

**LEGISLATIVE ASSEMBLY FOR THE
AUSTRALIAN CAPITAL TERRITORY**

SELECT COMMITTEE ON ESTIMATES

(Reference: Appropriation Bill 2003-2004)

Members:

**MR B SMYTH (The Chair)
MRS H CROSS (The Deputy Chair)
MRS V DUNNE
MR J HARGREAVES
MS K MacDONALD**

TRANSCRIPT OF EVIDENCE

CANBERRA

THURSDAY, 29 MAY 2003

**Secretary to the committee:
Mr Derek Abbott (Ph: 6205 0199)**

By authority of the Legislative Assembly for the Australian Capital Territory

Submissions, answers to questions on notice and other documents relevant to this inquiry which have been authorised for publication by the committee may be obtained from the committee office of the Legislative Assembly (Ph: 6205 0127).

The committee met at 9.06 am.

Appearances:

Mr S Corbell, Minister for Health and Minister for Planning
Department of Urban Services

Mr H McNulty, acting Executive Director, City Management

Mr L Hawkins, Executive Director, Planning and Land Management

Ms J McKinnon, Executive Director, Land Group

Mr M Hehir, Director, Land Group

Mr B MacDonald, General Manager, Road Transport

Gungahlin Development Authority

Ms A McGrath, Chief Executive Officer

Kingston Foreshore Development Authority

Mr R Scott-Murphy, Chief Executive Officer

ACTION Authority

Mr G Thurston, Chief Executive

Mr P Wallace, Deputy Chief Executive

THE CHAIR: I call the meeting to order. Good morning all. Minister and departmental witnesses, you should understand that these hearings 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 that 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.

Your evidence today is being recorded by Hansard to prepare the committee's transcript of proceedings. It is therefore necessary for you to speak clearly into a microphone when you answer questions. Officers who are seated at the back of the room should come to the main witness table if called on to respond to questions. Please do not speak from the back of the room. It would assist the committee staff and departmental officers if witnesses could also state clearly when a question is being taken on notice. It would also greatly assist in the preparation of the transcript if witnesses would state their full names and the capacity in which they are appearing on the first occasion that they give evidence. Thank you for your help in assisting with that.

Minister, would you like to make an opening statement?

Mr Corbell: Thank you, Mr Chair, I would be very happy to. Good morning, members of the committee, and thank you for the opportunity to appear. I would like to outline briefly, if I can, the government's reforms in relation to planning and transport as they relate to the budget you are currently considering.

This year's budget outlines the implementation of a number of important reforms for planning and land administration in the ACT, along with significant levels of investment in planning for the future development and growth of our city and improving, in particular, public transport provision in the city.

The budget this year for the first time outlines the establishment of the ACT Planning and Land Authority, consistent with the passage of that act through the Assembly late last year. That is a key element of the government's reforms and I'm pleased to be able to answer questions on this appropriation for the coming financial year.

The Planning and Land Authority will be constituted by a chief planning executive and the government is currently finalising appointments to this important position. The Planning and Land Authority takes over the responsibilities of Planning and Land Management in the Department of Urban Services, as well as some functions from the land group in that department.

In addition to the Planning and Land Authority, the budget also outlines new processes for land administration and land development in the ACT. The budget outlines the establishment of the Land Development Agency, consistent with the Planning and Land Act passed by the Assembly last December. The Land Development Agency will take on the responsibilities for the Gungahlin Development Authority and the Kingston Foreshore Development Authority as well as enabling the government itself to be a more active player in the land development market in the ACT.

As members will see from the forward estimates, the government is expecting an improved rate of return on its land asset as a result of its greater level of involvement in the land development market. The government has also outlined in its land release program the mix of land development activity that will be taking place, including public, public/private and private land development.

The Land Development Agency will be governed by a board. The government has announced its proposed appointments to that board, which are currently being considered by the Planning and Environment Committee, and that board will be responsible for ensuring the appointment of a chief executive for the agency. There is currently legislation before the Assembly to repeal both the Gungahlin and Kingston foreshore development authorities.

In terms of budget initiatives themselves, I think a couple are worth highlighting to members. The first is in relation to transport provision. Overall, the budget makes significant provision for improved public transport: \$250,000 for new bus priority measures, \$60,000 for further design work for a new Belconnen bus interchange and a further \$120,000 for design work at the Woden bus interchange. In addition, there's a further \$100,000 to maintain existing bus stop facilities and improve them and an additional \$220,000 to continue the upgrade of bus stops to meet the relevant disability access standards.

The government is also investing in some pilots and testing of new responsive services for public transport, including budget funding of \$90,000 to develop a business model for a demand-responsive feeder service and \$470,000 for parking management. The TravelSmart program is also funded with \$160,000 which will be used, if successful, in a funding bid with the Commonwealth for targeted household and workplace programs in relation to travel behaviour change.

There's also significant funding for improved bus services in Gungahlin—\$750,000 in 2006-07, and \$737,000 in the coming 12 months. There's also additional funding to work towards the implementation of the government's transport plan of \$140,000. So the government continues its focus on public transport in this budget. In addition, there are improvements to bus services in Gungahlin which will see bus services every seven minutes during the peak leaving the Gungahlin Town Centre, and that will build on the very strong success the government has achieved through its one fare anywhere scheme, which has seen a 22 per cent increase in the number of boardings in the Gungahlin area since its introduction.

The government is also focusing strongly on future planning initiatives for the city. There is \$1.5 million to be spent over the next four years to develop a central area strategic plan for Canberra, focusing on the city area. This initiative has been warmly welcomed and endorsed by the ACT division of the Property Council of Australia, and its focus will be on addressing the elements of the city which do not work well and which need to be addressed if we are to have a sustainable and vibrant city centre, which is so central to our future economic development and growth. I think there is broad agreement about that issue in the Assembly.

The plan will look at a range of issues, including addressing the traffic through Civic, the problem of Northbourne Avenue and the way it divides the city in half. We'll also be looking at ways of providing better incentives to encourage development and redevelopment in the Civic area. We'll also be looking at ways of encouraging greater private, as well as public, sector investment in the public realm of our city. These are all key issues if we are to have a sustainable and vibrant city centre. So the central area of the strategic plan is extremely important.

The budget also maintains the government's commitment to finalising the spatial planning process for the future direction and metropolitan structure of Canberra over the next 25 to 30 years. A budget initiative of \$420,000 has been committed to allow for the implementation of and further work on key issues identified through the spatial plan. This particularly involves further detailed assessment of potential urban capable land to see what capacity there is either within existing developed areas, in terms of consolidation and redevelopment, or in new greenfields areas, if those are identified as potential areas for future growth. In addition, there will need to be further detailed consideration of a land use and transport strategy for urban development corridors and, in particular, the relationship between Civic and the Canberra International Airport.

Finally, at a local level, \$3 million is committed in this budget to delivering neighbourhood planning projects on the ground. The government is serious about the neighbourhood planning program and we have committed funding to allow issues identified out of that process by local neighbourhoods to be effectively implemented. Whether that's traffic management, improvements to lighting, pedestrian access or a range of other issues, the money is there to deliver that in a targeted and effective way.

Mr Chairman, that's a brief overview of some of the key initiatives in this budget in relation to planning and transport. I'd be happy to answer any questions.

THE CHAIR: Thank you, Minister. I understand that, to meet the needs of some of the officers, it has been suggested that we might speak of the Gungahlin Drive extension immediately. The committee is quite happy to do that.

Mr Corbell: I'm not aware of that need.

THE CHAIR: There has been a request. Some of the officers have to leave to get to another function.

Mr Corbell: Okay. I don't have a problem.

THE CHAIR: Minister, I note from the paper this morning that we're to find out the route of Gungahlin Drive some time today. Would you like to outline what it will be?

Mr Corbell: I'd be very happy to, Mr Smyth. I released a statement this morning to the media which outlines the government's final design for the Gungahlin Drive extension. Mr McNulty will be able to give you details of that, but essentially the changes are a route, obviously, to the east of the Australian Institute of Sport, consistent with the decision of the National Capital Authority.

The government has sought to ensure that the route is as far to the west of Bruce/O'Connor Ridge as possible. The NCA's preferred route placed the road significantly closer to Bruce/O'Connor Ridge. We have sought to address those issues and the road is now 40 metres further away from Bruce/O'Connor Ridge than the NCA proposed, and this saves about four hectares of bushland which would otherwise have been destroyed by the NCA's proposal.

The other key change is changes in relation to the road as it passes Aranda. These have been done fundamentally on ensuring that there is an effective flow of traffic and an effective public transport capacity along Belconnen Way. There will now be a single intersection on Belconnen Way. This is different from the PA version of two intersections on Belconnen Way. There will be a single intersection on Belconnen Way, the through traffic flowing over Belconnen Way on a bridge, and the road has been redesigned as it passes Aranda. Effectively, the government has adopted option 4 outlined in the further studies that have occurred since the NCA's decision earlier this year. But Mr McNulty can give some further information, if you want to elaborate on that.

THE CHAIR: Is there a map of this? I suspect it would be far easier to have this discussion if there was some document we could look at. I've got my *UBD* but you don't seem to have anything, Minister.

Mr Corbell: I was anticipating this would happen this afternoon, so my apologies, Mr Smyth. But we'll make arrangements for that.

MRS DUNNE: Mr Chairman, it's going to be very difficult to talk about this. I mean, the minister is proposing to make a public announcement this afternoon. He has the documentation. It would make it much easier if we could—

Mr Corbell: Just to clarify, Mrs Dunne: I've already made the announcement. I issued a press statement this morning, along with maps attached to that statement.

MRS DUNNE: They're not available on the web, because I've checked, and they are not available in my office.

Mr Corbell: The statement was only released this morning, Mrs Dunne, but my apologies to the committee. I didn't anticipate GDE being discussed this morning. I understood it was on this afternoon. We'll arrange to get maps to you shortly and, if necessary, we can come back to a discussion on GDE later this morning while the relevant officers are still here.

THE CHAIR: Let's see how far we can get. Perhaps officers in your office, if they're listening, will be able to get them.

Mr Corbell: We're just making the arrangements now, Mr Smyth.

THE CHAIR: You say that it has moved 40 metres further away from O'Connor, freeing up another four hectares of bush. Does that mean that it eats four hectares into the AIS?

Mr Corbell: No, it doesn't affect the AIS campus itself.

MRS DUNNE: So there's no encroachment of the road reserve into land occupied by the AIS.

Mr Corbell: My understanding is that the road still is retained within the reservation on the National Capital Plan.

MRS DUNNE: You said that the proposal that you've announced today, or you put out a press release about today, moves the road 40 metres to the west of that proposed by the National Capital Authority.

Mr Corbell: Yes.

MRS DUNNE: Have you squared this away with the National Capital Authority, or is that still to be done?

Mr Corbell: There have been ongoing discussions with the National Capital Authority. The road is within the corridor set out by the National Capital Authority. As for the detail of discussions, I'd have to refer to Mr McNulty.

MRS DUNNE: Mr McNulty can speak, then. I'll put that on notice until Mr McNulty returns.

Mr Corbell: That's fine.

THE CHAIR: Does the effective option 4 at Aranda move it closer to Aranda or further away from Aranda?

Mr Corbell: What it means is that the existing Caswell Drive is, effectively, now a local road only servicing Aranda, it's only a local access road. Members may be familiar with the previous proposal, which involved using Caswell Drive, effectively, as the off ramp for all traffic leaving Gungahlin Drive travelling north to access Belconnen Way as well as Aranda itself. The proposal now is that Gungahlin Drive is entirely grade separated and Caswell Drive is only a local access road, with the only access into Aranda off Gungahlin Drive being at an overpass adjacent to Bandjalong Crescent. Bandjalong Crescent now passes under Gungahlin Drive. There is an overpass and there are access ramps for local access.

THE CHAIR: Does that encroach on the Black Mountain Nature Reserve or is it still within road reserve and ACT land?

Mr McNulty: It encroaches into Black Mountain reserve approximately the same extent as the PA option did.

MRS DUNNE: And how does that relate to draft amendment 41 that the National Capital Authority put out?

Mr McNulty: It would be consistent with the National Capital Authority's amendment, which was based on the PA alignment that we had.

MRS DUNNE: Okay. So that's all consistent?

Mr McNulty: Yes.

MRS DUNNE: There are some other questions that we will want to go back to, but while we're on Aranda, we'll do Aranda. How high will the grade separated road which is Gungahlin Drive be as it passes Bandjalong Crescent, for instance?

Mr McNulty: Because the extension of Bandjalong Crescent passes under the Gungahlin Drive extension, there needs to be a minimum 4.3-metre clearance to allow for heavy vehicles. So it would be a minimum of that, but the final design hasn't been done yet. But because the road has to pass over Bandjalong Crescent, there will be a bridge and it will be in the air.

MRS DUNNE: The minimum clearance is 4.3 metres, which means that the road surface itself will be closer to six metres above.

Mr McNulty: It depends on the structure a bit, but it could be that, yes.

MRS DUNNE: How far from the first row of houses will the elevated road be at that point?

Mr Corbell: We may have to take that question on notice, Mrs Dunne, as it's a fairly detailed question, but we'll try to get an answer to you before this questioning is finished.

THE CHAIR: Caswell Drive as it currently exists will no longer connect with Belconnen Way.

Mr McNulty: No.

THE CHAIR: Okay. One of the previous committees that reported on the Gungahlin Drive extension suggested on and off ramps for access to Calvary Hospital. Have they been included?

Mr McNulty: No, but what we have provided is an access for emergency vehicles from Gungahlin Drive into the back of Calvary Hospital. But there's no general traffic access.

THE CHAIR: Dedicated emergency vehicles only.

Mr Corbell: There's an emergency vehicle lane, yes.

MRS DUNNE: Mr Chairman, there are a number of questions, now that the minister has made an announcement about the route, which actually require some technical advice and Mr McNulty needs his notes to do that, so I put on notice that we might have to come back to this. I'd like to go to the funding issues.

THE CHAIR: Firstly, are there any other questions?

MS DUNDAS: I have a general question on the GDE. Minister, I understand that the National Capital Authority's plan or variation relating to the Gungahlin Drive extension still needs to go through the federal parliament, the House of Representatives and the Senate, and that would be another part of the political process in the building of this road. Because, during the election campaign, the Labor Party had a strong commitment to the western alignment, will you be encouraging your Labor colleagues in the Senate to do as the Democrats and Greens are doing and oppose the eastern alignment in the Senate?

Mr Corbell: No, we won't.

MS DUNDAS: Can you explain why?

Mr Corbell: Yes, I can. The reason for that is that if that was to happen the amendment would not be successful and it would not be possible to build a road.

MS DUNDAS: So you don't believe that your promise to the people of both Molonglo and Ginninderra in terms of the route of the Gungahlin Drive extension needs to be kept.

Mr Corbell: We've done everything we can to keep that commitment. The reality is that the National Capital Authority has made a decision that it will only support a road on the eastern alignment. We have no choice in that matter. The government has examined legal advice in relation to challenging the decision of the National Capital Authority on that matter.

Whilst it's possible to have a procedural review of the processes the National Capital Authority has undertaken in relation to its decision to put the road on the eastern alignment, the advice is very clear in terms of saying that it will not result in a change to the substantive decision itself, that is, to build the road on the eastern alignment.

The disallowance which is being proposed by Senator Bob Brown in the Senate will not get the road on the western alignment. All it will do is deny Gungahlin residents any road corridor. It's effectively a no-road position and that is not the government's policy.

MS DUNDAS: So, when you say that you've done everything that you can, you don't think that a disallowance motion going through the Senate would force the NCA to reconsider.

Mr Corbell: No, because the result will be no road. There will be no road. That is not in the interests of the Gungahlin community. The government went to the election saying we supported the need for a road and we thought that the western alignment was the best alignment and that was the alignment we would seek to implement. That is what we have done. We have stayed consistent with what we said we would do. The only reason we cannot build the road on the western alignment is because the National Capital Authority has determined it doesn't like that route.

MS DUNDAS: On what do you base your opinion that the disallowance won't force the NCA to change its mind?

Mr Corbell: Because the National Capital Authority has no obligation to actually deliver this road on the ground. The people who will be held accountable for whether or not a road is built will be the ACT government and the ACT government is of the view that this road is required, the road is required now, and any disallowance motion will simply resolve in no road being built, which is not in the interests of the 25,000 to 30,000 people now living in the Gungahlin area.

MS DUNDAS: What are you doing then to, I guess, better the relationship between the ACT planning bodies and the national planning bodies?

Mr Corbell: I have to say that I think that at officer level, Ms Dundas, the relationship is still very strong, but there are obvious political differences between the ACT and the federal government. That's not aided by the attitude of the federal minister for territories, Mr Tuckey, who, I think it would be fair to say from most disinterested commentators, has a fairly belligerent approach to relationships in general.

That said, the government continues to work closely with the National Capital Authority when it comes to a range of other planning issues. We have their active involvement in the development of the Canberra spatial plan, which includes a need for the National Capital Authority potentially to vary the National Capital Plan down the track. Any change to the existing structure of our city in terms of its layout will involve an amendment to the National Capital Plan, and we can only do that with the support of the National Capital Authority.

The government is working closely and cooperatively with the National Capital Authority in relation to the spatial planning issues we will be looking at over the next six to nine months as a community and I'm confident that that relationship is strong at an officer level. We are determined to ensure that the relationship is as constructive as it can be, but we won't back away from saying that we believe the decision by the NCA, as it relates to Gungahlin Drive, was wrong—was wrong in terms of its consideration and was

wrong in terms of its effectively imposing a political decision on the elected government of the ACT—and we will be making those arguments vigorously and professionally in the forthcoming joint standing committee inquiry by the Commonwealth parliament into the role of the National Capital Authority.

MS DUNDAS: If you believe that the NCA decision was wrong, why is the Labor Party not opposing it?

Mr Corbell: It is wrong, but the alternative is no road, and it is not the government's policy that there should be no road.

THE CHAIR: Before we go ahead, we have a delegation of Indonesian students from the ANU who are studying public administration. We welcome you this morning to this session of the hearings of the Estimates Committee. I hope that you have a great time in Canberra and thank you for joining us.

Mr Corbell: Mr Chairman, I had the pleasure of meeting the delegation briefly last night at a neighbourhood planning meeting for Downer, Hackett and Watson. I think it would be fair to say that they are amazed by the level of participation that we get on some of these issues and the level of informed debate that happens, so that's a real commentary on the success of the process.

MRS CROSS: Salama bagi.

MS TUCKER: To follow up on the position that you've taken that there must be a road and that you're prepared to have the wrong road rather than no road, your government has produced a document outlining its commitment to sustainability and the principles underlying that, which obviously include taking a long-term perspective. Is it your government's view that you will be needing to build Monash Drive as well?

Mr Corbell: No.

MS TUCKER: Could you explain why that won't be necessary?

Mr Corbell: We believe that it is possible to avoid the need for Monash Drive. The government went to the last election with a commitment to remove the Monash Drive alignment from the Territory Plan and recently I asked Planning and Land Management to give me further advice on the process to achieve that.

The provision of Monash Drive has been found by a number of parliamentary inquiries to be a provision which is not necessary. The Langmore report of the early 1990s outlined clearly that Monash Drive should not be required. However, that report itself recommended its retention on the plans at the time. That same report found there was a need for Gungahlin Drive. So we are essentially working on that basis, and the government's policy is to delete Monash Drive from the Territory Plan.

MS TUCKER: My memory of that report isn't that it recommended that Gungahlin Drive be built; it is that before any road is built all other options should be pursued, including employment options in Gungahlin, the public transport system and upgrading existing roads and that, clearly, hasn't happened, so I don't think you can be quoting that

report in quite that way. But the Maunsell report predicted that, with current car use, we would be needing Monash, a Majura upgrade, Gungahlin Drive, plus three extra lanes on existing roads, unless transport habits changed, basically removal of the reliance on the private car in Canberra. I'm interested to know whether you have put this proposal through the Office of Sustainability.

Mr Corbell: Sorry, which proposal are you referring to?

MS TUCKER: Your current proposal to build the wrong road.

Mr Corbell: No, we haven't, simply because we believe it's a fundamental matter of government policy which is absolute. The road is needed. There has been extensive examination over the past 10 years that has confirmed that. It's important to remember that the provision of Gungahlin Drive is predicated on a level of public transport usage in Gungahlin of 20 per cent of all journeys. We don't achieve that at the moment in Gungahlin, but that's the basis on which Gungahlin Drive is predicated in terms of its ultimate configuration, 20 per cent public transport usage in terms of trips.

I have not seen any detailed examination which says the road is not needed. The government went to the last election on this issue. We said, "The road is required. We accept the need for the road. We will build the road." We said we wanted to build it on the western alignment. The only thing that has changed is that the decision-making body, the National Capital Authority, has said that we can't build it on the western alignment. The government objects to that decision. We believe it's the wrong decision. But we still believe a road is required, so we are proceeding from that point.

THE CHAIR: Mrs Cross has a supplementary question on that point.

MRS CROSS: Minister, when did you know that you would have to go with the eastern option? Was it when the NCA finally advised you this year, or have you known since last year but misled the Assembly on wanting to build the—

THE CHAIR: You can't say that.

MRS CROSS: I retract—misinformed the Assembly on pursuing the western option when last year you knew all along that you would have to go east?

Mr Corbell: I didn't know what the position of the NCA was until the NCA made that decision and announced it and they announced it, if I recall correctly, on 23 December, two days before Christmas, last year.

THE CHAIR: We'll go back to Ms Tucker. Your question was more than a supplementary question, Mrs Cross.

MS TUCKER: I forget where I was. I wanted to pick up on a point Mr Corbell made, but I have forgotten it. You said that you didn't put it through the Office of Sustainability because it's a policy that was established beforehand. I guess I still have to pursue that line of questioning because, if sustainability is as important as your government claims it is, then clearly the building of a major freeway through an important environmental and recreational area is something we're going to have to live with for a very long time.

Also, it is quite clear that when you build roads you facilitate car use. I remember what the question was. You just said that people aren't using public transport in Gungahlin.

Mr Corbell: No, I didn't say that.

MS TUCKER: Not as much as you want. Is it not true that Gungahlin people have started using public transport more as a result of making it more attractive through having more regular bus services, getting rid of the zonal system and so on? Is that correct?

Mr Corbell: Yes, it is.

MS TUCKER: We know from our own experience, and it is supported by evidence from round the world, that if you do have a public transport system that works and that you can make more attractive than private car use, you will significantly increase the use. On the contrary, if you build a freeway and facilitate car use, you will see car use increasing. I'm interested to know how the fact you are prepared to build a road fits with your reassurance that you're not going to need Monash when, according to Maunsell, unless you really seriously change the transport culture, you will have that result. You will see in the next so many years a committee like this arguing about Monash because you haven't had the foresight now to show leadership and work with the principles of sustainability.

Mr Corbell: Ms Tucker, it's very easy to make these arguments from the sidelines, but the key issue is exactly how do we achieve this in practice, and the reality is that the Gungahlin Drive extension is predicated on 20 per cent public transport usage. That is higher currently than any level of public transport usage in any city in the country.

I believe that we should be aiming for a significant level of public transport usage. The government's transport planning in terms of the work that has occurred to date certainly believes that a target should be set in relation to increasing the number of journeys by public transport. The government's initiatives in relation to the bus fares in Gungahlin have seen significant increases in public transport usage, albeit off a very low base.

At the end of the day, we have to address the equity and access issues that residents of Gungahlin now face every day as they leave their suburbs to go to work and every day when they return to their suburbs in the evening. The road is required now. It is not a case of saying we have the luxury of waiting. The government does not believe we have the luxury of waiting to look at what other options can deliver. We may have had that luxury six or seven years ago, but we do not have that luxury now. There are real pressures there now. We need to respond to those now. I would like to see a high level of public transport usage, and I think 20 per cent is a reasonable figure. But even on that figure, Gungahlin Drive is still required according to the analysis that has occurred to date.

MS TUCKER: Are you telling the committee that you've done as much as you can with public transport?

Mr Corbell: No.

MS TUCKER: Okay. You're talking about now. If you want to see a change in the transport habits of people, there's very little to attract you to a bus ride at the moment; it takes as long as a bus in a car, et cetera, so we don't have a public transport system that seriously competes.

You have announced that you have an integrated transport strategy. Why isn't your government taking into account its commitment to the long term, not just now, through the principles of sustainability? Why isn't it prepared to wait until you've got an integrated transport policy in place and you've got the Office of Sustainability developed to the point where it can actually do a proper check—or someone does it; I don't know how you think the Office of Sustainability is going to work—

THE CHAIR: Ms Tucker!

MS TUCKER: What's wrong?

THE CHAIR: We're going to have a discussion on public transport policy this afternoon and this is perhaps a discussion that would better fit there.

MS TUCKER: Okay. It is definitely relevant to this conversation, though.

THE CHAIR: I'll let you finish the question as long as you put the question quickly, but the whole issue of public transport and getting people on buses and bikes will be better handled this afternoon.

MS TUCKER: Fair enough. My question is related particularly to the building of this freeway and why it is that you are not actually informing this decision by having an integrated transport strategy plus increased input from the Office of Sustainability.

MR HARGREAVES: Do you want to expand on that question, Ms Tucker?

THE CHAIR: Mr Hargreaves, don't encourage her.

Mr Corbell: What I would say in response to that is that the provision of Gungahlin Drive is required now. It's not a decision that the government believes is open to any further review, and that is the bottom line. Right now the road is required for Gungahlin residents to access their suburbs. Ms Tucker, if you're not interested in my answer—

MS TUCKER: Sorry. I am.

Mr Corbell: The road is required now. Ask anyone in Gungahlin and they'll tell you that. We are going to deliver that. There is obvious room for improvement. In fact, the projections on which the Gungahlin Drive extension itself is based presuppose a much higher level of public transport than we currently achieve in terms of usage, so the approach the government has taken is to say that we do want to see significant improvement in public transport—the transport plan will address that—but the decision in relation to Gungahlin Drive itself is not a decision we believe is open for review, because we don't have the luxury of sitting back and waiting. We do not have that luxury and Gungahlin residents do not have that luxury. It is an essential piece of infrastructure

which the government went to the election on, saying it would build it, and we're going to build it.

MS TUCKER: Are you saying that there is nothing else you can do now? Acknowledging that there are certainly issues for people in Gungahlin—I have never said there aren't—are you saying to this committee that there is no way you can deal with that pressure now, apart from building this freeway? You couldn't improve existing roads? You couldn't improve public transport? You can't do that?

Mr Corbell: I think the government's approach has always been to view transport access as a mix of things: provision of road infrastructure; provision of improved public transport infrastructure and service; improvement of existing road infrastructure; provision of employment in the town centre. We've viewed all of these things as appropriate and necessary and we've acted on all of them.

In the last six months, the government has facilitated and announced investment in the Gungahlin Town Centre that will lead to an employment base of approximately 500 to 1,000 people, a significant improvement on what was there before. We have facilitated that indirectly through working with the private sector and directly in terms of the location of the ACTTAB headquarters in Gungahlin.

So, on the employment front, the government has a strong record. In relation to public transport improvement, the government has a strong record. The one fare anywhere structure has effectively halved the cost of catching a bus from Civic to Gungahlin for about half of all Gungahlin residents. That has led to a 22 per cent increase in the number of boardings.

Last year, we introduced an additional 205 services into the Gungahlin area. This year, in this coming financial year, there is close to three-quarters of a million dollars to introduce another level of service provision again, similar to the last one, into the Gungahlin area. So we are making significant investments in terms of fare structure and in terms of service provision for Gungahlin residents with public transport. It will mean a bus leaving the town centre in Gungahlin every seven minutes during the peak. We are making significant investment there.

THE CHAIR: Minister—

Mr Corbell: It was a very long question, Mr Smyth.

THE CHAIR: Yes, and your answer is about public transport, which we will get to this afternoon. I do appreciate you answering what was asked, but we might wrap that up and save it for this afternoon.

Mr Corbell: Just to quickly conclude, thank you, Mr Chairman: finally, upgrade of existing road infrastructure and provision of new road infrastructure is also part of the equation. The Gungahlin Drive extension is part of that.

THE CHAIR: Ms Dundas has a supplementary to the original question on the road, so we'll go to Ms Dundas.

MS DUNDAS: I'm sure that we'll get to this in more detail this afternoon. You said that the road is needed now and you don't have the luxury of time for further studies and reviews. What have you been doing for the last 18 months?

Mr Corbell: We've been seeking to implement our election commitment.

MS DUNDAS: But have you been moving forward with the integrated transport strategy, looking at other options at the same time?

Mr Corbell: We have been working very strongly on developing the transport strategy. As you would know, Ms Dundas, a range of work has been ongoing. The public transport future feasibility study, the transport elasticity study, the costing study and a range of other detailed pieces of work have been occurring through both the transport strategy work and the spatial plan work. That work is coming together extremely well. There has been quite a round of community discussion and consultation on a number of those studies, so we have been doing those things as well.

MS DUNDAS: But you don't think that you could have waited for the outcomes of those studies to inform the decisions on the next stage of major road infrastructure.

Mr Corbell: The government believes we went to the community on that issue in the last election and made clear what our position was, and we are going to implement that, as best we can.

THE CHAIR: Minister, just looking at the large photograph of the AIS area, I notice that Tucker Street disappears.

Mr Corbell: I'll have to ask Mr McNulty to answer the question.

Mr McNulty: It does; that's correct.

THE CHAIR: On a lighter note, perhaps the only light note for the day, will you name the Gungahlin Drive extension south of Ginninderra Drive "Tucker Freeway" to replace Tucker Street?

Mr Corbell: I prefer John Dedman, because he was a great Labor war minister, but I think we'll stick with Gungahlin Drive; everyone knows what it means.

MRS CROSS: Minister, my question relates to what I thought was a supplementary question earlier and goes to the time and the money that have been spent on the GDE options. When did you actually know that you could not fulfil the western option, which you did take to the election? When did you know?

Mr Corbell: It is the same as my previous answer, Mrs Cross: 23 December last year, two days before Christmas, when the National Capital Authority announced its decision. That's when I knew.

MRS CROSS: Minister, are you saying to this committee that during the Assembly sittings last year—mid-year, before mid-year—you did not know that you could not fulfil your election promise of going west and that you may have misinformed the Assembly

with the bantering that was going on between you and opposition members as far as criticising the opposition for wanting to go east and your saying that you wanted to go west and the only thing that was going to stop you was whatever? Are you saying you did not know last year during the Assembly sittings, mid-year or earlier, that you eventually had to go east?

Mr Corbell: I didn't know that the government would have to go east until the NCA announced its decision on 23 December. I always made it clear to the Assembly that the only thing that would prevent the government from proceeding on the western alignment would be the NCA. I made that clear to the Assembly.

MRS CROSS: When you continued to discuss, mention or disclose in the Assembly that the government was going to go west, no matter what, you had no inkling and you did not discuss with anyone else that eventually you knew you'd have to go east, but that you were just going to say west because that's what you'd promised the electorate?

Mr Corbell: I didn't know that the western alignment was not an option until the NCA told the ACT government it wasn't an option, and that occurred on 23 December.

MRS CROSS: Are you saying that before 23 December, at no point did you discuss with other people or go into the chamber on any sitting day knowing that the eastern option was going to be the option, that you didn't continue to pursue the western option for the sake of appearances and for the sake of your electorate? You're saying that you did not know that it was eventually going to be the eastern option. You've read the Miranda rights, haven't you?

Mr Corbell: I think I've answered the question, Mrs Cross. I did not know what the position of the NCA would be until the NCA announced their position, and they didn't announce their position until 23 December.

MRS DUNNE: On this topic, Mr Chairman: earlier in the day, Minister, you said that the officer-to-officer relationship at the NCA and the planning authority was a good one and there were ongoing discussions. Were you never briefed at any stage by officers that indicated how discussions with the NCA were going? There was a joint piece of research going on between the NCA and ACT agencies about the route, which you were unhappy about it but you agreed to participate in. Were you never briefed at any stage by officers in the ACT government saying, "The western route's looking a bit pear-shaped, Minister"?

Mr Corbell: I think the study you refer to, Mrs Dunne, is the study that was conducted between the AIS and the ACT government over design issues at the AIS. It didn't involve the NCA. In relation to discussions that ACT officials had with the NCA, the NCA were quite up-front in saying that it would be a matter for their board to decide and officers said to me that there was always a risk that the western alignment would not take place, but that was always because it was a decision for the NCA. I always made that clear in my comments in the Assembly; the only reason that we would not be able to proceed on a western alignment was because the NCA would tell us we couldn't.

MRS DUNNE: But you had had clear indications for 18 months, at least a year, before 23 December last year that the National Capital Authority was in all manner of ways opposed to your proposal.

Mr Corbell: No, quite the contrary. The NCA made clear that it did not have a position and that it would be a matter for the board of the NCA to decide, and they took the decision on 23 December last year.

MRS DUNNE: Okay. So you're sticking to your views that you sat in splendid isolation like Pollyanna, saying everything will be all right in the end, and made no contingency plans, despite the information that came to me about this time last year from the FOI that there were contingency plans being conducted in the department. When did we have to pull the pin on Gungahlin Drive, on the western route, so that we would have any hope of building it before 2005, 2006? The answer came back, December 2002. But you, like-like, sat through this saying that it would be all right. You didn't absorb any of the information that was in those briefs, which I have seen, and you're saying that between May last year when I put in my FOI request and December last year you received no briefings from anyone in the department, oral or written, that said the western route was not going to be an option.

Mr Corbell: I think you're constructing a bit of a straw man, Mrs Dunne.

MRS DUNNE: No.

Mr Corbell: If I could just answer your question. I always knew that the only reason we couldn't build on the western alignment was if the National Capital Authority did not agree to a variation to the National Capital Plan. Of course I contemplated what that would mean. Of course the government contemplated what that would mean. But we were resolute in our view that the western alignment was the better alignment. All of the detailed studies that we undertook following our election demonstrated that, in our view. They demonstrated it was feasible engineering-wise, environmentally and sound-wise. All those things demonstrated that it was a feasible and reasonable route.

The government outlined that in detail in its various presentations last year and the only time that I knew the government could not build on the western alignment was when the National Capital Authority said, "You can't build on the western alignment." They told the ACT government that, along with the rest of the world, on 23 December last year.

MRS CROSS: This is a question from someone who is on the sidelines, as you referred to us. We must remember that the next time we get a government briefing, Kerrie. But I have come from opposition and I know what it is like there, too. Mr Corbell, my concern is not the politicisation of one action over the other, although I did come into this believing that the eastern option was the best because of the studies that were done. My concern is that you, as an executive member of this Assembly, have perhaps misinformed your colleagues in the Assembly. My question to you follows on from Mrs Dunne's comment. When did you have an inkling that the western option could not be achieved and, therefore, commenced to prepare for the possibility of having to follow the eastern option?

Mr Corbell: I think I've answered this question. I think I've answered it a number of times now. The government always knew there was a level of risk with the western alignment because it relied on an external decision maker; it relied on the National Capital Authority. We believed, and we believed we had demonstrated, that all of the financial, engineering, environmental and cultural issues in relation to the western alignment were adequately addressed and effectively addressed by our design and we progressed on that basis. We believed in the design. We believed in what it did. We believed that it was the best option and we progressed that.

We put it to the NCA that the NCA should support it. The NCA said, "We'll have to have a look at that." So there was always a level of risk. I made that quite clear to the world at large. I in no way said otherwise. But I also said we believed the western alignment was the best alignment because we had demonstrated that it was. The time I knew that I wasn't going to be able to say to the Assembly and to the community that we can't build on the western alignment was when the National Capital Authority told me, you and the rest of the world that it wouldn't support it, which was on 23 December last year.

MRS CROSS: Minister, if that is so, why is it that you have been quoted, having attended Gungahlin Community Council meetings, that you had a plan A and a plan B. Plan A was west, plan B was east. If plan A didn't work, you'd go plan B. Why would the government, when it made a commitment at an election, have a plan B if it firmly believed in plan A, if it didn't think plan A may not work?

Mr Corbell: I think I made it clear at my media conference when I announced the revised alignment in the middle of last year that the only reason that we could not build on the western alignment was if the National Capital Authority refused us permission to do that, and I said in those circumstances the government would consider all of its options, including building on the other alignment.

MRS CROSS: That is not what you were quoted as saying at the Gungahlin Community Council meeting, Minister.

Mr Corbell: I'm interested, if you have the quote, Mrs Cross, because I don't recollect that and I would be interested if you could—

MRS CROSS: I'll paraphrase what has been passed on to me, Minister.

Mr Corbell: Well, I think—

MRS CROSS: No, you've asked me for something. I'll give you what I've got.

Mr Corbell: Okay.

MRS CROSS: "The government has plan A. Plan A is the western alignment. If plan A doesn't work, the government's going to go with plan B, which is the eastern alignment." Your Chief Minister kept saying in the chamber, "We have a mandate from the people in Gungahlin to build the western alignment," which, actually, is not really why you got some votes up there, but, "We have a mandate to build the western alignment." You didn't say at that meeting, "We firmly believe the western alignment is the best option. If

we don't get the okay for that, we have to cross that bridge when we get to it." What you said is, "Well, if the west doesn't work, we'll go east." That's a really good way to pacify other crossbenchers in this place who believed in you, who believed in your government's promise that you would pursue the western option, therefore having this go on for, what, more than a year.

THE CHAIR: Ask the question.

MRS CROSS: The question is that I feel you've misinformed the members. Can you answer that?

Mr Corbell: I don't even know what meeting you're referring to, Mrs Cross. I attended a number of Gungahlin—

MRS CROSS: Oh!

Mr Corbell: If I can just answer your question, with all due respect. I attended a number of Gungahlin Community Council meetings last year. You're relating your version of a discussion which someone has told you I had.

MRS CROSS: Don't misrepresent me, Minister.

Mr Corbell: Well, you said it had been passed on to you and I think it's highly anecdotal. People will perceive comments in different ways, but all I can do is answer the question reasonably, which is to say the government always made clear, and I made clear in my statement in my media conference in the middle of last year, that if the NCA refused the ACT government permission to build on the western alignment we would consider all other options, including building on the eastern alignment. The government was very public, very up-front in what it said at that time.

MRS DUNNE: And at that meeting of the Gungahlin Community Council he did say there was plan B. I was there.

THE CHAIR: You related a litany of what your reports had shown earlier—that western was better by this, this and that. One I didn't hear you mention was cost. Of course, at any cost, one could have put the whole road underground. The cost that you are now quoting, or is quoted in page 178 of BP 4, is still \$32 million and completion is June 2006. What are the people of Canberra now getting for that \$32 million and how will you guarantee June 2006, given that you said it would be done on time, on budget, to the specifications of what the Liberal government had set?

Mr Corbell: The timetable envisages, if I recall correctly, construction commencing around this time next year, the beginning of the financial year next year, for the major construction works. There will be some minor works undertaken prior to that, including, I guess, the initial survey, fencing of the site, so on and so forth, in preparation for the major works. In terms of what the government is purchasing, the government, on the basis of the figure outlined in the capital works budget, is purchasing a two-lane road.

THE CHAIR: When will it become a four-lane road, as we said it would be, and at what cost will that be for the ultimate completion of the project?

Mr Corbell: Well, two points to make on that. First of all, your projection was a projection of the previous government well ahead of any construction and road construction costs have increased significantly since that time. If you had been re-elected, Mr Smyth, I think you would have found you would not have been able to buy a four-lane road for that amount of money. That's certainly the advice I have from the engineers in Urban Services. I think that addresses your first point. Sorry, what was your second point? It has gone out of my head.

THE CHAIR: What are the people getting for it? So it's now a two-lane road from the Barton Highway through to—

Mr Corbell: The other one was the timing. In terms of upgrade, that would occur at a time when traffic analysis indicated it was needed. There's no set timeframe on that.

MRS DUNNE: And I think the final part of the question was: to take it up to four lanes, how much would it cost?

Mr Corbell: There has been some assessment done of that. I can't recall it, but Mr McNulty can probably assist.

Mr McNulty: I believe the figure prior to some changes which have just been announced today was about \$93 million for the total project cost.

Mr Corbell: So that's stage 1 and stage 2.

MRS DUNNE: On the costing while we're there: in the capital works budget for some time there has been \$21 million for the upgrade of Caswell Drive and Glenloch Interchange. Now we're not upgrading Caswell Drive but building another road essentially parallel to Caswell Drive, but we're still doing the upgrade of Glenloch Interchange, will the \$21 million in the capital works budget meet that cost?

Mr McNulty: I've got to say that Caswell Drive south of Wangara Street essentially becomes Gungahlin Drive extension, so that part of it is being upgraded. But the other comment I'd make is that for the last couple of years we've always considered the Gungahlin Drive extension one project covering the Barton Highway to Glenloch Interchange, at a cost of \$53-odd million for stage 1. We haven't necessarily been looking at the costings to Belconnen Way and then from there to Glenloch Interchange; we're saying, "Here's a \$53 million project covering the full length."

MRS DUNNE: Mr Chairman, that answer causes me to pursue two lines of questioning, if I could do so sequentially. On the Caswell Drive upgrade, is that four lanes?

Mr McNulty: Ultimately, in stage 2, yes.

MRS DUNNE: No, in stage 1.

Mr McNulty: Stage 1, no, it's one lane in each direction.

MRS DUNNE: Last year, in this place, when we talked about \$21 million for the Glenloch and Caswell Drive upgrade we were talking of four lanes. When did it become two lanes?

Mr Corbell: No, we were always discussing two lanes.

Mr McNulty: I believe that in stage 1 we talked about the Glenloch Interchange upgrade, a climbing lane up the hill, and then a duplication to four lanes at the same time the rest of the road is duplicated. That's my recollection.

MRS DUNNE: In that case, my recollection is not the same as yours, Mr McNulty, because we had a discussion in this place last year that we could still manage four lanes between Belconnen Way and Glenloch Interchange for \$21 million, but we couldn't manage four lanes the other way for \$32 million. That's a question that I would like to pursue, but I'll do that in other ways.

I have a question about the treatment of this project in the capital works budget. I know it's been in the capital works budget since 2000-01 in this form: Caswell Drive, Glenloch Interchange upgrade, and Gungahlin Drive extension. But now that you consider it all one project, why hasn't the treatment of it in the capital works budget changed to more accurately reflect that?

Mr Corbell: It's a reasonable question, Mrs Dunne. It has been an oversight. It should be represented as one project, ideally. I guess what's occurred is that the capital works budget has just continued to reflect the presentation as from previous years.

MRS DUNNE: Okay. Do you think that next year we might actually see the presentation in a consolidated project?

Mr Corbell: I beg your pardon?

MRS DUNNE: Do you think that next year we will see the project presented as a consolidated project?

Mr Corbell: I think that probably would be desirable, yes.

THE CHAIR: Which actually leads to another question. I note from the map that, of course, all roads lead to Parkes Way. What work has been done on the effect of the traffic flow through to Parkes Way, certainly down Barry Drive, and will the changes now have any effect on those traffic flows and will work now be required on either Barry Drive or Parkes Way?

Mr McNulty: There's been extensive traffic modelling of this project. I can't tell you the results of the modelling on Barry Drive and Parkes way, but we can take that on notice, if you like.

THE CHAIR: All right. That would be kind.

MRS DUNNE: Mr McNulty, I'd like to go back to a couple of questions that the minister took on notice on your behalf when you weren't here. On the middle map there is a blue line, which is the government's preferred option; is that right?

Mr McNulty: Yes.

MRS DUNNE: And the pink line is the NCA option?

Mr McNulty: Yes.

MRS DUNNE: I asked the minister before whether you have squared away this change in alignment with the NCA and whether they are happy with it. The minister said it was all still within the road reserve.

Mr McNulty: Yes, the NCA have seen these plans and are satisfied with them.

MRS DUNNE: They are satisfied with them.

Mr McNulty: Yes.

MRS DUNNE: What process is needed from the NCA now? Do they have to take their draft amendment—

Mr McNulty: There are two draft amendments, I think they've got at the moment, and then ultimately we'll require works approval from them.

MRS DUNNE: Okay. So draft amendment 41 is the one that's been sitting in abeyance since, basically, October 2001; is that right?

Mr McNulty: I believe that's right. I think there's a 41 and a 46.

MRS DUNNE: And 46 is the one in relation to Caswell Drive.

Mr McNulty: I believe that's correct.

MRS DUNNE: How far is the government's proposed line from the athletics track?

Mr McNulty: I don't know the distance exactly, but what I can say is that in order to protect as much of the bush as possible we push as close to the athletics track as we can, and I think that was consistent with all of the previous versions of eastern alignments.

MRS DUNNE: Is it at grade at that point?

Mr McNulty: Within reason, it's at grade, yes.

MRS DUNNE: The \$10 million which it was going to take to dig the big trench outside the front of the AIS under the western alignment—I think that was a figure that I was given in briefings last year—and which you're now not going to have to spend, where is it being spent? What are the costs that are eating up that \$10 million?

Mr McNulty: It's been acknowledged several times that the eastern alignment is longer, to a small extent, than the western alignment.

MRS DUNNE: How much longer?

Mr McNulty: I think it's about half a kilometre, of that order.

MRS DUNNE: That's not \$10 million worth of two-lane road.

Mr McNulty: No, but I'm saying it's part of the cost. You asked me where the costs were. The realignment of Masterman Street has to be done, because Masterman Street disappears under the road. There's the construction of Braybrooke Street as the main access road into the AIS precinct, which is at the bottom of those thin blue lines coming off Ginninderra Drive. Then there's the construction of a major event access at Agar Street, which is the middle one.

MRS DUNNE: Sorry, a major what?

Mr McNulty: We open Braybrooke Street now for events at Bruce, just to provide an additional access point. Agar Street will serve that purpose, and then there's the associated roadworks to join all of those up.

MRS DUNNE: So that they're, in a sense, off-site works for Gungahlin Drive proper.

Mr McNulty: If you like, yes, that are required to make the whole precinct operate effectively.

MRS DUNNE: Was that in the original plan that was budgeted for in 2000-01?

Mr McNulty: That would be stretching my memory.

MRS DUNNE: If you don't know, could you take it on notice, please?

Mr McNulty: Yes.

MS TUCKER: As I understood it—I wasn't here from the very beginning of this discussion—your proposal for Aranda is the third option that was outlined by the NCA; is that correct?

Mr Corbell: No, that's not correct.

Mr McNulty: Following the announcement of the NCA's report, we considered four options at Aranda. The first was the PA option, the second was the option that the NCA's consultants proposed in their report, the third option was one proposed by the Aranda Residents Group, and the fourth option was this one. On the basis of all the analysis that was done, and there's been significant analysis done, option 4 provides the best results for traffic management and public transport.

MS TUCKER: The NCA, on its analysis, did suggest option 3 was the better one. They said, “While it is considered that option 3 provides the best outcome for Aranda residents in terms of improved amenity, the need to provide coordinated link signals at Belconnen Way for the new Caswell Drive intersection and ramp intersections does impact on the capacity of the junction and delay.” Okay, they were saying it was best for Aranda, but not necessarily best for traffic flows.

Mr McNulty: The analysis we did of the NCA’s option, if you can call it that—it was their consultants’ option, but it’s being called the NCA option—was that it shifted significant amounts of traffic to Bindubi Street and that just didn’t really help the overall traffic situation in the area.

Mr Corbell: One of the difficulties with the NCA’s analysis is that they did not look at the impact on traffic overall. They simply looked at—and it’s one part of a flawed analysis, isn’t it?—that section in isolation. They did not take account of where traffic would go on the surrounding roads, because they would argue that’s not their business. Unfortunately, these areas don’t operate in isolation.

MS TUCKER: They did say on this option that it impacts on the capacity of the junction and delays and congestion will occur at peak times by 2031, so they did take a long-term analysis of what the traffic would be like in 2031 for that particular option. Are you telling me that what you’ve come up with now is what is your analysis of traffic in 2031?

Mr McNulty: Our analysis indicates that this option here operates best of all the options that were considered for traffic, for public transport, for amenity in Aranda and a whole host of other things. There’s a great list of issues that were considered, but the main ones that resulted in this decision were traffic management and public transport.

MS TUCKER: What about the environment?

Mr McNulty: The effects on the environment, I think, of this option and the PA option are very similar. Sorry, if you’re talking of the green environment, that is. If you’re talking of the environment at large including residential amenity—

MS TUCKER: Ecology, Black Mountain, the ecology of Black Mountain.

Mr McNulty: This option and the PA option are very similar, I think, without having the report here. I think they’re very similar.

THE CHAIR: The movement to the east, though, eats into Black Mountain by how much? What land is lost, and what distance does it bring it to the east?

Mr McNulty: You probably can’t see it, but there is actually a pink line on that map. I’ll point to it, if you like.

MRS CROSS: The pale pink one?

Mr McNulty: Yes. It’s this line down there. That is similar to the PA option.

MRS DUNNE: What does this pink line represent?

Mr McNulty: That's the new road.

THE CHAIR: If I can interrupt, I suspect Hansard is not recording that because you're not speaking into a microphone. For a true recording of what you've just said, repeat that into a microphone, if you could.

Mr McNulty: Yes, the plan of option 4 has a pink line marked on it that shows the new road reserve boundary, which is similar to the boundary that was in the PA option, which was option 1 of what we considered. My recollection of the conclusions on that point is that the ecological impact of both options is similar.

MS TUCKER: But what is the ecological impact? What is the analysis from the Office of Sustainability on that one?

Mr Corbell: As I've already indicated to you, Ms Tucker, this issue has not been looked at by the Office of Sustainability for the reasons I gave you earlier.

MS TUCKER: What about Environment ACT?

Mr Corbell: Environment ACT have been involved in discussions on the impact on the Black Mountain Nature Reserve area.

MS TUCKER: Can we see their advice?

Mr Corbell: Firstly, I should say that all of the studies that have been commissioned by the government to look at all aspects of this road—environmental, social, cultural, engineering—are publicly available already.

Mr McNulty: The two reports for the current piece of work on this will be on the website as soon as we can get them there. They are not there at the moment. We've done an assessment of the changes at Bruce and an assessment of Aranda. They'll be put up as soon as we can.

MS TUCKER: I understand that there are environmental assessment processes, but I was interested to know whether Environment ACT itself was consulted when you were developing this and responding to this in terms of a whole-of-government approach.

Mr Corbell: Yes, the preliminary assessment is the statutory requirement to assess impacts, including any adverse natural environment impacts or the reverse if that was the case, and Environment ACT were closely involved in that process and provided their advice throughout that process.

MS TUCKER: To the consultant that undertook that analysis, that assessment?

Mr McNulty: They provided comment to PALM on the assessment of the PA. That is my understanding. They provided a submission to PALM during the assessment of the PA once we as a proponent had lodged it.

MS TUCKER: Can I see that? I'd just like to see their assessment.

Mr Corbell: I'll take that on notice, Ms Tucker. I just need to clarify the status of that advice. I don't have any objection. I just don't know what the process is in terms of that sort of documentation. If I can just come back to the committee later this morning and clarify what I can and can't do with that.

THE CHAIR: I would have thought normally that was part of the PA.

Mr Corbell: I would have thought so, too.

MS TUCKER: But not necessarily word for word. I want word for word what was said, not a summary.

Mr Corbell: I just want to check on that. I will come back to the committee later this morning on the matter.

THE CHAIR: That's fine. I have a question. I note there are three overpasses highlighted on the large scale map that are termed pedestrian, fauna and emergency. I assume the emergency is only for Calvary Hospital?

Mr McNulty: I think it may also be referring to bushfire vehicle access.

THE CHAIR: Are rugby supporters going to Brumbies games pedestrians or fauna?

Mr Corbell: I couldn't possibly comment.

THE CHAIR: On your map there is what looks like a footpath almost formalised. Is it proposed that there will be a link from Dryandra Street to the car park on the eastern side of the AIS?

Mr McNulty: I believe there already is one, a cyclepath.

THE CHAIR: Is it to be upgraded or will it be just the same?

Mr McNulty: We wouldn't be upgrading that, unless our work impacts on the very end of that, in which case we'd be repairing that and putting it back.

MRS DUNNE: Mr McNulty, we had a discussion last year about access and egress to Ginninderra Drive, which I can see from this has been improved. At that stage, you said to me about the plan or the drawings that you had then, "Mrs Dunne, this is not a plan for a road; it's a concept for a road." Is this a plan for a road or a concept for a road?

Mr McNulty: There is no detailed design yet, as there wasn't last year. These plans, if you like, are done to a similar level of detail as we had previously. Now that the announcement has been made about the route, we will engage in the detailed design.

MRS DUNNE: What are the steps that you have to go through before you can get works approval?

Mr McNulty: I anticipate that we will need the design work completed, a detailed design of what we're seeking works approval for.

MRS DUNNE: When do you propose to go to the NCA for works approval?

Mr McNulty: I'll have to take that on notice; I don't know the date. I imagine early next year—late this year, early next year. Late this year.

THE CHAIR: As a supplementary to that question, it's saying that tenders for the design stage will be let immediately, with preliminary works in January 2004. So you'll now go to tender, assess the tender process and actually have somebody design a significant piece of road in six months.

Mr McNulty: Correct. We have already run an expression of interest process, so, now that it has been announced, we can start a tender process very quickly.

Mr Corbell: I should stress that it's a select tender process, which is the purpose of the expressions of interest.

THE CHAIR: So the horses are in the stalls and you're ready to start the race, okay.

Mr Corbell: That's correct.

MS TUCKER: You claim that the route announced today is 40 metres closer to the AIS and will save around four hectares of bushland.

Mr Corbell: Compared to the NCA's option, yes.

MS TUCKER: My question is: is that going to be a problem for the NCA, as their main argument was about not impinging on the AIS?

Mr Corbell: Mr McNulty has already answered this question.

MS TUCKER: Sorry. It might have been when I was not here.

Mr Corbell: There have been discussions with the NCA and the NCA have indicated that they are comfortable with the proposal.

THE CHAIR: Had the AIS been informed before today or consulted with?

Mr McNulty: Yes. We've had discussions with the NCA about these options and, obviously, Save the Ridge and the Aranda Residents Group, yes.

MRS DUNNE: Minister, how do you feel at the moment about your election commitment to build the western route on time and on budget?

Mr Corbell: Well, I am disappointed that we haven't been able to deliver this project sooner, but I think that the important thing today is that the project is now at a stage where it can be delivered. This is the final design. After today—

MRS DUNNE: No, it's the final concept, Minister.

Mr Corbell: My apologies. This is the final proposed alignment and the detailed design will now take place for actual construction. After today, my colleague Mr Wood becomes the minister responsible.

THE CHAIR: It was referred to yesterday as the hospital pass.

Mr Corbell: No, I think the difference is I've already been tackled, Mr Smyth.

THE CHAIR: Was that a late tackle and should a penalty be awarded, or was the ball away before the tackle was perpetrated?

Mr Corbell: I think the NCA's tackle was very late.

MRS DUNNE: Yes, it was. Your election commitment was three-pronged, Minister. It was to build the western route. We have had differences about the route and those seem to have been resolved to some extent. But the thing is that you committed to building a four-lane road, you committed to building to the outgoing government's specifications in terms of what you were going to build as opposed to where and when and you said in answer to a question on notice that you'll be doing some preliminary fencing and things like that in this financial year, but you will not be turning a sod before 1 July next year, which is two full years after you said you would start to build the road intrinsically, implicitly in your commitment to the people at the last election. Don't you feel even slightly abashed about that?

Mr Corbell: I think I've already indicated to you and to the committee, Mrs Dunne, that I'm disappointed that we haven't been able to finalise and commence this project sooner, but I've outlined, I think, in detail, and there's been exhaustive debate on the circumstances surrounding this project. I'm pleased we are now in a position to deliver the road. The final concept design is there. The NCA have indicated their acceptance of it. Whilst I don't believe and the government does not resile for a moment from its position that the western alignment is the best alignment, the preferred alignment in terms of addressing impacts on Bruce/ O'Connor Ridge, we have been given no choice by the National Capital Authority or the Commonwealth on that matter, and we will do everything we can now to ensure the road is built, albeit on an alignment which we don't believe is the most desirable.

MRS DUNNE: This might be better a question for Mr McNulty, but I'll direct it to you, Minister, and you may flick it, as opposed to hospital pass it. When will the first Gungahlin resident be able to drive from the Barton Highway to Glenloch Interchange?

Mr Corbell: The project's due for completion in June 2006.

MRS DUNNE: Thank you

THE CHAIR: Minister, I note that your press release says that the modifications to the road and the Aranda precinct are valued at an extra \$4 million. Is that modifications to suburban roads in Aranda or is that modifications to Caswell and the plan?

Mr Corbell: It's to deliver option 4, which involves changes at Caswell Drive, to turn Caswell Drive into a local access road, as well as the changes to the configuration of the GDE itself.

THE CHAIR: Your figure on page 178 of BP 4 is that the Caswell Drive and Glenloch Interchange cost is \$21 million. Does that incorporate that \$4 million, or is it now \$25 million?

Mr Corbell: No, the \$4 million is additional cost.

THE CHAIR: It is additional.

Mr Corbell: Yes.

MRS DUNNE: So it's not in the capital works budget.

Mr Corbell: No, not at this stage.

THE CHAIR: Will that require a further bid for that \$4 million or has cabinet given approval for—

Mr Corbell: Cabinet has approved this proposal.

MRS DUNNE: When?

Mr Corbell: Cabinet approved this proposal at its last meeting.

THE CHAIR: Okay. Will you be issuing an erratum to the budget papers, given that the project is now valued at \$25 million instead of \$21 million?

Mr Corbell: I'm not sure what the process will be. I'm not sure whether it will be required this budget or in next year's budget. Either way, the bottom line is the government has approved the project, cabinet has signed off on this final alignment and the necessary steps will be taken to ensure that the Assembly's permission is sought for that additional expenditure.

THE CHAIR: You quoted a figure earlier of an expected \$93 million for the whole project. Is that \$4 million included in the \$93 million?

Mr Corbell: No.

THE CHAIR: So it's actually now \$97 million.

MRS DUNNE: It's very close to the \$100 million you talked about last July, Minister. In the capital works outlined on page 178 of BP 4, \$2.8 million is projected to be expended this financial year on the Gungahlin Drive extension component and \$1.3 million on the Caswell Drive extension component of this project. I've asked these questions together because I think that that is rational as they are one continuous project because of the conflation of the timetables on them. What was this money spent on? What was this \$4.1 million spent on?

Mr McNulty: It's been spent on a range of things, Mrs Dunne. The studies, obviously, have used a significant portion of that. Public consultation processes and the arrangements that had to be made for those, publications, project staffing costs, the additional studies we've undertaken since the NCA study and also a proportion of the Barton Highway interchange.

MRS DUNNE: How much of it was actually roads and how much of it was studies and public consultation on what turned out to be a doomed project?

Mr McNulty: The cost of the work on the Barton Highway interchange was \$1.5 million. That came out of the Gungahlin Drive extension.

MRS DUNNE: That was \$1.5 million of the \$2.8 million.

Mr McNulty: And the rest of it is studies, consultation, publications and staffing.

MRS DUNNE: That's \$2.6 million altogether, because there's \$1.3 million in Caswell and the remaining \$1.8 million in Gungahlin.

Mr McNulty: If that's the maths, yes.

MRS DUNNE: So that you, Minister, have spent \$2.6 million in the current year on consulting on something, putting out maps and CDs, running a web page and various other things and there have been countless community meetings on something that hasn't eventuated.

Mr Corbell: No, not entirely. Some of that consultation would, obviously, have involved consultation on the alignment to the west. Equally, consultation has occurred this financial year on the alignment to the east and, regardless of which alignment, extensive consultation and analysis have occurred at Aranda, which is not impacted by either alignment. It's still the same issue that needs to be addressed.

MRS DUNNE: Sorry, is not impacted—

Mr Corbell: The point I'm making is that we would have had to consult and analyse irrespective of the alignment.

MRS DUNNE: This is probably a question for Mr McNulty. Is this quantum of money the sort of thing that you would expect to spend on public consultation on the building of a road and is that usually budgeted for in the capital works?

Mr McNulty: Clearly, on a project of this magnitude there is extensive public consultation required, and we don't think that's out of the ordinary—and yes, it's a legitimate project cost.

MRS DUNNE: When people look at \$32 million for Gungahlin Drive, the common man test, they tend to think of that in terms of the black stuff, the tarmac, and perhaps the engineering studies that go with that, yes, but, as a for instance, when in the preparation of another road in Canberra would you have spent anything like that amount of money,

\$2.6 million, on public consultation, grossly speaking? I mean, there's a whole lot of components to that, but when would you have spent \$2.6 million or anything like that on public consultation?

Mr Corbell: Mrs Dunne, I think it's important to note that this is not just any other road; this is a very big road and a very controversial road.

MRS DUNNE: Yes, I understand all that.

Mr Corbell: It's a significant capital works project which in its first stage was budgeted to cost \$53 million, \$57 million now. That is a very large amount of money for a single capital work. I think you would struggle to find many other capital works of similar size or magnitude in the past five to six years in any government's capital works budget. So it is a large capital work. In addition to that, it is a controversial capital work and it would be necessary for any government to go through a detailed level of discussion, both in terms of technical analysis and in terms of community consultation. The government expects those to be conducted on a professional basis, a well-resourced basis. That's what we have done and that's what has been achieved through the efforts of staff in DUS.

MRS DUNNE: It's almost 5 per cent of the budget of the project. It seems to me—

Mr Corbell: That includes all the detailed technical assessments, the assessments required under the preliminary assessment, environmental studies, noise studies, emission studies, traffic flow studies. It includes the issues of particular interest to the AIS during the western alignment work and the issues of interest to Aranda residents during the western and the eastern alignment work. So it is a very detailed level of work and it's only responsible that you make that part of the total project cost because it all relates to delivering the project.

MRS DUNNE: I ask, Mr Chairman, for a breakdown of what was spent and out of which pockets of money. I presume the money spent on Aranda came out of the Caswell Drive end.

Mr McNulty: You want a breakdown by precincts, almost.

MRS DUNNE: I want a breakdown of the two figures in the budget.

Mr Corbell: We can do that.

MRS DUNNE: And I want to know what was spent on the various projects.

Mr Corbell: Yes, we can do that.

THE CHAIR: I think we should thank Mr McNulty and release him to go further afield and do other things. Is it possible for the maps to remain for closer scrutiny later?

Mr McNulty: Yes, but we will need them back.

Mr Corbell: That's part of the cost, Mrs Dunne.

THE CHAIR: We will move to planning in the large and take questions concerning the overview and capital works on general planning issues.

MRS CROSS: Minister, at a public forum on Tuesday of this week, you announced that the government was going to focus on the revitalisation of Civic, including the building of a new convention centre, which is great, but I don't see any budget allocation for streetscapes, roadworks, the proposed section 56 or the new Griffin Centre.

Mr Corbell: The proposed section 56 and the new Griffin Centre are funded by the private sector developer, Queensland Investment Corporation. They are not costs to the government. The new Griffin Centre is being built almost entirely at the cost of the private sector development, apart from some additional provision which is in the Department of Education, Youth and Family Services budget.

MRS CROSS: To the tune of?

Mr Corbell: I can't recall off the top of my head, but it is in the budget papers. So there's no capital works there. Those capital works will be financed and built by the private sector developer and handed to the government as an asset.

In relation to street furniture and upgrades of other public spaces, the commitment the government has made in this budget is, I guess, at two levels. In terms of the strategic planning, which is what I was referring to at the Property Council lunch, I think you're probably referring to, on Tuesday—

MRS CROSS: Yes.

Mr Corbell: I was referring to the government's commitment to establish and create in partnership with industry a plan for Civic itself, something for which the Property Council has been calling for a number of years and to which this budget allocates \$1.5 million over the next four years for delivery. In terms of public space improvements, there is an ongoing program of public realm and public space improvement. That's not my responsibility; it's the responsibility of the Minister for Urban Services, Mr Wood. I think the most obvious and most recent example of that is the upgrade of Hobart Place.

MRS CROSS: Can you advise the committee when the project that's known as section 56, which includes the Griffin Centre, will commence?

Mr Corbell: I'll seek some advice on that for you, Mrs Cross.

Mr Hawkins: Members, my understanding as it stands today is that the final implementation plan approval has been issued conditionally. The next step is a DA for site works. The project plan would see some initial site works. Preparations for realignment of the roads in the master plan may start within the next two to three months.

MRS CROSS: So the Queensland Investment Corporation has already got its act together and followed through with the process; is that right?

Mr Hawkins: Yes, that's right.

MRS CROSS: That's good.

MRS DUNNE: Has a lease been signed? Has a lease been granted to QIC for the land?

Mr Corbell: I'll just ask officers from the land group to provide that advice.

Ms McKinnon: A lease has been issued over the bulk of the property. The segment that's currently occupied by the Griffin Centre, a lease has not been issued on that yet because of the negotiations that have been taking place between QIC and the agency responsible for the Griffin Centre and they're just looking at, I understand, the timing in relation to when the lease for that final part of the land that's been purchased would be granted to QIC.

MRS CROSS: So the delay is coming from QIC?

Ms McKinnon: No.

MRS CROSS: Locally?

Ms McKinnon: No, the delay is because of the consultation that's occurred over the changes to the new Griffin Centre which will be built on the land they have already purchased and already have a lease for, but the existing Griffin Centre land will be part of the final lease granted to QIC. It's for the existing Griffin Centre, that area of land, that a lease hasn't yet been issued, but I understand it will be shortly.

MRS CROSS: Isn't it unusual for a project like this to stall for six years?

Mr Corbell: I don't believe it has stalled for six years. I can't comment on the processes that occurred prior to this government's election, but certainly since this government's election, and I think it's important to stress that the decision to award the tender occurred under the previous administration, the focus has been on resolving outstanding issues. Negotiation, particularly around the future of the Griffin Centre, which has been an issue of considerable community interest, has been a key reason for the timing in relation to finalising leases, as Ms McKinnon has outlined.

MRS CROSS: Can you tell the committee what budgetary impact this delay has had on things like stamp duty?

Ms McKinnon: The purchase price for the remainder of the lease is approximately \$2.5 million and that's the only part that hasn't been paid by QIC. The remainder of the block, which was in excess of \$12 million, has already been paid by QIC and relevant stamp duty paid, so it's a fairly small amount in relation to stamp duty.

MRS CROSS: And why has the \$2.5 million not been paid?

Mr Corbell: Because they haven't purchased the lease yet.

MRS CROSS: Do we have some indication of a time line as to when we will see the actual development commencing?

Mr Corbell: I think Mr Hawkins has indicated that initial site works will occur, we anticipate, within the next two to three months.

MRS DUNNE: What was the original tender offer made by QIC in money terms?

Mr Corbell: That was a process conducted by the previous government. I don't know under what conditions those offers were made to the previous government.

MRS DUNNE: You answered this question last year. I asked this question on notice last year and you did actually give a figure.

Mr Corbell: So why are you asking me again, then?

MRS DUNNE: Because I can't remember off the top of my head what it is.

Mr Corbell: Okay. I'm sorry, neither can I, Mrs Dunne. If it has already been answered, I'm happy to provide the information again. If it hasn't already been answered, I'll need to clarify exactly on what basis that information was provided to the previous government and whether it can be revealed.

MRS DUNNE: What moneys have been paid out so far in relation to the lease over what used to be known as section 56?

Mr Corbell: I think Ms McKinnon just indicated that approximately \$12 million has been paid.

MRS DUNNE: Sorry, I missed that. And there's a balance of \$2.5 million.

Mr Corbell: That is correct.

MRS CROSS: Minister, how many commercial and residential units are proposed for the site?

Mr Corbell: Again, I don't have that information immediately to hand, but it's widely available. In fact, it was considered by the Planning and Environment Committee in the current Assembly. I think Mrs Dunne's committee—

MRS CROSS: Could you take that on notice and provide that answer to the committee, Minister?

Mr Corbell: Certainly.

MR HARGREAVES: I wasn't aware that there would be a two-stage process and that the Griffin Centre itself was the second stage of the process. I am curious about whether any transitional arrangements have been put in place for the current tenants of the Griffin Centre and they will move into other premises and it will disappear.

Mr Corbell: Actually, Mr Hargreaves, the new Griffin Centre is the first building that is required to be built, so what that means is that the existing tenants of the Griffin Centre will remain in the Griffin Centre, in the existing building, until the new building is completed, and then they will move across. That was a requirement set up when the process was first agreed between the territory and QIC.

MR HARGREAVES: So there has been, in fact, priority consideration of the community groups which are sitting up in the Griffin Centre at the moment and they will look after those people before they look after the people who are yet to access whatever other facilities there will be there.

Mr Corbell: Yes, absolutely. I mean, the requirement for this development, and it's a very large development, is that the retention of the community space is paramount. The government is paying some additional moneys to augment the total amount of floor space being provided and the new Griffin Centre will be the first building built, so it's a very significant commitment by both the government and the investor.

MR HARGREAVES: I don't know who will be actually going into the Griffin Centre, whether it will everybody or just some of them. Does that include the 2XXX people?

Mr Corbell: I have to say that it's not an area that Planning has responsibility for. We're responsible for the development control issues, but the actual tenancy issues are managed by Mr Wood or Ms Gallagher.

THE CHAIR: I suspect it's Ms Gallagher.

Mr Corbell: No, I'm sorry, I think it's actually Mr Wood now under the new Department of Disability, Housing and Community Services.

MR HARGREAVES: The reason for the question was twofold. One was to find out what was happening with the radio station. Certainly, I will take it up with Mr Wood at some other time. But I didn't know whether any special treatment was needed in terms of broadcasting, whether they just tap into a phone line and it comes off Black Mountain or they need a set of aerials, and whether that sort of issue in terms of the skyline and everything else was an issue for Planning.

Mr Corbell: I think it would be fair to say that if they can operate out of the old Griffin Centre they can operate out of the new one.

MRS DUNNE: I have a final question on the section 56 development. Mr Hawkins, you said before—correct me if I'm wrong; I may have misheard you—that you're expecting a DA on preliminary works. Has the DA for the project been launched, or is there to be more than one DA for the project?

Mr Hawkins: I expect there will be a series of applications, as there have been, frankly, over the last few years. A lot of the questions today that members are interested about the timeframes for major development, you could look back on reflection and attribute in the main—there are many factors; business decisions by the players themselves—to the method of sale, which was not fully preplanned at the time of sale. It depended upon a range of competitive proposals, which then subsequently needed to be converted to

a master plan, which then subsequently required a Territory Plan variation, which then subsequently must have a detailed, in a sense, business plan, detailed implementation, which is a subdivision of the site which has now been approved, and conditionally, deal with all the tree issues, go through all those steps. The sequence of the layering of the details ultimately gets you to the point where you convert all that to the formal development application, which puts in place the subdivision and enables the initial site works to occur. The staging of detailed development plans for each building will probably come in a series of sequences after that as well.

MRS DUNNE: So there's no one big DA for the project.

Mr Hawkins: They're delivering over a series of stages in times consistent with a master plan. Probably the critical foundation point was the master plan for the site. I think it's probably a good thing that that was fully exposed and reviewed through the Assembly committee with the Territory Plan variation. So that's now fully exposed in the public arena and it's now really a detailed stage implementation.

MRS CROSS: Mr Hawkins, the information that I have, and correct me if I'm wrong, is that this process, and I'm very new to the planning process in this Assembly, has gone on far longer than we would normally have allowed other projects to go on for because one of the shareholders of QIC is the Premier of Queensland—that's the information that has come to me—and that the reason we haven't insisted that it be completed in a timely fashion is that we're cutting him some slack. Is that right?

Mr Corbell: I think that's pretty over the top, Mrs Cross. The suggestion is that it is because the Premier of Queensland is a shareholder. He's a shareholder because it's a government-owned organisation. QIC is, essentially, the Queensland public service's superannuation fund. It's a very effective fund and it's the reason the Queensland government doesn't have any accrued superannuation liability, because this is the way they've chosen to manage their finances.

MRS CROSS: I notice that Ms McKinnon shook her head. Was I wrong in saying that this has gone on much longer than it should have?

Mr Corbell: But I think the point to be made is that there are requirements, once a lease is issued, for development to occur within a particular timeframe. But it has taken a considerable period of time to get to the point where a lease can be issued. The negotiations have been quite complex and have taken a period of time, but in terms of the statutory requirements that construction take place within a certain time of the leases being issued, I don't believe that QIC have any problem in that regard.

MRS CROSS: When was the first lease issued, Minister?

Mr Corbell: I'll take advice on that. But what's the normal period?

Mr Hawkins: The leases will have staged steps, depending on the nature of some of these sites, and typically we're after normal residential construction all done and concluded within two years and started within 12 months.

MRS CROSS: Were you in the department when this happened, Mr Hawkins?

Mr Hawkins: I've certainly been here—

MRS CROSS: You can't recall. It's such a big project; it's not a little one.

Mr Hawkins: I guess that's the evidence of it. No, I can't recall all the details. We're happy to take it on notice and get it for you.

Mr Corbell: I am happy to provide you with the information on when the lease was issued, Mrs Cross, and what staging requirements there are, if any, in the lease.

MRS CROSS: Thank you, Minister.

Mr Corbell: The lease, I should note, is publicly available. All leases are registered and publicly available for anyone to have a look at through the Registrar-General's Office, but we will provide that information to you.

MRS CROSS: The committee does have a mandate to ask for that information.

Mr Corbell: Absolutely.

Ms McKinnon: I just wanted to add a point to Mr Hawkins' point about normal residential and normal times. This is a very large development and stage 1 was not residential, which it may very well be on a large block like this. Stage 1 here happened to include the Griffin Centre. The negotiations, the government actually twice decided to extend the parameters from the original tender documentation to change the new centre. Those negotiations have been going on almost the whole time and only recently have been finished. So, in terms of QIC holding it up, it really hasn't. I don't think blame can be attributed to undue delays caused by them. No, I think it's a natural process whereby the best result for the tenants of the Griffin Centre was being sought by government.

MRS CROSS: And is six years an average time for something of this size to lag on?

Mr Corbell: I don't think you can characterise it in terms of averages. I think the bottom line is that large development projects have a very long lead time, because if they are to be successful you require a high level of consensus. That's certainly the experience with Kingston. Kingston took a very long time, in terms of the planning and the discussion, both formally through the Assembly's processes, with the NCA and with the community. It's only now that you're starting to see buildings coming out of the ground at Kingston. That's not unique to the ACT. It happens in many other states as well.

Short adjournment.

THE CHAIR: We'll reconvene the meeting. Mrs Cross has a question on communications.

MRS CROSS: I've had some communication from contacts of mine from the Gungahlin Community Council, and I think the communications problem in Gungahlin has been a concern of yours and of everyone in this Assembly. Members of the Gungahlin Community Council attended a presentation by TransACT's CEO recently, and they

conveyed to me some of the observations and comments made, which I'd like to put to you, Minister. Can you advise the committee where the Gungahlin area stands with communications?

TransACT advised the community council that they face problems in a number of areas, one of which is the cost of connection. The figures that were mentioned were between \$2,000 and \$3,000 per household for connection to an aerial cable. That was the one area. Another was that PALM and the government had placed a restriction on the diameter of the aerial cable, which meant that TransACT could not provide 100 per cent service in areas that had been cabled up, because the capacity of the cable was exceeded if the number of customers that connected was too high.

Mr Corbell: I'm not familiar with the details. I'll ask Mr Hawkins to give you a little bit of background.

Mr Hawkins: Mrs Cross, I am familiar to the extent that we introduced planning guidelines on cable diameter. Some of these have been in place for a good five or six years, after the initial trials, investigations and analysis of visual impact—a much debated issue in many other major cities. Not surprisingly, in the wonderful landscape city of Canberra, it may be argued by some that we've taken a conservative approach to ensure that the aesthetics are appropriate for our city. We are monitoring and managing that.

Some of the contact we've had with TransACT goes back some time. I can recall applying that guideline in Fyshwick, where it may not be as critical to those aesthetic objectives that we had. There is a background to the reason for setting a standard and monitoring its application in practice. On the specifics of Gungahlin, I'm not up to date with the issues of the meeting you talked about. We'll be happy to explore that a bit more, depending on your interest.

MRS CROSS: I'll continue with this because it is an important issue—the government has had a number of meetings out there, both at a local and a federal level. But before I continue, I want to touch on your comment on the aesthetics. Aesthetics are important but, if they interfere with the functionality and efficiency of communication, we need to first ensure that we deliver the product and the service and then work out a way to deal with the aesthetics after that—or simultaneously.

I understand that TransACT is attempting to find an alternative or an option. I've been told here that it is exploring a new connection model, whereby it lays a fibre to the remote integrated multiplexes that Telstra has used for rollouts in new areas—in this instance, Gungahlin, but they also refer to Jerrabomberra. TransACT envisaged rolling out its own fibre connection to each RIM and then using the Telstra copper to connect to customers, subject to the quality of the last-mile copper.

TransACT believed it could still deliver 52 MBPS downstream to its customers. However, there were two major issues: (a) negotiating with Telstra to gain access to the RIMs and the last mile copper—Telstra opened negotiations with a price line of \$40 per month—and (b) the quality of the last mile copper, which Telstra refused to warrant or guarantee.

The difficulties came into it when TransACT responded to the Telstra offer of \$40 a month for line access with a proposal to buy the Telstra CAM in the Gungahlin and Jerrabomberra areas with a lease-back price of \$40 a month for any line that Telstra wanted to use to deliver services to its own customers. TransACT doesn't think that Telstra will take them up on this offer, so Telstra seems to be the stumbling block to TransACT being able to provide a full service to Gungahlin—yet again.

Now all TransACT needs is to get access to the Telstra CAM at a reasonable price and for the quality of the copper from the RIM to be good. That will do for now. I think the concern Gungahlin has is this, and I think that this goes into a number of areas. I wasn't here yesterday morning to deal with ACTTAB, but I understand that the communications issue has affected the standard of service that organisations like ACTTAB can offer because they're limited in what they can do.

Minister, is this government assisting TransACT by negotiating with Telstra to stop the obstructionist attitude? Telstra appears to have an obstructionist attitude to TransACT being able to offer its services in full. Can you advise the committee what this government is doing to assist in that area?

Mr Corbell: Sure. The government has taken a very strong interest in the issue. That said, I'm not for a moment seeking to defend Telstra or TransACT, because they are not entities which the government has any real control over—although TransACT is to a degree. But the government is not a major shareholder; it is a minority shareholder. It certainly has no control over Telstra.

Mrs Cross, what you have raised is the issue of competition between different telecommunication providers in terms of access to underground pipes and the cost of that access. That's a matter between those two providers and, if necessary, the ACCC. The government's approach has been to facilitate, as sparsely as possible, any necessary land or infrastructure provision that the telecommunications providers need, which it is our responsibility to deliver or co-ordinate.

For example, the Gungahlin Development Authority has been closely involved with Optus in facilitating a new mobile phone tower within the Gungahlin central area. The government, through PALM, has been closely involved with all of the mobile phone carriers in facilitating the identification of future sites for mobile phone towers to ensure that there is adequate network coverage in Gungahlin.

Of concern is not just dial-up and broadband access but also mobile phone coverage, which is pretty ordinary in some areas. We will continue to do that with all of the carriers. If they need land for facilities, we will go through the appropriate processes. If they need planning approvals, we will facilitate those through the appropriate processes.

Our focus is on making sure that at our end, in terms of approvals and otherwise, we are doing things in a speedy and effective way and keeping the pressure on the carriers to deliver the standard of infrastructure Gungahlin residents deserve. The fundamental issue is that carriers have not invested adequately in their infrastructure in Gungahlin.

MRS CROSS: Minister, you say you're concerned about it and that you've identified what the problems are. How can you approve, say, ACTTAB going out there? How can it perform at 100 per cent efficiency and output when it doesn't have that in communications ability because the communications ability isn't there? How can you look at addressing Gungahlin's infrastructure needs when the basic requirements are not there to fulfil your commitment to meet those infrastructure needs?

I'm aware that members of your party, both local members and members of the federal opposition, have gone out to Gungahlin and make that an annual or biannual visit. But in order for you to put your money where your mouth is, it is important that you lobby Telstra. TransACT isn't the issue. TransACT is trying to deliver its services to Gungahlin. What are you and your federal counterparts doing to address the fundamental problem of overall infrastructure in Gungahlin with Telstra?

Mr Corbell: I'm not here to speak for my federal colleagues, but I do know that they, particularly Senator Lundy, have been very active on this issue. She has pushed Telstra very hard, through Senate estimates and through all of her informal networks, to get them to deliver. The Chief Minister and I have also spoken on behalf of Gungahlin residents and lobbied Telstra to lift their game—and, indeed, the other carriers who need to lift their game. Telstra is always the obvious culprit because it is the biggest, but there are other carriers that haven't delivered good service, particularly in mobile coverage.

THE CHAIR: What was Telstra's response to your lobbying?

Mr Corbell: Telstra say they are developing a response, which they will be announcing shortly, that will address a range of these issues. They won't disclose what that is, certainly not in the discussions that I've had with them, but I understand that they are nevertheless very close to delivering an improved facility. The government has received a request from Telstra for a parcel of land to build a new facility of some sort, and we are facilitating that at the moment.

In relation to ACTTAB, I'm advised that ACTTAB undertook the necessary risk analysis of their business operations prior to looking at relocating to Gungahlin. They determined that the risk profile was such that they could effectively operate their business from the new location.

MRS CROSS: Minister, you've responded to my ACTTAB comment before. My understanding is that ACTTAB's initial requirements/criteria for being able to operate in Gungahlin were reduced at the government's direction/request in order to be able to move out there. ACTTAB had a list of requirements in order to function to its full efficacy, and the government said, "Sorry, we can't meet that. You've got to reduce it. If you reduce it, we can put you out there." That is what they did because they wanted to be out there.

That means that there is a semifunctioning organisation, which means that Gungahlin is continually going to be offered semistandard services. It's nice to be able to say, "We're creating jobs; we've got a place like ACTTAB." That's great. It sounds good on the face of it, but it's no good if it's not functioning as well as it could in other areas. Gungahlin needs a fully functioning communications infrastructure. What are you doing to address

that, and is it true that you reduced ACTTAB's criteria in order for them to be able to set up there?

Mr Corbell: These questions are more rightly delivered to the Treasurer. I am not responsible for the day-to-day oversight of ACTTAB.

MRS CROSS: What about from a planning point of view?

Mr Corbell: From a planning point of view, I think I've answered your question. The government is working speedily to ensure that, wherever possible, the necessary planning approvals and provision of land are in place so that an effective communications infrastructure can be delivered to the Gungahlin community.

MRS CROSS: You've just given me the opening. You are the one that said a few minutes ago that your government met the criteria that ACTTAB needed to open there.

Mr Corbell: Mr Harris is here as Chief Executive of Treasury because he is the Chief Executive reporting to me on land development, and that's why he's here today. It's fortunate that he's also responsible, through the Treasurer, for advising the government on government business enterprises, including ACTTAB.

MRS CROSS: So can I ask Mr Harris?

Mr Corbell: Through you, Mr Chair, I don't think it's reasonable to get into detailed questioning about ACTTAB when the responsible minister is not here.

THE CHAIR: Mr Corbell, you spoke about a block for Telstra. Where is that?

Mr Corbell: Telstra have made a request, which is being considered by cabinet at the moment.

THE CHAIR: What suburb is the block in?

Mr Corbell: It's in Gungahlin.

THE CHAIR: Is it in a suburb?

Mr Corbell: Well, it's in Gungahlin.

THE CHAIR: Is it in a suburb in Gungahlin?

Mr Corbell: Gungahlin is a suburb, Mr Smyth.

THE CHAIR: So it's in the suburb of Gungahlin. It's in the Gungahlin Town Centre.

Mr Corbell: The matter is under consideration by cabinet, and I don't believe it's appropriate for me to reveal further details until cabinet has considered it.

THE CHAIR: When will that decision be made?

Mr Corbell: Very shortly.

MRS CROSS: What's the definition of "shortly"? Because I'm new I don't know what that means.

Mr Corbell: Very shortly.

MRS CROSS: A week? A day? A month?

Mr Corbell: I can't predict the outcome of cabinet process at this stage.

THE CHAIR: On page 205, output class 4.1, territory planning, the target and estimated outcome for 2002-03 for one of the measures of quality and effectiveness, acceptance of plan variations submitted to the executive or the Assembly, are less than three disallowed/returned per annum. In this morning's paper I read that DV 200 is coming to the Assembly unamended.

MRS DUNNE: Largely unamended.

THE CHAIR: Largely unamended. Why haven't the government or you, as minister, taken on board the excellent recommendations of the planning committee?

Mr Corbell: The planning committee took the approach, at first, that the government should not proceed with the variation. They then said that, if the government chose not to accept that recommendation, it should consider a range of other things. Given that variation 200 reflects a significant element of the government policy that was taken to the community at the last election about protecting garden city characteristics, we don't agree with the recommendation that the variation should not proceed.

The government then looked in detail at the recommendations the committee made, and it's fair to say that a large number of them don't relate directly to draft variation 200 but deal with issues not specific to the variation, such as spatial planning and neighbourhood planning. Insofar as they don't relate to variation 200, they don't require amendment to variation 200. Of those that relate to variation 200, the government has accepted one key recommendation, which is the minimum block size requirement for dual occupancy development. We have not accepted the remaining recommendations that deal with draft variation 200 itself.

THE CHAIR: I'm concerned by comments attributed to you in the *Canberra Times* that, if the variation is rejected by the Assembly, the government will do nothing further because it will end up too close to the election. How can you say as minister that you're happy to go back to the planning regime that the Liberal Party had and not do anything for almost 17 months?

Mr Corbell: If the Assembly chooses to reject variation 200, then the Assembly is saying that they don't like this new regime and they would prefer the old regime to the new regime. All members of the Assembly understand the consequence of disallowing variation 200. A disallowance of variation 200 would mean that the previous policies would continue to have effect. So, if the Assembly votes to disallow variation 200, it will be saying it believes variation 200 is not as good as the previous planning policies.

If that's the decision of the Assembly, then the government will have to seriously consider whether it is prepared to go back and have that discussion again with the Assembly, given that we're just over halfway through the term and given that this last round with variation 200 has taken over 12 months, from its initial conception and development to the point we're at today.

THE CHAIR: So you, as minister, who in the lead-up to elections said that Liberal planning policies would destroy the garden city nature of the capital, have had your own plan possibly rejected by the Assembly. I won't pre-empt what the Assembly does, but you've already made the comment that, if the Assembly rejects your way, we'll go back to the supposed destruction of the garden city as we know it. Aren't you therefore being negligent as minister?

MR HARGREAVES: They are both stupid comments.

Mr Corbell: That is largely hypothetical, but I will make clear what my position is.

THE CHAIR: It's not hypothetical. Are your comments in the paper correct?

Mr Corbell: It will be the Assembly deciding what the land use policies are; it will not be the government.

THE CHAIR: Which is always the Assembly's right.

Mr Corbell: It will be the Assembly deciding what the land use policies are. If the Assembly decides that the previous land use policies are better than variation 200, that's a decision for the Assembly.

THE CHAIR: But you won't fight it.

MR HARGREAVES: I don't think you need to answer that.

Mr Corbell: The government has put forward its proposal, and its proposal is a significant improvement. One example is increased private open space provision to ensure that there is more room for gardens and space for private use as part of any development. That is far more rigorous than your government's planning policies.

THE CHAIR: It is not as generous as ACTCode 2.

Mr Corbell: I don't believe that is correct, Mr Smyth.

THE CHAIR: That's my reading of it. Your interpretation, my interpretation.

Mr Corbell: Let me finish the answer. Another example is a guarantee that people get solar access on their northern boundary, and there are very tough controls on overshadowing—far better than whatever existed in the territory before. There is also a ban on basement car parking and loft development in suburban areas, so that you don't have de facto three-storey development in a two-storey area.

There are new controls on the building envelope, to control the overall size and scale of buildings, which are far more rigorous than those proposed by the previous government. There are new controls on dual occupancy development, through a sliding scale plot ratio, to make sure buildings don't crowd out the block. These are all substantive improvements on the policies of the previous government. If the Assembly decides they don't want those things, which are an improvement—

MR SMYTH: In your opinion.

MR CORBELL: They are factually more onerous than the previous policies. In terms of the constraint on development, they are an effective mechanism to protect garden city characteristics. Mr Smyth, if the Assembly decides it prefers the more lax policies of your administration, the Assembly will have made its decision on land use policy.

THE CHAIR: Minister, the Assembly made a decision to delete from the Territory Plan the western road option for the Gungahlin Drive extension—something you disagreed with but refused to accept. You continued to say you would build on the western alignment, and you've now used up 18 months of the term of your government to go through a process that finally led to the conclusion that we'll go east. That was a decision made by the Assembly. The Assembly voted to remove that, and you chose not to accept it. If the Assembly rejects the very arrogant statement that you can have all or nothing, why will you —

Mr Corbell: I didn't actually say that.

THE CHAIR: I asked you to clarify whether your comments were accurately portrayed in the *Canberra Times*, and you seem to be saying here that there is a take it or leave it option. "I'm going to present the only option on behalf of this government. If you don't accept it"—which you could almost characterise as blackmailing the Assembly—"we won't do any further work."

If, as you claim, the previous government's policies were more lax—and I point to your part in sending ACTCode 2 out for further referral and then the abandonment of ACTCode 2—why is it you will do nothing if this is rejected by the Assembly?

Mr Corbell: It's highly hypothetical, but if the Assembly does reject variation 200, then the government will always reserve the right to go to the community at the next election and say, "We want to do this." The political judgment for the government is whether we are prepared to take the risk again when the Assembly has clearly said it prefers the previous policies to our policies. Or should we wait until the next election, which is what we did with the Gungahlin Drive extension?

MRS CROSS: Minister, a lot of time and effort has gone into DV 200. Isn't it possible, for the benefit of the community, that you and your colleagues reach a compromise to find some middle ground? It would be such a shame to have done all this work on such an important draft variation and have a stand-off at the OK Corral. You're committed to planning, but you say that it's this or nothing. I think we should find some middle ground. Isn't it possible?

Mr Corbell: That's the challenge in any planning debate, Mrs Cross, and I agree with you that it would be very disappointing to see this variation fall over, because a lot of work has been devoted to it by a lot of people—everyone from PALM through to the community through to industry. The difficulty for the government, though, is that industry organisations are saying to me that they don't like it because it's too restrictive and community and residents organisations are saying to me that they don't like it because it allows too much development.

MRS CROSS: That's far too simplistic, Minister.

Mr Corbell: I'm trying to characterise the debate, and that's the reality. Comments have been made before the Planning and Environment Committee, in the papers and on the TV that it will destroy the garden city. At the same time, industry has said it will stop development. Well, those are two very polarised views.

THE CHAIR: But not inconsistent. You can present them as polarised.

MRS CROSS: They're not inconsistent. Let the minister finish.

Mr Corbell: In terms of finding a compromise, some Assembly members have made clear, in discussions I have had with them, that they will not support this unless there is a ban on unit titling in suburban areas. Quite clearly, that is a proposition other people would find unacceptable—people who want to be able to unit title their blocks and people in the development industry. But some Assembly members are saying to me that they won't support the variation unless that's in there.

My argument to the Assembly will be this. This is an improvement. The Assembly may not like all of it, but it's an improvement on what we had. It's an improvement on the previous government's policies, and it takes substantive steps to protect neighbourhood amenity. If there are other elements of it that the Assembly is unhappy with, they can be further investigated and further variations to the Territory Plan can be made, as has been the case since self-government. But it is now time to decide whether to take a step forward, even though we know it's not perfect, or whether to go back to where we were. Essentially, that is the proposition that the government has put to the Assembly.

MRS CROSS: Aren't you going to engage at all in the recommendation made by the Planning and Environment Committee that we pursue this variation as long as these conditions are met?

Mr Corbell: We've engaged in that insofar as we've accepted the minimum block size—

MRS CROSS: But that's all.

Mr Corbell: which was a major issue of concern in the representations the committee and the government received from the community. The minimum block size was one of the outstanding key issues that community representatives raised. The residents of Downer were concerned that, if you went to a minimum of 700 square metres, their suburb would be full of dual occupancy developments. But they said 800 square metres

was more reasonable. The government has responded on a very key element, and I don't think you can underplay that.

MRS CROSS: What is the government's position on the number of dual oces?

Mr Corbell: The number of dual occupancies is governed by block size now. The 5 per cent limit will no longer apply.

MRS CROSS: So will it be assessed on merit, case by case?

Mr Corbell: To be eligible to apply for dual occupancy and to unit title, you must have a block of at least 800 square metres.

MRS CROSS: Has the government set a benchmark of how many it will approve in capital or per year?

Mr Corbell: No. Again, that is an arbitrary figure. It's a case of who gets to the front desk first at PALM. That's fine as an interim measure but not as a long-term measure. It's important to stress that there are a significant number of issues the committee did not address—DV 200 itself. They didn't specifically ask for DV 200 to be amended; they asked for other issues to be addressed as well.

MRS DUNNE: Before doing DV 200.

Mr Corbell: Before doing DV 200. The government obviously don't require amendments to DV 200. We believe they either have been looked at or will be looked at in a context that doesn't delay the implementation of variation 200.

MRS DUNNE: Minister, I want to follow up something the chairman asked you. The fifth paragraph of the report in this morning's *Canberra Times* reads:

Mr Corbell said it was a case of take it or leave it, saying if the Assembly rejected his proposal, planning regulations would go back to what they had been under the former Liberal government because the next election was too close to start the process all over again.

Did you say it was a "take it or leave it" proposition?

Mr Corbell: I don't remember saying that.

MRS DUNNE: Do you think that it's ironic—

THE CHAIR: Well, is it a take it or leave it proposition?

Mr Corbell: I've outlined to you this morning what the government's proposition is.

MRS DUNNE: Minister, you have said a couple of times lately in relation to this that it's a take it or leave it proposition.

MR HARGREAVES: Is that a question?

MRS DUNNE: This is a question.

MR HARGREAVES: Well, phrase it like one, please.

THE CHAIR: Mr Hargreaves, speak through the chair if you have a problem.

MR HARGREAVES: I do have one, Mr Chair, but your attention was elsewhere.

THE CHAIR: There is always a large amount of latitude. Members have given sermons—indeed, yesterday afternoon—that weren't even accurate.

MR HARGREAVES: Indeed, your good self for a good half hour.

MRS DUNNE: Minister, it has been reported on a couple of occasions lately that you have said it's a take it or leave it proposition. It's reported in this morning's *Canberra Times* that you said it, and you said it over the Kippax library proposal some time ago. Don't you find it ironic that you should be telling the Assembly, or the community, that these issues are take it or leave it propositions when you objected—in those very terms—to the federal minister for health making take it or leave it propositions to you over the Health Care Agreement?

Mr Corbell: That is an interesting debating point, Mrs Dunne. First of all, I don't accept your proposition that I've said, "take it or leave it" over Kippax. The government has put forward a proposal, which is subject to community consultation and feedback, and it's not the final proposal.

MRS DUNNE: It seems the *Canberra Times* got it wrong again, then.

Mr Corbell: You can't believe everything you read in the paper, Mrs Dunne. I would have thought you had learned the lesson a while ago. But to further answer your question, I've explained the position to the committee that the government believes variation 200 is a significant improvement. It is the nature of this sort of policy to be contentious; the only way not to have a contentious residential land use policy is to not change anything.

Change of this nature is always going to be contentious, but it is a significant improvement. It's a function of the Territory Plan process that the decision is ultimately one for the Assembly to take. The government puts a proposition to the Assembly, and the land act gives the Assembly the opportunity to say it doesn't agree with that proposition. That's the question I am putting to the Assembly.

MRS DUNNE: Minister, don't this process and the contretemps over draft variation 200 highlight some of the problems we are having in consultation over planning matters? It shouldn't be a problem to talk about this, because it is now outside the purview of the Planning and Environment Committee, so I can say this fairly openly. I think that the members of the Planning and Environment Committee put their personal views aside when they came to discuss this.

I'm wondering whether it is possible for PALM—or any organisation—to do that to the same extent that a committee might be able to, given that it is an organisation that is responsible for the genesis of the draft variation. It goes out and consults on the draft variation, and then it comes up with a final draft.

The experience my colleagues and I have had is that often there is very little change in what happens between the green paper version and the white paper version, irrespective of the amount of input that comes from the community and the amount of consultation. Moreover, the tone of the consultation report is: "Members of the committee have said this, but they're wrong. Members of the committee have said this, but they don't really understand the issues. We're planners and we do."

A lot of grievance comes to a committee like the Planning and Environment Committee. People want to have a fair hearing, and they don't feel that they get a fair hearing in the green paper/white paper process that goes with the draft variation. What insights do you have into how the process might be better handled in the future, and what insights do you have for bringing about, dare I say it, some amendments to the land act to better deal with this draft variation process? It goes through many times because it's uncontroversial. When it's controversial, it is a very fraught process.

Mr Corbell: First, it would be highly unusual in any jurisdiction if fraught planning issues did not become controversial. At the end of the day, planning is a political process—not big P in terms of parties, but political in that everyone has a view and is passionate about it—and so it should be. Decisions about how we use land should be made by the community, and the way the community makes those decisions in Canberra is through its elected representatives. That's how the land act is structured. It is entirely appropriate, and I wouldn't want to see it any other way.

The challenge is always to accommodate community concern and the technical analysis that underpins proposals. The government is working very hard to achieve this. For example, last night there was a neighbourhood planning meeting at EPIC for Downer, Hackett and Watson. Nearly 200 people attended and worked through the planning issues that affected their suburbs. It was a highly collaborative exercise, starting with a sheet of paper with the question "These are the issues, and these are the changing trends in the suburb. How do you want to manage that change?" Cities aren't static; cities change; cities evolve.

MRS DUNNE: This is not an answer to the question I asked, Mr Chairman.

MR CORBELL: With all due respect, Mr Smyth, it was a broad-ranging question.

MRS DUNNE: Mr Chairman, the question was really quite specific: what insights have you had for making the draft variation process better, and have those insights prompted you to think about amendments to the land act?

Mr Corbell: I'm giving you my insights.

MRS DUNNE: No, you're giving me insights about neighbourhood planning.

Mr Corbell: Fair go, Mrs Dunne.

THE CHAIR: I'm sure he's coming to the point.

Mr Corbell: Fair go. You have a wide-ranging, three or four-minute long question about my insights, and I'm giving you my insights, okay? That neighbourhood planning process is a highly collaborative exercise, and everyone who left that workshop last night thanked PALM for the way it was conducted, for the information they were given and for the opportunity they had to have their say. It is a very strong endorsement, first of all, that 200 people came out, on a pretty cold night, and spent three hours doing a neighbourhood planning workshop—not just listening, but also talking on issues—and congratulated people at the end of it.

The more we build that sort of thing into the decisions that underpin variations to the Territory Plan, the more likely it is that we'll get consensus on Territory Plan variations. The neighbourhood plans could very well determine the need for Territory Plan variations—for example, new area-specific policies for local shopping centres and higher density development around shops.

If a Territory Plan variation comes out of a neighbourhood process, it has obviously come out of a community-based process, so there is a high level of consensus. But that doesn't guarantee that everyone agrees with it or that there won't be controversy or that people will come to the Planning and Environment Committee and not complain about or be in opposition to something. At the end of the day, the best way to make these decisions is for the elected representatives of the community to say on behalf of the community how land should be used. That's what the government's doing with variation 200.

MRS DUNNE: In that case, Minister, when it comes to the Planning and Environment Committee unanimously making a recommendation, which is very broad range, and the number one recommendation is "Do not do this," how do you reconcile that with your statement that it should be left in the hands of the elected people? The elected people advise their colleagues that this should not be done, and you fly in the face of that recommendation.

It was not a pieced-together, compromise report. It was a unanimous report that started with the question: is it the minister's assertion that draft variation 200 is better than what was there before, and where does that come from? We came to the conclusion that it wasn't and that you shouldn't proceed with it—and you are flying in the face of that. You are flying in the face of your own insights right now.

Mr Corbell: No, I'm not. This is a political process, and the government doesn't agree. It's healthy and reasonable to say we don't agree with the recommendations. I don't want to pre-empt the outcome of the Assembly debate; I'll leave that for the debate, if there is to be one. We've outlined the reasons why we don't agree with the recommendations we haven't agreed with, and we think that the committee's view should be considered by all members of the Assembly. Ultimately, the Assembly will make the decision.

THE CHAIR: Minister, you mentioned earlier that the search was on for a new head of the new planning authority. What point is that at, and will that person be announced before 1 July?

Mr Corbell: I'm very hopeful that the person will be announced before 1 July. The government, in response to a recommendation from the Planning and Environment Committee, advertised widely—nationally and internationally—and has attracted a strong field of candidates. Interviews have been conducted, and the government is now considering the appointment.

THE CHAIR: Any announcement on that?

Mr Corbell: I don't have an actual date, but at this stage I anticipate it will be prior to 1 July.

THE CHAIR: Is the bringing together of the new planning authority progressing well?

Mr Corbell: Yes, I believe it is. Overall, the planning and land task force has been operating very effectively with PALM and Land Group—and the Kingston and Gungahlin development authorities as far as it relates to the new Land Development Agency. PALM, as an organisation, is programming, and starting, a series of functions, forums and events for its own staff in the lead-up to the new authority coming into being.

While PALM has had an enormous workload, in particular over the last six months, following the fire event, it has not only responded successfully to that but also continued to develop the government's reform agenda on a range of fronts. The activity of all the officers in PALM has been genuinely outstanding. PALM is a standout among government agencies when it comes to the volume of work it has been asked to do and the way it has responded to it.

THE CHAIR: The output classes on pages 205 to 207—and there are output classes for land as well—are all being discontinued. What reporting mechanisms will be put in place to allow the Assembly, particularly this committee, to scrutinise the authority in the future?

Mr Corbell: I'm glad you've asked this question, Mr Smyth. At this time, the authority, for the purposes of reporting, is constituted as a territory instrumentality. The reporting requirement for territory instrumentalities is significantly less than that for administrative units under the Public Sector Management Act and the Financial Management Act. I will be seeking the agreement of the Chief Minister to have the authority declared an administrative unit for the purposes of the Public Sector Management Act. Therefore, there is a flow-on effect through the Financial Management Act of a more detailed reporting requirement than has been put forward in this year's budget. In the longer term, that's the approach I wish to adopt.

MRS DUNNE: This is a pivotal issue, which I want to pursue. In Budget Paper 4 there are a range of discontinued measures, and there are no measures, no targets—no anything—for the upcoming financial year. We are an Estimates Committee looking at appropriation for the forthcoming financial year, and there are no measures there so that we can consider whether the appropriation set aside for the Planning and Land Authority is appropriate. Will this committee be given an opportunity to see those measures?

Mr Corbell: I am now seeking the advice of the Chief Minister to make the necessary changes under the Public Sector Management Act. If I'm successful in my request to the Chief Minister, I will be seeking the assistance of the Treasurer to make the necessary determinations under the Financial Management Act to provide for more detailed reporting requirements.

PALM has prepared those requirements. They were done prior to this budget, but it became clear putting together this document that the government, at that stage, had to create the authority as a territory instrumentality. Since that time it has become clear that we can make it an administrative unit and improve the reporting requirements. That's the process that's now under way with my request to the Chief Minister. I can't tell you whether the Estimates Committee receives that; it will depend on the Chief Minister's response.

MRS DUNNE: This government trumpets, and did so on a vast number of occasions in the run-up to the election, the fact that it is an open and accountable government. The Chief Minister was sitting in that very seat eight days ago saying it was. Well, I'm sorry, that sounds like a confection to me to escape the scrutiny of this committee. If you were an open and accountable minister, what would stop you from providing the new organisation with targets and things that you say have already been prepared in Planning and Land Management?

Mr Corbell: I'm quite happy to prepare them; the point I'm making is that under the existing—

MRS DUNNE: You said they're already prepared.

Mr Corbell: Yes, that's right, and I'm quite happy to provide them. The point I'm making is that they are not able to be presented in the budget, because the authority is a territory instrumentality. They are not part of the budget presentation. Nevertheless, I am happy to provide those to you, but they don't formally form part of the budget papers. In the future, subject to the Chief Minister's agreement, we intend them to form part of the budget papers.

A territory instrumentality, as the authority is currently composed, has to report in a particular way. That is what is reflected in the budget, and it is no different from the way the previous territory instrumentalities have reported in the past—the Gungahlin Development Authority and the Kingston Foreshore Development Authority. These are large and, in some elements, financially significant undertakings of the territory, which have had the same level of report requirement as is currently the case for the authority but which the government wants to change in the case of the authority because we believe it's appropriate that the Assembly has that level of detailed information.

THE CHAIR: A supplementary from Mrs Cross, then back to Mrs Dunne.

MRS CROSS: Minister, how much money does the Gungahlin Development Authority currently have in its coffers?

Mr Corbell: I'll have to ask the Gungahlin Development Authority that.

THE CHAIR: That's not a supplementary. Before we go to that question, we'll take the final questions over here.

MRS DUNNE: I'd like to know the chronology of the creation of the Planning and Land Authority as a government instrumentality and when you decided that you could change its status so that it reports more fully in the budget. That's one thing. Also, I would like to receive the targets and things, which have already been prepared by PALM, that the minister has undertaken he will provide, and I would like to reserve the option of calling the minister back to discuss those when they become available.

Mr Corbell: I'm certainly happy to provide the latter. In relation to the former, I'll provide a detailed chronology as best I can. Let me first outline to the committee what the process was from my recollection. It has always been my view that the authority should be a separate administrative unit. There are a variety of views within the government service—not the government, but the government service—as to whether or not it would be possible to create the authority as a separate administrative unit.

Establishing an administrative unit which, also, does not have a chief executive has not previously been done, and there was a view that in creating an administrative unit the government would effectively be creating a department. That was expressly not what the Assembly agreed to in establishing and passing the Planning and Land Act. So there was a debate as to how that should be addressed.

At the time the budget was required to go to print, the view was taken that the issues were quite complex and the safest thing would be to establish the authority as a territory instrumentality under the department ownership—or mothership, if you like—of the Department of Urban Services, and those reporting requirements would take place in accordance with a territory instrumentality.

Only in the past two to three weeks—subsequent to the budget being presented to the Assembly—have I received advice from my department that clarifies the situation. That advice involved discussions with officers in DUS and, in particular, officers in Chief Minister's Department. As a result of it, I have written to the Chief Minister outlining the situation and requesting that he make the appropriate determinations to establish the ACT Planning and Land Authority as an administrative unit.

MRS DUNNE: Didn't the task force that drafted the legislation and did all the pre-planning alight on this as a problem?

Mr Corbell: I had discussions with the task force about this matter. It was not anticipated to be a problem until it actually occurred. Then it was appreciated that it was more complex than it first appeared.

MRS DUNNE: This therefore seems to be a problem with the task force and the setting up of the authority, which leads me on to a whole lot of—

Mr Corbell: I don't believe it is. The reality was that there are different views within government of how the law can be interpreted. It's about how people view statutory authorities.

THE CHAIR: Has legal advice been sought to clarify it?

Mr Corbell: Yes.

THE CHAIR: And what did that advice say?

Mr Corbell: The advice was sought between the officer who prepared the advice for me and government solicitors. The officer who prepared the advice is a lawyer, and her advice to me was quite comprehensive.

MRS DUNNE: I'd like to ask some questions about the setting up of the Planning and Land Authority.

THE CHAIR: We'll try a different question here first, and we'll come back to that.

MRS CROSS: I've got some GDA questions.

MRS DUNNE: Are we going to do all the GDA, now or just general GDA?

THE CHAIR: It's all in the same area.

MRS CROSS: Minister, through you—and you can direct who can answer—my first question, which I've already given you a heads-up on, is: what budget does the GDA have and what money is left in that budget now?

Ms McGrath: In regard to the amount of cash the GDA has at the moment, I don't have an exact figure, but I expect it would be around \$12 to \$13 million.

MRS CROSS: Can you tell me if any of that money has been assigned to any particular projects?

Ms McGrath: The authority has a number of projects under way at the moment. Some capital works projects are under way, which we are funding from our own resources. We have been spending money on the construction of a road to service the new childcare centre that is currently being constructed by the government, on a small housing development adjacent to the town centre and on some land servicing works. We are also funding the development of the Yerrabi 2 land development project and our operations generally.

MRS CROSS: If you've got any leftover money, will it be moved over to ACT consolidated revenue in the next or current financial year?

Ms McGrath: The expectation is that in June the Gungahlin Development Authority will pay a dividend of \$33.5 million to the Treasurer and that we will retain funds that will, of course, go into the new land development agency. Our part of that is about \$10 million.

MRS DUNNE: Where is the \$33 million coming from?

Ms McGrath: The \$33 million will be from settlements of the sale of Horse Park 2 estate and settlements from the sale of the Woolworths, Big W, Coles-Myer and Aldi developments.

MRS CROSS: In monetary figures, how much does the GDA intend to contribute to the infrastructure of Gungahlin Town Centre this financial year?

Ms McGrath: This financial or next financial year?

MRS CROSS: This coming financial year.

Ms McGrath: For 2003-04 we have projects to the value of some \$7 million in the town centre and central area.

MRS CROSS: How much money has been used to pay for consultancies?

Ms McGrath: In 2003-04?

MRS CROSS: Yes.

Mr Corbell: Consultancy is normally dealt with through the annual reports.

MRS CROSS: It's all right; I can ask that question here.

Mr Corbell: It's difficult to project in advance the total cost for consultancies.

THE CHAIR: There must be a general figure.

Mr Corbell: There would be a general provision.

Ms McGrath: It's a bit difficult to give you a full breakdown, but our general administrative costs and the costs we expect to have for consultancies and marketing, et cetera, are about \$1.25 million.

MRS CROSS: It's a good learning thing for me—thank you for your patience, Minister and Ms McGrath. What process does your authority go through to tender for consultancies?

Ms McGrath: We follow the ACT government procurement guidelines, as we are required to do. Whether we go to a full open tender, a restricted tender—as in select tender—or single select depends on the nature of the project, the consultancy and the amount of the consultancy and exactly what the process involves.

MRS CROSS: Are these consultancies agreed on a handshake, a nod and a wink or a signature?

Mr Corbell: It's done according to the law.

Ms McGrath: Well, yes.

MRS CROSS: What is that, Minister?

Mr Corbell: There are laws regarding procurement in the ACT.

MRS CROSS: I'm new. I don't know what you know. Just tell me what we do.

Mr Corbell: I can't recall the specific act of the Assembly, but it's done according to the acts passed by the Assembly, regulations made under those acts and guidelines approved by the government.

MRS CROSS: Does that mean that you sign a contract and then the work starts? Ms McKinnon is nodding to that.

Ms McGrath: There are times when we have an acceptance of an offer—

MRS CROSS: Verbal?

Ms McGrath: No, written—and we can actually start some work, pending the final documentation being signed.

MRS CROSS: Right.

THE CHAIR: Are payments made before the contracts are signed?

Ms McGrath: There have been occasions where a payment would have been made before a contract is signed, but only in circumstances where we have a written bid, or tender, and an acceptance of that bid.

MRS CROSS: This question is for you, Minister. With the winding up of the GDA and its transition to the Land and Planning Authority, can you tell me how many staff will physically remain in Gungahlin in your new body?

Mr Corbell: To clarify, Mrs Cross, the GDA does not go to the Planning and Land Authority; it goes to the ACT Land Development Agency.

MRS CROSS: Thank you, Minister.

Mr Corbell: It's important to make that distinction. The Land Development Agency is effectively the government's commercial land development entity. In terms of staffing, management of that agency will be the responsibility of a chief executive officer, appointed by the board. I have proposed nominations to the board, which are with the Planning and Environment Committee at the moment. The board will be responsible for selecting the chief executive. Then the chief executive will make the decisions about management, but I anticipate in general that the existing element of GDA will still need to be in Gungahlin. It's a pretty small establishment. How many people are out there?

Ms McGrath: We have four staff and three consultants, if you like, working part time or full time for us.

Mr Corbell: So it's quite a small establishment in Gungahlin and, given that the project will need to continue to be managed and there will need to be a presence in the Gungahlin area, I anticipate that most of the staff would remain. The exact break-up and how that will work will depend on the new chief executive.

MRS CROSS: The board hasn't been appointed yet—we're looking at it.

THE CHAIR: So don't have a conflict of interest in asking this question!

MRS CROSS: No, I'm asking this as an estimates member, a person, deputy chair.

THE CHAIR: All of the above.

MRS CROSS: How many of the people that you've nominated live in Gungahlin?

Mr Corbell: As far as I know, none of them live in Gungahlin.

MRS CROSS: Oh.

Mr Corbell: And a number of them don't live in Canberra.

MRS CROSS: Oh.

Mr Corbell: But that's not the requirement. The requirement under the act is that I appoint people with particular expertise and not according to their residency.

MRS CROSS: Expertise is an interesting issue, which we'll cover another time. How much revenue was received for the following blocks in Gungahlin Town Centre: block 10, bought by Aldi; block 13, Coles; and block 14, Woolworths and Big W?

Ms McGrath: Those figures are public. I will provide you with the exact amount, but I can give you an indication of what that is.

MRS CROSS: While you do that, Ms McGrath, can you give me the area of each block in square metres?

Ms McGrath: I'll have to take that one on notice. The return to the authority from the development of Big W on section 14 will be around \$6 million, and the return from Coles-Myer on section 13 will be about \$4.5 million. The revenue from Aldi will be in a couple of different stages. The first stage, which will comprise the Aldi supermarket and some retail and residential, will be \$1.8 million. Subsequent stages, depending on the success in leasing up those areas, will be about \$1.5 million, which will probably occur within five years.

MRS CROSS: Just bear with me; I'm still a rookie at this. Block 14, which went to Woolworths and Big W, sold for \$6 million.

Ms McGrath: No, that's the return to the territory—or the authority.

MRS CROSS: Okay, so you'll me know what the actual sale was.

Ms McGrath: I guess that is the sale, but it comprises a number of issues, such as cash and infrastructure. We can break that down for you.

MRS CROSS: If you could, that would be fantastic.

MRS DUNNE: Talking about blocks of land in Gungahlin, I notice that what is sometimes known as Horse Park 2 but has a new name was for sale in the papers at the weekend. Do the people who purchase it at auction have a lease over that land?

Ms McGrath: No, not yet.

MRS DUNNE: Have they paid for the land?

Ms McGrath: No, that will occur probably next week.

MRS DUNNE: Why are they advertising it for sale if, at this stage, they don't have title over it?

Ms McGrath: They have a contract of title over the land. I assume it is a matter between them and individuals as to whether they enter into arrangements for the sale of those blocks when that land is available.

Mr Corbell: It's a bit like selling off the plan. It happens now in multiunit developments all around town. In the case of the Metropolitan, that development adjacent to the Lakeside Hotel, all those units were sold off the plan prior even to a development application being approved.

MRS DUNNE: But they did own the land.

Mr Corbell: No, they'd entered into a contract to purchase the land.

MRS DUNNE: You're saying the land for the Metropolitan was not owned by the developers at the time they were selling the units off the plan? I don't know if that's the case.

Mr Corbell: At that particular time, they did not have lease over the land, but they had entered into a contract with the territory.

MRS DUNNE: I don't have a problem one way or the other. It has just been put to me that they didn't have a lease over the land rights.

Ms McGrath: No, but it is fairly common practice for the private sector to begin marketing their product as soon as they possibly can after they have secured land at auction. There are rules about lease and development conditions in relation to the authority's arrangements, but it's ultimately a matter for the developer, the individuals with whom they're dealing and what the rules are for consumer protection.

MRS DUNNE: What was the auction price for Horse Park 2?

Ms McGrath: It was \$25.5 million.

MRS DUNNE: Is that actual money, or does that include offside works?

Ms McGrath: It's cash.

MRS DUNNE: Will works go with that?

Ms McGrath: The infrastructure to be returned to the authority will be in the vicinity of \$12 million, I think.

MRS DUNNE: What will be returned to the authority?

Ms McGrath: That will be the roads, the hydraulics—all the services.

MRS DUNNE: All those services.

Ms McGrath: Yes.

THE CHAIR: Has that been settled now?

Ms McGrath: It will be settled next week.

THE CHAIR: Minister, I have heard, not just through GDA but also through some of the other mechanisms by which the government sells land, that variations to the auction documents come out at a minute to midnight, as it were. I understand that at the most recent auction a variation to the documents was put out at approximately 5 o'clock before the afternoon of the auction. The complaint is that that diminishes the ability of those who are interested in blocks to make reasonable decisions about what they could bid, given the work they need to do, which determines their costs. Is there some way in which this practice can be stopped or slowed down?

Mr Corbell: I'll ask Mr Hehir to answer this question in detail. It's obviously something we'd like to avoid wherever possible but, from period to period, there do need to be changes to the auction documents. I'll ask Mr Hehir to give a bit more background on that.

THE CHAIR: When you've completed the process that says, "We're now in a position to sell this block; these are the terms and conditions for the sale," what happens between the notification of the impending auction and the terms and conditions of the sale that changes things?

Mr Corbell: I'll ask Mr Hehir to answer that.

Mr Hehir: You are correct in saying that there have been some quite late amendments to auction documents. That's certainly not the preferred process. We are working to ensure that we get them as final as possible. However, there is quite an extensive consultative process, both within government and with the parties preparing the documentation, which are often private sector parties under contract.

We make decisions about taking documents out for auction—not having everything finalised—based on whether we believe there will be a significant difference or impediment to the private sector in determining their price. That is a call we make based on how much land we need to provide to the private sector to make sure that housing needs are met.

We don't want to slow up the process and create an undersupply in the final dwelling numbers, reduced on an annual basis or in a year. We're trying to get the land out as quickly as we can and also provide as much certainty as we can. There are calls we make within that process. For instance, at the last auction, where Conder was identified for sale, we were still working with the commissioner for the environment to finalise all the details of the trees on the site. We were confident that the block numbers and the infrastructure works were fine; what we were talking about was whether we required trees to be retained on blocks.

We considered that, on balance and given the size of the blocks, even if trees were required to be retained, a significantly sized house would still be able to be built. We therefore did not consider that to be a matter that would seriously impact on the price to be paid by the developer and/or on their infrastructure costs or planning. Quite an amount of detail within the plan is taken out for that auction.

We advised, a week or two before the auction, which trees were to be retained and which trees weren't to be retained on site. I don't believe that had any significant impact on the final sale. Having said that, we accept the criticism that changes have been made to documents too late, and we're working to rectify that now. In the upcoming auction, no significant changes will be made to the documentation.

THE CHAIR: It worked out in Conder. Either in Horse Park or Yerrabi—one of the stages—the government had to give something like 28 blocks in compensation because the work hadn't been done before the documents went out, so the yield was somewhat lower than the developer had expected. How do we maximise the return for the community if we're putting out documents that aren't complete?

Mr Corbell: Fundamentally, this is driven by the capacity within government to do the necessary planning in advance of release—whether it's at the detailed stage Mr Hehir's referring to or at the broader structure planning stage. For the past six or seven years we have seen significant underfunding in preparing land for release. I don't want to sound partisan, but the capacity your government left to prepare land for release meant that you had nothing up your sleeve if an estate fell over. I'm happy to outline what the government is doing.

THE CHAIR: Without sounding partisan, 18 months into your government and you're putting out blocks that aren't complete.

Mr Corbell: Mr Smyth, you would know that you have to plan your land release two to three years in advance because it takes that long to do the planning to do the work. The reality is that you haven't done that, so we've had to catch up on that. To catch up on that, first of all, the government has established the ready release program. For the first time in self-government we have a dedicated program in case something else falls off.

We've got land parcels on the shelf, which is something the industry has been calling for for years—when you were minister. And you didn't deliver it.

MR SMYTH: Industry also called for ACTCode 2.

Mr Corbell: On top of that, I'd like to draw members' attention to page 163 of Budget Paper 3, which outlines the various initiatives for PALM, including \$1.4 million over the next two years for land estate planning. This government is making the investment so that, within the planning agency in particular, we will be responsible for this until the land is handed to the Land Development Agency. We as a community have the capacity to do the planning upfront and anticipate the issues earlier so that we don't have to make last minute changes to auction documents. The government is tackling the issue proactively, and it is having to clean up the serious level of underprovision that existed for a considerable period of time.

MRS DUNNE: I'm glad that the chairman raised the question of Horse Park. We had a discussion here last year about it. Were 27 or 28 extra blocks provided to the developer to make provision for trees that they didn't know about?

Ms McGrath: No.

MRS DUNNE: Since we had the discussion here last year, has there been compensation in any way, shape or form in relation to the development of Horse Park stage 1 for the fact that they thought they could build X number of blocks but could only build 27 fewer than X?

Ms McGrath: No, the developer of Horse Park estate had development rights to build 470 blocks. In fact, they were exactly the development rights they were able to achieve on that land.

MRS DUNNE: Did they achieve that on the land that they'd purchased?

Ms McGrath: Yes, they did.

MRS DUNNE: There was no compensation in any way, no allocation of land, no nothing?

Ms McGrath: Not compensation. Additional land was negotiated with the developer of Horse Park estate to ensure some good planning outcomes. The consequence of the need to retain remnant trees we weren't aware of prior to the auction was that on one side of the estate we ended up with a series of half roads and half parks. In the interest of good planning and efficiencies, we negotiated direct sale of those additional 28 blocks on the western side of the estate to be able to complete those roads and that park.

MRS DUNNE: At what cost?

Ms McGrath: The return to the territory infrastructure is about \$900,000 for the completion of those roads, but a cash payment of \$40,000 was made to the developer.

MRS DUNNE: Made to the developer?

Ms McGrath: That's right.

MRS DUNNE: You paid the developer for more blocks of land?

Ms McGrath: They are paying us almost \$1 million in infrastructure, so it would be costing them something like \$1,040,000 to develop the land. The difference between that was \$40,000, so the development costs—

MRS DUNNE: So you did make a compensation adjustment to the developer of Horse Park 1 because they were 27 blocks short?

Mr Corbell: No, we did not. Ms McGrath's made clear that the developer purchased a certain amount of development rights, and they achieved those development rights within the land that they originally purchased.

MRS CROSS: What was the \$40,000 for?

Mr Corbell: As Ms McGrath has pointed out, there were concerns from a planning perspective that, if the estate had been completed as sold, there would have been half a park and a number of half roads built.

THE CHAIR: Why was it sold like that?

Mr Corbell: These were the issues that changed as a result of having to retain more trees on the site. Because the subdivision plan was changed to achieve a more desirable outcome and ensure protection of those trees, a parcel of land that was originally going to be a part of the subsequent release was sold directly, so that that infrastructure could be completed at a single point in time rather than at delayed, two-stage points in time. The difference in cost between the infrastructure returned and the cost of development was paid by the GDA.

MRS DUNNE: To do that you freed up 27 more blocks of land?

Ms McGrath: We allocated development rights for 27 or 28. I'm not sure of the exact number.

MRS DUNNE: Outside the boundaries of the original Horse Park 1 stage.

Ms McGrath: It was a subsequent grant of the lease.

MRS DUNNE: Outside the boundaries of the original Horse Park stage 1?

THE CHAIR: But no money was exchanged for it?

MRS DUNNE: They were paid \$40,000 to take it away.

Ms McGrath: The authority paid \$40,000. The revenue from those 28 blocks was less than the development cost of completing the infrastructure around those 28 blocks, bearing in mind that infrastructure provides access to a significant number of blocks on the other side. That was all done through valuation.

MRS CROSS: I don't know what the rest of the committee knows about this, but I'm a little puzzled here. Are you saying that you gave a developer \$40,000 and, because of that transaction, a developer has secured 28 blocks at no cost because that developer is going to build infrastructure to access another area?

Mr Corbell: They haven't secured it at no cost, Mrs Cross. They have had to pay for all of the infrastructure to service those blocks and complete the infrastructure the territory needs for the subsequent release. They have met the full cost of that infrastructure, less \$40,000.

MRS CROSS: So the quid pro quo was: "If you the developer build the infrastructure, we'll give you all this land for nothing." I didn't know that people could do deals like this; I think I'm in the wrong job.

Ms McGrath: When you determine the value of a piece of land, you take into consideration the return from that piece of land and the cost of developing that piece of land. The valuation methodology in here is exactly the same. The cost of completing those half-finished roads and parks was in the vicinity of \$1 million. The revenue that they would be able to achieve from the sale of those 28 blocks was something less than the \$1 million. There was a shortfall of \$40,000 in cash. If we had not paid the developer the \$40,000 in cash, the developer would not have taken up the offer to finish off those half roads and half parks. It would have cost them \$40,000.

MRS CROSS: Who was the developer?

Ms McGrath: The developer is Canberra Residential Developments. It's a consortium.

MRS DUNNE: When did this happen, Ms McGrath?

Ms McGrath: The grant of that lease was finalised two months ago.

MRS DUNNE: When did the negotiations open?

Ms McGrath: I will have to check my records.

Mr Corbell: We'll take that on notice.

MRS CROSS: Can I ask another question?

THE CHAIR: No, Ms MacDonald has something to say on the issue.

MS MACDONALD: It's been partially answered. I was going to ask if a valuation was done on the amounts—that's the \$1 million.

Ms McGrath: Yes.

MS MacDONALD: Is it standard to have an approximate valuation of the cost of building the infrastructure?

Mr Corbell: Before you can proceed with a direct grant, you must know what the value of the land is. That's obtained independently through the Australian Valuation Office.

MS MacDONALD: I don't mean just the value of the land but also the value of the roads, et cetera.

Mr Corbell: The valuation is obviously based on the development potential and the potential return on the land.

Ms McGrath: The authority actually seeks two valuations.

MRS CROSS: Can I ask where you get them from?

Ms McGrath: We would have got one from the Australian Valuation Office; the other valuer we used was Egan National Valuers.

MRS CROSS: Minister, is this transaction what's known as a direct sale between the government and a developer?

Mr Corbell: It's a direct grant.

MRS CROSS: Is it the same type of transaction that occurred with the Callam Street realignment in Phillip?

Mr Corbell: It's the same principle. The land is sold exclusively to a party rather than through a competitive process. I'd have to check whether it used the same disallowable instrument that allows direct grants. There are a range of disallowable instruments depending on what the direct grant is for.

MRS CROSS: Could you find out if it was exactly the same? I want to ask a question about the valuation that was done, because I know it was a controversial issue with the Callam Street sale. I've not heard of Egan Valuers and I don't know who they are. Are we sure that the money that the territory received for these 28 blocks was at market value? I want to make sure that the territory hasn't been done out of money.

Mr Corbell: It's based on the valuer's assessment of what the market value is. Often, depending on the market, a valuer's assessment can be conservative or not conservative enough. The only way to really know the market is to have a competitive process every time. But the government and the Assembly recognise that it's not always necessary or appropriate to have a competitive process, and we rely on the agreed market value as determined by an independent valuer.

MRS CROSS: Is there a reason for not going to tender for these 28 blocks instead of having a direct grant sale?

Mr Corbell: The works were already being done by the consortium for the Horse Park 1 estate, and it would make sense for the same machines and the same people to complete that work. Given that they're building half the road already, it would be silly to bring in a second set of machines to do the other half of the road.

MRS CROSS: Was it you that organised the developer to start the first phase of the project?

Mr Corbell: The developer purchased the land, and then the developer made the arrangements for the civil engineering activity on the estate.

MRS CROSS: Is it normal process for a government to offer blocks of land to a developer that happens to own land next to those? Is that a standard process?

Mr Corbell: It does occur from time to time. It depends on the circumstances. In this circumstance it was driven by changes made to the subdivision design because of the need to protect remnant trees on the estate, resulting in a number of roads being only half constructed. It was felt desirable to complete those roads to have an estate that was reasonable for people to live in.

MRS CROSS: Was a consultation process needed to conduct this transaction, for anyone around that area?

Mr Corbell: There is usually no consultation, because there aren't any residents in the estate. I guess that's the general principle.

MRS DUNNE: Minister, could you provide to the committee the before and after plans so that the committee can see where the 27 blocks were and how much land that was? Sorry, how many blocks were they?

Ms McGrath: I'm assuming 28. I don't recollect exactly, but it was around that.

Mr Corbell: We'll provide the exact number, and I'm happy to provide the subdivision plans. You can actually go out there and see it, if you want to.

THE CHAIR: I'm at a loss to follow the logic of this. We sell this part of the Horse Park estate, and it's found later on that, because of trees, the developer can't get the required number of blocks on it, so we sell him another block of land.

Ms McGrath: No, that's not the case. In this case, the developer was able to get the required number of blocks.

THE CHAIR: On the original portion?

Ms McGrath: That's right. We were the ones who initiated the additional land because it was nonsensical to leave three or four half-built roads and lanes and a park.

Mr Corbell: It wasn't like that in the first place; it was the outcome of reconfiguring the estate to ensure that significant trees were retained.

MRS DUNNE: I'm getting a bit confused here. You were saying that the developer was able to accommodate all the land on the site, but then you made compensation. Which is it?

Mr Corbell: No. I will clarify this. The original subdivision plan had 470 blocks on it, and the road configuration was done in a certain way. It was subsequently brought to the developer's and the GDA's attention that there were a number of significant trees on the estate that would have to be retained. That necessitated the redesign of the subdivision to accommodate those trees. The subdivision was redesigned in such a way as to accommodate 470 blocks within that parcel of land.

MRS DUNNE: So there were still 470 blocks.

Mr Corbell: There were still 470 blocks but, as a result of the change in the subdivision layout and the subsequent connection to the next subdivision, which had yet to be released, a number of half roads and half a park were created. It was felt desirable for the planning outcome and having a proper estate on the ground that those works should be completed—so that you didn't have half roads and half a park—so the land was sold directly to that developer, who was already doing the other engineering works to complete those works.

MRS DUNNE: Which land was sold directly to the developer?

Mr Corbell: Additional land.

MRS DUNNE: The land occupied by the park and the roads and nothing else?

Ms McGrath: And the blocks within those.

Mr Corbell: And the blocks adjacent to the subdivision.

MRS DUNNE: So they did get extra blocks.

Mr Corbell: We've said that: they got 28 extra blocks. But the point to be made, Mrs Dunne, is that it is not compensation for loss of blocks in the original subdivision.

MRS DUNNE: They got a bonus 27 blocks?

Mr Corbell: No, they received no additional benefit from it. In fact, they simply had their costs met for completing the infrastructure. That's the bottom line here. The territory direct-sold the land so that the infrastructure could be completed to an appropriate level and the developer received no net benefit. Their outlays matched their returns.

MRS DUNNE: Can I just pursue that? The general rule of thumb a year or so ago, without going into inflation of prices, is that the raw land component was, for argument's sake, about \$25,000 a block, and the development costs were about \$38,000 a block. If that was the case, it seems to me that the developer received these lands for the development cost per block. The development cost of the blocks also includes the roads and the infrastructure—all of that is encompassed in the \$38,000.

However, 27 or 28 blocks by about \$33,500 gives you \$940,000, which is what we're talking about. You paid them \$40,000 to take away this land in the understanding that they would give you back roughly \$900,000 worth of roads, which is about \$35,000 a block. That means they got that for premium; they didn't pay out the normal 25-odd thousand dollars a block, which was roughly the going rate at the time for the raw land component. The premium they had was that they got 27 blocks without paying for the raw land component.

Mr Corbell: I don't think it's appropriate to speculate based on your assumption of what the servicing cost is. If you want to look at that issue, we can provide that information to you. But you are working on an assumption of what the servicing cost is for this particular parcel of land which, quite frankly, I don't know and I don't think you know either.

MRS DUNNE: Your model, prepared by WP Brown, that was given here last year worked on servicing costs of about \$38,000.

Mr Corbell: It's an average figure, Mrs Dunne. But we're not talking about average figures. With all due respect, we are talking about a specific parcel of land with specific costs, and I'm quite happy to provide the information so that you can look at it and make your assessment based on the actual figures.

THE CHAIR: It being 1 o'clock, we will now break for lunch and resume at 2 o'clock. The planning officials could come back for about another hour after lunch, and we'll start public transport at 3.00.

Luncheon adjournment

THE CHAIR: Welcome back, Minister, and staff from the department. I have a question on blocks 12 and 13, section 56 Monash, with which Ms McKinnon might like to assist us.

MR HARGREAVES: Is that the one in the corner of Isabella Plains?

THE CHAIR: Yes, a little way up the hill. I was wondering about progress. Before the change of government, we'd discussed with the Christian City Church the possibility of a retirement facility there—not a church. I think discussions are still going. I was wondering whether we might find out why it's taking so long and where we might expedite the matter.

Mr Corbell: Mr Chairman, if I may, I'll take the question on notice.

THE CHAIR: All right.

Mr Corbell: We don't have the detail to hand, but we'll come back to you.

THE CHAIR: Right. The detail seems to be about what use might be permitted on the site and resolution doesn't seem to be forthcoming. We have a dilemma in the Tuggeranong Valley, to which Mr Hargreaves can attest. There was a survey done by

Tuggeranong Community Services that says that, almost unexpectedly, there is a huge need for retirement facilities in Tuggeranong. So we've gone from nappy valley to normal in under 10 years.

This group is willing to provide not only the ordinary church services that are provided but also retirement facilities and a training facility. If you want to take it on notice, that would be kind.

Mr Corbell: We'll take it on notice, Mr Smyth and I'll come back to the committee with further information.

THE CHAIR: Well, you weren't here. Do you have a question, Mr Hargreaves?

MR HARGREAVES: I have no questions for the minister, nor the department. I think they do a superlative job.

THE CHAIR: Thank you for the regular pat on the back.

MRS DUNNE: I'd like to go back to the introduction of the new planning authority and ask some questions around that. The chairman asked you this morning, Minister, if you expected to make an announcement of the appointment of a chief planning executive before 1 July, and you said you thought you would. But will that person be appointed, do you think, by 1 July?

Mr Corbell: It will depend on who's selected, and their circumstances.

MRS DUNNE: Did you aim for that to happen? Was it your intention to have somebody in place, from the beginning of the organisation?

Mr Corbell: Absolutely.

MRS DUNNE: Then why didn't you advertise before 25 March?

Mr Corbell: We advertised formally on 25 March, but a wide-ranging executive search commenced before that date.

MRS DUNNE: When did it commence?

Mr Corbell: I'd have to take that on notice.

MRS DUNNE: It seems that, on the public face of it, you've got close to Buckley's chance of getting somebody—especially someone from overseas—in place by 1 July if you didn't advertise until 25 March.

Mr Corbell: It depends on the successful candidate's circumstances. The government is in the middle of the selection process, so I don't want to comment on the detail of the process at this stage.

MRS DUNNE: I have a range of issues. This morning, you touched on this, Minister. With the KFDA and the GDA coming into the Land Development Agency on 1 July, how will that be managed? What will happen with the staff? Have commitments been made to the staff about their continued employment? It seems to me that there will be a number of executive level positions. Will the organisation be able to absorb those?

Mr Corbell: The answer to both questions is yes. That will be the process. There have been two mechanisms set up to manage this transition. First of all, at a legislative level, you'd be familiar with the fact that the government has legislation to repeal the GDA and KFDA acts, and that there are arrangements to ensure that the accounts and all those things are transferred to the new organisation.

Secondly, the planning and land task force has established a small reference group of representatives from KFDA, GDA, land, urban services and a range of other agencies involved, to ensure that these issues are talked through effectively and that there is an agreed approach.

The staffing process has already been worked through, to a large degree. There is a split of staff between the new Planning and Land Authority and the Land Development Agency out of Land Group, primarily. I guess Land Group is the key entity that's affected. Some of their functions go to the Planning and Land Authority and the remainder go to the Land Development Agency.

Along with KFDA and GDA, there is the question of the two current chief executives of the development authorities. That process is being worked through at the moment. In relation to other staff of those agencies, it's pretty much an agreed process that they will become part of the new LDA in one form or another.

With regard to project management, the government wants to make certain that the board of the new agency ensures there is consistency of personnel for the purpose of managing key projects, in both Gungahlin and Kingston. They are distinct entities—very different in their contexts and settings. The focus will be on ensuring there is continuity in the operation of those projects as discrete entities within the new Land Development Agency. It will concentrate on those projects as part of the Land Development Agency's business.

MRS DUNNE: An outsider may not have observed any significant change in personnel or people dealing with those projects, when talking about Kingston Foreshore and the Gungahlin Development area. You would envisage some sort of continuity there?

Mr Corbell: Essentially that's right. In the context of badging, if you like, Kingston Foreshore will become a project of the ACT Land Development Agency, but it's still Kingston Foreshore. It still has that unique identity; that's its marketing edge; that's its placement in the market; and we wouldn't want to disrupt that. It is the same for Gungahlin, albeit Gungahlin is a greenfield development, not a brownfield redevelopment area.

MRS DUNNE: You said the other day, at the Property Council luncheon, that you would envisage that the new board of the Land Development Agency would appoint a chief executive before 1 July. How is that legally to happen?

Mr Corbell: The board comes into being once it's appointed.

MRS DUNNE: The board can come into being even before the establishment of the entity for which it is the advisory board?

Mr Corbell: Yes, that's my understanding.

MRS DUNNE: Okay. I was interested in the sequencing of that.

MRS CROSS: Could you advise the committee of the type of working relationship you plan to have with the board?

Mr Corbell: I imagine it will be similar to the sorts of relationships I have currently with the boards of the Kingston Foreshore Development Authority and the Gungahlin Development Authority. I have meetings on a fairly regular basis with the chief executives of both of those development authorities. I also have meetings on a fairly regular basis with the chairs of the boards of those two authorities—and they are often together.

The normal practice would be for the chief executive and the chair of the board to come along to a meeting to discuss issues occurring at that time. I seek to do that on a fairly regular basis. Obviously, the new Land Development Agency has a much wider gamut than KFDA or GDA. I would anticipate a more structured and regular process of meeting, because the program is much more central to government revenues, in particular, than it has been previously.

There will also be the appropriate accounting and reporting requirements to the department under which the Land Development Agency will be operating, which is the Department of Treasury. The chief executive of the Department of Treasury will be the chief executive responsible for overseeing and ensuring that the Land Development Agency is operating appropriately and accountably.

MRS CROSS: How do you envision the relationship will be between the CEO and the board?

Mr Corbell: A professional one, I guess. I'm not sure what you mean.

MRS CROSS: We've often seen the powers of the board and the CEO conflict, in the Australian environment. I'm wondering if you're putting any specific measures in place to ensure that there's a clear delineation between the responsibilities of the board and those of the CEO.

Mr Corbell: We'll be relying on existing corporate governance approaches, which include an understanding that board members effectively have responsibilities as directors, and must behave as such and in accordance with the rules and regulations which exist for directors.

The CEO will be responsible and accountable to the board. It will be the board's role to ensure that the CEO is doing his or her job effectively and responsibly. Given the level of expertise the government is proposing to appoint to the board, I have every confidence that that will be the case as far as the board's activities are concerned. I'm sure the board will want to ensure they appoint a CEO who understands that relationship, has experience in that sort of corporate relationship and is proven to be successful at it.

MRS CROSS: The way it will operate is CEO to the board, and board to you?

Mr Corbell: That's correct.

MRS CROSS: CEO to you?

Mr Corbell: No, the CEO does not work to me, the CEO works to the board.

MRS CROSS: I understand that.

Mr Corbell: As I said earlier, I imagine there will be occasions on which I will meet with the CEO to discuss matters. The usual practice is that that occurs along with the chair of the board, but it doesn't necessarily need to be that way.

MRS DUNNE: On that specific point—I'm trying to envisage estimates in a year's time, I suppose. As you come to estimates, at the moment, you have the chief executives of the KFDA and the GDA. How will that work next year? Will we have the chairman of the board?

Mr Corbell: We'll have the chief executive of the agency. KFDA and GDA have boards now, but the chairs of the boards don't usually appear before Estimates Committees.

MRS DUNNE: Yes, I know, but there's a slightly different relationship between the chief executives of those bodies and the responsible minister from that which you just described.

Mr Corbell: No—there's no difference.

MRS DUNNE: No. At the moment, the executive of the GDA would brief you on functions.

Mr Corbell: Yes.

MRS DUNNE: You said a few minutes ago that that would happen through the executive—that the executive officer would account to the board and the board to you. That's a slightly different relationship from the one that currently exists.

Mr Corbell: Perhaps I wasn't clear. I thought Mrs Cross was asking me in respect of corporate governance. I wanted to make clear what the corporate governance arrangements were—CEO to the board and board to the minister. As far as day-to-day activity is concerned, I meet fairly often with, as an example, the chief executive of the GDA. I do that without the chairman of the board being present.

MRS DUNNE: Yes. That is the point I was trying to make.

Mr Corbell: That's a working day-to-day relationship, for reasons of getting information on issues, activities, announcements or whatever.

MRS DUNNE: That's what I was driving at. That's what happens now and you see that that would continue. You were making that point and I wanted to clarify it—that it is strictly in terms of corporate governance.

Mr Corbell: Yes.

MRS DUNNE: Not in terms of the day-to-day operations?

Mr Corbell: Yes. I think that's right.

MRS CROSS: I'm glad you expanded on that—thank you.

Mr Corbell: Yes.

THE CHAIR: Minister, sticking with the Land Development Agency, this morning, you kindly offered to see if the Planning and Land Authority could, in some way, have the targets and the classes of activity that they're doing brought into the budget. I notice that, for the Land Development Agency on page 414, you've got the output classes for land; that the principal measures from this year are repeated—and, of course, they're all discontinued.

Mr Corbell: Yes.

THE CHAIR: Is it your intention to do the same, given that the land measure has always been reported on in the budget—and because of the changes, in making it an independent authority, you don't have to? Will you be doing exactly the same sort of reporting that you intend for the Planning and Land Authority?

Mr Corbell: I'm advised that the process will be that the agency will have a statement of intent outlining the arrangements and expectations of the government in relation to the activities of the agency and the targets they will achieve in certain areas.

The statement of intent has not been produced at this stage and made available publicly because the board has not yet agreed to it. But it's my intention, once the board has agreed to it, that it be made available to members of the Assembly, so they know what the agreed targets are between government and board. From that point forward, in every new budget you'll see that statement of intent, along with all the other statements of intent you get for existing government entities, when the budget is delivered.

THE CHAIR: Will the ACT Planning and Land Authority have a statement of intent?

Mr Corbell: As I've indicated, if the Chief Minister agrees to my proposition that the authority be made an administrative unit, it won't need a statement of intent—it will be in the budget papers.

MRS DUNNE: To clarify that, in future there will not be any sort of output class relating to land development and servicing?

Mr Corbell: There will be a statement of intent instead.

MRS DUNNE: But it won't be in BP 4, it will be in one of these?

Mr Corbell: It'll be in a different document—that's right.

MR HARGREAVES: In light of the development of the Gungahlin Town Centre and its innovative and even courageous initiative of mixed-use application, including residential development within the precincts of a brand new town centre, how is that development being received by the community—particularly by business people and law enforcement people?

Mr Corbell: I'll let Ms McGrath answer the bulk of that question. However, since the government announced the Woolworths and Coles-Myer developments a couple of months ago—and then, last week, the Aldi development—the noticeable increase in confidence among traders in the existing town centre and among residents is astounding. Traders are very confident—they can see a future for the centre. They know that, if well over \$100 million worth of private sector investment is going into the Gungahlin Town Centre, that is a strong indicator of confidence and certainty that it's going to be around for a long time.

Some people have been making the comment that the government is potentially cutting the legs out from under this sort of development by saying that population projections for Gungahlin are going to be downgraded.

Whilst we are looking at overall population projections for Canberra, I believe it's still reasonable to assume that Gungahlin will be a sizeable centre and, when it comes to size, will be right up there with Belconnen, if not Tuggeranong. This is a very significant centre and the investment has been warmly received. I will ask Ms McGrath to comment further on that.

Ms McGrath: We've had a number of functions since the announcement, one being a breakfast for business and the community. The response at that breakfast was very warm. We have also had two open community days. The first was at the Gungahlin Marketplace. We had 600-odd people come through on the day. The feedback was overwhelmingly positive as to the proposed developments. The second one was a week or so ago and was held at Magnet Mart. About 100 people would have talked with us on those days. We are still collating feedback forms from the open days but, as I said, the response we've had has been extremely positive.

MR HARGREAVES: In watching the Gungahlin Town Centre development, one makes comparisons in light of the experiences at Tuggeranong, particularly with things like Homeworld in the big Hyperdome complex. I refer to the difficulties the placement of that has in enabling people to live in the area—to live in the middle of it.

I notice that sort of thing is going to occur within the Gungahlin Town Centre. I'd be interested in the views put to you as to how people will feel in respect of personal safety and that sort of thing. That's one of the issues we're facing within Tuggeranong. I'd like some lessons to be learned from what you do at Gungahlin.

Have the police, or people like that who have concern for people's safety, given you any indication of how they feel about the idea of the residential area being right in the middle of a business centre?

Ms McGrath: I haven't specifically spoken to the police. However, each of the three developments—which is what makes them fairly exciting—will have residential components. Big W will have 100 apartments or so and Aldi will have about 60. We're not sure how many there will be in Coles-Myer, but there will be some.

Most decidedly, the evidence is that the surveillance provided on a 24-hour basis is what makes these centres particularly safe. You don't have the same degree of graffiti or anti-social behaviour as you often get in areas where you don't have people living, or you don't have passing traffic.

MR HARGREAVES: A little bird told me that the idea of mixed-use residential within a town centre concept was somewhat sceptically received by interstate experts. Have you any experience with that sort of professional exchange that we can hear about?

Mr Corbell: The concept is well regarded by planners and urban designers, but it's not always well accepted by the market. So that's a challenge, when it comes to getting the outcome on the ground and reconciling it with what the market's prepared to deliver.

Coles, Woolworths and Aldi have had to adjust their plans. The announcement was made last week of a \$30 million development by Aldi. Normally Aldi build a set box. They build the same type anywhere in Australia, and they look the same. That's all they do.

That won't work for Gungahlin Town Centre because Gungahlin Town Centre wants active shop frontages on all corners. We want it to consolidate over the whole block. With Aldi, the development has been staged—so they can build their box, but they can build other things around the box—so they can have active frontages around the box, residential above it and so on. They have had to adjust their thinking to get to that point.

To the credit of the GDA, they've engaged effectively with those big retailers—Aldi, Coles and Woolworths—and convinced them to do something which they don't normally do. Indeed, the marketplace itself is probably the fairest example of that, because the marketplace at Gungahlin is a one-off in comparison with the types of marketplaces Woolworths now build right around the country. As I understand it, lots of people come to Gungahlin and then say to Woolworths, "Why can't you build one of those for us, instead of the more standard marketplace module?" It is an extremely successful process.

Ms McGrath: One of our board members has been involved in work in Victoria where, in planning terms, they're talking about the kinds of developments Big W is doing. It was explained to my board member that this sort of thing doesn't happen in the real world. Of course, he was able to demonstrate that not only did it happen—it was about to happen in Gungahlin. There's no question that the Big W development will be unique in

Australia, in the first instance. I suspect it will be replicated fairly soon afterwards in many other instrumentalities.

MR HARGREAVES: That is yet another example of the ACT leading the way. Thank you very much for that. That is exactly what I wanted to hear.

MRS CROSS: Minister, do you recall that, about two years ago, during the campaign, you and I had a meeting with a famous American town planner who had come to Canberra? I was then president of the Phillip Traders. This idea of mixed use—putting a shopping centre downstairs and residents upstairs—was then touted for the Phillip business district. It was something that both the minister and I welcomed, and it was something that we suggested be done in Phillip.

Given that it has been done successfully in the United States—and I understand it's also been done in Europe—is it something your government might look at expanding into other areas in Canberra, given that Gungahlin is the first place to do something that has worked globally? Would you think of doing it in the Phillip business district?

Mr Corbell: Yes—absolutely. In fact, the draft Woden master plan highlights that as an opportunity for the mixed use area in Phillip. The idea of shop-top apartments, where you have a shop underneath and an apartment above—or a professional studio or something like that—is quite attractive.

I believe the real challenge, though, is as to how that happens on the ground in Phillip. The lease holders have to see that it's to their advantage to make that investment and to change their existing building.

The plan can provide for that. You could argue that the plan has always provided for that but it is probably being made more explicit now, in relation to the outcomes we want to see through the master plan. The real challenge is: how do you convince the leaseholders that that's an outcome which is going to work and one which is beneficial to them financially, as much as aesthetically and in terms of design?

That is the real issue. I think that, down the track, the government will have to consider how important it is to get that outcome within a certain timeframe. Depending on that assessment, we should probably consider a level of incentive or redevelopment bonus for people to do that. But that's down the track, once the master planning process is complete.

MRS CROSS: I understand from the conversations I've had with retailers—I've spoken to people from Woolworths, Big W and Aldi—that they're looking at changing the way they implement their store structures in semi-residential areas to include residential on top, because it's in their interests to do so.

Mr Corbell: I'm certainly familiar with the fact that a number of supermarket chains have expressed interest in being in the Phillip mixed-trade area.

MRS CROSS: Or anywhere, not specifically in Phillip.

Mr Corbell: Anywhere, but certainly in Phillip. I guess the question is: should we be permitting those sorts of activities outside the retail core area? If we permit big supermarkets to move outside of the central core of any of our town centres, what impact will that have on the overall viability and tradability of the town centres?

It might make a lot of sense for the retailer to be right by the side of the road, where people can drive in, get their groceries and drive out again, rather than having to drive into the town centre. However, what sort of impact does it have on the rest of the shops, which rely on those big anchors to draw customers in?

I have been very cautious and conservative in saying that I don't want to see that situation. That is a small "c" for conservative, Mrs Dunne!

MRS CROSS: I understand what you mean.

Mr Corbell: The precautionary principle applies, Mrs Dunne—so that it doesn't undermine the basic town centre structure.

MRS CROSS: The Mawson shopping centre has a Woolworths; the Woden Town Centre has a Coles and a Woolworths; and the Phillip business district is in the middle. Could they get an Aldi—or is Aldi going to Mawson?

Mr Corbell: I don't know where Aldi's going—that's a decision for Aldi. At the moment, you can't have a supermarket in Phillip.

MRS CROSS: Given that you're Minister for Planning extraordinaire, I'm sure you can do anything you wish!

Mr Corbell: This is the issue I'm trying to highlight, Mrs Cross. We can certainly change the land use policy to create supermarkets in Phillip. But what impact would that have on the existing supermarkets in Woden and the overall viability of Woden?

MRS CROSS: That is why you don't pick the same ones. You pick something different—you put Aldi there.

Mr Corbell: With that comes the issue of Woolworths knocking on my door saying, "You let Aldi in. Why aren't you letting us in?" That's the challenge.

MRS CROSS: They can come too!

THE CHAIR: Kingston Foreshore was always seen as part of the progressive move to mixed use. A comment from the Kingston Foreshore Authority might be interesting, as to what the changes will be for Kingston Foreshore in its development program, if any, under the new regime.

Mr Scott-Murphy: After 30 June, there's no authority. Certainly our mixed-use policy at Kingston Foreshore applies to the whole precinct. You'll be aware that variation 113 to the Territory Plan accommodates entertainment, accommodation and leisure across the 37-hectare site. I don't personally see any likely change in that, as a result of the shift of

ownership to the Land Development Agency. Indeed, I'm encouraged in that view by the continuity of two of our current directors onto the proposed board for the new agency.

THE CHAIR: Is the timetable for the Kingston Foreshore development on time?

Mr Scott-Murphy: Yes. The development timetable for Kingston Foreshore is always market driven. We take a prudent approach to supply, to meet demand. We look carefully at trying to broaden our product range as well. We are on program in the context of the original targets. We're certainly exceeding our financial targets.

As you would be aware, there were delays in getting the original joint venture up and running. There were also delays incurred through third party objection to the development application for the first stage. We were encouraged that the judicious use of call-in powers resolved that.

MRS DUNNE: So was I, Mr Scott-Murphy.

Mr Corbell: Just don't ask me too often, Rick!

MRS DUNNE: How many more days have you got there—about 400?

Mr Scott-Murphy: Too many!

THE CHAIR: The timetable is still for first occupants in December this year?

Mr Scott-Murphy: As to the construction target, the current contract is due for completion in December of this year. As you would know, there is then a process of certification, before a certificate of occupancy is issued. I'm expecting that we will see our first occupants—our first residents—at Kingston Foreshore in March of the following year.

THE CHAIR: Has the development, across the road and down a little by the lake, had a positive or negative impact on what's happening at Kingston—or no impact at all?

Mr Scott-Murphy: I take it you mean the area to the south of Cunningham Street.

MRS DUNNE: Yes.

Mr Scott-Murphy: From the outset, we've engaged in a highly consultative process with the surrounding community. We've had representation from each of the precincts, including the Causeway precinct, on our community—

THE CHAIR: I meant the lake side, in Barton?

Mr Scott-Murphy: I beg your pardon—I misunderstood the question. Our site 1 release is part of the strategy of broadening our product range, so we're not specifically targeting investor products. Three weeks ago, we commenced an expression of interest in that and have had strong response. I'm confident that our targets, when it comes to realisation for the sale of the site, as well as the quality of the design solution, will be impressive.

THE CHAIR: No. I was talking about the site in Barton—the lake site.

Mr Scott-Murphy: I beg your pardon—it's called Landmark. That was the site released by the National Capital Authority.

THE CHAIR: Has that slowed your progress? Has it dented your sales? Has it reduced potential return—or has it confirmed that that's a desirable area for this sort of development?

Mr Scott-Murphy: I think it's more the latter than the former. In other words, the confidence expressed by the Amalgamated Property Group, when they purchased that site, is a reflection of their confidence of the market for medium-density products in the inner south, and particularly Lakeside.

It's had a beneficial impact on Kingston Foreshore because potential buyers can make comparisons. It will also undoubtedly have a positive impact on our trading in the retail strip on the waterfront. As you know, there are no retail facilities within the Landmark development.

THE CHAIR: Do you see more residents in that area as a plus for the Kingston Foreshore?

Mr Scott-Murphy: Absolutely. It strengthens the retail market. It also brings more visitation to the cultural precinct, and perhaps more appetite for the small amount of commercial property we're offering.

THE CHAIR: I have a final question on glass chimneys. Have you found somebody who can build you a glass chimney, and will it be in next year's capital works?

Mr Scott-Murphy: I've found the person—Dale Chihuly—but I'm not sure whether we can afford him. I have looked at some of the work the new Museum of Contemporary Glass in Tacoma is offering, and it's really impressive. I've been encouraged by the work of the inter-government agency committee on the contemporary glass centre that we're hoping to get into next year.

THE CHAIR: For those who aren't in on the joke, Mr Scott-Murphy has a dream to see the old Actew chimney rebuilt—not of brick, but of glass—using lights and things to make it a landmark to draw people to Kingston.

MRS DUNNE: I wanted to touch briefly on the appointments under the new Planning and Land Act, which have been controversial. This is not the place to canvas those, but I wanted to touch on something. What was the process for coming up with the list of names which has now gone to the Planning and Environment Committee—if it has gone to that committee?

Mr Corbell: Yes—I've written to you on that. The government sought expressions of interest and advertised publicly for those. I also wrote to a broad range of organisations—industry organisations, professional organisations and community organisations—telling them that expressions of interest were being called for and asking

if they would like to suggest anyone—not as representatives but people they'd like to suggest.

I advised them of the requirements under the act and the fields of expertise which had to be accommodated, as best as could be, in an appointment. Once the expressions of interest closed, I considered all the expressions of interest and worked from a short list of people who could bring the necessary expertise within the fields required under the act. I then took the nominations to cabinet.

MRS DUNNE: There was a short list and it was first culled—gone over—by someone in PALM or someone in the taskforce?

Mr Corbell: That's right. They prepared a short list for my consideration, but I received both the short list and the entire long list of names.

MRS DUNNE: How short was the short list?

Mr Corbell: It was not very short.

MRS DUNNE: How long was the long list?

Mr Corbell: I forget how many people, in total, expressed interest, but I can tell you. I'm happy to take that on notice. Would you like that information?

MRS CROSS: Yes, thank you.

Mr Corbell: Given that there are only seven nominees to the Planning and Land Council, I worked from a short list of 30 to 40.

MRS DUNNE: I see. Did you pick anyone who wasn't on the short list?

Mr Corbell: I don't think so, but I'd have to check. It was a pretty broad short list.

MRS CROSS: Is it within the minister's prerogative, though, to do that? I'm assuming it is. He can do that.

Mr Corbell: Yes.

MRS DUNNE: Then you could come up with names that weren't on our list.

THE CHAIR: Perhaps we will go to page 205 and move to the output classes—output 4.1, Territory Planning. Are there any questions?

MRS DUNNE: May I make a comment, Mr Chairman?

THE CHAIR: Yes—as long as it's not a sermon!

MRS DUNNE: No, it's not—it's just a comment. The first output class is a testament to the hard work of the Planning and Environment Committee. They exceeded their target because we did so much work!

MRS CROSS: Three of them are in this room.

THE CHAIR: Something about self-praise comes to mind. Are there any questions for the minister on output class 4.1?

Mr Corbell: It's also a testament to the hard work within the Territory Planning Branch. After all, they're the ones who write them.

THE CHAIR: On the bushfire recovery costs, Minister, I see that you've got money in this year. Is there money in the outyears going to the new authority for bushfire work?

Mr Corbell: No. The government hasn't appropriated any additional funds in outyears for recovery work.

THE CHAIR: So all the work that was to be undertaken has now been done, with regard to PALM?

Mr Corbell: Certainly in respect of the immediate response—yes. PALM was heavily involved—Mr Hawkins can provide further information on this—in relation to the assessment of the extent of damage to dwellings, in both urban and rural areas.

Officers of BEPCON—Building, Electrical and Plumbing Control—were heavily involved, along with other officers of PALM, in assessing damaged areas, both as to the extent of damage to buildings and the extent of damage to infrastructure. The land information area worked hard in producing a range of maps and other materials necessary to assess the extent of damage. It was quite a busy period.

Mr Hawkins: Mr Smyth, the question you asked was: are there additional bushfire recovery funds in subsequent budgets?

THE CHAIR: In the coming year, yes.

Mr Hawkins: There is at least one item in the forthcoming budget about development application work, which will be ongoing. Regarding the item you see in front of you in the discontinued output 4.1, in a strategic response, we ran eight projects in the early part of the year in bushfire recovery. This one is to do with the urban edge study and the strategic planning issues. Frankly, they are blended nicely with the strategic spatial planning work which we'd been undertaking for some time prior to the fire.

THE CHAIR: Is spatial planning covered by this output class?

Mr Hawkins: It would be.

Mr Corbell: Yes. It certainly operates within this part of PALM.

THE CHAIR: I wanted to go to the work being done—not on the non-urban fringe but the close-in area around Weston Creek in particular. Where's that work up to? Is PALM assisting Mr Hollway in the work he's doing?

Mr Corbell: There is an interaction. Mr Hollway is responsible for the non-urban land study, whereas PALM is responsible for assessing future potential urban capable land.

MRS DUNNE: Have you drawn a line?

Mr Corbell: There is a rough line. It is adjustable and it depends on circumstances as and when they arise. Roughly—you have to take it roughly—it's Uriarra and the Coppins Crossing Road area.

THE CHAIR: On both sides of the road?

Mr Corbell: No—on the eastern side of the road.

THE CHAIR: Between the Molonglo and the Coppins Crossing Road. It's that area there?

Mr Corbell: That's right

THE CHAIR: Is not most of that area the Murrumbidgee River corridor?

Mr Corbell: No.

THE CHAIR: I am sorry—the river corridor. It's not Murrumbidgee, it's Molonglo.

Mr Corbell: Some of it is river corridor—yes.

THE CHAIR: How much land in that area could be urban capable?

Mr Corbell: I don't have that information immediately to hand. I stress that the considerations in relation to Stromlo are at a very early stage. The government has not made any decision in relation to using that land for anything other than what it's currently used for, but the question is up for discussion.

As part of the process, the government has recently conducted a survey of residents across the city and focused particularly on Weston Creek. That's where a lot of the responses have come from, for obvious reasons, although it was an across-the-city survey. We received over 2,000 responses. The results of that survey are currently being compiled. I believe there is going to be a diversity of views on what should happen in Stromlo—everything from, "Replant" to, "I never want to see another tree in my life." There's great diversity.

MRS CROSS: That's concrete!

Mr Corbell: That's my spouse's preferred option, but I don't agree. That's an issue the government will be considering further.

It's important to stress that the issue of urban capable land was being considered prior to the fire. It started pretty much in the second half of last year, as part of the spatial planning exercise of identifying potential greenfield sites. Stromlo ranks highly in the

land capability analysis because it doesn't have the same issues around endangered ecosystems to the same extent that, say, North Gungahlin has.

So Stromlo and Kowen are obvious opportunities—and areas for future consideration—as are some of the more traditional areas, such as Gooromon-jier, Tralee, Googong—and then there's the urban consolidation issue.

Through the spatial planning process, the government has been developing a series of scenarios for community comment. In June, the government will be hosting a summit on the future growth of Canberra. We will be putting these scenarios to members of the community and members of industry for comment. They will form the basis for the future metropolitan structure of our city through the spatial plan.

THE CHAIR: I read somewhere that Bulgar Creek was also being discussed.

Mr Corbell: Bulgar Creek has certainly been identified as a potential site. For those people who aren't familiar with it, Bulgar Creek is behind Narrabundah Hill, which is behind Duffy.

THE CHAIR: Further along the Cotter Road?

Mr Corbell: Further along the Cotter Road. Hindmarsh Drive currently finishes, but it looks like it could keep going.

MRS DUNNE: It goes on.

Mr Corbell: Bulgar Creek has been identified as a possible area, ever since the NCDC did its plans. The government has made no decisions in relation to any of these sites. They are simply under consideration as we look at the range of scenarios for future growth and development of Canberra through the spatial plan process.

MRS CROSS: How was that spelt?

THE CHAIR: B-u-l-g-a-r. It's the name of a property. It was the name of a creek.

Mr Corbell: With your leave, Mr Chair, I might ask Mr Hawkins to elaborate on the process in PALM on this.

Mr Hawkins: Dorte Ekelund, of PALM, sits on one of the steering committees—on the non-urban study. There is integration through our offices, in blending the necessary work. There was a useful and timely description of the interaction of those studies recently—in the newspaper and some of the external newsletters that are going out on bushfire issues.

Mr Smyth, I think the Bulgar Creek reference was an example in one of the initiatives indicating the spatial plan implementation. We'll look in more detail at a range of potential sites.

The minister has made the point, I think well—and timely too, for the members here—that the summit is getting to a point now, after 12 months of good, solid community work and technical work, of looking at the attributes of each of these locations and moving towards some preferred futures. Frankly, this involves all the people in this room—and the wider community. So it's timely that we give Assembly members the opportunity for even more detailed briefings.

Mr Corbell: I'd be happy to provide a briefing to members on the growth concepts for the future of Canberra and the work that has underpinned those, if members are interested.

THE CHAIR: We certainly will be taking you up on that. Did I hear you say you could give us a map showing where all these areas are?

Mr Hawkins: That could be part of the briefing—we could supply it for you.

THE CHAIR: Not for the committee?

Mr Hawkins: Certainly for committee members. The best form for you to receive a good briefing, whether person to person or in writing, is being published in the next three or four days, in preparation for the summit on 12 June. If we can schedule the time for meetings with interested members and provide that briefing directly to you, we'd provide the material at the same time.

THE CHAIR: All right. Is the spatial plan on time?

Mr Corbell: It has been delayed somewhat because of the added complication of the bushfires and urban edge issues. That has introduced a new equation into the discussion which hasn't been pre-eminent before. But the timing is still for the end of this year or early next year.

THE CHAIR: In volume 2 of the commission of audit, the idea was floated that the forestland at Stromlo could be turned into residential land. I think it mentions a figure of \$700 million for the realisable value as land, as opposed to virtually a nil value as timber. Cabinet's had discussions on this before. Was no decision taken in December as to whether that option should be discussed?

Mr Corbell: I'm sorry. What's your question, Mr Smyth?

THE CHAIR: In the commission of audit, it mentions the future of the forest. The commission of audit volume 2 looked at hotel, school, forests and something else that escapes me.

Mr Corbell: ACTION.

THE CHAIR: The line of logic was that the forests were particularly valueless to the ACT, as far as returns from the land are concerned, whereas that land, used as residential, was far more useful and would offer a far greater return to the government.

Mr Corbell: Yes.

THE CHAIR: From a reading of volume 2 of the audit commission, which obviously occurred before the bushfires, it seems to imply that the government was not interested in realising that value. Has that now changed? It's definitely on the agenda?

Mr Corbell: The views expressed in the commission of audit are not the views of the government—they're the views of the commission of audit. The government hasn't made a decision in relation to those sites. The only approach the government has adopted to date is to say we need to look at all of these things—we need to look at whether these sites could be used for other purposes. But we have made no decision apart from a decision to look at it in the context of a strategic plan for the future development of our city, along with the assessment now taking place by ACT Forests in relation to their future business case and the urban edge work.

MRS DUNNE: I'm not going to ask you to pre-empt the spatial plan but, according to one of the recent reports, the Planning and Environment Committee looked at the issues relating to areas around the Causeway and east of the Kingston Foreshore—a link going up to the Monaro Highway. I've heard on the grapevine since then that that area has been set aside as an area for consideration for a biosphere environment education program. Is that the case?

Mr Corbell: Let me be clear about the land you're referring to, Mrs Dunne.

MRS DUNNE: I have been told that land around the Jerrabomberra wetlands, and abutting Fyshwick, has been set aside as a possible site for a biosphere project.

Mr Corbell: Okay.

MRS DUNNE: Rick hasn't gone. He may have the answer to the question. I don't know whether it's scuttlebutt or what. I thought I would use this opportunity to find out.

Mr Corbell: I'm advised that the biosphere people have made a number of representations to government. I can recall a number of representations being made to me. I think they made representations to the previous minister as well about potential land—if not to the previous minister, certainly to the previous government.

They have not come back to the government with any firmer proposals. We've indicated that we need to have a better understanding of what they're proposing to do before we can decide what are appropriate sites. At the moment, it's one of those negotiations which is on again and off again. Certainly no decision has been made by government.

MRS DUNNE: There's no land set aside?

Mr Corbell: There's no land earmarked for a particular program by that organisation.

MRS DUNNE: Or by any other organisation that you know of?

Mr Corbell: No.

MRS DUNNE: I was wondering whether I was hearing a qualification there.

Mr Corbell: No. You can judge from my response.

MRS CROSS: I have a question on output class 4, on page 205. One of my favourite topics is timeliness. It says here: "Average time to submit draft variations to the Executive". The target for the 2002-03 period was four months, and the outcome was five months.

I see the explanation below as to why it's five months. Your general objective is to reach four months. Is that the best the territory can do with draft variations? A recent Sydney survey showed that the worst council in Sydney processed draft variations in three months, and they were condemned for that. What is your objective?

Mr Corbell: I'll ask Mr Hawkins to provide a little more information on that, in a moment. He's certainly aware of that survey. I think it's reasonable to say that the overall process in Canberra for draft variations is heavily focused on an open process. Throughout that process, many people are engaged—the Assembly, the standing committee of the Assembly responsible for those issues, the community, the government and the minister of the day.

With regard to the time it takes to submit a draft variation to the executive, I believe four or five months is a reasonable period, given that these issues are often very detailed and require quite a level of analysis before they can be brought forward. We could always do them more quickly if we had more resources. The judgment is whether we want to spend a lot more resources to get them done in two months, at the expense of something else. That's the balance we have to strike in the area of overall expenditure. Nevertheless, I think it's a reasonable period of time. I'll ask Mr Hawkins to elaborate on that, and also on the issue of the comparison with the Sydney survey you raised.

MRS CROSS: Before Mr Hawkins elaborates, I'll touch on something you've just said. I get numerous complaints coming through my office on the length of time it takes to address planning issues, draft variations and the like. One of the complaints from people who have lived in this city far longer than I have is that there aren't enough qualified town planners working in PALM. They say that, although we've still got good people there, we've lost some of our best talent—and that it is under-resourced and underqualified in what it's doing, and that is why it's taking so long to process this work. Would you agree?

Mr Corbell: I would say that, historically, PALM has been under-resourced. Under the previous government, 100 people in PALM were made redundant in 1998.

MRS CROSS: Out of how many people?

Mr Corbell: Out of 400. So 25 per cent of the staff in PALM were made redundant, although not forcibly. There was a voluntary redundancy program, and those people weren't replaced.

MRS CROSS: Of those 100, how many were qualified town planners?

Mr Corbell: I don't know. It happened well before the term of this government. So, historically, there has been a running-down of the planning organisation. The previous administration has to accept a significant level of responsibility for that.

MRS CROSS: Are you going to rectify it?

THE CHAIR: The government before that has to accept responsibility for an operating loss of \$344 million.

Mr Corbell: This government has, since it's election, invested an additional \$1.8 million annually into planning in the past two budgets.

MRS CROSS: Into staffing?

Mr Corbell: Into resourcing for programs, which translates, to a degree, into staffing. It translates into other things as well—materials and those sorts of things.

This issue is compounded by the fact that there is a national shortage of planners—there is a work force shortage. That means it is difficult to recruit and retain planners. The government's approach is, first of all, to invest more in the planning agency. We have done that—and that has been demonstrated in our budgets—\$1.8 million each year for the past two years. Actually, it is a bit more than that. The election commitment was certainly \$1.8 million. That's been met and exceeded.

The government's approach has also been to establish a statutory function, which will create a more robust and well-recognised planning organisation nationally. Hopefully, that will improve the standing of our planning agency and it's attractiveness as a place to come and work. If we are doing interesting, leading-edge work around the future development of Australia's great planned city, then we're going to have a better chance of attracting planners to Canberra.

On top of that, the government has had to address the fact that, during the previous government, there was a real wage decrease for ACT government employees. ACT government employees went backwards by about 3 to 5 per cent—depending on where you look.

MRS DUNNE: Minister—

Mr Corbell: I'm sorry. These are all relevant.

MRS DUNNE: I know, but this is using the blame game. I'm not interested in what the previous government did—I'm interested in what you're doing.

Mr Corbell: I'm giving you the complete picture. I've told you that we have invested more money; I've told you that we are creating an independent planning authority; and that we are in the process of finalising the appointment of a chief planning executive. That is a statutory appointment which has created a lot of interest from planners right around the country, as well as from people already within PALM who are interested in doing that job.

That is a range of issues the government is undertaking. We have delivered a 10.3 per cent wage increase, which has got people back on a level footing, so it's not a financial disincentive to work for the ACT government, as it was before.

MRS CROSS: It all sounds good. I'll go back to the expertise required. Yes, you have good people, but you don't have enough. I'm getting complaints from a number of people in the community—from both the private and business sectors—that you've lost a lot of your best people.

If you're looking at addressing the inequity in salary balance, that is good—you're starting to do that. You say 100 people were made redundant in 1997. Some of those people are working as consultants. Many of those people still have their expertise—they aren't near the grave yet. You could bring some of those people back, in order to address the length of time it takes to process applications.

I welcome and applaud you for the thoroughness of the planning process. I think that's a good thing, and I know you're genuine about it.

THE CHAIR: The question?

MRS CROSS: Sorry, Mr Chair. Be fair. If you allow other members to take time to preamble, I will too.

THE CHAIR: No, but you're critical of preambles. No sermons—let's get to the question.

MRS CROSS: If I were a Liberal, he wouldn't be doing this.

THE CHAIR: In that case, I'll rule you out of order and move onto the next question.

MR HARGREAVES: I'll rule to sit in the chair. I'll clear the room!

MRS CROSS: Minister, what I would like to know is this: you've mentioned pay increases and you've mentioned addressing the expertise area. Can you give us a time line of when and how many people you are able to bring back into the department? There are experts out there who would accept jobs—I've had calls from some of those people—to address the shortfall. There is a shortfall, and throwing money at it isn't enough. You've got to allow that to happen within your own department.

Mr Corbell: I'll ask Mr Hawkins to elaborate and take up some of the points you raise.

Mr Hawkins: Mrs Cross, your question goes to the heart of whether we have the skills to do the job, and you're also asking about the time of service. I'll respond briefly in two parts. I'll talk about capacity and performance. Earlier, you mentioned relative comparisons of times with other areas. It is true that our planning organisation has been through a wave of reforms. Any reasonable, dispassionate person would see that it is more responsive and definitely client focused, delivering in a wide range of areas and improved community relations. But we certainly need the technical skills to do the job every day.

We are more efficient. We have to be, because we're a lot leaner today. Perhaps governments all over the world are going that way. We all have to accept that reality. Although we may wish for much more, we have to do a darned good job with what we've got. The government has invested greater capacity and resources. We are renewing that facet of our game as well.

Of recent times, we have attracted back leading architects from private practice in Canberra to work in the government organisation. You've talked about people who comment that we lose some of our best people. I claim that we're employing some of our best people to replace them. A number of them are very young, and they're going to be fantastic in the future.

You have to do that as a continuous process of renewal, in building an organisation at all levels. As we create the new ACT Planning and Land Authority, I'm sure that, at all levels of the new organisation, we'll continue to bolster our skills.

That's what we need to do, to negotiate with architects who sometimes claim that they know better than our guys on the other side of the counter. It's a pretty easy claim to make and one often passed when they don't enjoy the judgments made by our professionals. They're made in the public interest. I have great confidence in the people doing the job on your, my or our behalf, at the counter service and design judgment level. We'll continue to bolster that.

The second part of your question was about relative time performance. The *Sydney Morning Herald* recently published Department of Local Government statistics on all councils in New South Wales. It quotes a fairly sad story of some Sydney councils, as to the time taken to approve a development application.

Your comparison is a change to the Territory Plan. The Territory Plan is a creature of the Assembly—of the people. It is not a development application. It's not surprising that in Canberra—and we hold very strongly to the principles and goals in the Territory Plan—we should go through a rigorous process to make any change to it.

It goes through the scrutiny of your committee; it goes through the Assembly; and it goes through something which protects the long-term interests of Canberra. So it should be thorough—for anyone to want to tamper with that to make a site-specific, or even a development related decision.

In contrast, we approve thousands of applications. It may surprise you to know that over 4,000 single residential applications have a median approval time of three days. We are streets ahead of most councils in New South Wales in our day-to-day performance. Yet you will meet many builders who would like us to do it in zero days—three days is far too long. We have a public notification process, and people value it.

There are many aspects to planning. Whichever way you look at it, there'll be someone who doesn't like some aspects, for their own reasons. Performance in planning is customer service; it is quality of outcome; it is quality of the built result on the ground. We have to measure all of those things in a continuous way and know that there will be people who don't enjoy the judgments we make.

I thank members for the questions which, in a sense, give us the support we need to continue to invest in our people, to do a great job for Canberra.

MRS CROSS: I have a supplementary question. You said you need to be able to train the people who are coming up—for the future. I agree—we all know that. But while they're being trained, you still need to have a strong body of expertise there, to carry on the day-to-day work. Do you have enough people at the top level? Are any of them women?

Mr Hawkins: Yes, we have a lot of women.

MRS CROSS: At the SES level?

Mr Hawkins: Yes, we do.

MRS CROSS: How many?

Mr Hawkins: We've exported some of our best women, who've been promoted out of the SES. At one stage, we had three in PALM.

MRS CROSS: How many have you got now? One, isn't it? How many SES men are there in PALM?

Mr Hawkins: Three.

MRS CROSS: One woman and three men. You have a long way to go, for gender equity.

Mr Hawkins: I'm sorry to say—we had it the other way around in the last two years.

Mr Corbell: The difficulty is that they've been poached by other parts of the government. That is to the benefit of the planning agency—because they go into other parts of government as people with planning experience.

MRS DUNNE: Following on from Mrs Cross's question about expertise, I too have received complaints. Perhaps I'm not in a position to judge, but people have complained to me about the lack of expertise in PALM.

One criticism made to me recently is that PALM does not participate in the university internships in the same way as other planning organisations and individual planning businesses do; that at Christmas-time you don't take people out of the universities and give them jobs; that the NCDC used to do it but that, since self-government, that's fallen off. Is that the case?

Mr Corbell: It would probably be fair to say it is the case. Certainly in the early days of self-government, there wasn't a strong focus on recruitment into the ACT government service. We were still creating a government service then. So I think a lot of that knowledge and culture of recruiting to the service was lost.

That's now starting to be regained. The previous government did good work with the GAA program, which is a whole-of-government recruitment. Whether a single agency should go outside of the government framework and do its own is, I guess, another matter.

MRS DUNNE: Minister, that's not what I'm asking. As part of people's tertiary training, they could have access to internships and planning organisations.

Mr Corbell: Yes, I understand the question. My apologies—I misunderstood.

MRS DUNNE: Does PALM currently do that?

Mr Hawkins: Yes, we do. I understand where the question's coming from. This is professional bodies seeking to ensure that we are playing our part in the development of people. As the minister mentioned, it is difficult to get people coming through the planning area. They're not trained in Canberra, although they can do post-graduate work here.

We do take students. I've actively tried to get students from the University of New South Wales to come to Canberra to do some of their time. A number of undergraduate people come in—even from other disciplines—and spend time over the Christmas period. We also have people who do a couple of days a week. We're proud to say that some of those people who have gained law degrees, or are in other areas, have gone on to much bigger and better things, having invested time in our organisation.

We are playing our part. As a professional planning body, I'm sure the professional bodies would like to see us doing even more—and, in a sense, we take your encouragement. I know the new ACT Planning and Land Authority needs to further equip itself with skills. Some of that is young people from the bottom, and some is recruiting again at the higher level.

MRS DUNNE: Minister, can I ask you to take this on as something you might look at, to ensure that, when the new authority is up and running, it plays that part in the professional development of people coming out of universities? That would be for the advantage of the whole profession. If people come here for their internships, they're more likely to come back later on.

Mr Corbell: Absolutely. For some time, I've anticipated discussing that with whoever the first Chief Planning Executive turns out to be. I want to see the authority as an institution. I like to use the term "institution". I'd like to think it's there for the longer term, delivering the strategic planning advice our city needs. I'd like to see it develop as much as a culture of professional development as an interesting, leading-edge place to work, as much as it does its capacity to provide excellent advice and policy work to government and the community. Yes—absolutely, Mrs Dunne.

MRS CROSS: You may have to take this on notice. Could you possibly provide the committee with the numbers on how many SOG A, B and C women you have in PALM? I'd like to see who you're preparing to develop to take on further SES positions in the future.

MRS DUNNE: I had great difficulty making hide or hair of the various financial statements in the budget papers. The one on 204 and the one in the new output area don't bear much resemblance to one another—nor to what was in BP 4 last year. Rather than go through and have people rattling figures off at me, I was wondering if it would be possible to obtain a reconciliation of—and a comparison between—the tables in BP 4 on pages 204 and 401, and page 214 of BP 4 for last year?

Mr Corbell: Someone behind me is going to hate me! Yes.

THE CHAIR: I'm glad she's not asking for a description now!

MRS DUNNE: No. I think it's far too difficult to compare apples with apples.

Mr Hawkins: Yes, Mrs Dunne—we'll provide that.

MRS DUNNE: Thank you.

MRS CROSS: Minister, I refer to output class 4.2 on page 206 under quality and effectiveness, which has been another pet project of mine. Referring to percentage of approved developments inspected after completion, it says that the target was 2 per cent, and the outcome was 2 per cent. Could you explain that?

Mr Corbell: It means we anticipate meeting our target. Are you asking what that measure is?

MRS CROSS: Yes.

Mr Corbell: That measure is the percentage of developments approved which are inspected to see that they are consistent with the development approval.

MRS CROSS: Why was there a need for the 2 per cent?

Mr Hawkins: That reflects our proactive initiative in what we call the quality audit program, to go back and evaluate a sample of applications.

MRS CROSS: At random?

Mr Hawkins: Typically they are reflective of a group of, say, medium-density development. It is not just to check technical compliance—that they meet all our conditions. We have policy objectives about design, access, landscape or whatever it may be.

MRS CROSS: Is that done at random, or do you pick specific applicants?

Mr Hawkins: I'm not sure whether they're drawn out of a hat. They are sought to be random across Canberra, across a range of different types. So, by taking a panel—this often includes a private sector architect as well as our own experts and someone from the urban design committee—we go back and check: is our policy working; what did we learn from that experience; and is there something that we should improve, policy-wise,

in the future? The role of final inspection is now in the hands of a private service provider.

MRS CROSS: I understand what you're saying. I'm just trying to work out how you decide who you go to, to inspect the criteria.

Mr Hawkins: It is a relatively random sample of a group of applications.

MRS CROSS: That's what I asked. That's all I wanted to know.

MRS DUNNE: When are we going to see a draft variation of East O'Malley?

Mr Corbell: If you mean in relation to the 60 hectares which are not being developed, I'm not sure.

Mr Hawkins: We expect that to be in the next couple of months.

THE CHAIR: Members, I ask that you put all further questions for planning on notice.

Short adjournment

THE CHAIR: Members, we will now move to public transport in relation to overview statements and capital works, where relevant, and then we will go to the Department of Urban Services in relation to BP 4 at page 157.

I have a question on ACTION. Mr Thurston, I'm told that at about 1 o'clock on 18 January this year, ACTION started to implement a plan to look after its passengers and staff to minimise any effect of the clearly approaching bushfire. I've recently had an email from a constituent who mentioned that and would like to know what you actually did on the day.

Mr Corbell: Just before Mr Thurston answers that: as I understand it, ACTION did facilitate earlier in the day of the 18th an opportunity for staff who were obviously in areas potentially under threat to return home, to leave work and go home. I have to say that when I eventually left Holder that day, at about 5 o'clock, I went to the evacuation centre at Phillip. The first people I saw there were ACTION bus drivers. There were four or five ACTION buses with their drivers standing by ready to evacuate older aged residents from the Phillip evacuation centre who had previously been evacuated from, I think, Mirinjani. ACTION was very much in the thick of it on the day and the drivers were outstanding in terms of transporting people between evacuation centres and from other locations. So ACTION did a very good job on the day, as well as obviously looking after its own staff, but I'll ask Mr Thurston to elaborate.

Mr Thurston: It was an experience I don't think anyone would want to go through again. As the minister said, ACTION did all of that, but we even had bus drivers with fire extinguishers on the fence line with small fires at the extremities of the depot at Tuggeranong. If they hadn't been prepared and did what they did, there could have been all sorts of ramifications. I think that was excellent. In essence, because of the severity of the thing, we took a watching brief. We were there, ready and able to assist wherever required and that worked very well. We were in the emergency centres and, if someone

wanted evacuations from any location, we were ready to respond. We specifically tried to keep out of the way but be on tap. That worked extremely well and it was a credit to the staff.

THE CHAIR: At what time did you put these procedures in place, because I understand you released staff, those who lived in threatened areas?

Mr Thurston: On the day, the supervisor at Tuggeranong was the one who sent up the alarm, so to speak, in that he rang me and he rang Peter Wallace, my deputy, and said he was concerned about the situation.

THE CHAIR: Mr Kearney?

Mr Thurston: No. The name has gone from me. It'll come to me in a second. But the supervisor could feel and sense the situation, and what he did was he got all of the hoses out in preparation, they got the fire extinguishers out and they made sure everything was as prepared as it could be.

MRS CROSS: At what time did you get the call, Mr Thurston?

Mr Thurston: It would have been late morning, about 11 o'clock, I'd say. And then we just monitored it. Peter was there on the spot. I was there later in the night. And then we worked with the emergency services right through until the conclusion of the emergency. That was John Kearney, who was there every day in the centre. He was there working with the ambulance people.

THE CHAIR: I suspect ACTION employees haven't picked up a great deal of praise. Whilst we haven't singled groups out throughout the estimates—so many groups did so well—I just happened to know and had this email from a constituent who said they'd done such a good job. Perhaps you could pass that on to all your staff.

Mr Thurston: I certainly will.

THE CHAIR: Through you, Minister, to all the ACTION staff for all the bits that they managed to achieve and contribute over those 10 days.

Mr Corbell: I certainly will, yes.

THE CHAIR: Minister, this morning you said that boardings in Gungahlin had gone up 20 per cent since the introduction of the changed system with the change of government. What factors have led to that? How much has the population in Gungahlin grown at the same time? Is it a real increase or is it just that we've changed boardings to trips, three fares to one fare? What has been the real growth in ACTION over the last 18 months?

Mr Corbell: Mr Thurston could probably provide a more detailed analysis. The only comment I'd make is that we didn't see any significant changes in terms of boardings until one fare anywhere came in. There were a number of other changes prior to one fare anywhere, including an increase in the service, I think.

Mr Thurston: Yes.

Mr Corbell: There was an increase in service prior to the introduction of one fare anywhere. That did not lead to any significant total increase in boardings. But one fare anywhere came in and there has been a very significant increase since then. I'll pass it to Mr Thurston, who can give you a more detailed examination. He's across these issues better than I.

Mr Thurston: Yes, we put in 205 extra trips a week in May—I think it was the 18th—last year and there was no noticeable increase in patronage until July, when the long distance fares went down considerably. We've seen and experienced a 24 per cent real increase in passengers from that area. I think that's the rewarding thing. Obviously, people are using the transport system from Gungahlin to get to work and that overall has to be a good thing.

Mr Corbell: Growth in the growth area; that's what we want to see.

MRS DUNNE: Just to follow up on the chairman's question, you say that you have had an increase in boardings. How does that relate to the increase in the population in Gungahlin?

Mr Thurston: I couldn't answer what the population has increased by, but obviously it has over that period.

MRS DUNNE: What's the increase in boardings?

Mr Thurston: It is 24 per cent in this financial year.

MRS DUNNE: Just in Gungahlin?

Mr Thurston: Yes, just in Gungahlin, whereas overall, with one fare anywhere, we've got a 3 per cent increase. So it's a dramatic increase in an area against the whole.

MRS DUNNE: It doesn't compare with Madrid's 66 per cent increase in eight years.

Mr Thurston: No. Also, there has been an increase in some of the long distance stuff from the Tuggeranong area as well, which is good. Tuggeranong adults are up by 5 per cent. That, again, is indicating that more workers are using the system rather than driving.

Mr Corbell: What is very encouraging about all the figures is that we are seeing a growth in the adult fares, which are the commuter fares, and that's a very good indicator that the price signal the government has sent around the cost of using a bus has made it more attractive for people to use a bus again for those longer hauls, because the increase in commuters is very much in the adult fares, not so much in the other fares where there are already concessions in place.

MRS DUNNE: On the subject of pricing, Minister, when will we see the research on demand elasticity in pricing?

Mr MacDonald: The study report is actually on the internet now. The report has been finalised and is available publicly.

MRS DUNNE: When did it become available?

Mr MacDonald: About two weeks ago.

MRS DUNNE: Did you know that, Minister, because you were talking this morning about its being forthcoming, I think.

Mr Corbell: I was referring to a range of studies.

MRS DUNNE: Yes, but you did actually mention the one about demand elasticity in pricing.

Mr Corbell: Yes. I've got to admit that I didn't know it was on the internet, but I have seen the report. I received it a little while ago.

THE CHAIR: Minister, I notice you've given us an erratum saying that the figure of \$15.7 million on page 190 is incorrect and that the target this year is expected to be achieved. The target for next year, though, doesn't even grow one per cent; it's not growing even at population. Why is that so? Why are we aiming so low in terms of boardings for next year?

Mr MacDonald: I guess we were looking at the one fare anywhere having achieved a fairly significant growth. We were not clear about the future growth patterns. We had a view that, generally speaking, patronage is starting to plateau out. So, unless there were any other initiatives coming through the system, we weren't confident about any substantial growth. I'm not sure if Mr Thurston wants to add to that.

Mr Thurston: That's the very issue. Taking the 15.7 to 16.2 is a very modest increase for next year, but we've got to see what some of these other initiatives are doing, like parking and other things, to see the whole.

Mr Corbell: I think the other issue to bear in mind, Mr Chair, is that the government will be finalising its transport strategy in the second half of this year and that will set a range of targets in terms of what is called the modal split. Once that is in place, we will be in a position to determine for future budgets whether we need to set higher targets consistent with the transport strategy. But the approach in relation to this budget has been pretty much to maintain what we've achieved, consolidate that, and then focus in future years on the targets that evolve from the transport strategy.

THE CHAIR: Did I hear you say that the growth since the change of government has been 3 per cent?

Mr Thurston: With one fare anywhere, yes.

Mr Corbell: Overall.

THE CHAIR: And that started on what date?

Mr Thurston: The first working day in July.

THE CHAIR: On 1 July 2002?

Mr Thurston: Yes.

MR CORNWELL: On page 190, government services provided by ACTION are down from \$45 million in the previous year to \$43 million in 2003-04. Apart from the question of the \$2 million, which might have been answered, I would refer, Minister, to the ALP's transport policy. It states:

If a pensioner catches the bus during peak hour they cannot use their concession card. This is blatant discrimination and ACT Labor will not allow this to continue.

Where is that covered in this budget, Minister?

Mr Corbell: It's not in this budget, Mr Cornwell, but I've indicated, I think, to you on previous occasions that the government will be implementing that measure in next year's budget.

THE CHAIR: It's going to be a whopper in next year's budget, Minister. What is the estimated cost of that change?

Mr Corbell: I can't tell you off the top of my head. It depends exactly on how it's implemented. There are a range of options in terms of its actual—

MR CORNWELL: How can it be implemented other than that they manage to use their concession card to travel in peak hour? There's no other way to implement it, is there?

Mr Corbell: I'll ask Mr MacDonald to elaborate on that point.

Mr MacDonald: The costing will really depend on how the scheme is implemented. One of the issues is whether or not we would allow the current range of beneficiaries to be able to travel all day for the \$1.30 fare. For example, we currently have seniors who are able to travel off-peak for \$1.30, but during peak times they pay the full adult fare. It is a question in terms of the government's social policy whether they as a group of people would be eligible for that new, full day, very cheap fare. Whether they're in or out will affect the costing of that particular proposal.

MR CORNWELL: In other words, you could vary it by not recognising a seniors card, but recognising a pensioners card.

Mr MacDonald: That's correct.

MR CORNWELL: So the self-funded retirees presumably would miss out under those circumstances.

THE CHAIR: Yet again, Mr Cornwell.

Mr Corbell: The issue is about determining whether the concession should be extended on the basis of income. Yes, self-funded retirees are in a difficult situation in that regard.

MR CORNWELL: They are under your Treasurer, certainly.

Mr Corbell: Some certainly would be very similar to pensioners, others would not. The difficulty with the seniors card is that it is not income tested. One of the reasons this initiative has been delayed is that we need to resolve this very complex issue about how concessions are provided on public transport and make sure that there is some equitable and sustainable basis for how they are provided.

MR CORNWELL: It's nice to know they're under consideration. I thought that they were being stockpiled for the election next year.

THE CHAIR: Mr MacDonald, is there an indicative figure as to what this might cost?

Mr Corbell: I don't think that it would be appropriate to provide that, Mr Smyth, simply because it's a matter still under government consideration and it would depend on the parameters, as Mr MacDonald has outlined, and the government hasn't taken a decision in that regard.

THE CHAIR: Are you saying, Minister, that this will be implemented next year come hell or high water, irrespective of the cost? That is what you've indicated. You've said that this will be announced next year, that it will be in next year's budget. You must have an idea of what the indicative costings are?

Mr Corbell: I do have an idea of the indicative costings but, because the final policy settings haven't been determined by government, I don't believe it's appropriate to provide you with those indicative figures because the policy parameters are still under consideration.

THE CHAIR: All right. The numbers that have been supplied to you at this stage, appreciating that they are indicative, would you tell us what they are?

Mr Corbell: I can't recall them off the top of my head.

THE CHAIR: Will you take it on notice?

Mr Corbell: I think I've just answered that question.

THE CHAIR: Minister, will you take on notice for me a question I am asking—

Mr MacDonald: Can I help by saying that we have provided some preliminary advice, but we are not confident in the analysis that has been undertaken to be sure about our costings, and that's part of the delay as well. The policy parameters need to be established, but also the research needs to be retested to get a more accurate number.

THE CHAIR: It's up to you. You can provide an indicative figure or we can FOI the documents. I'd prefer an indicative figure.

Mr Corbell: I think I've outlined to you the reasons that I don't believe it's appropriate to provide that information.

THE CHAIR: Mr Cornwell, you might like to do an FOI.

MRS CROSS: Mr Cornwell, your question was related to the cost of bus fares for pensioners; is that right?

MR CORNWELL: Yes, it was indeed.

MRS CROSS: Is there a different price for pensioners than the single zone—

MR CORNWELL: It was about peak and off-peak travel, Mrs Cross. They can travel at a concession rate off-peak but not on-peak, and this was a Labor promise.

MRS CROSS: Okay. And the answer was: "Don't know."

MR CORNWELL: The minister would not give us any figures.

THE CHAIR: Wait till next year—same time, same place, next year.

Mr Corbell: If I can clarify that for the benefit of Mrs Cross: the answer was that there are a range of issues that need to be resolved into exactly how the policy is applied, who receives that. For example, should it be extended to everyone who is eligible for a seniors card, or only those who are eligible for a concession because they are a pension card holder? Given that those issues are yet to be resolved by the government, it's not really feasible to provide a costing because the costing would vary, depending on the parameters, and that work is still being done.

MRS CROSS: My husband is delighted to save \$345 a year because of the single bus zone system. He was paying \$552 before and he is now paying \$207, because he takes three legs out and three legs back. Could you apply the same principle to concession holders? In other words, since you charge \$4.50 a day to a regular person to go three legs out and three legs back, wouldn't it be simpler for you just to charge half that price for concession holders, irrespective of the time they took the bus?

Mr Corbell: Concession holders get that now.

MRS CROSS: What does the peak hour have to do with it, then?

Mr Corbell: At the moment, seniors card holders can travel off-peak at a discount rate, but not during the peak.

MRS CROSS: And why is that?

Mr MacDonald: It might be best to explain that we're talking about two different ticket types for concession holders. One is a very special one called the pensioner off-peak ticket, which allows people to travel in the off-peak for \$1.30. Basically, you can travel all day, apart from the peak times. The other ticket that concession holders are able to

access, of course, is the adult fare at half price. Anything you can think of in the adult ticket essentially is available in the concession ticket at half price.

MRS CROSS: And the thinking behind that is what? You don't want old people to travel at peak times?

Mr Corbell: You should ask Mr Smyth; he introduced it.

THE CHAIR: You should ask Mr Cornwell, who is still waiting to find out why they can't.

MR CORNWELL: That's right, and it's also Labor Party policy from the last election.

Mr Corbell: Sorry, I'm being somewhat flippant.

MRS DUNNE: I think it's being partisan as well.

Mr Corbell: It's certainly being partisan. That's my job. The previous government had this policy. We undertook to change it. We will change it. The issue of concessions for public transport is quite complex in the ACT. There doesn't appear to have been any consistent methodology applied. In fact, it seems to have just evolved over time. It's not particularly consistent, nor is it necessarily targeted at those who actually need the assistance. So the focus is on trying to resolve those issues prior to introducing the new arrangements to allow off-peak travel throughout the day.

MRS CROSS: Do you think you'll have them resolved before next year?

Mr Corbell: Yes. As I've indicated, my objective is to have those issues resolved, certainly enough to introduce this initiative, at the next budget.

MRS DUNNE: Minister, there are initiatives in the capital works budget for scoping for the Belconnen interchange. Would you and/or Mr Thurston like to bring us up-to-date with where we are on the Belconnen interchange?

Mr Corbell: In relation to the Belconnen Bus Interchange, Planning and Land Management actually have been doing a level of work associated with implementation of the Belconnen Town Centre master plan, and one of the opportunities there is potentially to release a new site for some retail activity at Belconnen, I think at Cohen Street, and to include as part of that development an internal airport-style departure lounge waiting area for buses. The key question is: do we need to maintain Belconnen Bus Interchange as a large, centralised interchange, as it is now, or can we effectively decentralise it into a series of nodes that service across the Belconnen Town Centre and then out onto both the route services and the trunk services to Civic and other locations? That's essentially what that money is there for, to progress that detailed planning work that's needed.

I'm very keen, I've got to say, to see whether it is possible to release the land adjacent to Belconnen Mall, near Cohen Street, for private development and as part of that finance an enclosed departure lounge facility, with retail facility around it. But that's a few steps away at this stage, and it does depend on the outcomes of some further community

consultation, as well as this planning work. Guy, would you like to elaborate at all from ACTION's perspective?

Mr Thurston: I think you've covered that. That's exactly where it's at at the moment, further public consultation and input from all sorts of groups.

MS DUNDAS: I have a supplementary on what you've just said, Minister. I was at one of the meetings to discuss the future of the Belconnen Bus Interchange that was held in the Belconnen Library. We were told at that meeting, and I think you said this publicly, that the airport lounge thing was just one of the ideas being considered, whereas today you've said it's something a little bit firmer than that. You also spoke about whether it was possible to release the land next to Belconnen Mall, whereas it was put to that meeting that that land would be released, that it was going to be released in the next two financial years, and we needed to have an answer to what was going to happen to the Belconnen interchange or we'd miss the boat in terms of that land release.

Mr Corbell: It's quite possible that that land could be released anyway for retail expansion in Belconnen. The opportunity is there to include a public transport facility as part of that.

MS DUNDAS: But the land is going to be released.

Mr Corbell: Sorry, if I can just finish answering the question, the view I've expressed about the departure lounge is my view. I'm very keen on the idea. But I want to know what the community thinks about it, too. I have an opinion, based on the work I've seen, but I want to see what the community thinks, and that will be the key issue in terms of determining the future decisions in relation to the Belconnen Bus Interchange. The government hasn't taken a decision on that matter.

MS DUNDAS: But has a decision been made that the land next to Belconnen Mall will be released?

Mr Corbell: No, a decision hasn't been made in that regard, but it is possible that the land will at some stage in the future be released, because there is demand from Belconnen Mall to expand, and expansion into part of the car park area on the western side of the mall, near Cohen Street, is where the pressure is. Obviously, regardless of what happens, we'll need to make sure the car parking issues are properly addressed there, and that can be done through car parking structures either below ground or above ground.

Also, I think the opportunity may present itself for the territory to see whether the private sector is prepared to join with the territory in delivering that sort of facility, if that's what we want to do. So it's just about timing and getting it to work, but we haven't taken a decision. I've expressed my opinion on that, but it's not the government's position. That will be informed by the community consultation process.

MS DUNDAS: Perhaps you need to inform the officials in PALM who are doing the consultation process for you that a decision to release that land has not been made, because at that community consultation it was made quite clear to us that the land was going to be sold.

Mr Corbell: I'll certainly clarify that, Ms Dundas, yes.

MRS DUNNE: Some time ago, the minister went on the public record as saying that his view was PALM's view. Does this translate to his view being ACTION's view about the—

Mr Corbell: Mrs Dunne, I think you understand the context in which that comment was made. If you continue to choose to misrepresent it, that's your business.

THE CHAIR: Minister, on page 113 of this year's BP 3, ACTION provides CSOs of lower than commercial fare levels, off-peak services, school services, the cost of government ownership and input inefficiencies. This year it is \$42,367,000. The next line says "During 2002-03 a funding model is to be developed which identifies the cost of CSOs." Minister, will that be developed in the next 32 days?

Mr Corbell: I'll certainly take advice on that, but my understanding is that it won't be completed within that timeframe. Work on the funding model is ongoing and is a matter of discussion between Treasury, Urban Services and ACTION, but I don't anticipate, and I stand to be corrected, that it will be finished before the end of this financial year.

Mr Thurston: Certainly, further meetings will be taking place before the end of this financial year.

THE CHAIR: Minister, would you be surprised to learn that if you go to page 110 of BP 3 for the 2002-03 budget, the year before, the exact same seven lines appear? Why hasn't a model that was promised in the budget before this one not been completed in the 12 months?

Mr Corbell: This is a question which you should also direct to ACT Treasury and to the Treasurer because they are also a party in this discussion. I can't give you a full and detailed explanation as to why that's the case, except to say that there has been a range of issues that the government has been seeking to address in the past 12 months in relation to financial reforms and management of the budget overall, and it's been difficult, I think, to engage Treasury fully in this process to date. Nevertheless, it is now under way and those discussions are happening.

THE CHAIR: Minister, if the model hasn't been finalised and if no decisions have been taken, why have the community service obligations that ACTION provides been cut by your government by \$1.7 million this coming year? Are we providing fewer services for those in need? What has been cut to take the \$1.7 million out of the budget?

Mr Corbell: I'll ask Mr Macdonald to elaborate on that.

Mr MacDonald: As you're aware, there has been about \$700,000 of additional funding provided for Gungahlin. The item that reduces the amount overall is the fact that a loan has now been fully settled, so the amount of funds provided to ACTION to meet those loan repayments can now be reduced. I think the figure was about \$2.6 million.

Mr Thurston: It was \$2.4 million.

Mr MacDonald: That loan repayment process has been concluded, so the funding for that regular repayment is not required.

THE CHAIR: Why is that then portrayed as a community service obligation?

Mr MacDonald: It's part of the total cost of running ACTION services, meeting all the debt associated with the infrastructure and facilities.

Mr Corbell: It's shared across the ACTION budget, in other words.

MS DUNDAS: Page 416 of budget paper 4 shows the user charges going down in the outyears. I understand that is because of the repayment of the loan. But can the drop between 2004-05 and 2005-06 be explained?

Mr Corbell: In relation to user charges, ACT government?

MS DUNDAS: Yes. I can understand the drop from \$50 million to \$49 million between 2002-03 and 2003-04 as the repayment of that loan, which is how it has been explained to me in the past, but there is a drop between 2003-04 and 2004-05 and a drop again in 2005-06. That is still going backwards, despite the loan being paid off. What's going on there?

Mr Thurston: We have a \$2.6 million efficiency saving target built into these three years of the budget. In next year, 2003-04, it is \$500,000 and in the next year it's \$1.1 million more and then it cumulates in \$2.6 million in the third year. So there have been identified efficiency savings. They have been spread over the three years—\$500,000 in the first year, culminating in a total of \$2.6 million in the third year. So that is part of the changes.

MS DUNDAS: Minister, because you're the minister responsible, would you like to explain why the government is putting \$2.6 million worth of efficiencies onto ACTION when you were saying this morning that you're committed to public transport and you're putting heaps of money into public transport, yet you're asking the major public transport provider in the ACT to wear \$2.6 million worth of efficiency?

Mr Corbell: Over the next three years the government is investing over \$40 million additional into public transport, so that is a very significant funding increase. Part of that is for capital, part of that is operational. The \$2.6 million that Mr Thurston is referring to is the assessment of an independent benchmark study of what a best practice public sector, government-owned bus operator should operate on.

ACTION commissioned a study which sought to identify the best practice costs for a bus company in public ownership and then benchmarked ACTION against that. It found that ACTION could achieve further savings of around \$2.6 million, so the government has struck the budget on that basis. We've said, "We don't expect you to operate like a private sector bus company and the savings that come with that, often to the detriment of labour standards and so on, but we want ACTION to operate as a best practice public sector operator. You've got a benchmark that demonstrates that there's a discrepancy at the moment of about \$2.6 million. In the coming years we will slowly decrease your

funding and that will keep the pressure on you to ensure that you are operating in a best practice public sector provider way.” So that’s the rationale.

MS DUNDAS: Are you actually putting \$37 million more into public transport, the \$40 million less the \$2.6 million?

Mr Corbell: A significant amount of that money is capital to purchase new buses. We are purchasing 44 new wheelchair-accessible, natural gas powered buses over the next three to four years. The first lot of buses arrives later this year. In addition, we’ve invested new money for an improved radio communications system and a bus door safety project. There’s been significant investment in capital, so that won’t show up in the operating statement there.

Further, we are investing money to pick up the shortfall that comes from the introduction of the one fare anywhere system. Introducing one fare anywhere decreases ACTION’S revenues because people aren’t paying two or three times as they cross zones. The government has had to supplement that, but we’ve seen the benefits of that in an increase in patronage. We think the social benefit outweighs the cost in that regard. In terms of the actual finances, I’m not good at explaining how it all reconciles, but I’m happy to find someone who can, or take the question on notice.

MS DUNDAS: Can you explain it?

Mr MacDonald: It’s quite complex. In my own area there’s funding and I could go through that. Guy can talk about the additional funding in his area. But to bring it all together, I can run through some items, if you like.

MS DUNDAS: Can you answer the question about whether you’re actually putting in \$40 million or your only putting in \$37 million?

Mr MacDonald: No, I can’t answer that question.

Mr Corbell: I think it would be better to provide you with a written reconciliation.

MS DUNDAS: Mr Thurston might have an answer.

Mr Thurston: Perhaps for clarity, the efficiency savings need to be achieved to get us as best we can in government, public ownership, but we’ve got to do that without reducing service.

MS DUNDAS: But you’re meeting private ownership standards.

Mr Corbell: No, meeting public ownership standards. The cost of operating in the public sector, not the cost of operating in the private sector.

Mr Thurston: ACTION is saying, through its board, that we want to survive, so therefore we’ve got to be the best we can in public ownership. This independent review has highlighted that we’re about \$2.6 million off the mark if we want to be best practice in public ownership for a bus company. So we’ve agreed, rather than have \$2.6 million in one year, to spread that over three years and it allows us to progressively gain those

efficiencies and improvements at the same time as providing the same level of service. It's not about cutting service; it's about ACTION getting that last hurdle more efficient in public ownership. Does that make it clearer?

MS DUNDAS: A little bit, but I think the question I asked still has not been answered. If you want to take it on notice, that would be great.

Mr Corbell: I'll take it on notice and provide you with a reconciliation later.

THE CHAIR: I think we have a couple of questions to follow up on that. At the same time as you're clawing back that money, Minister, the operating result of ACTION deteriorates. It goes from an expected outcome this year of \$1.9 million to an expected outcome in the coming year of minus \$5.9 million.

MRS CROSS: What page are you on?

THE CHAIR: Page 416 of budget paper 4. Is it more efficient or are they just ending up carrying more debt or generating bigger losses?

Mr Thurston: We've certainly got new buses coming into the system, which come at a cost, and that's factored in there. We are certainly striving to get more efficient every year and, if we get that \$2.6 million, obviously that will be an outcome.

MS DUNDAS: But the \$2.6 million is budgeted for in here.

Mr Thurston: Yes, that's right.

THE CHAIR: And you're still returning a worse result, so are you getting better?

Mr MacDonald: Perhaps I can ask the accountant to explain it. He may be able to do it better than I.

THE CHAIR: In the outyears your operating result is almost triple what it is this year.

Mr Wallace: The operating result is a reflection of the way that we're funded in that we are not funded for the total of what might be considered the whole operating cost. The operating cost includes non-cash items, such as depreciation. That loss effectively reflects the non-cash items that are within the ACTION budget. This year's result has been affected by capital injections for the purchase of buses. It's an accounting argument. So the actual result, below that line and the operating result, isn't a reflection of the operation of the organisation; it is a reflection of the way we're funded.

MS DUNDAS: Can you explain to me why depreciation is so high in the outyears when you're purchasing brand new buses. Do they depreciate more quickly?

Mr Corbell: ACTION has other assets apart from buses.

MS DUNDAS: Fine, I understand that. We are having a huge amount of capital injection to get new buses, which shouldn't be depreciating as quickly as other assets, but the depreciation is still going up quite rapidly. If that's the main reason why the operating result is going down, I find that a little bit confusing.

Mr Wallace: The depreciation is aligned, depreciation and amortisation, and next year it is expected to be \$5.2 million. The following years, \$5.3 million, \$5.39 million.

MS DUNDAS: In terms of the fact that there is a capital injection worth \$3.6 million for 2004-05 through to 2006-07, I assume for the new buses that the minister has spoken about, why—

Mr Wallace: But as we replace new buses, old buses are going off, and there is a straight line depreciation. There are assets, as the minister has indicated, that aren't buses. There are the built facilities and other activities.

MS DUNDAS: Which are planned to be upgraded anyway as well.

Mr Wallace: The facilities? The interchanges aren't our facilities.

Mr Thurston: They're under Urban Services.

THE CHAIR: Just to follow up on what Ms Dundas has said, you are purchasing new buses. Are the new buses more fuel efficient?

Mr Thurston: Yes, they are. It's not a simple answer.

THE CHAIR: Is our fuel bill going to go down relative to the number of new buses?

Mr Thurston: It is, but we're also introducing airconditioning, which increases fuel use, so it's not a simple answer. There's a direction being taken that all future buses will be airconditioned and then there's the matter of whether they will be CNG or diesel and just how efficient they will be. If we were forgetting airconditioning, there would be an efficiency, but because we are improving the customer service aspects for the public, that will increase the fuel bill.

MRS CROSS: Mr Thurston, I understand that one of the areas that you inquired about at the Madrid conference, the UITP conference, was the cost of the Civis buses and you were informed as to the cost of those buses. Are we planning to buy any of those buses for the ACT?

Mr Corbell: Not at this time, no. The government's fleet replacement program at this time has been evaluating three buses—they're all conventional bus types; they're not like the Civis—and that's where the fleet replacement program is currently at. The Civis technology is very interesting technology, obviously proven technology as well. I think the best answer I can give you, Mrs Cross, is that we are not considering purchasing that sort of technology at this time, but some of the outcomes of the public transport futures feasibility study may point to consideration of that technology some time in the future.

MRS CROSS: Could you advise the committee what types of buses you are going to buy and how much they cost each?

Mr Thurston: We're in the final weeks of contract negotiation with the preferred tenderer and we expect to be signing a contract next month, in June, for delivery in October-November.

MRS CROSS: What is a rough estimate of the cost of those buses per unit?

Mr Thurston: \$400,000.

MRS CROSS: For \$400,000, what sort of bus are we getting?

Mr Thurston: The most modern standard bus—low floor, fully accessible, airconditioned, CNG operated.

MRS CROSS: Heated?

Mr Thurston: Heated, yes.

MRS CROSS: And with a low floor?

Mr Thurston: Yes, no step, fully accessible.

MRS DUNNE: That's the kneeling bus.

Mr Thurston: Yes, they have the kneeling capability as well, with a ramp.

MRS DUNNE: I apologise that I had to step out for a moment, but I'd like to go back to the capital works, if this is a convenient time to do so. We're doing forward design for bus priority measures. I'm sorry, I thought a bus priority measure was that you put "bus only" on the lane and that you implemented it. On BP 4, page 177, what's involved in \$50,000 worth of forward design for bus priority measures?

Mr Corbell: Potentially a range of intersections, in particular, where we can implement bus priority measures to improve the passage of buses at strategic points around the city. It is modest, I certainly accept that, but the focus is on doing the necessary design and technical work to put in place dedicated bus only ways and the necessary traffic light adjustments for a range of potential intersections around the city.

MRS DUNNE: Where?

Mr Corbell: The final range hasn't been determined, but I can say one intersection that is being looked at and will almost certainly be there will be the intersection of Northbourne Avenue and Flemington Road, adjacent to EPIC. Flemington Road is an important link for buses travelling from Gungahlin via the town centre. Rather than coming down the Barton Highway, they use Flemington Road and then go down Northbourne Avenue.

MRS DUNNE: Isn't there already bus priority lighting at the intersection of Flemington Road and Northbourne Avenue?

Mr MacDonald: It's not just about traffic lights; it's also about feeder lanes, merging lanes, that sort of thing. This is about a feasibility study. It's also fair to say that PALM has some funds under the sustainable transport plan to do additional bus priority measure work, so there's a range of things. What is being bid for here is more around looking at a range of intersection improvements, and the one the minister has mentioned is certainly being considered also by PALM in the context of what we need to do along Flemington Road to improve the buses getting through that intersection. That's one of the things being studied. I guess it's fair to say that some of the program hasn't been settled yet. We've got the funds there to look at the best options for the future.

MRS DUNNE: You're not looking at bus only lanes down Northbourne Avenue, for instance?

Mr Corbell: That will be dependent on the findings from the public transport futures feasibility. I wouldn't rule it out.

MS DUNDAS: I want to ask about the sustainable transport strategy that Mr Macdonald has mentioned. I have general questions about it, but I'll ask a technical one first. I've been looking through budget paper 4, pages 173 to 175, and the numbers do not add up. Budget paper 3, page 165, shows the initiative with an expense of \$470,000 and a capital of \$40,000, and on page 173 there's \$90,000 for the sustainable transport strategy implementation, as a departmental change for appropriation, but on page 174 there is \$470,00 listed for the land authority and there is \$320,000 listed on page 175 as capital injection, departmental. Not surprisingly, I'm confused.

THE CHAIR: And not just you, Ms Dundas, from the look on some of the faces.

Mr Corbell: No, no. The simple answer, Ms Dundas, is that some of these functions are being undertaken by Urban Services and some of them are being undertaken by the ACT Planning and Land Authority. They have some shared responsibilities for future public transport planning and implementation, so the money is split between those two agencies.

MS DUNDAS: But from the way that I've looked at it, the differences between the departmental appropriation and the territorial appropriation comes to a figure of \$560,000, which is a lot more than \$470,000, which is what has been allocated under budget paper 3. So, from these budget papers, it doesn't look like it's shared; it looks like there's extra. I know that you would welcome extra money for this strategy, but—

Mr Corbell: The difference there, I think, and I stand to be corrected, is in terms of how the different parts are appropriated to the authority as a territory instrumentality and DUS as a department.

MS DUNDAS: But it looks like all the money is going to the land authority.

Mr Corbell: No, it's not.

MS DUNDAS: The \$470,000 listed on page 174 as going to the land authority, isn't that the whole initiative?

Mr Corbell: This is in budget paper 4?

MS DUNDAS: Budget paper 4, page 174, near the bottom of the payments. For sustainable transport strategy implementation, \$470,000, which is what is said is being spent in budget paper 3. Is the land authority giving \$90,000 back to DUS to do their part?

Mr Corbell: Just tell me the figure you're referring to in relation to DUS.

MS DUNDAS: Page 173, just under halfway down, there is \$90,000 listed for sustainable transport strategy implementation.

Mr MacDonald: I can tell you what that one is. That's probably not quite correctly phrased. It's really about some funding we've received for a demand responsive public transport business model. I'm not sure why that description is being used. That's certainly the \$90,000 that I recognise that we've been provided with; so it is slightly confusing, that particular description.

MS DUNDAS: So it's a different project.

Mr MacDonald: Yes, it is.

MS DUNDAS: And that explains the \$320,000 capital injection listed on page 175, also for sustainable transport strategy implementation.

Mr MacDonald: You're talking about BP 4, I assume.

MS DUNDAS: Yes. It's also the business model thing.

Mr MacDonald: I can tell you that within Urban Services, for the transport strategy items, we've got a total of \$430,000. They're made up of accessible transport, \$220,000; minor new works, \$110,000; bus priority measures, \$50,000; interchange improvement, \$60,000—they're all capital items—and another \$90,000 for this demand responsive business model.

MS DUNDAS: So it's quite possible that the budget papers are slightly wrong.

Mr MacDonald: I don't think that's necessarily true. I think that it is because we're dealing between two organisations. I think we need to do a reconciliation for you and demonstrate how it fits together.

MS DUNDAS: That would be great. Is that on notice?

THE CHAIR: Is it just a question about the anomaly, or does it lead somewhere further?

MS DUNDAS: The next question was to be: what are you doing with the money?

THE CHAIR: Right. Perhaps we can get a written reconciliation of the pluses and minuses.

Mr Corbell: We're happy to provide that.

MS DUNDAS: All the different things that are listed under sustainable transport.

Mr Corbell: Sorry, I don't seem to have someone here who can explain the accounting.

MS DUNDAS: But you can explain the strategy and implementation, can't you, Minister?

Mr Corbell: In the broad, yes.

MS DUNDAS: Go for it.

Mr Corbell: Is that a question?

MS DUNDAS: It is. When will the strategy be available and what exactly are you going to be implementing with the \$470,000 plus all your capital?

Mr Corbell: I think the elements of the program for this year's budget are outlined in BP 3 in a reasonable level of detail.

THE CHAIR: On what page of BP 3, Minister?

MS DUNDAS: Page 165.

Mr Corbell: I'll outline these issues for you: \$250,000 has been allocated for design of bus priority measures; \$50,000 of this money has been identified for bus priority work on Flemington Road. In relation to bus interchanges, \$60,000 has been allocated for design work on the Belconnen Bus Interchange; a further \$120,000 for similar work on the Woden Bus Interchange. There is a further \$100,000 to maintain the ongoing program to improve bus stop facilities. There's an additional \$220,000 to continue the upgrade of bus stops to meet the government's commitment to comply with disability transport standards. In addition to that, there is a range of new measures: budget funding of \$90,000, which we were referring to earlier, to develop a business model for the implementation of these services.

MS DUNDAS: I am sorry to interrupt, but I was actually asking specifically about the sustainable transport strategy. So you're saying that the \$470,000, plus \$40,000 capital, is being used to upgrade bus stops and the interchanges and the design of bus only lanes. It's not being used to develop a long-term strategy that looks at the possible needs of light rail and whether we're going to be able, as it says in budget paper 3, to shift the balance.

Mr Corbell: I'll ask Mr Hawkins to provide you with some clearer detail on this, Ms Dundas.

Mr Hawkins: Members will be aware that, probably at this meeting 12 months ago, the government indicated the commencement of a sustainable transport plan. There were a number of studies underneath that. The minister has mentioned the public transport futures feasibility. Over the last 12 months, many public meetings have brought these close to fruition. In fact, an important event on 11 June is a transport summit where we hope to be able to present many of those details together. That conversation will lead to a draft sustainable transport plan on behalf of the government which, if you like, fuses together the range of strategies, and they do need to be in pricing, they do need to be in physical work, they do need to be in community behaviour change, the range of things that you've indicated.

The government, by funding some of these initiatives, is giving initial direction, phase one implementation, in this budget knowing that the clear momentum and direction of some of those studies has already been publicly ventilated in some of those forums, and it would be of no surprise to anyone in this room that to influence a more sustainable behaviour you do need physical works, you need pricing strategies, everything working in concert. Describing that in one plan is a matter of months away. The technical work is coming to fruition now. But we already know many of the answers because we've been involved in that work together through many public meetings over the last 12 months.

MS DUNDAS: The \$40,000 capital injection as part of the transport strategy implementation, do you have any inkling yet where that will go?

MRS DUNNE: The thing is that I don't understand why you need capital for the development of this strategic plan.

Mr Hawkins: The strategic plan is, by and large, prepared during this year. The government presented many of these things through the press releases with the budget as a blend of initial implementation of a plan which is coming to fruition. We will present many of those elements of the proposed draft plan at the June 11 transport summit. By funding now, it's a statement of good faith that the direction of the strategy and the draft plan which is emerging needs to have initial implementation in the next budget year.

MS DUNDAS: So it's a best guess of what we need for phase one implementation.

Mr Hawkins: It's a very calculated, educated, informed decision which gives us a broad framework. We'll refine that as we go.

MRS CROSS: Educated and calculated, based on?

Mr Hawkins: All of our studies over the last 12 months.

MS DUNDAS: Have the studies that you've been doing over the last 12 months involved the planning for the Gungahlin Drive extension?

Mr Corbell: I beg your pardon?

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MS DUNDAS: I don't want to open up the debate again, but we briefly touched on it this morning. Were the studies that you've been doing over the last 12 months on the development of a sustainable transport strategy used in the development of the proposal that we saw this morning for the Gungahlin Drive extension?

Mr Corbell: I think I answered that question this morning.

MRS DUNNE: No, actually what they unveiled this morning was what we unveiled in 2001.

MS DUNDAS: So a simple yes or no answer to that question.

Mr Corbell: There isn't a simple yes or no answer, but I think I answered it this morning.

MRS DUNNE: Yes there is. A simple yes or no answer would be no.

MRS CROSS: I think that means you're not getting an answer again.

Mr Corbell: I'm happy to say it again, but I said it this morning.

MRS CROSS: Just say it. It's easier just to tell us.

Mr Corbell: I think the abridged answer is that the government considers that transport links for Gungahlin are a mix of options, including improved public transport, employment location, a more attractive bus fare structure, upgrade of existing roads and development of key arterial roads. Gungahlin Drive is the last of those categories.

MS DUNDAS: And the information that's coming through to develop that strategy, specifically for Gungahlin, has come through the consultations and studies you've been doing in relation to the transport strategy, or were they party policy before the election?

Mr Corbell: They were certainly party policy and have become the government's policy since the election. They were party policy before the election. It's reasonable to say, as I said this morning, that provision of Gungahlin Drive is predicated on, once Gungahlin is totally developed, 20 per cent of all trips out of Gungahlin occurring by public transport.

MS DUNDAS: But—

Mr Corbell: Sorry, you asked the question.

MS DUNDAS: But you're not answering the question, Simon.

Mr Corbell: I am.

MS DUNDAS: I heard what you said this morning about what is—

Mr Corbell: With all due respect, I am entitled to answer the question.

THE CHAIR: Ms Dundas, let him answer the question.

MRS DUNNE: You promised to give the abridged version.

Mr Corbell: I'm trying. The provision of Gungahlin Drive is predicated on, once Gungahlin is completely developed, 20 per cent of all journeys occurring by public transport. Even with that analysis, even with that provision, Gungahlin Drive is still required, and that is consistent with the government's policy that you need a mix of options to deliver transport to people in Gungahlin, and the provision of Gungahlin Drive is part of that.

THE CHAIR: Ms Dundas, do you have a further question?

MS DUNDAS: I don't think I'm going to get an answer to the question that I'm asking.

THE CHAIR: Repeat the question and I'll direct the minister.

MS DUNDAS: The question is: Mr Hawkins just said that you've done 12 months worth of study for a sustainable transport strategy that's going to be announced in draft form on 11 June.

Mr Corbell: Yes.

MS DUNDAS: Have these studies, has this work, informed the development of the Gungahlin Drive extension proposals?

Mr Corbell: No. And the reason for that is that we do not have the luxury of waiting in relation to Gungahlin Drive. That road is required now. The government has always accepted the need for that road. We have had an argument about the alignment. Interestingly, Ms Dundas, you didn't seem to have a problem with the road, either, until it went on the alternative alignment.

MS DUNDAS: True. I'm not going to deny that statement.

Mr Corbell: But I would put it to you that that is inconsistent. Either there is a need for a road or there isn't. If there is a need for the road, then you have the argument about the most appropriate alignment. But you can't say there's a need for a road but only if it's on this alignment. Either there's a need for a road or there isn't, and that's the approach of the government.

THE CHAIR: Minister, can we look at the assumption that 20 per cent of Gungahlin residents will use public transport? If that's the underlying assumption of your sustainable transport policy, why will the residents of Gungahlin be any different from the rest of Canberra, where 6 per cent of residents use public transport, and how will you effect this?

Mr Corbell: It's the underlying assumption of the Maunsell report commissioned by your government when you were in power.

THE CHAIR: But how will you make it happen?

Mr Corbell: I think I've explained, in part, today what we're doing. To achieve, as Mr Thurston corrects me, a 24 per cent increase in boardings in Gungahlin is a significant achievement which delivers because we've put in place one fare anywhere, because we've put in place more attractive timetable services, but what we are focusing on now is how we can improve that further. That's what the sustainable transport strategy is about.

THE CHAIR: What percentage of Gungahlin residents now use public transport?

Mr Corbell: I can't tell you off the top of my head.

THE CHAIR: Is it about 6½ per cent?

Mr Corbell: It's certainly under 10 per cent. I can't tell you the exact figure.

THE CHAIR: So you've gone to a scheme that's kept it under 10 per cent. You admit yourself that boardings in the coming year will remain basically stagnant and yet you can't answer the question of how you will raise that number to the 20 per cent that you're working towards.

Mr Corbell: No, I have explained that and I've explained that by saying that the sustainable transport strategy is about identifying modal split, as I said earlier today—targets for modal split, targets for the number of journeys undertaken by public transport, by private motor vehicle, by other transport modes, and mechanisms to achieve that.

The budget is very proactive in identifying money to begin implementation. The government has undertaken a range of very detailed analysis, the first time this sort of analysis has been done on travel behaviour and demand in Canberra since self-government, the transport elasticity study, the study of comparative costs of transport, the studies into public transport futures feasibility. All of this very significant body of policy work will underpin the strategies we adopt and, indeed, future governments will adopt from now on.

The bottom line was that this policy work simply hadn't been done. It hadn't happened. There was no basis on which, as a city, we could make informed policy choices about how to improve public transport provision and, indeed, manage our transport options into the future, certainly over the next 25 to 30 years. So that's been the government's efforts over the past 18 months. The efforts over the next 18 months are to resolve the strategy by the end of this year and then to start implementing it after that. So the government has a very clear mechanism to deliver the processes and the initiatives we need to build public transport usage. But, as you would appreciate, Mr Smyth, building public transport usage in Canberra is no easy thing.

THE CHAIR: I looked and, indeed, that is a true statement. The across-the-territory increase in public boardings was how much?

Mr Thurston: Just over 3 per cent since 1 July last year.

THE CHAIR: Mr Thurston, when we introduced the zonal system, did not public boardings increase by 20 per cent? Didn't we lift it from 5 per cent of Canberrans travelling by bus to 6 per cent?

Mr Thurston: No. Back in those days when we brought in all the new network 99, I came to Canberra saying, "Surely we can get a 1 per cent increase in modal split, which means a 20 per cent increase in public transport." We did not achieve that.

THE CHAIR: What did we achieve?

Mr Thurston: We achieved between a quarter and a half. But there were a number of other things done. There was through-routing, which makes it difficult to quantify.

Mr Corbell: It's also telling, Mr Chairman, that at a time when nationally other public and private transport providers are seeing a net decline in patronage, the ACT is the only jurisdiction, to the best of my knowledge, or one of the only jurisdictions to see a net increase in public transport patronage. I think that's a credit to ACTION in terms of how it has implemented the government's new policies.

MRS CROSS: Minister, I think that you're on record as having stated that the greatest public transport and general transportation need is with Gungahlin. Is that correct?

Mr Corbell: I have certainly said it's a priority area, but there are many other parts of the city that need better public transport as well.

MRS CROSS: I know, but when we've debated this issue in the chamber, you have agreed—in fact, you have also said it in some of your speeches—that there are many priorities in Canberra, but the greatest priority belongs with Gungahlin. In fact, I remember the February 2002 Gungahlin Community Council meeting. That was the light rail meeting. A number of us were there. Ms Dundas was there, Mrs Dunne and I. I recall that a question I put to you was: if a feasibility study were conducted and showed that light rail was a viable option for Canberra, would you progress it? You said to me at the time, "Don't be political, Mrs Cross," when, in fact, I wasn't. Even though I was a shadow minister, it could have been.

Mr Corbell: Highly likely if you're a shadow minister.

MRS CROSS: I ask you now: given that you have recognised publicly and you're on record as having said that Gungahlin has the greatest need—we need better roads, better public transportation modes—if the feasibility study that's being conducted shows that light rail is a feasible option for transportation, will you make Gungahlin your priority for light rail?

Mr Corbell: It's a hypothetical question, Mrs Cross, and there's a lot of variables in your question. I think it would be fair to say that if the public transport futures feasibility study highlighted the capacity to implement a light rail system, the government would have to consider Gungahlin as an early stage, but I think there are too many variables in your question to give such an absolute commitment that you seek. I just don't think I can do that.

MRS CROSS: I accept that. If, in that case, what I'm asking is a hypothetical, which I accept what you say, why is it you've pre-empted the outcome of that feasibility study by indicating you would consider commencing a light rail trial inner north versus Gungahlin?

Mr Corbell: No, I haven't put it as an either/or. I've made the point that, based on some initial work that I asked the Department of Urban Services to undertake, there is an opportunity if the government wanted to and was prepared to invest, and those are two variables that the government hasn't reached a view on. The inner north, the parliamentary triangle, potentially the airport are worth consideration. I simply released that as an example of the sort of work that is going on at this time.

In relation to light rail, I think the point also has to be made that there are a range of other options open to the government. One is a dedicated busway activity. One is Civis-type technology. There's a range of options out there and the public transport futures feasibility study is meant to identify and give advice to the government on what sorts of transport modes should be considered in the short, medium and long terms and their viability and effectiveness, and that's what we're going to be doing.

MRS CROSS: I understand that, Minister, because I've had my own public transport forum and a lot of us in this room are interested in public transport. What I don't understand is that, if you're not happy with me asking questions that are hypothetical, why you would pre-empt a hypothetical scenario by asking your department to look into an inner north/parliamentary triangle scenario, when all along the greatest need in Canberra has been Gungahlin. Why focus your attention on a hypothetical situation in the inner north when they haven't cried out, they haven't had the greatest transportation need; it's been out in Gungahlin? It just doesn't make sense why you would pre-empt a hypothetical situation when it's not a problem, in the same way as Gungahlin is; I don't understand that.

Mr Corbell: Well, there's a range of factors in relation to light rail provision, and that includes trying to ensure there's an effective level of patronage and that you have a service which can win widespread community acceptance for its value. Having a light rail operation in the central Canberra area would have advantages insofar as Canberrans from many parts of the city would be able to use it. It would also have potential tourism impacts which would be valuable and it would also have potential economic impacts in terms of improving land values and attracting redevelopment in key areas of Civic, as well as linking Civic with the parliamentary triangle.

So there's a range of reasons why I felt it should be put on the table. But it in no way represents a final view on the part of the government. That will be determined by the public transport futures feasibility study. It was simply an example of what was possible if we thought a bit laterally about it.

MRS CROSS: I suppose it's a dangerous example, given that the moment the Gungahlin community learned of that scenario you put forward they immediately became alarmed that they were no longer your priority and they felt that they'd been duped at the election, because they were promised by you and your government that they would be a priority, if and when you came to government, in transportation needs.

Mr Corbell: I think all the evidence is to the contrary. We've done significant things in relation to improving public transport provision, things like one fare anywhere, a 24 per cent increase in boardings, an extra 205 services into Gungahlin via ACTION. We've done work to put jobs into the town centre so that we get a more viable employment base and give people more choices, particularly younger people, about finding jobs close to where they live and the transport benefits—

MRS CROSS: But jobs are no good, Minister, if there are no good roads to travel to them.

Mr Corbell: But the point I'm making is that if you have a job within Gungahlin, you don't need to travel out of it as often. Those are all approaches that the government has adopted. I think the government's record on Gungahlin is fantastic in terms of improved public transport provision, in terms of improved public road provision, and in terms of improved employment provision in Gungahlin. Our record, I think, speaks for itself.

MS DUNDAS: Page 190 of BP 4 has the cost measure of services provided by ACTION. I'm interested in why the estimated outcome is less than the target set for 2002-03.

Mr Thurston: Which one are we looking at?

MS DUNDAS: Budget paper 4, page 190, cost measure of services provided by ACTION. The estimated outcome doesn't meet the target for 2002-03, and the cost drops by \$2 million for the 2003-04 target.

Mr Thurston: This comes back to that same one about the debt issue of \$2.4 million being retired.

MS DUNDAS: That would explain the 2003-04 target not being met, but the drop between the 2002-03 target and the outcome?

Mr Thurston: This is the broader one, and Brian really needs to answer this. ACTION is a subset of that.

Mr MacDonald: I think it comes down, frankly, to an accounting treatment of the way in which the amounts have been allocated. When we've had in this financial year additional funding provided for the wage increases and those sorts of things, they haven't been allocated consistently. I think what's happened is that more has been put in the target area than in the outcome area. I know that's an issue also, for example, looking at the cost of transport advice and intergovernmental arrangements. That is the first item under cost. There's a difference there as well, simply because of the way in which those supplementary funds have been allocated across those items. It's not a particularly satisfactory answer, but it's really an accounting treatment and allocation of those costs, something that has been done by the Treasury.

MS DUNDAS: We'll leave that and I'll ask another question quickly, Minister, there will be a lot of money coming in over the next couple of years, through this budget, due to paid parking initiatives being introduced across the city. Would you like to see some of this money being directed towards public transport?

Mr Corbell: The government is introducing further funding into public transport over the next few years. I outlined to you earlier the investment we're making, but any future decisions about investment are a matter for the cabinet to decide.

MS DUNDAS: Do you think that we do need to have some of this money being invested in public transport so that the public can see that, by being asked to pay more money for parking, they are actually getting a reward by having more public transport services?

Mr Corbell: I think it's important to demonstrate that there's improved public transport provision along with the implementation of paid parking. That is a focus that I have, a focus that I've discussed with ACTION and with Urban Services, and that's certainly ACTION's focus because there's a customer opportunity to translate people making decisions about whether or not it's worth paying to park their car every day and catch a bus if they can see that the bus is going to be a viable alternative, at least for some trips. That's a focus that certainly I know ACTION has. In terms of the issue of hypothecation, which is really what you're asking me, I think, that is an issue which ultimately only the cabinet can decide. I don't want to pre-empt that sort of discussion.

MRS DUNNE: I have a couple of questions on the big picture and a couple on the little picture. This morning, Minister, you said in your introduction—correct me if I'm wrong, but I couldn't find it when I went looking for it—that there was money to look at demand responsive transport services.

Mr Corbell: Yes.

MRS DUNNE: Where is that and what do you propose to do with it?

Mr MacDonald: I think we have mentioned, Mrs Dunne, that \$90,000 has been allocated to develop a business model to help us understand some of the options available in trying to develop a more demand responsive service.

Mr Corbell: The sort of issue we're looking at there is a dial-a-ride type service, and it could be during particular hours of the day. It could be just in the evenings, say. People who need to get from home into Civic or alternatively Civic to home can potentially dial a ride, get picked up and taken home by a public transport provider of some type.

MRS DUNNE: And this is a literature search, is it?

Mr Corbell: No, it's more than that. It's to look at a couple of options and develop further particularly the costing around them and the operability of them to see whether or not they can work.

MRS DUNNE: I have to commend you on taking the first step and I hope that the first step will result in some subsequent steps.

Mr Corbell: So do I.

MRS DUNNE: On a smaller picture scale—I'm not quite sure whether you're the person to answer this question, which Pedal Power has asked me to ask—in the 2002-03 budget \$30,000 was spent on the design of a new cyclepath through the Jerrabomberra Wetlands. I won't question you about the Jerrabomberra Wetlands, but there is no money to build the cyclepath. Perhaps I should have asked this question yesterday while Mr Wood was here. What is going to happen? Is the design money down the drain, basically?

Mr Corbell: This is notionally Mr Wood's portfolio area.

MRS DUNNE: Yes, I realised that as I was asking the question.

Mr Corbell: Mr Davidson is able to give you some information.

Mr Davidson: We're aware that Pedal Power have made the point that that piece of cyclepath across the wetlands is the missing link. There is a piece of work going on at the moment in conjunction with Environment ACT to assess the best of a number of options in terms of fixing the route. Once that's been done, the department is looking at adjusting its priorities in order to attempt to fund it from its capital program.

MRS DUNNE: So you hope you may actually be able to fund it within the capital program.

Mr Davidson: We're hopeful.

MRS DUNNE: Has the \$30,000 that was set aside in the last budget been spent?

Mr Davidson: I can't answer that. I am aware that a fair bit of work has been done it, but I don't know the precise value.

MRS DUNNE: Finally, what do you hope to do with TravelSmart, which, to some extent, goes with the demand responsive question?

Mr Corbell: The government, as you'd be aware, conducted a trial of TravelSmart, or, as it was called in the ACT, Way to Go and that proved to be successful. Perhaps not as successful as in some other jurisdictions, but it did result in some not insignificant shifts in behaviour, certainly enough to warrant further use of that model. I'm happy to provide details of that; they are publicly available. I'm happy to provide that information on TravelSmart.

The option now is to use the funding provided in this year's budget to try to successfully reach agreement with the Commonwealth to access funds which a number of states and territories are engaged in through the Australian Greenhouse Office for joint Commonwealth/territory funding for a broader Way to Go program focusing on some key employment location areas and we are dependent on the Commonwealth's preparedness to fund. It's not quite matching, but it's a joint funding exercise. If the Commonwealth says no, then we will seek to use the funding in a similar way. But, obviously, it would be of a much smaller scale.

MRS DUNNE: How much money are you proposing to put in and how much are you hoping to get from the feds?

Mr Hawkins: Mrs Dunne, I may just expand on the minister's answer. Whilst the item in the initiative about national travel behaviour change was seeking Commonwealth matching funds, whatever they may happen to be, and I've identified around \$200,000 a year, to do a broad scale program, we would still seek to build on last year's trial within a blend of PALM/environment/internal resources to do these, either a major employer or a school, to continue to build on the momentum of our successful trial and really expand on that significantly in a wider broad scale program if we secure the Commonwealth funding.

MRS CROSS: Page 190 of BP 4, under timeliness, refers to the reliability of public transport services meeting minimum service levels. I was going to start off by saying congratulations for meeting the 99 per cent target for the outcome and then look at the 99 per cent target for 2003-04, but I was a bit alarmed when I saw that the target was about meeting minimum service levels rather than meeting maximum services levels. Could someone explain the difference?

Mr Thurston: I might just clarify this point, because the ACTION board has asked me exactly the same question. The 99 per cent is about the delivery of services out of the depot to go on the road, so we deliver that part, and the 1 per cent covers breakdowns, someone being sick or what have you on the bus. That's a very, very high target and the best in the country. We've maintained that since the time I've been here, because I believe that's critical. What the board has asked for, which I believe is right, we now need to go further and look at what the reliability is for the person at the bus stop on the street. That's a more complex issue to measure, but we know we're delivering 99 per cent of all services every day. Now we just need to take it to the next step to make sure that someone standing on London Circuit is getting that level of service.

MRS CROSS: So we can hope to see that in next year's budget, we'll see the reliability of public transport services meeting minimum and maximum service levels as two separate percentages?

Mr MacDonald: I think the way it will read is that it will say meeting the scheduled or timetabled services.

Mr Corbell: Just on that, if I may, Mrs Cross. I think that the way to measure that is to actually know what time buses are arriving at particular points along any given route, and the only real way to do that is to have some sort of GIS-type technology to be able to track the bus throughout its journey and time it to see whether it's operating in a timely way on the route. So some sort of real time information is needed. The bus communications upgrade will hopefully—Guy will correct me if I'm wrong—build in a future capacity for GIS real time information provision, so that if we want to augment the radio communication system we'll be able to do that quite easily to put in place that GIS real time capacity.

MRS CROSS: Could you explain what GIS means?

Mr Corbell: Geographic information system.

MRS DUNNE: Minister, we have talked to you today about forward planning and how we might need to look at a whole lot of other options for sustainable public transport into the future. All of those options, once you get past bus priority lanes, are very expensive. It's becoming increasingly the trend overseas for municipalities, public government bodies, to step back from the provision of public transport to some extent and go into public/private partnerships or contract the whole thing out. Would you contemplate that as a means of providing the funds to come up with more innovative public transport modes?

Mr Corbell: In relation to ACTION, no. The government's commitment is to retain the bus service in public ownership. In relation to some future technology, the government has said it would consider a range of options for funding it. The government has recently adopted guidelines to assess proposals that, say, look at private/public partnership funding models, where the private sector bears the up-front costs of infrastructure provision, but the government is understandably very cautious about these models given the experience of the previous Victorian Liberal government, which entered into a range of privatised or contracted out arrangements which have resulted in the Victorian taxpayer having to bail out at least one tram company, because the contracts were poorly written and the business scenarios were unrealistic. So we approach these issues very cautiously.

MRS DUNNE: I have to say, Mr Chairman, that I think that that's a misrepresentation of what happened in Victoria.

Mr Corbell: Nevertheless, the private provider couldn't make a go of it.

MRS DUNNE: But the other private providers are making a go of it.

Mr Corbell: To varying degrees, yes.

THE CHAIR: We won't have an argument here about having to pay off the debt in Victoria.

Mr Corbell: The point I'm making is that we approach these issues cautiously but with an open mind. In relation to ACTION, it's public ownership.

THE CHAIR: Minister, I thank you and your departmental officers for your attendance at your day two of the estimates and the bottom of the ninth for us. We have two days to go.

Mr Corbell: Thank you.

The committee adjourned at 5.09 pm.