about additional land?

Mr Corbell: I didn't say that.

MRS DUNNE: Okay. We could do 20 questions, Minister, but if you say that a decision hasn't been made, it would rather indicate that there is some decision under current contemplation.

Mr Corbell: No. Well, I'm not aware of any proposal under consideration at this time.

MRS DUNNE: Are you aware of any, Mrs McGrath?

Mrs McGrath: Not in relation to tree retention, no.

MRS DUNNE: Are you aware of any approaches to the GDA for a concession of extra land in relation to Horse Park Estate?

Mrs McGrath: I think the Minister has already indicated that it wouldn't be appropriate for me to discuss confidential discussions.

MRS DUNNE: No, I am not asking you to discuss confidential discussions. I am asking you are you aware of any approach?

Mr Corbell: Well, this is a very specific question about potential negotiations between the GDA and a particular land developer, and I don't think it is appropriate to get into that level of discussion. If you would like a briefing, Mrs Dunne, on progress to date in relation to this estate, I am sure the GDA would be very happy to provide you with one.

MRS DUNNE: Thank you Minister for that offer of a briefing. If you were so approached, what are the options available to you?

Mr Corbell: Well, it is a hypothetical question. I think it is unfair to ask officers that.

MRS DUNNE: The GDA has been charged with land development in the inner Gungahlin area. The GDA has some track record in land development. I am just asking Mrs McGrath: if she were approached in such circumstances, what would she do?

Mr Corbell: Yes, I know, and I think it is unreasonable for you to ask that sort of hypothetical question of officers.

MRS DUNNE: Okay. So it is possible that there has been an approach but no information will be made available to this committee at this stage?

Mr Corbell: No. The information I am making available to the committee is that there has been no provision of extra land to developers of the Horse Park Estate.

MRS DUNNE: If there is provision of land to the developers, will there be a price attached to it, or will the whole thing go out for re-auction seeing that if there is more land provided some of the other auction bidders may still have an interest in the land?

Mr Corbell: Well, again it is a hypothetical question. In the circumstances, if that were to occur, the GDA would have to consider all appropriate courses of action.

MRS DUNNE: Just finally, and what I am hearing here today is quite different and I am hearing it from the horse's mouth: can you confirm that there has been no extra land given away outside the leased area that was auctioned last year?

Mr Corbell: Yes, I can confirm that.

MRS DUNNE: Thank you.

THE CHAIR: I am interested in the response you have given to Mrs Dunne's question. Yesterday you and I think Mr Hawkins were asked about approaches from those redeveloping or that may be associated with the redevelopment of the Labor Club site in Civic; about whether they had made approaches to relevant PALM officers about possible concessions. Mr Hawkins answered that question, and appeared to be able to do so with your leave. It seems to me the question being asked by Mrs Dunne today is of exactly the same nature. Why are possible approaches not able to be discussed by Mrs McGrath today?

Mr Corbell: I am happy to answer that. We do know, and the government is aware, that there is intense interest from other private land developers in Canberra about the success or failure of this consortium at Horse Park, because it is a new consortium. It is not a consortium that has previously been involved in land development. It is a consortium of builders who have banded together to do their own land development because they have been frustrated at their inability to get access to land through the existing private land development market.

The government is also aware that the existing private land development companies have potentially threatened to take legal action against the GDA if the GDA do something along the lines of what Mrs Dunne suggests. I think that is fairly common knowledge in the land development market at the moment and I think it would be unreasonable to discuss hypothetical situations which have not yet emerged in that framework. The bottom line is no offer of land has been made or acted upon by the GDA.

MRS DUNNE: Has no approach been made?

Mr Corbell: Mrs McGrath advises me that there has been no formal offer of land, and no land has been made available. That's the bottom line.

MRS DUNNE: Has an approach been made to the GDA?

Mr Corbell: Well again, for the reasons I have just elaborated on, I don't think it is appropriate that the estimates committee is used as a forum in what is part of a wide battle between land development companies in this town.

MRS DUNNE: It is not about fighting the battles for a land development company. The other day in this place, Minister, you made quite an impassioned speech on behalf of the GDA and the KFDA as the sorts of bodies that we should be emulating in the land development process that you propose to put forward through this financial year and into the next budget. The cause of my questioning is that, as an observer of the GDA over about four or five years, I am a lot less enamoured—and Mrs McGrath knows this—of the GDA's capacity to deliver not just high quality development but high quality development that turns a profit. This is what you are talking about Minister. You want—and quite laudably, we should all want—high quality development and it should be profitable for the territory.

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The point that I am trying to underline, underscore, here is that so far, unfortunately, the GDA's track record has been less than exemplary. We have had quite long, expensive and extensive litigation over Yerrabi stage 1. We have had less than satisfactory financial outcomes from Otway Court and a great deal of, at least, rumour and innuendo about how Horse Park has been managed. I have asked a direct question, and you could put the whole thing to bed right now. My direct question is: has there been an approach? If the answer is no, that's the end of it. I have just been misinformed and I can go on my merry way. Constituents tell me a lot of things that turn out to be wrong. But the thing is I am entitled to ask.

Mr Corbell: I am sure your constituents in this case are a number of fairly large land development companies.

MRS DUNNE: Well, actually the person who told me this is not a large land developer.

MR HARGREAVES: He is a small land developer?

MRS DUNNE: And the person who told me this is not in this room.

Mr Corbell: That's good.

MR HARGREAVES: It's bigger than a house?

Mr Corbell: Mrs Dunne, I'm not going to engage in—

MRS DUNNE: Let me finish, Minister. If this isn't an issue, you could put it to bed right now. But your inability or unwillingness to put it to bed right now leaves the situation open. Is the GDA up to it? Does it have the ticker to develop, to do what you want it to do? I submit that on its track record until now it hasn't and there is going to have to be a marked improvement in its performance to do so.

Mr Corbell: Well, you can seek to smear the GDA as much as you like, Mrs Dunne. I don't think it does you any credit. But as I have indicated to the committee, I don't believe it is appropriate that this committee is used to pursue a broader agenda about the existing virtual monopoly arrangements for private land development in this town and to seek to undermine the legitimate and lawful activities of a new land development consortium in this town.

MR HARGREAVES: Mr Chair, I think we should move on. We are going around in circles and there is a limit on the Minister's time. Can we please move on?

THE CHAIR: No, I am sorry. It is a matter for the committee to—

MR HARGREAVES: Well, I formally move that we move on in that case.

THE CHAIR: I am sorry. I have got a question about this.

MR HARGREAVES: Well you may have. You also have got a motion in front of you.

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THE CHAIR: All right. Those in favour of the motion? Those against? The motion is lost, I am sorry.

MR HARGREAVES: Right. If you will just excuse me, I will go and write my press release.

MRS DUNNE: I thought Andrew did those.

MR HARGREAVES: No he doesn't. I do it myself. I don't have lackies like you do.

THE CHAIR: Minister, you started by saying a little while ago that there had been no decision to offer anybody additional land as part of that development. And after some consultation with Mrs McGrath you said that there would be no formal decision to offer any land. Do I take it from that that in fact there has been some sort of informal decision or offer of land made?

Mr Corbell: No, there has been no decision to offer additional land.

THE CHAIR: There has been no offer of land on a tentative basis?

Mr Corbell: There has been no decision to offer land. I am not going to play games about this. The bottom line is the GDA has not offered additional land to the land development company.

MRS DUNNE: But because you don't rule it out, Minister, it leaves open my question: has the GDA been asked? They are two different things. The GDA is quite entitled to say yes or no.

Mr Corbell: Yes, and I have explained to you why I don't believe it is appropriate to answer that question.

MRS DUNNE: Okay. The obvious conclusion is that there has been an approach.

Mr Corbell: Well, only in your scheming mind, Mrs Dunne.

THE CHAIR: Okay. Let's move on. Are there any further questions on the GDA?

MRS DUNNE: You said earlier, Mrs McGrath, that Horse Park was under way. When is it expected that it will be completed?

Mrs McGrath: The lease actually allows for a four-year development period, I believe. I may clarify that if that is not correct.

MRS DUNNE: Sure. Are you proposing any other land or is all the land in the land release this year for the GDA in Yerrabi stage 2?

Mr Corbell: Sorry, could you just clarify that question? Is the GDA proposing any additional land release?

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MRS DUNNE: Any land release outside Yerrabi stage 2, or is all your land release tied up in Yerrabi stage 2?

Mrs McGrath: Horse Park stage 2 is scheduled for release this financial year.

MRS DUNNE: So it is. It is there. So that is another 400 blocks. And how will that be sold—by the current conventional auctioning?

Mrs McGrath: The expectation is it would be offered at restricted auction.

MRS DUNNE: Okay. And roughly when do you think that will be available?

Mrs McGrath: Very late in the financial year.

MRS DUNNE: So we are looking at the March or June auction next year?

Mrs McGrath: I would say the June auction next year.

MRS DUNNE: Are you confident that there is sufficient supply of land to meet demand for development in the area that is within your purview specifically and in Gungahlin generally? Do you feel that there is a degree of pent up demand?

Mrs McGrath: In terms of sufficient land being available, there are 470 blocks in Horse Park stage 1 which will be coming onto the market.

MRS DUNNE: They have got four years to develop that.

Mrs McGrath: Well, they have four years, but traditionally land developers tend to do that more quickly. But, of course, that is a matter for the developer. I am not sure exactly how many blocks we will end up with in Yerrabi stage 2, but there is potentially up to 260. As I said, the number will be somewhat less than that I believe. So that's 670 blocks—

MRS DUNNE: So how many less than 260, because the land release program says 260 dwellings at the moment.

Mrs McGrath: We have encountered some difficulties with a sewer that can't be shifted and with tree retention. I think we will end up around about the 200 mark. But there will be—

MRS DUNNE: That's right. I think you said that the other day.

Mrs McGrath: But there is potential for another 50 blocks within the town centre core proper next to the existing Otway Terrace.

MRS DUNNE: 50 dwellings?

Mrs McGrath: Another 50 dwellings potentially there. So we can make those numbers up this financial year. So we are at 470 plus the 260 plus 400 being offered in June in Horse Park estate stage 2. I think that is a fairly comprehensive program.

MRS DUNNE: Is the 50 in Anthony Rolfe, or is that something else? Is the potential 50 in the release—

Mrs McGrath: The Anthony Rolfe estate? No. The Anthony Rolfe estate adjoins Horse Park stage 2 across the road from Horse Park stage 1. The 50 is actually what would be described as Gungahlin Place.

MRS DUNNE: But that is not even in the ready reserve?

Mrs McGrath: No. But we have funds in our budget to do some land servicing there, and we will expect to be doing that this year and that would make those sites available. There are actually some there that could be brought on already.

MRS DUNNE: I think that has probably done me for the GDA. I don't know whether anyone else has got any questions of the GDA.

MR HARGREAVES: I feel no need to besmirch the GDA at all.

THE CHAIR: No, unlike the Stadiums Authority perhaps.

MR HARGREAVES: No, I'll just do it with Mrs Dunne. She is so much of a target. I will use her.

THE CHAIR: Thank you very much, GDA. I might call the Kingston Foreshore Development Authority to the table.

MR HARGREAVES: That was the most appalling abuse of privilege I have had the misfortune to witness since I have been here.

THE CHAIR: John, John, John.

MR HARGREAVES: It was Gary, and you know it.

THE CHAIR: John, you have used this opportunity before many times—

MR HARGREAVES: Oh no I haven't. Not like that. Not like that mate. Never.

THE CHAIR: I'll fish out the *Hansard*.

MR HARGREAVES: Yeah, go for your life. I'm happy. I'll even give you a staff member to do it for you and help you.

THE CHAIR: Could I start just by asking how the sales for stage 1A are going?

Mr Lowe: Gordon Lowe, Acting Chief Executive Officer of the Kingston Foreshore Development Authority. The sales are going very well for stage 1A. There has been a high level of interest. In fact, the stage that we are at now in terms of sales is well ahead of the forecast that the joint venture made in terms of where they expected to be at this particular point of the project.

MRS DUNNE: It is called The Gateway, isn't it?

Mr Lowe : That's right.

MRS DUNNE: What is the size of the development; how many units?

Mr Lowe : In The Gateway development there are 167 residential dwellings. In addition to that there is 483 square metres of small-scale commercial space. I can, if necessary, give you a breakdown on the general configuration.

MRS DUNNE: That is all right. Is there an average price that you expect to see for this?

Mr Lowe : Taking the average product as the two-bedroom/study product, the average price of that is about \$320,000-\$350,000. Those prices, of course, reflect the prices that the market is achieving in the existing areas of Kingston-Griffith.

MRS DUNNE: Yes, indeed. This is 1A, isn't it?

Mr Lowe : That's correct.

MRS DUNNE: What return is the ACT expecting to obtain from this release?

Mr Lowe : The land was sold for \$9.8 million, which was well ahead, which was in excess of the Australian Valuation Office valuation which, of course, we undertook prior to going to the market. In terms of our share of the profits, about \$4.2 million in addition to that.

MRS DUNNE: Plus 4.2.

Mr Lowe : Plus 4.2, yes.

MRS DUNNE: For the sale of the buildings?

Mr Lowe : Of the buildings, that's right.

MRS DUNNE: Okay. And so that the sale of the land was—

Mr Lowe : \$9.8 million.

MRS DUNNE: Sorry, it was in which year?

Mr Lowe : Last year.

MRS DUNNE: Was it 2001-02?

Mr Lowe : 2001-02.

MRS DUNNE: 01-02? Is that right?

Mr Lowe : That's correct.

MRS DUNNE: Okay. And the full development of The Gateway stage 1A will be completed within this financial year?

Mr Lowe : No. We have already started construction in the sense that excavation of the basements is well advanced. The tenders for the construction contracts—and they are out for tender at the moment, so the industry is well aware of this; I am giving nothing away—are due I think at the end of August. So we anticipate being in a position to start construction in the September of this year. Given average construction periods, we anticipate that the development should be complete and the first residents moving in at the end of 2003.

MRS DUNNE: Okay, at the end of 2003. A great deal has been made at Kingston foreshore about high quality sustainable development and the development being a cut above the average—it is not sort of another set of Kingston townhouses; it is something else. What are the star ratings of the buildings?

Mr Lowe : The star ratings: there is an average of 4.5 stars achieved throughout The Gateway development. Many of the units achieve five stars but the average rating is 4.5.

MRS DUNNE: I am not quite sure how it works in multi-unit developments but is it possible in a multi-unit development for something to fall below four? Is it a case of the average of the whole building keeping it up?

Mr Lowe : In theory, yes I guess it is possible for units to fall below four, but the ACTHERS requirement now requires all new development to have four.

MRS DUNNE: That every unit has to be four, okay. So everything is four at least?

Mr Lowe : At least, yes, and we are achieving an average of 4.5; many are achieving five.

MRS DUNNE: So of the 167, how many would be achieving five? You can take it on notice if you like.

Mr Lowe : I am afraid I just don't have that off the top of my head.

MRS DUNNE: Can I have a breakdown of who achieves what?

Mr Lowe : Yes, certainly. The assessment, of course, is available. It has to be submitted as part of the development application, but I am afraid I just don't have that off the top of my head.

MRS DUNNE: No, that's fair enough. So everyone has to achieve four to build today.

Mr Lowe : Correct.

MRS DUNNE: But what is it that makes The Gateway a cut above; what else is there in the development?

Mr Lowe: In terms of going beyond just simple energy rating in the broader context of sustainable development—

MRS DUNNE: The energy rating is about the physical structure, it isn't about the accoutrements that go with the building.

Mr Lowe: I fully understand the question. Just for example, the KFDA itself has ecologically sustainable development guidelines—they are principles, guidelines and performance targets, and they are in addition to the targets established by PALM under its High Quality Sustainable Design Index. I am quoting here from the high quality sustainable design report that all multi-unit development applications have been required to submit since July last year.

In terms of, for example, reduction of potable water use, the projected water consumption per person within the stage 1A site is only 150 litres per day. Now, that is well under our own KFDA target of 275 litres per person per day, and well under the HQSD benchmark, which I recall is about 325 litres per person per day. So it is a very, very good—

MRS DUNNE: How are you achieving that? Sorry, you have touched another hobby horse of mine. How are you developing that, how are you achieving that? That is impressive.

Mr Lowe: As well as the low water usage appliances and shower heads and things of that nature, the real key to that is using non-potable water for irrigation. That is going to be possible through the development by the KFDA of what we are terming our eco pond, or the smart pond. What that does is trap and treat run-off not only from the KFDA site but from the catchment that extends about 128 hectares up into the Kingston-Griffith area. We are coordinating very closely with the Department of Urban Services on that, who are doing some works up in the catchment and in Wentworth Avenue for culverts and waste pollutant traps.

So we will direct that stormwater to the eco pond, and that provides us with the ability to use the treated stormwater from the eco pond for irrigation of public areas and the open space areas within the development. So not only do we reduce the use of potable water, but the cost of the re-used water, the non-potable water—

MRS DUNNE: Grey water, second-class water.

Mr Lowe: The cost is, I think, about 10c per kilolitre, whereas potable water is about 86c per kilolitre. So there is quite a saving there to all concerned. That is water. I don't want to be doing a marketing exercise here, but—

Mr Corbell: Mrs Dunne might buy one.

MRS DUNNE: No, I need five bedrooms and a study, at least.

Mr Lowe : In terms of waste water reduction, through use of efficient toilet systems we achieve a reduction of waste water of approximately 40 per cent over traditional systems. That is somewhat the standard benchmark now.

I have discussed the stormwater run-off. In terms of ground water recharge, all of the basement car parking is on the periphery of the sections underneath the buildings themselves. What that has enabled us to do is retain the central landscaped area as natural ground, whereas many developments have the site dug out and the central area is effectively a deck with a minimal amount of planting on top. This system actually allows us to retain the central area as natural ground, so we get ground water recharge and we get deep routed landscaping into that area; so we will be able to plant advanced stock mature trees, which will improve the overall environment within that development.

In terms of energy, the joint venture is at the moment actively looking with Ecowise at the potential for the use of solar technology as part of the energy needs of this development. That is quite an exercise in itself, and potentially through smart metering systems we will be able to export energy back into the grid at certain times of the day.

MRS DUNNE: We live in hope.

Mr Lowe : Well, that has actually been achieved—

MRS DUNNE: So is The Gateway going to have a solar array?

Mr Lowe : We are looking at that at the moment with Ecowise. We are looking at the capital cost of that versus the returns and the ability to meter that. But in terms of CO₂ emissions, instead of going for individual hot water systems the joint venture is implementing central gas-fired boilers. I have the figure here. That brings the average stage 1A unit emission contribution to CO₂ gases down to only 4.179 tonnes of CO₂. That compares with the benchmark established under the HQSD initiative of 5.1 to 7.5 tonnes per unit. So there is a saving of about a tonne per unit over and above what would be the best indicator of the HQSD.

MRS DUNNE: That is very impressive. Do you feel—and this is always a question of fine balance—that there has been any impact on the bottom line by doing this?

Mr Lowe : No. Not at all. What we find in the development industry nowadays is that good environmental practice is good business practice.

MRS DUNNE: It's a good seller.

Mr Lowe : Particularly in a market like Canberra where you have a very informed consumer that looks for these aspects in the product that they buy, whether it be a motor vehicle, a household appliance, or a home. In fact, industry groups—MBA and particularly HIA with its path program—are actively promoting and articulating the sorts of initiatives to builders and developers.

MRS DUNNE: So what this boils down to is when you had to get the energy HQSD stuff signed off, you didn't have any problem?

Mr Lowe : No, no difficulty.

MRS DUNNE: You see this as the benchmark for where you go to in 1B and 1D and 2D?

Mr Lowe : That is right. One of the principal reasons for seeking to joint venture the first stage was to have a proactive involvement in establishing a benchmark of quality for the rest of the estate to follow. We are out at the moment for expressions of interest for the development of site 7. We are not proposing to joint venture that. But we are going through an ELI select tender process, seeking to select the developers that have a track record of quality development in many residential houses.

MRS DUNNE: So if you are not joint venturing, do you have any say over the design of a private contractor who comes in and builds a section?

Mr Lowe : Yes, we do at a number of levels. The authority, although it is not an approving authority under the KFDA Act—there is that separation of the KFDA's development function from the regulatory function of PALM—does have an ability to prepare and issue leases over land. In the ACT leasehold system, of course, it is the development conditions and covenants which are the key driver for the form and nature of development. And using a select tender process that is price and schematic designed, we will be selecting, as I said, a developer that has a track record for quality development, and the tender will include, for want of a better term, the concept designs of what the developer is proposing to build.

MRS DUNNE: So it will be a sort of design competition with the tender?

Mr Lowe : A two-envelope system, if you like, with price and the proposals.

MRS DUNNE: That can be a bit fraught because sometimes it is difficult to compare tenders when the design concepts in fact could be quite different.

Mr Lowe : They can be quite different unless the development parameters are clearly articulated. The KFDA, in addition to the design principles established under the Territory Plan, has a detailed development control plan for both the public domain and the private domain. The applicable principles under the development control plan for site 7 are clearly articulated in the background documents that the registrants have.

MRS DUNNE: And when will that come on stream?

Mr Lowe : Site 7: ELIs are due on 1 August. We then go through the select tender process. So the sale of that land could be as early as December. The target in the statement of intent is February 2003.

MRS DUNNE: So when would building begin?

Mr Lowe : Well then, of course, we would have no direct involvement. The developer would then have to—

MRS DUNNE: But as a managing authority you must have a view about when that should happen.

Mr Lowe: We would anticipate that development could start by mid-2003. It is, of course, a matter for the developer to finalise their designs, be confident with the product mix that they have got and, if they are not building it themselves, get their construction contracts in place and be ready to go.

MRS DUNNE: So the 175 dwellings in the land release program for 2002-03 is stage 1A of The Gateway?

Mr Lowe: Yes.

MRS DUNNE: So that the 175 in the next one is this site 7?

Mr Lowe: There are 167 in The Gateway.

MRS DUNNE: 167—it says 175.

Mr Lowe: The current joint venture also has part of site 7—that is established under the existing joint venture. They are preparing plans for that. There is a potential for in the order of 22 dwellings in that.

MRS DUNNE: So that makes it the 175.

Mr Lowe: Yes.

MRS DUNNE: And so the 175 for next year in the land release program comes out of the expressions of interest process that is currently going on.

Mr Lowe: That's right.

MRS DUNNE: Okay. One of the things that strikes me about this is that it is all very gee whiz and forward thinking but at \$350,000 for two bedrooms and a study the Dunne family is not going there in a hurry because you won't be able to fit us in. But it isn't necessarily what comes into the category of affordable housing. Do you envisage that somewhere down the track there will be more affordable housing—housing which is more affordable?

Mr Lowe: I would make the point that it doesn't deliver long-term affordable housing outcomes to release land or building product at artificially low prices. The only thing you achieve there is a windfall profit to the first purchaser who then on-sells it at true market value. To deliver long-term outcomes in terms of affordable housing, the research that I have done on this shows that the best models, I believe, are entities that are established and charged with the ownership and management of a housing stock to deliver affordable housing outcomes. How those are developed and where they are developed is best set in a strategic context. But a good example of those sorts of outcomes in the ACT is the redevelopment of the McPherson Court site, now the City Edge, which was a joint venture between Community Housing in Canberra and a private sector developer.

MRS DUNNE: Would you see at some stage a role for that sort of feature in the Kingston foreshore?

Mr Lowe: Potentially, yes. I believe it is appropriate to set that in a strategic concept for the delivering formal outcomes in the ACT.

Mr Corbell: I think in that regard the government has put in place the process to establish that strategic framework. The affordable housing task force, which has been overseen by my colleague Mr Wood, is very much an exercise in mapping out a broad strategy to address the issue of affordability in Canberra. And certainly down the track the government would be keen to see the involvement of organisations like CHC itself or others who are able to engage with either government development authorities like KFDA and GDA or private developments, such as say at section 56 in Civic, to explore the options for affordable housing as part of those projects.

MRS DUNNE: That would be good to see.

THE CHAIR: Could I just ask quickly about the statement of financial performance on page 420 of BP4. You indicated that the operating result for this year is likely to be a loss of about \$1 million, and then you go into the black from 3-4 onwards, peaking in 4-5 at about \$15.6 million. Is it fair to read those sorts of surpluses or profits in those later years as potential dividends back to the territory or is that money you will have to somehow reinvest in the venture?

Mr Corbell: I'll let KFDA answer in a moment as to the detail of your question, Mr Humphries. I just think it is important to make the point that this is very much the negative and that there is a pipeline effect in that there is revenue that is essentially foregone or costs in the early years leading to profits in later years. And in that regard it is no different from the same assumptions that underpin our costs in relation to land development activity.

MRS DUNNE: I thought you were going to say that.

Mr Corbell: I think it is important to make that point because this is actually your model here, Mrs Dunne, in KFDA.

MRS DUNNE: It wasn't mine.

Mr Corbell: Well, the Liberal Party's. There are costs in the start up which deliver dividends or profit down the track. As to the actual detail of that payment, I will let—

THE CHAIR: This is very high value land, isn't it, and the risks therefore must be a little bit less because the potential returns are so much greater?

Mr Corbell: Well, you can certainly ask Mr Lowe about issues around the risk on that site, but all of these ventures have an element of risk. KFDA is a brownfield site compared to a greenfield site, and they all have levels of risk associated with them.

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I think the point that should be made is that your government, when you were in government, thought that the risk was appropriate to get involved in this way. You made an assessment of the risk, presumably, before you agreed to KFDA undertaking this activity. It is no different to the decisions the current government is taking in relation to land development activity elsewhere in the city. You make an assessment of the risks versus the returns and you make a judgement on the model.

THE CHAIR: Except it is on a much larger scale, though, isn't it? You are talking about the whole of the territory's land release program being—

Mr Corbell: Well, when you look at the return, there are quite significant returns there in the out years and they are not dissimilar to the returns we are expecting in government land development activity.

THE CHAIR: You actually started with a profit, though, didn't you, at the beginning because you actually made a profit last financial year of nearly \$4 million?

Mr Corbell: For?

THE CHAIR: I am sorry—I beg your pardon. It was budgeted to be a profit and you ended up with an outcome of rather less than that.

Mr Corbell: Yes.

THE CHAIR: You don't expect to emulate that result presumably with your proposals for—

Mr Corbell: We have outlined what we believe the costs will be in the early years and the returns in later years, and that information has been provided to the committee. But I'll let Mr Lowe elaborate on these results.

Mr Lowe: Responding to that first point: the budgeted outcome, of course, when it was prepared was predicated upon getting the joint venture on foot and the payment for the land within that financial year. For various reasons, getting the joint venture on foot was delayed and hence the revenue from the sale of the land with the joint venture didn't occur in the 01-02 financial year.

Going back to your point about dividend, you will note there from the statement of financial performance that as of 04-05 the project goes cash positive, so there is no requirement for reinvestment in the project beyond that point.

THE CHAIR: Doesn't it go cash positive in 3-4?

Mr Lowe: The whole project goes cash positive in 04-05.

THE CHAIR: Okay. All right.

Mr Lowe: I am looking at our statement of our intent, but on the statement of cash flows you will see that from 04-05 we are in a position then to start repaying the loans money made available from the government up to this point.

There was another matter about the return on the project overall. The authority has, of course, as part of the business case being put to government and the management by the board, undertaken detailed financial feasibility assessments of the whole project, on the estate master model, which is very much an industry standard one that we use.

Looking at the key benchmarks for a land development activity of this nature, we are delivering an internal rate of return on the project that certainly meets, and in many cases exceeds, the relevant rates of return benchmarks that a similar private sector organisation in this level of activity would be undertaking.

There was also a reference to risk. Again I am referring to our statement of intent in terms of the risk management approach that we take to those. We take a very, very conservative approach to the assumptions underpinning those financial models. So we always, if anything, add to the potential costs that we may face and discount the potential returns that we may achieve, to make sure that the figures that we put forward in our business cases are very prudent and very conservative and take into account the potential for cost escalations or dips in the residential market.

THE CHAIR: Just lastly, where is Rick Scott-Murphy?

Mr Lowe: He is overseas on leave at the moment—half his luck.

THE CHAIR: Indeed. Are there any further questions of KFDA?

MRS DUNNE: No, I think I am okay on that one.

THE CHAIR: Okay. Thank you very much for your attendance here today. We have yet to deal with some other issues in relation to PALM. We have a recall time provided for next Wednesday afternoon.

Mr Corbell: I am not aware of that timing, Mr Chair.

THE CHAIR: We did write to the Chief Minister at the beginning of this process and asked for times to be put aside for all ministers to be available.

Mr Corbell: I will certainly check.

THE CHAIR: We were told that that was a time when ministers would be available for a recall, if required. So if you can't make that time perhaps we could arrange with the Chief Minister for some of his time in the early part of next week to be re-arranged with yours. I might leave that in your hands to discuss with the Chief Minister's office.

Mr Corbell: Can I ask the committee for some clarification of exactly which particular areas they believe have not yet been properly examined, given that officers have now been recalled twice already outside of the already allocated period of time you as a committee set aside for this portfolio area. The government is always very willing to cooperate with the estimates committee process but this portfolio has already been recalled on two separate occasions in addition to the original period of time allocated, and I am just a little concerned. For example, you originally asked for 3½ hours to

examine this portfolio, and that was the committee's decision. Mr Thompson estimates that we have now had 9½ hours, three times as much time as you yourselves allocated to examine this portfolio, and I am just a little concerned that this is becoming a bit of an open-ended process and it is having an impact on the activities of officers who are having to manage everything else they do as well.

THE CHAIR: Minister, I acknowledge the point you make, and we would not wish to inconvenience officers any longer than we have to. I will just say in response to the comments you have made that you did say to the Assembly earlier this year that the Estimates Committee would be the appropriate point at which to examine the government on its proposal to socialise land development, and that has taken a large amount of time. You will recall that there was a proposal before the Assembly at the time to have a select committee to do that.

Mr Corbell: Yes, indeed, and we have provided 9½ hours worth of hearing time to date.

THE CHAIR: Indeed—actually it is only 8½ hours.

Mr Corbell: Whatever. It is certainly over double what you originally allocated for your examination.

THE CHAIR: Indeed, and I acknowledge that. But the point is that the process is one which necessarily involves a great deal of examination because of the very significant proposals for change which the government has put on the table. I acknowledge that putting aside 3½ hours originally was a gross underestimation, and to that extent on behalf of the committee I apologise for that. But we did arrange originally for recall time to be made available in the middle of next week, and we would ask that that commitment to provide for the capacity to recall any of the ministers during that time be honoured.

Mr Corbell: I am happy to make those arrangements, Mr Humphries. I think the point has been made about the government's concern about the period of time. Nevertheless, it would be useful if the committee could indicate which specific areas it still has outstanding questions on—if you can't do that today, at least before next Wednesday—so that we can have relevant officers here to answer.

Mr Hawkins also has a range of material requested at the last hearing which he is quite happy to table if the committee would like to now also accept that information.

THE CHAIR: Certainly. For my part, I had a question about the effect of DVP 200 on the capacity of industry to sustain present levels of activity in the ACT. It is essentially the only question that I have on this subject.

MRS DUNNE: I still have questions on output classes 4.1, 4.2, and 4.3. Actually, I could probably put the ones on 4.3 on notice.

Mr Corbell: That would be appreciated.

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THE CHAIR: I will ask members, where they have questions that could be put on notice to put them on notice. Given that we only have a limited period of time for recall anyway, I don't propose to extend it beyond that period of time. So I will ask members to be as succinct as possible on the occasion when we resume discussion on this.

Mr Corbell: We are happy to cooperate with that approach, Mr Chairman. If I could just ask Mr Hawkins to outline the material he is going to make available to the committee.

Mr Hawkins: Mr Chairman, particularly yesterday you asked a series of questions that I could just briefly mention. One was in relation to the concessional lease issues. Whilst we seek to be very responsive and you sought a one-day turnaround on a range of these materials, more by good chance than coincidence the government's response to some of these issues and the recently announced review led to me recently signing off on guidelines for assessment of applications to pay out concessions applying to a lease. That is the first document you sought yesterday.

Similarly, in surrounding the issues of Civic West master planning you asked for a definition of the study area, timetable, participation in workshops. During the day I have outlined in a document series those meetings, the attendees at workshops, and two recent circulated brochures which will identify the study area and the range of issues under consideration. I believe there are sufficient copies of that document for all committee members today.

Once again, I just foreshadow that in good faith we have sought to outline expected dates. They are not all hard set. They are the foreshadowed program towards the end of the year—our best estimate.

Finally, I took from the question perhaps a suggestion that there hadn't been enough analysis revealed on the thinking behind DVP 200. In the documents that I will table here, firstly there is a table analysing a range of options, plot ratios, the impact of the private open space and new building envelope requirements, which is quite detailed. The benefit of that document would be accompanied by the briefings which we outlined yesterday.

Similarly, there is a range of our internal working documents, such as these ones, which were analysing options. We have had expert staff committee meetings since late last year, almost weekly, analysing the impact of these. There is a sample of documents prior to and since the release of the DVP on the impacts of the former codes and what would apply. One of the reasons I haven't supplied you with the whole folder of such analysis is it could be subject to misinterpretation if not accompanied by the briefing to really support what are really working documents of our staff. They haven't been produced for the purpose of a public discussion paper. So in putting them into a public environment through this committee, I recommend that in the process of public discussion we are on at the moment we accompany that with briefing of the members.

And similarly, just to recap—

MRS DUNNE: Sorry, while we are on those documents, I didn't in any way imply that enough hadn't been done. I actually wanted to know what had been done.

Mr Hawkins: I understand the nature of the question, that the nature of that analysis had not been exposed, as it were. The final documents, for the moment, simply are the variation itself and if necessary we could supplement that with the briefing presentation we are currently using for industry associations.

The minister had mentioned, I believe in his earlier public statements, a report on public discussion on ACTCODE during last year, which was tabled in the Assembly on 30 August. I understand it was probably retabled, but nonetheless, for the purpose of the committee's consideration, that is a very important reference point because all of the analysis here directly responds to community concerns outlined during the three months of consultation during last year.

So that is the range of the documents for the moment that we have been able to prepare over the last 24 hours. We would be happy to supplement that by other briefings.

MRS DUNNE: Thank you.

Mr Corbell: Mr Chairman, members of the committee have asked a number of other questions on notice. Those are due within the three-day rule to be with committee by close of business today. Regrettably some of those answers aren't yet finalised, mostly due to officers being in hearings here. So I apologise to the committee in advance for that and I intend to get those to the committee, I would imagine, on Monday.

THE CHAIR: We thank officers for their forbearance in the circumstances. Is there any further business?

Mr Corbell: Mr Chairman, in relation to the questions on land development, I should foreshadow that I will be indicating my answer to members' questions on land development and that, along with some information, we will be making the offer of a more detailed briefing so that members can understand the full context of the decisions being taken in relation to government land development. I am happy to indicate we are either happy to provide a briefing fully to the committee as a whole or to individual members.

THE CHAIR: Thank you. Thanks Minister, thank you officers.

Resolved:

1. That the following responses to questions taken on notice be received pursuant to standing order 243 and be authorised for publication:

Question from Ms Tucker dated 18 July 2002
Question from Ms Dundas dated 18 July 2002

2. That, pursuant to standing order 243, the committee authorises the publication of evidence and submissions received by the committee during this hearing, together with any supplementary material arising from the public hearing.

The committee adjourned 5:15 pm.