LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

SELECT COMMITTEE ON ESTIMATES

(Reference: Appropriation Bill 2004-2005)

Members:

MR B STEFANIAK (The Chair)
MS K MacDONALD (The Deputy Chair)
MS R DUNDAS
MRS V DUNNE
MR J HARGREAVES

TRANSCRIPT OF EVIDENCE

CANBERRA

THURSDAY, 27 MAY 2004

Secretary to the committee: Ms S Leyne (Ph: 6205 0490)

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 9.20 am.

Appearances.

Mr Simon Corbell, MLA, Minister for Health and Minister for Planning

Planning portfolio

Mr Alan Thompson, Chief Executive Officer, Department of Urban Services

Mr Allan Eggins, Executive Director, Corporate, Department of Urban Services,

Mr Alan Phillips, Director, Corporate/Corporate Budgets, Department of Urban Services

Ms Anna Lennon, Executive Director, Policy Arts and Transport, Department of Urban Services

Mrs Karen Greenland, Acting Director, Policy Arts and Transport/Road Transport, Department of Urban Services

Mr Brian MacDonald, Director, Policy Arts and Transport/Road Transport, Department of Urban Services

Mr Guy Thurston, Chief Executive Officer, ACTION Authority, Planning (Transport)

Mr Brian Quirke, Group Accountant, Finance and Operations, ACTION Authority

Mr Neil Savery, Chief Planning Executive, Office of the Chief Executive, ACT Planning and Land Authority

Mr Ian Sakkara, Manager, Corporate Resources, Business and Information Services Branch, ACT Planning and Land Authority

Ms Dorte Ekelund, Director, Land Planning and Projects Branch, ACT Planning and Land Authority

Mr Richard Johnston, Director, Executive Unit, Development & Building Administration Branch, ACT Planning and Land Authority

Mrs Jacqui Lavis, Director, Strategic Planning & Policy Branch, ACT Planning and Land Authority

Ms Anne Skewes, Chief Executive Officer, Land Development Agency

Mr Gordon Lowe, Acting Executive Director, Urban Development, Land Development Agency

Mr Gerry Ryan, Chief Finance Officer, Corporate and Finance, Land Development Agency

Mr Peter Johns, Director, Marketing and Business Analysis, Land Development Agency

THE CHAIR: Welcome, everyone. For the new witnesses who haven't heard it before, I have to give you this warning: you should understand that these hearings are legal proceedings of the Legislative Assembly, protected by parliamentary privilege, which gives you certain protections and also certain responsibilities. That means you're protected from certain legal action such as defamation for what you say at this public hearing. It also means you have a responsibility to tell the committee the truth because giving false or misleading evidence will be treated by the Assembly as a serious matter. Does everyone understand that?

Would each witness coming to the table state their name and the capacity in which they're appearing and please clearly identify when you're taking a question on notice because it's your responsibility then to check the transcript and respond to the question.

Responses to questions on notice are required within three full working days. The transcript will be emailed to the minister and the departmental contact officer for distribution to witnesses as soon as it's available. Also, would any members asking questions please clearly identify if they want a question to be taken on notice; please also give the page references.

These proceedings are broadcast to specific government offices and the media may be recording proceedings and taking visual footage.

Without any further ado: I've got a couple of questions just to start with. On page 174 of BP4—dealing with the financial performance of the ACT Planning and Land Authority—under "Taxes Fees and Fines", what is the basis for the more conservative budget? Also please refer to page 177 for revenue from taxes, fees and fines.

Mr Corbell: Simon Corbell, Minister for Planning. I'll ask Ian Sakkara to answer that question for you.

Mr Sakkara: Ian Sakkara, Manager, Corporate Resources. The figure of \$16.8 million in 2003-2004 is significantly larger than our normal level of revenue for this item. And it comprises, mainly, several large amounts of change-of-use charges that we've receipted during this current year. So the figure of \$11.09 million for 2004-05 reflects the normal level of fees and charges and taxes that we would collect under that item.

MRS DUNNE: And can you tell us, Mr Sakkara, what the particularly large change-of-use charges were for?

Mr Sakkara: Specific projects?

MRS DUNNE: Yes.

Mr Sakkara: Yes, I can do that for you. I haven't got the specific details for every project. I've got details of the block and the sections and the payee.

MRS DUNNE: For the big ones.

Mr Sakkara: Yes, for the big ones. There was \$490,000 for the Hungarian Club pay-out of their concessional lease. There was \$840,000 for block 9 of section 56 in Watson. It would have been part of a housing development, I think, in Watson.

Mr Corbell: It's the old caravan park past the television station on Antill Street. It's being converted to a residential development.

MRS DUNNE: The Canberra Lakes Car Hotel?

Mr Corbell: That's the one.

MRS DUNNE: I remember it well.

Mr Sakkara: Additionally we had \$1 million for the pay-out of the concessional lease for the Workers Club in the city; \$1,050 million for a block in Northbourne Avenue,

changing the lease purpose clause from residential to multi-storey car parking.

MRS DUNNE: Multi-storey car parking is a higher and better use than residential?

Mr Sakkara: According to the evaluations we had done, apparently so.

Mr Corbell: Shows the advantage of having a change-of-use charge, Mrs Dunne.

Mr Sakkara: And \$1.3 million for the change of use charge for the YMCA property change to residential lease purpose clause. So they're the largest ones.

MRS DUNNE: Thanks. Apart from change-of-use charge, what other things come under "Taxes Fees and Fines", where your development application fees and all of that appear as well?

Mr Corbell: Obviously development application fees, also other fees associated with land information as well, as well as fees for builders to be registered and so forth.

THE CHAIR: The budget was set for 2003-2004. This is under the same area, "Taxes Fees and Fines". What budget was set for 2003-2004, and how did the outcome vary from this budget we're dealing with now?

Mr Corbell: Mr Sakkara can answer that.

Mr Sakkara: The budget for 2003-2004 was \$10.87 million for those revenue items, and with an expectation that the figure will be in the order of \$16.8 million as disclosed in that estimated outcome column.

MRS DUNNE: Why, Minister, in these statements are there zero figures in the 2003-04 budget column all the way through?

Mr Corbell: Which particular lines are you referring to? Operating result and so forth?

MRS DUNNE: Any page between 174 and 176. The 2003-04 budget figures are all zeroed. Why are they zeroed?

Mr Corbell: I understand that's an accounting treatment. I'll ask Mr Sakkara to deal with it, but my understanding, just to preface, is that we have now a new authority and it was only recognised as a departmental unit for reporting purposes after the first quarter of its operation. Previously money was still flowing through from urban services to the authority rather than a direct appropriation from Treasury through to the authority. So that's the change in reporting requirements, given that it's now a departmental unit. But I'll ask Mr Sakkara if he can elaborate or correct me if I'm wrong.

Mr Sakkara: The figures for the territorial expenses were included in the statement of financial performance for the authority on page 168 as the original budgets. As from 1 October, when we were deemed to be an administrative unit, that created the need to have a separate set of statements for expenditure and revenues on behalf of the territory. Those items of budget were transferred then to the territorial financial statements, which appear on pages 174 to 176. So essentially the authority statement of financial

performance included both territorial revenues and expenses and the departmental until 30 September 2003.

MRS DUNNE: So why was it that the authority started on 1 July but wasn't an accounting entity on 1 July?

Mr Corbell: Well, the issue that arose was: the government wanted to ensure that the authority was not perceived to be compromised in terms of its relationship with government vis-a-vis a statutory independence, and therefore it took some time to work out exactly what the requirements were under both the Financial Management Act and the Public Sector Management Act, which determine how administrative units are formed.

Given that the issue came up quite late, before the formal establishment of the authority on 1 July last year, it was decided that, for the purposes of at least the first quarter, it could still be a reporting entity under the Department of Urban Services. The Chief Minister subsequently agreed, as did the Treasurer, to make the changes by instrument under their relevant acts to create the authority as an administrative unit, i.e., effectively as a separate department. This was, I think, discussed in last year's estimates.

MRS DUNNE: We can vassed this in May last year; it wasn't resolved until, effectively, September.

Mr Corbell: It was resolved within the first quarter of the following financial year. The issue is quite complex in terms of legislation, and I'd be quite happy to provide a briefing for you, Mrs Dunne, on it. But we have now established the Planning and Land Authority as an administrative unit, effectively as a department, so the changes you see in the financial statements accord with that transition period.

MRS DUNNE: I think it's a little unfortunate that after all that we do have an accurate year's worth of accounts but they're just somewhat difficult to read because they're in several places at once.

Mr Corbell: I appreciate that, but it's an issue that's now been resolved and the authority corresponds as a department for the purposes of budgets.

THE CHAIR: On page 177, what's the basis for the "change in accounting treatment for land rent and 30-year loans", and why have those changes been made?

Mr Corbell: Again, I'll ask Mr Sakkara to answer that question.

Mr Sakkara: Responsibility for the accounting for the land rent revenues became part of ACTPLA's functions as from 1 July. That was something that was previously included in the land agency's accounts as the Department of Urban Services. The issue with the change of accounting treatment relates specifically to an item relating to the rural loans that have been issued over the last few years. When we picked up the balance sheet from the land agency relating to these items, the amounts outstanding on the premiums that were charged to rural lessees were treated as liabilities. That is an incorrect treatment of that item, and they need to be recognised as an asset of the territory, which is a loan repayable over the next 30 years to the territory; hence that created a one-off adjustment

of \$2 million in our accounts for this current year.

MRS DUNNE: These are loans that are outstanding as a result of the implementation of the rural leasing policy?

Mr Sakkara: Correct.

MRS DUNNE: The sum of those is \$2 million.

Mr Sakkara: Yes, as at the date we acquired those balance sheet items, it was about \$2.4 million. It is currently now about \$3.2 million, from memory.

MRS DUNNE: Because there are more people taking up 99-year leases.

Mr Sakkara: That's correct, yes.

MRS DUNNE: Can I come back to the 99-year leases after we do the funds?

THE CHAIR: Okay.

MS DUNDAS: On page 174 of BP4, under "Other Expenses", there's an increase that's due, I believe, to bank charges as a result of higher than anticipated average cash investment balances. What kind of bank were you working with that we have such high bank charges for our investments?

Mr Corbell: Again, I'll ask Mr Sakkara to answer the question.

Mr Sakkara: Yes, and the note is where?

MS DUNDAS: It's at the start of 173. In terms of "Other Expenses" the increase in the estimated outcome is due to increased bank charges as a result of higher than anticipated average cash investment balances.

Mr Sakkara: The notes on page 172 actually refer to the financial statement on page 168.

MS DUNDAS: The point is that we have higher bank charges.

Mr Sakkara: Yes. Over the course of the year we receive our appropriation on a fortnightly basis from Treasury just as a straight-line draw-down of our total appropriation. If our expenditure patterns don't match that, we normally have a surplus of funds that are invested through Treasury's Central Finance Unit on which they then pay us interest. We also incur some bank charges along with that. In all, our level of investment through CFU has been far higher than we anticipated in the early part of the year and that has caused those additional charges.

MS DUNDAS: Do you expect that we will continue to have a high level of cash in investment?

Mr Sakkara: To a large extent. On some of the large expenditures that we do have, it

takes a little bit of time to prepare the consultancy briefs and things that often are of fairly large values. I wouldn't expect that next year will be as high as what we have had this year, but there will always be a certain level of working capital that we hold that reflects the difference between the expenses that we incur and the timing with which payments are made on those.

MS DUNDAS: Are you then predicting that interest will drop to zero next year?

Mr Sakkara: Our plan is to cash-manage our funds on the basis that we do actually spend it in line with the draw-down and we don't have any real expectation of large values of interest, but there will be some there that we haven't factored in at this stage.

MS DUNDAS: So even though you know that there will be instances where you do have cash investments which will be sitting around and you'll be earning interest on them as well as paying the bank fees, you're not necessarily budgeting for that.

Mr Sakkara: It's probably something we need to look at for future budgets to include something in there.

MR HARGREAVES: Is that because it's so hard to predict? Essentially, if I get it right, you estimate what your draw-down is going to be and if you're slightly out the CFU actually keeps that, invests it for you, gives it back and you wouldn't have a clue from month to month the exact amount that that's going to be.

Mr Sakkara: Sure. The exact amount is very hard to predict; nonetheless, there will be some amount that we can, I guess, safely include in the figures in future.

MS DUNDAS: Because you do have a list of current assets, which does include over \$1 million in cash every year for the outyears, so you're earning interest on that, aren't you?

Mr Sakkara: Correct, yes.

MS DUNDAS: So it does seem odd that, even though you know that you're going to be earning interest on that cash, not just your other investments, it's not been calculated through.

Mr Sakkara: That's correct, yes.

THE CHAIR: Minister, what is the status of the purchase of land at Majura for \$1.590 million in the 2003-04 year, page 178 BP4? Was this the land that was initially identified by the government for the prison?

Mr Corbell: Yes, it is the land that was originally identified for the prison.

THE CHAIR: So that prospective purchase price was signalled to the Commonwealth, no doubt. What's the status of that particular piece of land now?

Mr Corbell: As I understand it, the Commonwealth has indicated they wish to do a broader planning study of future needs for Commonwealth land in the Majura Valley,

particularly as it affects the area around Canberra airport, and we are unable to proceed with any negotiation with the Commonwealth until they have completed that work.

THE CHAIR: Which block is this?

Mr Corbell: My understanding—and I'm happy to be corrected—is that it's the area of land behind the Canberra international airport.

THE CHAIR: Not block 51?

Mr Corbell: No it's not. It's behind the RAAF base. So it's towards the east of the Canberra international airport. We'll see if we can get a block number for you, Mr Stefaniak.

THE CHAIR: That would be helpful because there's quite a bit of confusion in relation to what particular block it is. That is the block you identified in about August last year, isn't it?

Mr Corbell: Yes, that's correct.

MR HARGREAVES: That's the one that, to all intents and purposes, the deal was done on and then the federal government pulled away because of the provision for expansion of the airport over the next generation.

Mr Corbell: That's correct, Mr Hargreaves. The land is held by the Department of Defence. They indicated a willingness, at least informally at officer level, to deal directly with the territory. That was consistent with the practice that the Commonwealth has held for some time that if it no longer requires land that is surplus to its requirements and it wishes to divest itself of it it will normally offer it in the first instance to the territory before going to the market. Regrettably, it would appear that that might not be the case in this instance, which would be quite a departure from Commonwealth policy.

THE CHAIR: If you could get me the block number and exactly where that land actually sits in relation to all the parcels of land around the airport.

Mr Corbell: We'll take that on notice and provide that to you, Mr Stefaniak.

THE CHAIR: Thank you. I have further questions on block 51, but I think Ms Dundas has some in relation to this particular part, changes to appropriation.

MS DUNDAS: Yes, and the government payment for outputs. I have a few. There is an item for the non-continuation of the national behaviour change program. Does that mean that the national behaviour change program is ceasing?

Mr Corbell: Again, I'll ask Mr Sakkara to explain that item.

MR HARGREAVES: While you're at it, could you please help me out in my ignorance? I don't know what it is. Can somebody please tell me?

MS DUNDAS: It's the way to go paper. It's a behavioural program in relation to how

people travel to and from work.

Mr Corbell: It's a transport behaviour change program. It's designed to encourage people to consider alternatives to using their motor vehicle for journeys to and from work; to provide them with information and advice on how they can get around potentially without their motor car for certain journeys. For example, it provides information on available bus routes, cycling and walking paths, journey times, those sorts of things, amongst a range of other programs, including things such as—

MS DUNDAS: And did it manifest itself in the ACT as the way to go program?

Mr Corbell: Yes, we have marketed it as the way to go program here. It's also more commonly known as Travelsmart in other jurisdictions. While Mr Sakkara is identifying that item, we are continuing to undertake a range of Travelsmart programs in the ACT.

In conjunction with the Commonwealth, we signed up to an agreement with the National Greenhouse Office last year for a range of measures. For instance, we are currently undertaking a program in Belconnen where we are liaising with the real estate agents for people who are moving into Belconnen. The real estate agents identify to us people who are moving into Belconnen and we go out and talk to them and explain to them what their transport options are—for example, what buses service their area and how they work; how frequently they run; what the fare structure is; how they can utilise that, equally, what walking paths, cycling paths are available in their area—and give them assistance on some journey planning so that we can encourage them to look at alternatives to just using their motor vehicles. We've had, I think, about 100 people or so participate in that program to date in Belconnen.

MS DUNDAS: And that's only people who are buying in Belconnen.

Mr Corbell: Well, it's for people who are purchasing a home in Belconnen. So it might be people who are moving from one part of Belconnen to another or it might be people who are moving in from other areas.

MRS DUNNE: But it doesn't cover renters.

Mr Corbell: No, it doesn't cover renters; it's focused on people who are purchasing at this stage. That's the way the program is targeted and it is proving to be quite successful. But in relation to this technical adjustment, I hope Mr Sakkara can provide you with some information.

Mr Sakkara: This is another one of those ones where the item was included in the departmental statements at the beginning of the financial year because of the nature of the combination of the statements. It was disclosed under the item called grants from the Commonwealth because we are receiving grant money for that from the Commonwealth. So it's a reduction in the departmental statements and it's being now added into the territorial statements because of the nature in which we treat grants through territorial revenues. If you need specific details of the numbers, I'll have to take that on notice and provide that to you.

MRS DUNNE: What's the minus \$96,000 mean in 2007-08? Is it that the

Commonwealth is not giving us \$96,000 in 2007-08 or—

Mr Sakkara: There has been a change to the timing of that project and the provision of the Commonwealth money based on the agreement that was signed with the Commonwealth. I think that \$96,000 relates to that timing adjustment in the revenue stream. But again I—

MRS DUNNE: So what does the timing adjustment in the revenue stream mean? Does it mean the money's going to run out?

Mr Sakkara: No, it doesn't run out. We expected it to commence earlier than it did. I think the project is being pushed back 12 months or so and the funding has sort of just shifted back in its financial years. But again, I think it would be best if I take that on notice and provide you with specific details of the exact figures if you want them.

MS DUNDAS: Yes, that would be useful. There are no changes to appropriation territorial listed in the budget papers. We're missing that information in that sense. You can take this on notice. If there is actually a page that shows the changes to appropriation territorial, that would be useful for us to have; otherwise we'd like to see it next year.

Mr Sakkara: I understand.

MS DUNDAS: Also on the same page there are the general savings that are meant to be met, \$300,000 into the outyears. How will ACTPLA be meeting its obligations under general savings?

Mr Corbell: Well, could I preface the question by saying that, clearly, a range of government agencies have been asked to deliver some savings to the central fund of the territory. ACTPLA has a small savings target to meet. That will be assessed as ACTPLA puts together its internal budget for the coming financial year and judgments will be made as to where that can be achieved.

MRS DUNNE: That's basically one per cent.

Mr Corbell: I think it's effectively one to two per cent. It's two per cent actually.

MRS DUNNE: So \$300,000 into \$34 million is—

Mr Sakkara: It's just under one per cent.

Mr Corbell: Just under one per cent.

MS DUNDAS: So will there be any staff losses to meet these savings?

Mr Savery: Neil Savery, Chief Planning Executive. No, there won't be any staff losses as a result of the savings.

MS DUNDAS: Just another one while I'm on a roll: you've had the bushfire rebuilding grant transferred to you from CMD, the \$650,000. How do you expect that money to be expended?

Mr Corbell: You mean over what period of time?

MS DUNDAS: Over what period of time, yes. That's part of it.

Mr Sakkara: The \$650,000 provides for a further 130 certificates of occupancy to be issued under the \$5,000 grant that is being provided for. It's difficult for us at this stage to predict whether that will cover all of the homes that are reconstructed or whether there will be a need to seek further appropriation next year. But at this stage we would anticipate that the \$650,000 would be expended during 2004-05.

MRS DUNNE: So this is the \$5,000 in lieu of the stamp duty rebate. People who bought elsewhere got a stamp duty rebate.

Mr Corbell: That's correct.

MRS DUNNE: People who are rebuilding are basically getting a payment in lieu of that at completion.

Mr Corbell: That's correct.

MR HARGREAVES: I know it's in capital works but it has to do with the comment that the minister made a minute ago. At the bottom you've got, under "Forward Design", "Sustainable Transport Initiative", \$6 million. In the first year you're going to spend \$3 million. Presumably in 2005-06 the second \$3 million will happen. Could you just elaborate a bit more on what's actually going to happen in stage 1 please?

Mr Corbell: Well, I'll ask Mr Savery to give you some more detail. Perhaps if I can just preface the answer by saying that this is an important part of the government's sustainable transport initiative process. We have taken the decision as outlined in the sustainable transport plan to develop high-speed, right-of-way, dedicated busways as a foundation for potential light-rail development into the future.

This particular initiative identifies that Belconnen to the city will be our first priority, along with Gungahlin to the city. The Belconnen project involves linking the city centre with the ANU, potentially Calvary Hospital and/or Bruce CIT, the University of Canberra and then into the Belconnen town centre. We've identified this route because it has a large number of activity generators along it. Those universities, the hospital itself, all generate a large number of trips, journeys to and from. So they attract activity, they attract journeys.

All the evidence nationally and internationally demonstrates that putting dedicated public transport connections along that sort of corridor builds the viability of that sort of project. So the intention is to try to deliver the dedicated busway as close as possible through the centre of each of those facilities. I'm particularly interested to make sure that it doesn't just skirt along the side or the edge but, wherever possible, we try to get into the heart of those facilities so that it makes it a convenient journey, a fast journey, and certainly very competitive with the motor vehicle. If we can have the busway stations close to the heart of each of those facilities, then it's a very attractive piece of transport infrastructure. People get off and are right in the middle of the facility rather than being in a car park

out at the edge.

The \$3 million in the first year and the \$3 million in the second year will give us a detailed plan for actual construction, so that we can go into construction the year after. So it's not just concept planning, although that is an element in the first year, it's also the detailed design plan for actual construction in the following year. But I'll ask—

MR HARGREAVES: Before you do that, I'll just pick up on something. The reason for choosing Belconnen to Civic and Gungahlin to Civic, if I can reiterate properly, is that you've got those major activity centres—as you said, CIT, hospitals, universities and all those sorts of things—and the absence of all of those in the Tuggeranong area would be the reason why the Tuggeranong to Civic route is not under thought at the moment.

Mr Corbell: Well, certainly the sustainability of that sort of infrastructure between, say, the Woden and Tuggeranong town centres is more difficult because of the lack of activity centres along the route, and we have identified that the immediate pressures do exist in the north side of Canberra, particularly Belconnen to city and Gungahlin to city, where we have some very significant major transport corridors, road corridors, which are increasingly congested during peak hours—not congested, say, compared to other cities but on Canberra standards increasingly congested.

We want to try to encourage some behaviour change and give further options for people in those areas to use public transport as an alternative to car journeys, particularly for peak trips, journey to and from work, and that's consistent with the transport plan which identifies journeys to and from work as the area where we want to reduce or contain the overall number of journeys that occur by private motor vehicle.

MR HARGREAVES: I think that's a very reasonable approach to take in the sense that you've got to cater for that and you've got to get people out of cars and all that sort of stuff. I would actually, though, pose a challenge for our planners in the future that perhaps that deficit of activities which exists within the Tuggeranong Valley or South Woden ought to be addressed in our future thinking. Perhaps we can take the opportunity to learn lessons from what we actually do in respect of the Belconnen and Gungahlin to Civic access and put that in before we actually come up with some activity rather than just a dormitory-suburb approach to life in the Tuggeranong area. I look forward to some innovative thinking about some activities down there.

MRS DUNNE: Tuggeranong was always a challenge, Mr Hargreaves.

Mr Corbell: It's a very reasonable comment, Mr Hargreaves, and I'm particularly conscious of the journey-to-work patterns out of Tuggeranong and the employment-location issues. They are significant challenges in terms of managing transport in the city. The government's initiative around the relocation and the development of a new bus departure/arrivals lounge at Woden town centre is a very useful leaping-off point for improving the right of way down to Tuggeranong in the medium term.

MS DUNDAS: What's the difference between the Gungahlin to Civic corridor stage1 high-occupancy vehicles priority measures and what you've just been discussing in terms of the Gungahlin to Civic busway?

Mr Corbell: Well, in the first case, the high-occupancy vehicles priority measures are a series of right-of-way improvements to existing road infrastructure—for example, light signalling for buses, like the one at the intersection of Northbourne Avenue and Flemington Road. We will be providing a range of other priority measures for buses along the Gungahlin to Civic corridor, including improvements to intersection treatments and a range of other measures. I might just ask Mr Savery if he can elaborate at all on that answer.

Mr Savery: I think the minister has highlighted the key changes. It will also involve some further design work to determine the capacity to dedicate road space specifically for high-occupancy vehicles. But the main—

MS DUNDAS: Just to clarify: high-occupancy vehicles are buses?

Mr Savery: Yes, that's correct.

MS DUNDAS: Because you've also got the financial and economic business case for developing the Gungahlin to Civic busway stage 2.

Mr Savery: That's correct.

MS DUNDAS: So have you completed stage 1 of the Gungahlin to Civic busway?

Mr Savery: What we've done in this financial year is a lot of the forward design work, and the \$900,000 provided for next financial year is to actually carry out the implementation of that forward design work. So the stage—

MS DUNDAS: I was asking about the \$80,000, stage 2.

Mr Savery: Well, the \$80,000 is to do the feasibility or the business case for stage 2. So the Gungahlin to Civic corridor stage 1 allows you to do a certain level of works at intersections through the treatments that the minister's mentioned. But stage 2 actually builds the capacity further and we have to provide a business case to be able to demonstrate to Treasury and the government the merits of those further works.

MRS DUNNE: May I just clarify something as well. The sustainable transport initiative stage 1, which is under "Forward Design" on page 179 of BP 4, that's the Belconnen—

Mr Savery: That's correct. That's Belconnen to Civic.

MRS DUNNE: May I say that the labelling in here is not very good.

Mr Corbell: I agree. There could be some more consistent language used there.

MS DUNDAS: Also on the next page, 180, there is the timeliness of the implementation of stage 1 of the sustainable transport plan, which is a discontinued measure because it's all meant to have happened by June 2004, whereas sustainable transport initiative stage 1 on page 179 isn't expected to be completed until June 2006. You're using exactly the same words to mean two different things.

MRS DUNNE: Same words to describe two very different things.

MS DUNDAS: I am trying to get a picture of the implementation of the stages.

Mr Corbell: I appreciate the committee's concerns. I think the language could be clearer there and I certainly take that on board for any future descriptions of these programs.

MRS DUNNE: So the high-occupancy vehicles are only buses, or are they buses and taxis?

Mr Corbell: Well, in that we do permit taxis on our other dedicated bus lanes, I would envisage that the same policy would apply at least if there were any dedicated bus lanes on existing roadway. Whether or not they would have priority at intersections is another matter.

MS DUNDAS: And motorbikes will still be able to use those lanes, as they do now, or—

Mr Corbell: Well, I don't know whether motorbikes are allowed to use those lanes.

MS DUNDAS: They're allowed to use bus and taxi lanes.

Mr Corbell: I was wondering about that the other day when one flew past me as I was crawling along Adelaide Avenue.

MS DUNDAS: It's quite clear in the legislation.

MR HARGREAVES: A high-velocity transport mode.

Mr Corbell: I'm very happy to be corrected. The HOV work is a range of measures. As I've indicated, it includes priority lights at a range of intersections, intersection improvements to give priority and assist faster movement through intersections as well as potentially their own lane on some existing roadway. If there is an increase in the own lane in existing roadway and if it meets the normal requirements that permit a motorcycle to use it, then I don't see why that won't occur.

MRS DUNNE: Just to clarify, Minister: it says, under "Forward Design", for the sustainable transport initiative stage 1, Belconnen, \$3 million in 2004-05 and presumably \$3 million in 2005-06. That's more than forward design.

Mr Corbell: I'll ask Mr Savery to answer.

Mr Savery: Through the Chair, if I could respond to the question.

THE CHAIR: Certainly.

MRS DUNNE: That's a lot of forward design.

Mr Savery: Yes, there are a number of components to it. If I could start answering the question by acknowledging that the \$6 million over the two financial years is seen as an

estimate of the likely cost of the construction of this piece of infrastructure and, typically, you would allow 10 per cent to do all of your forward design project management.

MRS DUNNE: So it's not just forward design.

Mr Savery: No. I'm just giving you a reason why. The estimate is for about \$6 million for what we would estimate could be a \$60 million piece of infrastructure.

MRS DUNNE: Sorry, I misheard you. I thought you said earlier, Mr Savery, that you would envisage that the project would cost \$6 million, which I thought was breathtakingly cheap.

Mr Savery: No. I was just trying to give you an understanding of why the figure's there. It's 10 per cent of what we would estimate the likely cost of the infrastructure to be. In the first year we would anticipate that that \$3 million would be used for things like project management; say, the recruitment of a project manager as a dedicated resource and possibly another engineer to assist in that; route determination and delineation; some preliminary environmental analysis of those routes; there would be concept design and preliminary design associated with that—and that's reflected in some of the output measures.

There would have to be a design of the terminus for both the origin and destination stations. So there's probably an inflation of costs on this particular project, being the first of what may ultimately be a network of corridors coming in from the various town centres. We've got to understand how they will all intersect in the town centre, being Civic. So there are possibly some interchange design issues.

Then it's my intention in the first stage to also look at the industrial design for the furniture that will be used along this route and, as it expands, along the other routes and also the architectural design so that you actually start to build in a feeling of this public transport infrastructure. Again, it helps to persuade people to change their travel behaviour and actually associate themselves with this type of public transport use.

Mr Corbell: Essentially, what that means—I guess, to clarify that a bit more—is that we want to be able to give people an experience of a journey; we don't want people just to experience a concrete bunker which then could leave—

MRS DUNNE: That's an experience!

Mr Corbell: Well, yes, but it's not a very pleasant one and I think that's one of the issues that we'll need to address in Canberra. Again, if you look at the busways project in Brisbane—and again I know I've said this before but I'll say it again: if you're ever in Brisbane I encourage you to go and have a look because it's a very interesting initiative—the detail and level of quality of the design of the bus station are crucial in the overall experience of the use of the infrastructure; so Brisbane City Council and Queensland Transport specifically invested considerable time and effort and money in getting a high-quality design outcome for the stations. Not only were they safe and usable but they were also aesthetically pleasing, attractive and added to the experience and the ease of the journey. It's a similar sort of approach we want to take here in

Canberra

Meeting adjourned from 10.05 to 10.45 am.

THE DEPUTY CHAIR: Welcome back.

Mr Corbell: For the information of members, I have provided the committee secretary with a copy of a map that shows the location of block 92 in Majura, which the chair was asking about earlier. Also Mr Sakkara can now clarify a question Ms Dundas asked around the national behaviour change program. With your permission I'll ask Mr Sakkara to give that answer.

Mr Sakkara: The answer is quite straightforward. The way the projections for 2007-08 are treated are that the government payment for output—GPO—from the previous year is extrapolated into the next year. So for 2006-07 you will see the \$32,143,000 simply extrapolated into the outyear. The two technical adjustments that appear above that—the \$96,000 and the \$500,000—are items which are included in that \$32,143 but no longer included in the appropriation beyond that date. So it is simply a technical adjustment to reduce the GPO provided to the authority.

MS DUNDAS: Sorry. Can you repeat that last bit?

Mr Sakkara: Those initiatives were funded for four years up until 2006-07. They cease at that point in time.

MS DUNDAS: We don't know what the future of the program is into 2007-08?

Mr Sakkara: That was a fixed four-year program specifically funded for that period through a grant through the Commonwealth and matched by some funding from the territory.

MS DUNDAS: To clarify that, we don't know the ongoing or long-term future of this program because budget allocations haven't been made for it?

Mr Sakkara: No. Because it was a specific project there is no ongoing funding. There is no need to continue that program once it has been completed.

MS DUNDAS: It is a behaviour change program. People will continue to need to have dialogue about having their behaviours changed.

Mr Savery: To clarify that, there is no commitment by the Commonwealth to continue any funding of that program beyond that period. It may be that they create new programs that we would want to try and tap into. As the minister was indicating previously in relation to initiatives under the sustainable transport plan, there are activities or moneys being set aside for the ACT government to provide its own changed travel demand programs like Travelsmart so they can pick up where perhaps the Commonwealth funding drops off.

MS DUNDAS: Is that a discussion for the future, or has that decision been made?

Mr Savery: The decision has been made by the government, as part of the sustainable transport plan budget, that it will allocate moneys for Travelsmart programs.

MS DUNDAS: We don't see that in these budget papers. It is something for the future?

Mr Savery: That's correct. There is budget set aside in the recurrent or operating lines for travel demand modelling which will also assist us in being able to undertake that. There is money allocated this financial year to undertake a program of working with an identified number of members of the community to participate in a Travelsmart program. I think there was some publicity on that recently.

MRS DUNNE: I wanted to get back to the sustainable transport initiative stage 1 (Belconnen). Minister, before we broke, when you were giving a preamble to the answer, you said you were looking at aligning the route through the centre of facilities, et cetera.

Mr Corbell: As much as possible.

MRS DUNNE: Have you had discussions with the Australian National University about it?

Mr Corbell: Yes, I have. I raised the issue in a meeting I had with the vice chancellor. I indicated to him what some of the very preliminary thinking was at that stage. He indicated his willingness to consider that further and to be supportive of our efforts. He acknowledges that the university, and he as the vice chancellor, receives continuing requests from staff and students as to the adequacy of car parking, and also requests for improvements in respect of other transport infrastructure. He's very interested in the proposal and has indicated his support in working with us on that.

In relation to the University of Canberra, which is another important institution, I'm yet to broach the issue with the vice chancellor there but I'm hopeful that we will have a similarly positive response. Obviously there are other facilities along the route under the direct control, to some degree at least, of the ACT government, particularly Bruce CIT and Calvary Hospital. Members would be aware that Calvary Hospital is suffering a fairly acute parking shortage at the moment, and that it is quite difficult to get a parking space at the Canberra Hospital. That I think indicates the desirability of locating a dedicated public transport corridor past Calvary Hospital with a station potentially there or in that vicinity. That certainly will be investigated further as part of this project.

MRS DUNNE: It would seem that, of the three tertiary institutions, the ANU is the one that is probably the most constrained in its layout.

Mr Corbell: Yes, it is. It is quite difficult to get into the ANU campus. For that reason I have asked ACTPLA to consider a range of measures to try and get public transport into the heart of the ANU campus as part of an intertown route. It is not going to work if people have to walk out from the middle of the campus to Barry Drive or something like that; it is going to be less effective. The closer we can get to the heart of the campus the more effective it is going to be. Basically the instruction I have given is to work out ways to try to get it as close to the ANU union building as possible, which is really the heart of a lot of activity on the campus. That is something that is being investigated.

MRS DUNNE: Still on intertown routes, what work, if any, is being done to look at the possibility of opening up the Mort Street transport corridor?

Mr Corbell: I'm just trying to recall where Mort Street is.

MRS DUNNE: It is one back from Northbourne Avenue, where Burley Griffin planned to have the railway station.

MS DUNDAS: And where the *Canberra Times* office used to be.

MRS DUNNE: There is a big, wide area. That was supposed to be a transport corridor. It has been alienated in various places up towards Wakefield Avenue. What work, if any, has been done in looking at opening that up, rather than Northbourne Avenue?

Mr Savery: Perhaps I could partly answer that, although it may not be complete enough for you. My understanding is that very little work has been done on it to date but, as we do the next stages of the Gungahlin to Civic public transport corridor, it is anticipated that that will come into the city along Northbourne Avenue, and therefore the vast majority of the public transport infrastructure would be in Northbourne Avenue itself. So I wouldn't anticipate that Mort Street would figure significantly in that but the forward design for that work hasn't commenced yet. Obviously through the spatial plan, where it talks about the use of medium to high-density development along the transport corridors, it has identified Northbourne Avenue as a key route.

MRS DUNNE: There would be trade-offs with using it simply because, to make public transport appealing, it needs to be visible. If you take it one street back from the main thoroughfare it becomes less visible. In the original plan it was designed for that purpose.

Mr Corbell: Northbourne Avenue is certainly quite a complex proposition, given the number of intersections on that route as well as the complexity of the NCA's interest in it as an approach route and the aesthetic national capital elements of the route. We're going to need to work very closely with the NCA to get an outcome that they deem suitable as well. They want to maintain the amenity of the route as a national capital approach route, and that is understandable and appropriate. I think inevitably there are going to be some trade-offs along that route because the middle of Northbourne Avenue is a dedicated IPT route and we want to be able to utilise that route. That will involve some changes to the landscape that currently exists along that route.

MRS DUNNE: Have you had discussions with the National Capital Authority about the mode they would most prefer?

Mr Corbell: I'm not aware of any but Neil or Dorte might be able to answer the question.

Mr Savery: Certainly in my conversations with the National Capital Authority we haven't talked about preferred modes. They're obviously aware of our work. They haven't expressed an opinion about our preference for busways at this stage—recognising that the sustainable transport plan is premised on those busways at some point being capable of being converted to light rail. The National Capital Authority is fully aware of all of that. They've participated in that work and they haven't expressed a

view that would cause us any great concern about the modes that have been chosen.

MS TUCKER: I have a couple of questions on transport. I'll follow up on Mrs Dunne's questions around Belconnen and the pay parking being introduced in the parliamentary triangle. I have had a number of constituents from Belconnen express concerns to me about the capacity for them to use public transport to get to Barton in particular where, as you know, there is a lot of increasing employment. It is a big problem for people to get there from Belconnen. Are you doing some kind of analysis of the impact of the introduction of pay parking in the parliamentary triangle and what that means if you want to concurrently make the buses work for people in that area?

Mr Corbell: It is the NCA's role to assess the impact of pay parking in the parliamentary triangle. They are the approving authority if pay parking is to be established in the parliamentary triangle. It is a somewhat complex situation, as these things inevitably are. The territory can potentially put requirements for pay parking for on-street parking—little parking meters, but—

MS TUCKER: Sorry. My question isn't about the imposition of pay parking. I want to know how you're working with that in your sustainable transport plan, because it is obviously an opportunity for you to encourage people to use buses.

Mr Corbell: Yes, it is—absolutely. The government is supportive of the introduction of pay parking into the parliamentary triangle. We think it is an appropriate and necessary measure. As you'd be aware, the recent report of the Joint Standing Committee on the National Capital rejected the NCA's proposal for pay parking in the parliamentary triangle when that was put to them last year. The joint standing committee have requested that further work happen by the NCA on how they can still guarantee access for visitors to national institutions.

Obviously that is very difficult because, if you have free spots for visitors, what is to stop the office workers from parking in those spots? That is something that the NCA is trying to work through at the moment. From our perspective, we see the development of the intertown link, particularly from Civic to Woden, as important in servicing the parliamentary triangle. Further work will be done on looking at how we can improve the frequency of services within the parliamentary triangle to link in with any intertown corridor that is developed between Woden and Civic.

MS TUCKER: My question is specifically about the Belconnen-Barton link. You're saying that they're still going to have to go through the city, are you?

Mr Corbell: Yes, that would be the expectation.

Mr Savery: No. I was going to expand on the minister's answer.

MS TUCKER: The people want to know—

Mr Corbell: Perhaps the question as to what is currently provided in some respects would be better directed to ACTION. We have a range of peak services in the morning and the evening that travel direct from a number of town centres into the parliamentary triangle and Russell area. Those services do not go via the city interchange, they travel

direct into those areas. The government in this budget has allocated an additional sum of over a million dollars to expand those peak services. Those services are from Tuggeranong, Belconnen and other areas to places like the parliamentary triangle, Russell and other locations.

As to how it hooks into a broader intertown high-speed busway network, the thinking at this stage is that the busway network will ultimately come out of the city to Woden route and that we'll have a range of further priority measures—a dedicated right-of-way from the city to Woden that skirts the parliamentary triangle. There will then be the capacity to look at how area buses in that service to the parliamentary triangle hook up to a bus station—say potentially on Commonwealth Avenue—so people can transfer easily onto a high-frequency service that services the intertown route.

MS TUCKER: I raise this in the context of sustainable transport because, as you're probably also aware, there are child-care facilities at Barton. People are telling me—especially young mothers—that they would like to catch a bus from Belconnen to Barton. They can't do that because of the change that is required—it becomes too much of a burden. It seems to me that family responsibility issues always come up when we talk about public transport. There are different ways of dealing with that—obviously park and ride facilities. But there is an employment centre which, amazingly enough, has child-care provision so you don't have to have park and ride. I would have thought that that would be a very important thing for you to be looking at, in view of the number of people coming from Belconnen—facilitating their direct movement by public transport.

Mr Corbell: As I have said, we are looking at it. Quite clearly in my mind—and certainly as is envisaged in the transport plan—the best way to achieve that is to, first of all, upgrade the intertown right-of-way from the city to Woden so that we have high-frequency services along that right-of-way. That service will then connect through, without the need to change at the city interchange, to the Belconnen town centre. We can then run a series of services off a potential bus station on Commonwealth Avenue to service the parliamentary triangle, so it involves only one change at that point through there. That is the thinking at this stage as to how we would achieve that. You're right to identify the parliamentary triangle. It is a large employment area and it needs to be hooked into the overall network

MS TUCKER: And linked in with the social services. I have a question on a slightly different issue but still on sustainable transport. This relates to the question about what mode is preferable for facilitating public transport use down Northbourne Avenue. It is a question you can take on notice if the committee is interested in this. When we're making cost benefit analyses of the different things we can do to have sustainable transport, I think it is important for the community and the Assembly to have a clear indication of flow-on costs from the Gungahlin Drive extension. I have asked this before.

I understand Tony Gill has said in public meetings that he has listed the roads that will need to be upgraded and widened because of the potential congestion that will result. That is what Tony Gill said—I think it was Tony Gill. Could you give this committee an estimation of the necessary upgrading of roads and the associated costs? That would include Barry Drive; I understand it includes Clunies Ross Drive—that is what was mentioned at the public meeting—and potentially Parkes Way. You would know which roads, I'm sure. Could you provide that information to the committee?

Mr Corbell: Yes. I'm happy to provide that advice.

THE CHAIR: You might have to send that through Bill Wood.

Mr Corbell: I think we can manage to give you that information directly between ACTPLA and DUS.

THE CHAIR: Thank you for the block 92 map and the map of Majura. I see now where that site is. I asked you yesterday, in relation to block 51, whether that lease has been renewed or is in the process of being renewed.

Mr Corbell: I don't have that answer at this stage. We'll endeavour to get that to you after lunch.

THE CHAIR: All right. I'll ask a series of questions around that after lunch.

MS DUNDAS: In respect of what the budget papers say is stage 1, which you've explained is the stage 1 (Belconnen) forward design, what will stage 2 be? The plan has five-year timeframes in it. What comes next?

Mr Savery: The second year of funding will involve design development, design documentation, preliminary assessments, any other studies required for the planning process and, if we're successful, depending on the degree to which the community and the Assembly are happy with the proposal, there is the procurement process. It would be anticipated that the funding would be allocated for capital construction in 2005-06.

MS DUNDAS: Is it possible to get a list of the projects that will be looked at in study and forward design proposals for stage 2?

Mr Corbell: We can certainly give you an indicative staging of the project and the different elements of it.

MS DUNDAS: Yes, that would be helpful.

MRS DUNNE: As we said before we broke, the stuff in the capital works program in the budget is quite unclear because you're talking about stage 1 of the Belconnen project and stage 2 of the Gungahlin to Civic program. We probably need to have some more definite nomenclature.

MS DUNDAS: What is stage 2 of the Belconnen project? If stage 1 is just the Belconnen forward design, in terms of the implementation of a sustainable transport initiative, is stage 2 the building of Belconnen and stage 3 something else altogether? When the sustainable transport plan has five years worth of priorities, it is hard to translate it through to budget initiatives. That indicative timeframe would be helpful.

Mr Corbell: We're happy to provide that. I think that, in general terms, stage 2 will be the construction work.

MRS DUNNE: When do you envisage that will be?

Mr Corbell: As Mr Savery just said, in the 2005-06 calendar year. Obviously that is contingent on government agreement to fund the project.

MS DUNDAS: So it is stage 3 that will be further capital construction?

Mr Corbell: No. Don't confuse the two projects. I accept that "stage 1, sustainable transport initiative" should probably read "Belconnen to city busway". That would be much clearer. Stage 1 is all of the detailed design work over a two-year period, as Mr Savery has just outlined and which we discussed this morning. It is a two-year period of detailed design activity and planning activity, and stage 2 is construction.

MRS DUNNE: You're saying that the stage 2 construction will be in 2005-06?

MS DUNDAS: No. I think we're getting confused. I'm not asking about the Belconnen to city project specifically, I'm talking about the entire sustainable transport plan.

Mr Corbell: I'll clarify the timetable for you.

MS DUNDAS: Just to make it clear, Minister, we're asking for the indicative timeframe for the sustainable transport plan for the entire sustainable transport plan.

MRS DUNNE: Not just the Belconnen to city busway, but the entire plan.

Mr Corbell: We can provide you with that which government has agreed to fund. The government hasn't agreed to fund all elements of the plan yet. It is a 25-year document.

MS DUNDAS: There are priorities in what you have funded this year and what you will be funding?

Mr Corbell: I can give you timeframes on those projects government has agreed to fund. There is no difficulty with that.

MRS DUNNE: Has government agreed to fund the \$60 million construction of the Belconnen to Civic busway?

Mr Corbell: The government hasn't agreed to seek an appropriation for that amount yet because we need to do the detailed design work.

MRS DUNNE: Is there an in-principle commitment that, when you've done the design and spent \$6 million, there will be—

Mr Corbell: Yes, that is certainly the understanding I have from my colleagues.

THE CHAIR: Are you saying the project is \$60 million or \$6 million?

MRS DUNNE: There's \$6 million in the budget for forward design, on the basis of Mr Savery's advice that the construction would be \$60 million.

Mr Corbell: About \$60 million. Can I clarify and correct an answer I have just given

you? Mr Savery has pointed out that, when you look at those two groups of \$3 million in that line on page 179, they are both for the same year. There'll be another \$3 million in 2005-06, and construction would be in 2006-07.

THE CHAIR: Is the extra \$3 million the start of the construction phase?

Mr Corbell: No. It is the second stage of PA and planning work—then the following financial year will be construction activity.

MS DUNDAS: Does that forward design work and construction include funding for the upgrade of the Belconnen bus interchange, or is that funded separately through DUS?

Mr Corbell: No. It is a separate project.

MS DUNDAS: Is that separate project through the Department of Urban Services?

Mr Corbell: Yes.

MRS DUNNE: Is there an in-principle commitment to fund that?

Mr Corbell: Yes, there is. Belconnen is a slightly more delayed project because it involves making decisions about how the parcel of land adjacent to the potential bus station area will be released. The large western car park at the Belconnen mall is identified in the land release strategy as a site for retail development. That would be a significant expansion of retailing space in the Belconnen town centre if it were to go ahead, and we want to see the bus station built into that development.

A requirement of development of that site is investment—to the territory's specifications—in a bus station similar to what is being proposed at Woden. We have to finalise the planning around the release of that site at Belconnen. Because it involves a potential private sector partner, the timing is a little uncertain at this stage. It will depend on who that private sector partner is and the financing involved in that.

MS DUNDAS: The money set aside is for the new capital works for Belconnen town centre infrastructure. What does that specifically relate to?

Mr Corbell: That is the extension of Cohen Street in Belconnen. That is another element of it because it gives us the access into the site that we need.

MRS DUNNE: Without a map, can you give an exposition on how it works? Anthony has maps.

Mr Corbell: I'm afraid I can't do that.

MRS DUNNE: I'm having trouble visualising how Cohen Street will work.

Mr Corbell: I don't know whether there is an officer here who can explain that—maybe Neil or Dorte can. I have never quite understood it myself, I must say. I'm not that familiar with that part of Belconnen.

MRS DUNNE: I'm pretty familiar with it and I still don't know how it works!

Mr Corbell: I don't know whether we can explain it here and now.

MRS DUNNE: No. It is probably not useful to explain it. It would only confuse Hansard.

Mr Corbell: We would be happy to provide you with a briefing on the issue.

THE CHAIR: That might be easier.

MRS DUNNE: How does the \$3 million for the expansion of Cohen Street fit in with the rest of the sustainable public transport infrastructure plan? Is it principally driven by that plan? What's driving it?

Mr Corbell: It is a project that was identified in the Belconnen master planning project and it provides for improved access to that. Fundamentally it tries to overcome the real division that exists in the town centre because of the grade separation at Lathlain Street down to the level the Belconnen town centre is on. It allows the street to connect up and overcome that grade separation. That improves access for private vehicle traffic and also hooks into bringing the intertown public transport route up close to the Belconnen mall, rather than the present distance, given where the bus interchange is currently located.

That means the intertown public transport route would basically go straight through where the existing bus interchange is, cross Benjamin Way and then come up close to the Belconnen town centre on the western side—and right into the mixed trades area as well, which is quite a generator of activity now. The Lathlain Street bus stop is a very busy bus stop now. We want to link all that activity together.

MRS DUNNE: It is even less user friendly than a concrete bunker!

Mr Corbell: It is.

MRS DUNNE: May I give a word of caution here? We're spending money on the Cohen Street upgrade before we've worked out how we're going to do the Belconnen bus interchange. Are we going to end up having to undo some of that work to accommodate a bus interchange in three or four years time?

Mr Corbell: No. What we're doing is consistent with the Belconnen master plan, so we know what needs to occur there. The point I was making about not being sure about the Belconnen bus interchange was really around its delivery and timing, because it will potentially involve a private sector partner.

MRS DUNNE: The delivery and timing are one thing but, four years down the track, we may have a different view. We will have already spent \$3 million upgrading a road that, in a sense, will go nowhere.

Mr Corbell: I guess in that respect none of us can make guarantees about the future, but we do have a master plan in place that has been broadly agreed to by the community and other stakeholders.

MRS DUNNE: Only very broadly.

MS DUNDAS: The major thing that was missing out of the master plan was a final decision about the interchange.

Mr Corbell: Indeed, but Mrs Dunne is asking the question about Cohen Street. It is accepted that the Cohen Street extension is a valuable piece of public infrastructure. The government's view is that the bus interchange should be linked to that, adjacent to the western side in the expansion of the Belconnen town centre. However, even if that were not to occur, the extension of Cohen Street would still be a very desirable piece of work, to overcome that grade separation between the eastern and western sides of the town centre.

MRS DUNNE: Which is only, at the moment, met by a footbridge.

Mr Corbell: That is right.

MS TUCKER: I'm interested in your analysis of the adequacy of cycleways in the parliamentary triangle at the moment, when it comes to getting access to various areas. Do you intend to do that?

Mr Corbell: Again, I think that is work done by the NCA—they provide the infrastructure.

Mr Savery: A lot of the works for infrastructure in the parliamentary triangle are the responsibility of the NCA, including the planning. I think it is probably worth bringing into this conversation, in response to your earlier question as well, the role of the Canberra Central Project that has recently been announced by the government and is subject to four years of funding, including the previous year—or the year we're in now.

The taskforce that has been set up as part of that involves the National Capital Authority. The intention is that, through that taskforce, we and the Department of Urban Services will be better able to engage with the National Capital Authority on how we can link our infrastructure with theirs and how we can perhaps agree collectively on priorities. So it may be that a National Capital Authority priority for a piece of bikeway infrastructure is something that we would support—and do complementary linkages back into Civic as part of that work.

We would like to think that that level of coordination exists now. It does to some extent but not to the level that we would desire. We would also expect that, through the Canberra Central Project—and certainly this has been part of a conversation we've had with the National Capital Authority—it will enable us to do a more sophisticated level of detailed infrastructure planning, not only for bicycle paths but also for some of those bus transport movements and some of the urban design features such as public lighting—as you'd appreciate, some of the lighting around the lake is incomplete at this stage—pedestrian movement and those sorts of things. The Canberra Central Project may also be a very useful exercise for us in dealing with some of the issues you've raised.

MS TUCKER: I totally agree and I think it is long overdue. I guess my point is that you

need to have total confidence in the NCA's priorities and capacity to understand sustainability, which I wouldn't have.

MRS DUNNE: Mr Hargreaves does!

MS TUCKER: Mr Hargreaves does, so we'll relax!

MR HARGREAVES: I wouldn't relax, if I were you!

MS TUCKER: To have that analysis is very important, if you are looking in a holistic way at a sustainable transport plan for Canberra. Even though it is the NCA's responsibility, if you don't have the information which you're getting from the constituents and people of Canberra to use to work with the NCA, then that is not going to be effective. That is why my question was: what is your analysis? I have heard what you've said. I guess I'm interested to know that you intend to do your own work to look at what you want the NCA to pick up—and that would include lights.

It is not just about lighting; it is about light-pollution. We've got a general commitment in the ACT government to the recommendations of the committee that came out on light-pollution in the ACT. The NCA don't seem to really get that. There is a responsibility for the ACT to be doing the analysis so they can inform their work with the NCA.

Mr Corbell: Certainly the government is doing work to identify gaps in the cycling network system, and there is money in this budget to fill a range of those gaps. I think there is somewhere between half a million and a million dollars of additional cycleway and walking path upgrades, and in particular the filling in of gaps. Urban services and ACTPLA's transport staff, I'm advised, have been working together as part of the process of identifying gaps in the cycling network. Whether that includes areas within the central national area I'd have to check, but certainly we are doing our own analysis of gaps in the network. We work with organisations such as Pedal Power in doing that.

MS TUCKER: Maybe you could take that bit on notice, if you're doing that analysis for the NCA—and, if so, advise what that analysis is.

Mr Corbell: I'm happy to do that.

MRS DUNNE: I have one more question about the Northbourne Avenue bus lane. Is it the government's intention to occupy the central area—the green area—with the future transport corridor, or do you envisage using one of the three existing lanes?

Mr Corbell: Our preference is to use the dedicated corridor, which is the median. However, I understand the NCA has expressed the view that we could consider using existing traffic lanes. That is not a proposition I am keen on because I think it would be preferable to use the median—that is what it is there for. As long as we can negotiate a good landscape outcome, which is important for that avenue, that would be the government's preferred approach.

Mr Savery: Obviously we haven't reached the design stage. That would be part of the analysis of the business case for the Gungahlin to Civic busway stage 2. To give a slight

variation on the minister's response, there are other options, one of which is a tidal flow system. That would enable the peak flow of the public transport system to be run down the central corridor—which means you only have to have one carriageway—and the return service to be run up the non-peak part of the avenue. That might enable you to retain a significant part of the landscape features that exist, while still being able to utilise that dedicated corridor without interfering with the peak flow traffic. They're some of the options we can explore as part of the next stage.

MRS DUNNE: You've explained this to me before, Mr Savery. It sounds less than optimal but I'm open to persuasion.

Mr Savery: I'm not saying I'm fixed on that but all options must be explored.

MS TUCKER: I have some general questions concerning the highlights for 2004-05. The first dot point on page 166 refers to working collaboratively with the community to shape the future of the city through a range of planning initiatives, including the implementation of the Canberra spatial plan. You have made announcements in the last couple of days about community councils. Can you explain to me, firstly, how you see neighbourhood plans and local area planning fitting in with the work of the community councils?

Mr Corbell: I see that the community councils would be kept informed of the progress that is occurring through any relevant neighbourhood planning project in their area. They would be given information on what was occurring, the stage that particular projects were at and, obviously, details of any public meetings that were being convened by ACTPLA as part of a specific planning exercise. They would then have the opportunity to make a decision as to whether they wanted to be further involved in that process, either by convening their own meetings or by receiving briefings from relevant ACTPLA officers and so on.

MS TUCKER: Would you be expecting members of the community councils to attend public meetings so that they can keep in touch with the neighbourhood planning process? Is that what you just said?

Mr Corbell: No, that's not quite what I said. Let's take a hypothetical example. Let's say that there's a neighbourhood planning exercise happening in Chifley and the Woden Community Council is the community council for the area. The ACTPLA team, the neighbourhood planning team, would convene meetings of Chifley residents about the issues in Chifley and would work through with them on developing the neighbourhood plan for that suburb.

At the same time, ACTPLA would keep the Woden Community Council informed of the process, what the stages were that the community neighbourhood planning process was at, and what public meetings were being convened by ACTPLA in that area so that they were aware of what was occurring in that suburb. If the Woden Community Council had any particular concern or interest, or wanted to express a view about what was occurring, they could ask ACTPLA to brief them in more detail on what was occurring. It might involve, say, the neighbourhood planning team presenting to a meeting of the Woden Community Council, so that they were able to be kept up to speed, make any comments, ask any questions and so on from there.

MS TUCKER: Do you see this link as important?

Mr Corbell: Link between—

MS TUCKER: The neighbourhood planning process and the community council's work

Mr Corbell: I think it should be available if a community council wants to exercise that.

MR HARGREAVES: My understanding of the way the Tuggeranong Community Council works is that they have been involved in the planning process almost to the point of being pests occasionally, so the mindset of the council is already switched on to a major facet of community life, being planning issues. Is that approach mirrored in many of the other councils in that they are heavily involved already in the process and what you're actually doing is formalising it a bit more?

Mr Corbell: Yes, certainly most of the community councils are very well aware of what is occurring in the planning process. But what the government has decided to do is to say, "We recognise these councils exist. They do play an important role. We're already regularly meeting with them and providing them with information and advice, and taking feedback on different planning exercises. Let's formalise that. Let's give them some resources so that they can send out notices, newsletters, and so on to inform their membership or the broader community about what is occurring and their particular views on it and encourage more people to get involved in the exercise."

Yes, Mr Hargreaves, it is about formalising their role, recognising that they are at a very good level to have township-wide consultation processes. That was recognised by the University of Canberra report, which I commissioned, where they recommended that the most optimal form of consultation was to do it at a township level. When you're looking at issues affecting an area, do it at the township level. The community councils are very good forums to be able to do that.

MS DUNDAS: Who will make the decisions about what the community councils can make comment on and what they are being informed of?

Mr Corbell: The community councils.

MS DUNDAS: Will they get a list of every DA that is happening in their region?

Mr Corbell: No, they won't get a list of every DA, but certainly they will be advised of every single master planning and local area planning exercise that is occurring, any broader citywide strategic planning exercises that are occurring, and any large or significant development applications that are in place.

MS DUNDAS: What is a large and significant development application? Who will be making that decision?

Mr Corbell: We are using the criteria that invoke referral under the planning and land act to the Planning and Land Council for advice.

MRS DUNNE: This is what the community planning forums hated.

MS DUNDAS: Take the example of what is happening on the Belconnen lakeshore, which was originally to be a two-storey development. That would never have gone to the community council under this new plan.

Mr Corbell: The community council could still have commented on it and the community council could have taken an active role if they deemed that it was a significant development.

MS DUNDAS: But that would be through the normal DA process, which would involve them seeing the little yellow sign or the notice in the paper.

Mr Corbell: I would consider that any development on the foreshore is obviously an issue of community interest and ACTPLA could refer it.

MS DUNDAS: Would that be a decision that you would be making in terms of passing on that information to the community council?

Mr Corbell: It is not as though the information is secret. The information is already publicly notified. It's on the development register. It's available on the website of ACTPLA. That information is not hidden; it is publicly available and community councils do take active interest in those issues.

MS TUCKER: Would that particular development be part of any neighbourhood planning process?

Mr Corbell: There is no neighbourhood planning being undertaken in Belconnen. It's occurring, consistent with the government's commitment, in the inner north, the inner south and parts of the Woden Valley.

MS TUCKER: So there is no specific government-initiated consultation around the particular development that Ms Dundas has talked about.

Mr Corbell: It's important to remember what stage that is at. That development has occurred following agreement through the Belconnen town centre master plan on what is appropriate development in that area of the lake foreshore. The development is consistent with the Belconnen town centre master plan, a master plan that was developed in the term of my predecessor and approved by my predecessor.

MRS DUNNE: That still doesn't make it right.

Mr Corbell: Take it up with my predecessor, Mrs Dunne.

MRS DUNNE: I have.

Mr Corbell: To answer your question, Ms Tucker, we want to work on the basis that once there is an approved master plan for an area which is a contemporary document—clearly, the Belconnen master plan is a contemporary document; it's not an old

document; it hasn't been sitting on the shelf for 10 years; it's relatively recent—then it's reasonable to proceed with land release and development activity consistent with the master plan, and then the consultation that does occur is the normal statutory consultation process as required for any development assessment under the land act.

MS TUCKER: Yes, but the point Ms Dundas made was on the role of the community council in this regard in particular.

Mr Corbell: The community council has a role to make a comment on that if it chooses to get involved.

MS TUCKER: Yes, if they see it and want to. Can I just finish my first line of questioning on neighbourhood planning? What I'm trying to do here is to understand the relationship. You have said basically that it's up to the community council, if they choose. You said that they can go down that track if they want. Let's get back to basics. We've always said with planning that we wanted this notion of local area planning and we wanted community consultation.

You have set up this hierarchy whereby you have got the forum, you have different groups represented on the forum and you have now the community councils, which have a quite different role in some ways from LAPACs. They're also different from LAPACs in that when we had the original debates about LAPACs we were wanting to see them to be representative as much as possible. People with a disability, for example, optimally would be included if there were people willing to do that work on the LAPACs, and then you had business, you had community and you had schools, hopefully, et cetera.

With this model, as far as I understand it, you have lost two things at least. One is the specificity of what the community councils look at, as highlighted by Ros Dundas's questions. You have also lost any guarantee of representativeness. We know that there is a different flavour across community councils, despite your saying that they are all interested in planning. There can be a very different flavour in community councils. We have neighbourhood planning still occurring. I'm interested in asking further questions on where that is up to. If the committee wants me to ask them later, I will.

You could argue that if neighbourhood planning is working properly—I have questions about where you are going with it and what you have learnt from the ones you have done in Downer, Hackett and Watson in particular—there is an opportunity there for something reasonably good to happen in terms of engagement with the community. But then you have this community council model, with the deficits I have just outlined or the different approach, whereby a community council may if they want, you seem to be saying, link up with the neighbourhood planning. They would then have a representative going to the forum to say what? What is it that they're actually representing? In the model you don't seem to have any clear picture of what they are representing; it's who turns up to the meetings, which can be great or it can be quite worrying in some ways.

I don't understand what you think the real place is of the community councils and I want to understand, if you're saying that it's really up to them whether they go to neighbourhood planning, where that is going to fit in terms of linking up with the forum via the community council. How does it get there? How are we actually talking to the people? How are we doing local area planning now?

Mr Corbell: You have raised a number of questions and I'll try to answer the general gist of what you're asking me. The first thing I should say is that I don't agree that community councils are any more or any less representative than LAPACs. LAPACs were a very mixed bag.

MS TUCKER: I didn't actually say that. I said that there was an attempt in LAPACs to make them representative.

THE CHAIR: Just let him answer the question.

Mr Corbell: You then described it as a deficit in the context of the new model.

MS TUCKER: I don't want him to misrepresent what I'm saying.

Mr Corbell: The point I would make is that LAPACs tended to have on them people who were interested in planning issues.

MS TUCKER: That's right.

Mr Corbell: Equally, community councils overwhelmingly, from the feedback that ACTPLA has received and the Chief Minister's community engagement unit has received, perceive that the bulk of their work is planning-related. So it's quite clear that both the LAPACs and the community councils, from my perspective, were engaged in similar debates and engaged in a similar consideration of issues. The National Institute for Governance report from the University of Canberra has highlighted that the LAPAC model had some weaknesses because it focused on too small an area and—this is their words, not my words—there was an element of capture, if you like, by people who immediately focus on a particular issue which perhaps didn't take account of the broader issues in the surrounding area.

The National Institute for Governance recommended that a more effective way of getting an overall and more representative view of what is appropriate and not appropriate in an area was to do it on a township basis. That's why we've gone with the community council model, because the township basis allows people who are most directly affected by a particular decision or proposal to get involved, but that is tempered by the views of a broader range of people in that township, so there's less capacity for the capture that NIG identified as a potential issue. That is why we have adopted that approach, to get a broader and we would argue a more representative view of the community overall in a township.

That said, the role of the Planning and Development Forum is to discuss the broader macrostrategic issues that the city as a whole is facing, so we bring forward the people from each of the townships—Tuggeranong, Woden, Weston Creek, Belconnen, Gungahlin and central Canberra—to a forum to discuss issues that are of citywide relevance, bring with them the representatives of the design and development professions and have that discussion about how we shape planning policy in the broad, in the large, for the city.

It is the role of the Planning and Development Forum to look at the broader strategic

issues at a citywide level. The National Institute for Governance said that it is extremely difficult to consult in a population of 320,000 on citywide strategic issues on a citywide basis. They identified that it is does not necessarily have a very representative capacity to do that. Having the Planning and Development Forum allows us to get the individual township perspectives but also get the perspectives of the design and development professions in the overall policy development mix.

I think it is a good model. I think it allows the gradation needed to deal with consultation. For example, if ACTPLA need a development control plan for the Hughes shops or something like that, there is still going to be a consultation process in that immediate community because they're the most immediately affected. What we're trying to do is to build a matrix of levels of consultation driven by what is needed for the affected community or the interested community. I'll ask Mr Savery—

Mr Savery: You've just picked up the point I was going to make.

Mr Corbell: What the National Institute for Governance recommended was to have the level of consultation which is appropriate to the task, and they specifically said not to try to create a one size fits all forum because it doesn't work. They recommended that you have the consultation exercise that fits the task, that fits the need. What ACTPLA have agreed to do as a result of that recommendation is to develop a chart which will outline what the community can expect the consultation to be, depending on the task. If it's a local area planning exercise, this is the sort of consultation you can expect. If it's a citywide planning exercise, this is the type of consultation you can expect. We're developing that matrix so that people understand that.

MS TUCKER: Even if you accept that—

THE CHAIR: Ms Tucker, you've had 20 minutes. You can come back later. Mrs Dunne has been waiting for about 20 minutes.

MS TUCKER: He did not answer the basic question—public housing tenants, people with a disability.

THE CHAIR: You can come back to that, Ms Tucker.

Mr Corbell: I'm sorry, I'm not quite clear on what I haven't answered.

MS TUCKER: You haven't answered the question about representativeness. Even if it is a township that you are talking about, broad issues—

THE CHAIR: Ms Tucker, you can ask him that shortly. Mrs Dunne has been waiting with a series of question on this issue.

MS TUCKER: Public housing tenants and people with a disability would like to have a say, perhaps.

THE CHAIR: You can ask about that shortly.

MRS DUNNE: Mr Chairman, I want to come back to the issue of capture and to the general issue of what the role of community councils will be in planning consultation. Minister, how do you envisage on an on-the-ground basis how this planning consultation will take place with an individual community council?

Mr Corbell: ACTPLA's obligation is to ensure that the community council is made aware of all of the different things around master planning exercises, significant development application exercises and so on which are occurring in that township and then the community council can make a decision as to what it wants to be further briefed on or advised on. The community council can make a decision, say, to hold a public meeting. Community councils, generally speaking, are pretty well switched on to the issues that are occurring in their township and they know if there is angst around a particular proposal or if there isn't.

I've seen very good work by community councils in convening public forums and public meetings, asking ACTPLA staff along to discuss issues, to brief the community on issues, to take questions and get feedback. It's that sort of approach that we want to formalise and the way we are formalising it is by asking the community councils if they want to take on that role and, if they do, getting their agreement on how that will work and giving them funding so that they can publicise issues—for example, publicise issues that they think people should be aware of—and convene public meetings on them. We're providing them with money to hold the meeting, perhaps to hire a facility, if that's what they need to do, to send out public notices, to produce information. We want to give them the capacity to get that information out.

MRS DUNNE: I want to go back to the case that Ms Dundas raised. First of all, according to the information you sent out to community councils the other day, the list of things that would be referred to includes variations to the territory plan, master plans, land release programs, the spatial plan, and the significant developments—residential higher than three storeys and more than 50 units, a GFA of more than 7,000 square metres or buildings higher than 25 metres. The current contentious development in Belconnen, which I will come back to later as a specific matter, meets none of those criteria, but members here and other members of this Assembly and members of the community attended a public meeting about that within the last 10 days or so—

MS DUNDAS: Which ACTPLA did not attend.

MRS DUNNE: I think that ACTPLA was not invited to attend.

MS DUNDAS: They were invited.

MRS DUNNE: They were invited to attend. Sorry, I couldn't remember whether they were or the people had decided not to ask them. Under this model that you're proposing, would the Belconnen Community Council be constrained in any way by saying, "No, that's not within your purview. You can't talk about that because it's not on the list of approved things?"

Mr Corbell: The answer to that is no.

MRS DUNNE: Is that is an ironclad assurance from you?

Mr Corbell: Absolutely. It is a no.

MRS DUNNE: It is a no. Good.

Mr Corbell: It is a no. The community council can get involved. The government can't control the community councils. They're not bodies of government. We can't tell them what not to say, what not to look at. If they want to get involved in an issue, that's their call.

MRS DUNNE: Is that an ironclad guarantee?

Mr Corbell: Absolutely.

MRS DUNNE: My principal concern about this is that until recently there were still some community councils who did not receive government money, government funding, simply because—

Mr Corbell: I think they all do.

MRS DUNNE: I think they all do now but there were, until recently, some who did not receive government funding simply because, irrespective of the persuasion of the government, they didn't want to be beholden to the government in any way, and then they could be free and frank in their criticism of a proposal, whether it be a planning proposal, a social policy proposal or whatever. There are very important issues here. If, for instance, ACTPLA, the Land Development Agency or someone else is in a sense facilitating the exchange of information and the meetings, to what extent can the officials of the community councils be critical? There may not be written down rules, but you change the nature of the relationship between people in a way that may not be advantageous to the community.

Mr Corbell: I understand your concern and it's a legitimate issue to raise. That said, I think all community councils now receive funding from the territory and it hasn't constrained them to date in comments they make.

MS TUCKER: That's not true.

Mr Hargreaves: It certainly hasn't constrained Tuggeranong.

Mr Corbell: As far as I'm aware. I've copped criticism from a range of community councils over the years and yet they've received funding from government since well before this government came to office. I have never had anyone say to me that they feel constrained in what they say and I don't believe the community councils have been constrained in what they say. I would be interested in any evidence to the contrary.

MS TUCKER: I've been told at a community council meeting that it was not the role of the community council to take a very strong position on a particular issue, because there is rarely total agreement or consensus on any one issue. I'm not criticising this person. I'm just making the point that this was the interpretation of the role of a community council that has come from one on a particular issue.

Mr Corbell: But that's not a constraint. There are a number of community councils that operate on that basis.

MS TUCKER: It's not a constraint, but they felt constrained because they got government money.

Mr Corbell: No, they don't.

MS TUCKER: That is what I was told.

Mr Corbell: That is not true. There is a range of community councils that take the view that they are not representative and their role is to facilitate discussion and information. The ones that I'm particularly aware of that take that view are the Weston Creek and Woden Valley community councils. They have a particular philosophy. Their philosophy is, "Our role is not to take a particular view on an issue. Our role is to facilitate the community's understanding of proposals from government and other things that are occurring in our community and to allow for a better informed debate about what's going on in a community." The community council representatives who have raised this with me have never said to me, "We think you're constraining our capacity to comment." They have, in fact, taken a deliberate decision not to take the role of being an advocate for a particular perspective, but instead to facilitate discussion and information provision.

MS DUNDAS: Let's put it in a different scenario, then. Say a development proposal comes before a community council and they convene a public meeting and everybody in the public meeting thinks it's the worst development proposal they have ever seen, so the community council with the funding that it has received from the government starts to run a campaign that is personally targeted at the minister, rightly or wrongly, for ever letting this development proposal through. It's a quite personal campaign. It involves lots of flyers saying, "Vote out the minister," et cetera. How would that be handled?

Mr Corbell: It has not occurred to date. Community councils try not to behave in a particularly party political or partisan fashion.

MS DUNDAS: But you're now giving the community councils greater scope in what they are doing. There is greater opportunity for sectoral interests to take over.

Mr Corbell: No, I'm sorry, we're not giving them greater scope. Community councils can do all of these things now. They can do all these things now and some community councils do these things now. To answer your question, Ms Dundas, community councils can do all these things now.

MS DUNDAS: But they don't necessarily have the resources to do them now.

Mr Corbell: They receive funding from the government now.

MS DUNDAS: Minimal funding.

Mr Corbell: A number of community councils produce regular newsletters and flyers for their communities. I live in Weston Creek. I get one every couple of months from the

Weston Creek Community Council, and it's an update on what's occurring in Weston Creek, what the councils are doing and so on. It's a very useful document. Gungahlin does a similar thing. I'm not sure about Tuggeranong.

Mr Hargreaves: It's electronic, Minister.

Mr Corbell: Or Belconnen. Clearly, community councils are, on the whole, a pretty sensible group of people and they make their assessments as to what is a reasonable level of advocacy and what is verging on the party political. On the whole, I think community councils make that judgment pretty well.

Mr Savery: I wish to make the observation that one of the important roles that have been foreshadowed for the Planning and Development Forum, where the chairs of the councils would be invited to come along, along with industry groups, is where if issues such as the one you're highlighting were to arise in that forum they could actually have the discussion in an informal setting to say, "Look, this isn't working. We feel that we're being badgered or hijacked in some way."

That hierarchy of consultation mechanisms is intended to provide safeguards where informal conversations can take place at one level and at another level there is an obligation on the part of the authority to inform or advise community councils of things that are going on in their neighbourhoods and you keep drilling down until you get into the actual formal statutory consultation processes. This is then all documented, albeit relatively sparsely because the degree to which you can actually explain this on a website is quite difficult. Nonetheless, the matrix would try to convey to people how all these levels operate and how they interact with each other.

MS DUNDAS: Earlier you said that it's about asking the community councils what they want to be involved in and helping to facilitate that. What would happen if the community council refused to be involved in territory planning consultations or other significant areas, if they just said, "We're doing something else. We don't want to be involved in that?" I would say that there still would be a requirement to consult about the issues there.

Mr Corbell: The first answer to your question is that, if they don't want to get involved, that's their call; we can't force them to. The point to be made, Ms Dundas, is that you have to appreciate that what I announced yesterday was about the informal or non-statutory consultation process. There is still the statutory consultation process under the land act that must occur. In relation to a territory plan variation, territory plan variations are publicly advertised. They are subject to two rounds of formal consultation, one by ACTPLA and one by a standing committee of this place and then they're disallowable in the Assembly, so there is still a considerable range of mechanisms in place for people who perhaps do have an interest but haven't been afforded the opportunity through their community council. I have to say that community councils that have people coming to them saying that they have a problem with something tend to hold a meeting.

Mr Savery: If I could just add to that: as you'd appreciate, many territory plan variations fall out of prior strategic exercises. So there has been a level of consultation involved, whether it's a neighbourhood plan or a master plan, and the territory plan then flows

from that. So there's another level of consultation that has preceded that.

MS DUNDAS: So, to make it clear, there is no obligation on community councils in relation to the extra funding that they will be receiving.

Mr Corbell: There is no obligation on them to look at certain things, but the funding that they will be provided with will be provided for the purpose of facilitating discussions around planning issues or doing that role.

MS DUNDAS: What if they choose not to do that? If they get the funding and every issue that comes up they decide is at the wrong time or not one that they're interested in, will you be asking for the money back?

Mr Corbell: No, the funding will just sit there unallocated until they do need to use it.

MS DUNDAS: So it will only be used for planning purposes.

Mr Corbell: That's my understanding. The issue that still needs to be resolved is that the Chief Minister's Department is working through a range of other issues to do with the role of community councils, and funding and resourcing for them more generally, so our little funding packet will fit in with that broader approach. But ACTPLA's contribution would be to facilitate community council participation in that role.

MS DUNDAS: I have a quick question on the review of stakeholder engagement in ACT planning that the National Institute for Governance did? The document has the date on it of 13 April 2004. Considering such a high level of community interest in what was happening in ACT planning and stakeholder engagement, why was it six weeks before this report was released?

Mr Corbell: I wanted time to give very good consideration to the report. I also sought the formal advice of ACTPLA and the Planning and Land Council on the report.

MS DUNDAS: Why didn't you release the report for further community discussion before actually making decisions about which of the recommendations you would accept?

Mr Corbell: I didn't see a need to have consultation on the consultation. I thought that was going a bit too far.

MS DUNDAS: We've had many different draft transport plans that have been out for different levels of consultation, based on ongoing reviews and studies, before we have got to a final one.

Mr Corbell: This was a report to government on the non-statutory consultation process. I requested a report to government on the non-statutory consultation process. As part of preparing that report, the National Institute for Governance went and spoke to the various stakeholders engaged in past and present non-statutory consultation processes and then they reported to me. The document was a report to government so that the government could announce and formulate a way forward on non-statutory consultation. What I'm now doing is that I have written to all of the community council chairs

indicating what the government is proposing to do and seeking to have discussions with them on that.

MRS DUNNE: You are saying, Minister, that you are going to meet with representatives of community councils to discuss this further. When will that be?

Mr Corbell: No particular date has been set, but in my letter to community council representatives I've indicated that I would welcome the opportunity to discuss the proposal with them. A meeting is being convened in June, Mr Savery advises me, when the community councils will have their regular meeting of chairs. The chairs of the community councils meet on a regular basis with the community engagement unit of the Chief Minister's Department. I think I'm arranging to attend one of those meetings to have that discussion.

MRS DUNNE: What would happen if one or more of the community councils said, "No, thank you very much?"

Mr Corbell: We will cross that bridge when we come to it. It's a bit of a hypothetical question.

MRS DUNNE: But would you go down the path of signing up the community councils who were prepared to sign up, or is one out all out?

Mr Corbell: I don't think it's necessarily one out all out. I would like to think that if there is any community council interested in doing this we would be able to facilitate that. It would depend on the reasons for a community council to be saying that and it may be that we could resolve that through further discussion and negotiation. As I say, I think it's a case of crossing that bridge if we come to it and being open to what the other options are.

MS TUCKER: I just want to clarify what I think we've been told today, that is, that it is up to the community councils. The community councils are replacing what used to be LAPACs, or this is an alternative model that you're using now. Ms Dundas raised the question of what would happen if the community council just doesn't want to look at things. The question I have is: what is the importance of the input of these community councils to the forum if we have no guarantee of the quality of their work?

Community councils—I want to make this quite clear—have been doing a really good job in what they've been doing, which is about facilitating conversation in the community about issues. You are now giving them a responsibility on the broader planning issues of townships to represent the views of the community to the planning forum. They don't have any responsibilities, written, requested or required of them, in terms of how they do that work. My concern is that you will then have whatever comes out of that work being represented in the forum as a voice for the community.

An example I remember coming up some time ago was that of the public housing tenants having a particular view about a broad issue in the planning of the township. You might have a community council which doesn't have any input from public housing tenants because, as I understand it, the qualification is that you are interested in planning and that is why you are there, but we know that in any analysis of consultation people won't

necessarily come from particular groups in our society to these sorts of forums, but we want to have their voice in the conversation. You're not requiring any of this of the community council. My question is: what status do you give to this input when it could be so variable? We have no idea what councils will be prepared to do, but this is your government's channel to the forum from the townships and there are no particular requirements; it's just whatever happens. Why shouldn't we be concerned about that?

Mr Corbell: Ms Tucker, the comment I would make is that there was no requirement on LAPACs to comment on any particular item, either.

MS TUCKER: But we did try to get people on the LAPACs with particular representative responsibilities.

Mr Corbell: I think that's a furphy. If you went and looked at the membership of the LAPACs, they were no more and no less—

MS TUCKER: I'm not saying—

Mr Corbell: If I can answer your question, Ms Tucker.

THE CHAIR: Let him answer the question and then follow it up.

Mr Corbell: I have to say that I think it's a furphy. If you go and look at the membership of the previous LAPACs, they were no more and no less representative than the people on the community councils. In fact, quite often there were exactly the same people. Community councils represent the views of townships on planning issues now. They do that now. I don't take the view, and the government doesn't take the view, that community councils are any more or any less representative than LAPACs. Any organisation, any body, which relies on volunteers to participate is inevitably going to get those people who are more interested in an issue than those people who really don't care. It's the nature of any voluntary organisation; you will get those people who are interested in an issue.

I think that this discussion misses that this is one part of a consultation mechanism we have in the territory for planning. This is a non-statutory process. We still have a statutory process that relies on formal public notification, formal rights to appeal and provide submission, formal rights to notification in certain circumstances, and formal avenues for exploration, including through this Assembly. So we have two levels of consultation that exist in the territory, statutory and non-statutory, and we are establishing here a new non-statutory framework that will allow people to get involved and have their say.

I don't for a minute think that what community councils think is necessarily the view of the majority of people in a township. Ultimately, the only way you determine the representative nature of something is to have an election or a poll of some sort. That's why fundamentally at the end of the day on large, big picture, strategic planning issues it's the role of elected representatives to make those judgments, because at the end of the day, I would have to say, only an elected representative can claim to be representative of that community because everyone has had their say on who they want to represent their views.

MS DUNDAS: At the moment, when councils or community organisations pursue a planning decision through the AAT they have problems in getting standing because, under the statutory guidelines, they are not necessarily an adjacent neighbour.

Mr Corbell: They have to demonstrate that they're directly impacted.

MS DUNDAS: It is proposed that the community councils will have a broader role in looking at these planning decisions. If they choose to pursue something through the AAT, will it be easier for them to gain standing?

Mr Corbell: It doesn't change their legal position. They still have to demonstrate that they have standing. Equally, it doesn't prevent what they can do now, which is that they make comment on applications, as they do now. There is nothing to stop them making comment on applications, as they do now, but if any person or body wants to object to something in the AAT they have to demonstrate standing consistent with the act. This doesn't change that in any way.

MR HARGREAVES: Ms Dundas has sparked my curiosity on that. The notion that a community council would challenge a decision of government through the AAT is something I hadn't actually thought about.

MR HARGREAVES: Mr Minister, do you know—or could you find out—whether any LAPAC, for example, has taken AAT action against the government of the day? Have they ever had third-party appeal rights?

Mr Corbell: I'm advised that that hasn't occurred.

MR HARGREAVES: Thank you very much.

Mr Corbell: I am aware of instances, though, where the North Canberra Community Council, for example, has been joined as a party in certain actions.

MR HARGREAVES: With respect to councils' involvement in planning issues, am I correct in assuming that it was the North Canberra Community Council that particularly acted in a North Watson issue some years ago? I seem to remember attending public meetings at—

Mr Corbell: In terms of a planning issue, yes. Ms Tucker might have a better knowledge of this than I, but my understanding is that the North Canberra Community Council originally evolved partly around the issue about the proposed development of North Watson by the former Follett government in the early 1990s. The more recent action around North Watson has been driven more by the Watson Community Association.

MR HARGREAVES: And the Woden Community Council, under the chairmanship of Mr Menzel, I think, had fairly heavy involvement in the Woden tenancy on the master plan?

Mr Corbell: They were integrally involved and played a very important role in convening many public meetings on issues that affected the proposed plans for Woden.

So yes, they were very heavily involved.

MR HARGREAVES: And the Gungahlin Community Council had been involved heavily in the development of the planning issues surrounding the town centre?

Mr Corbell: Yes, they've been very vocal in expressing their views on development of the town centre and have convened meetings on development of the town centre.

MR HARGREAVES: And the Weston Creek Community Council has been reasonably heavily involved in planning issues around the bushfire recovery, I understand.

Mr Corbell: Yes, they have. The Weston Creek Community Council has convened a number of public meetings on issues to do with planning and development subsequent to the bushfires. Originally, of course, the Weston Creek Community Council evolved out of the desire of residents to stop development in the North Duffy/Holder area.

MR HARGREAVES: And I understand the Tuggeranong Community Council was involved in the Tuggeranong lakeshore master plan and a series of reasonably serious issues recently to do with planning.

Mr Corbell: Yes, I think they demonstrated their capacity to do that through the Karralika issue in particular.

MR HARGREAVES: Mr Minister, I'm aware that we have had some action by LAPACs in the past, but could you tell me how many LAPACs have existed within the Tuggeranong Valley since we've had self-government, please?

MRS DUNNE: You know the answer to that, John.

MR HARGREAVES: Yes, for the record, Mrs Dunne. The point I wish to make for the record, in fact, is that the Tuggeranong Community Council has acted representing the community since its inception, without the need for a LAPAC.

Mr Corbell: That's correct. There have never been LAPACs in Tuggeranong or Weston Creek and only in one part of the Woden Valley.

THE CHAIR: That's some of the best leading-the-witness questions I've heard since I prosecuted, Mr Hargreaves. Well done. I've just got one more on this while you're thinking. Minister, I recall the community councils were given about \$3,000 to start with. I think I am right in saying that some refused to take even that because they didn't want to be compromised. I think Belconnen was one of those.

MRS DUNNE: Belconnen, for a very long time, didn't take any money.

THE CHAIR: What sorts of resources do you actually envisage giving these community councils? You must have some idea.

Mr Corbell: I'm advised that the final figure is still being negotiated and discussed within government, so I'm not able to give you a definitive figure; but it would certainly be considerably larger than the \$5,000 per annum, I think, which they currently receive.

THE CHAIR: Have you got any ballpark figure or are you envisaging saying that, if they're going to spend a day deliberating on X, we need to pay them \$500 or \$1,000; or is there some sort of ballpark or bench-park figure you're looking at?

Mr Corbell: I'm not in a position to indicate a final figure at this stage because this work is happening in conjunction with work being done by the Chief Minister's Department and, in particular, the community engagement unit there, and some of these matters are still before the Chief Minister for his consideration. So I'm afraid I'm not able to give a clear indication at this stage, except to say that it is significantly larger than that currently provided to community councils.

MS DUNDAS: Where will that money come from?

Mr Corbell: I can't speak for whole-of-government consideration; but, certainly from ACTPLA's perspective, ACTPLA already had resourcing which it used to service LAPACs and we would be looking at utilising that resourcing.

MS DUNDAS: So there's ongoing funding in the 2004-05 budget for LAPACs.

Mr Corbell: Well, ACTPLA made available administrative resources to service LAPACs, so that's staff; and that could potentially be redirected to community councils. In terms of other resources: I might ask Mr Savery if he can comment further.

Mr Savery: As you'd appreciate, we had anticipated the possibility of a community planning forum being established this financial year, so within our operating budget there's a capacity to undertake what we reasonably anticipated the administrative costs of that might be. What we've indicated to the minister is that, under the circumstances that he's alluding to as part of the Chief Minister's Department's arrangements, we would make a contribution equivalent to that administrative amount and it would be on a recurrent basis through our operating budget.

I think it's also reasonable to make the point, as you'd appreciate, that it requires some internal administrative resources as well; so that would require the allocation of some person's time within the organisation to assist in providing the information to the councils, receiving their input back, those sorts of things.

THE CHAIR: One thing that concerns me about this is that these are voluntary organisations. It is conceivable that they are going to be expected to do a hell of a lot; meet very, very regularly, especially if there are a lot of issues on the boil; or—as you fancy, as you say they can—if they have an interest in and feel the need to, they can comment on planning matters other than those which I think which Mrs Dunne read out. Have you given any thought to whether you are overloading these councils?

Mr Corbell: I'll ask Mr Savery to elaborate on that answer in a moment. If I can just preface it by saying that all non-statutory consultation processes that have ever existed in the territory have relied on people volunteering their time. LAPACs were exactly the same. I guess, perhaps to play devil's advocate, Mr Stefaniak, you can't have it both ways: you can't criticise the government for not providing enough information and then accuse us of overloading them.

THE CHAIR: No. My comment is really that LAPACs are specific, Minister; and, although a lot of councils are very interested in planning, they do more than just planning.

Mr Corbell: Well, that's why we're proposing to resource them better, to allow them to have the capacity to do, I guess, less of the labour-type work and more of the quality-adding work that we would like them to do.

MS DUNDAS: But I think in terms of Mr Stefaniak's question, to take, again, Belconnen as an example: you could have three meetings in a month—the West Belconnen LAPAC, the Ginninderra LAPAC and the community council all meeting on separate nights over a month. Those three meetings, all of which went for about two hours at a minimum and had full agendas, will now be consolidated into one meeting over that month in time. The question is about the capacity of members of the community who are doing a number of things anyway. I think that's what Mr Stefaniak was saying.

Mr Corbell: I understand the point. The first point I make is that quite often there was some duplication of membership between the community council and the LAPACs. I would expect that we'll see some of the same faces involved because that's what those people are interested in; that's how they want to contribute.

The other point I'd make is that the government's emphasis is on trying to get community views to better inform the policy framework that guides development activity and planning activity. We've had this discussion in the Assembly before but it's one that's worth reiterating. The best quality outcomes I think that we can get are when people are well informed and contribute in a meaningful way to the policy setting that guides development proposals. That's why it's far more productive to get people engaged early in the development, say, of master plans or neighbourhood plans than it is in having the fight about a particular development proposal, because that development proposal fundamentally will have to adhere to the broader policy setting.

So our focus in terms of the criteria referred to community councils is to get people focused on "How do I influence the rules?" rather than having an argument about the rules after they've been set. That remains the approach that we want to adopt.

MRS DUNNE: I think this might wrap it up. I notice that the highlights for both 2003-04 and 2004-05 begin with "working collaboratively with the community to shape the future of the city", et cetera. Minister, how do you respond to the experience that I have, as somebody who attends community meetings on a fairly regular basis, to the very low esteem that members of the community hold the planning structures and the planning authorities in the ACT? How are you working to overcome that? Is it getting better? As someone who goes to committee meetings—and I think Ms Dundas was at the Belconnen Community Council the other night—I don't think that there was anyone there who had a good word for the planning authorities.

MS DUNDAS: And they were quite passionate in their—

MRS DUNNE: And it was very passionate, and it's increasing. Your highlights for two

years say that you're working collaboratively with the community, but my experience over two or three years is that there is an increasing level of lack of trust in the community about the planning structures and the effectiveness of the planning. What are you doing to actually work collaboratively with people, in the way that people actually engage in and feel that they're being taken seriously?

Mr Corbell: I'll ask Mr Savery in a moment to talk about this in some detail because he has certain statutory responsibilities now under the Planning and Land Act to facilitate greater community education and understanding of the planning system and therefore confidence in it. If I can just preface it, though, by saying that a meeting such as the one you attended is focused on a particular decision and if people are unhappy about that decision then clearly they're going to express that.

MS DUNDAS: But the meeting was called because of one decision.

Mr Corbell: If I can answer the question: I see both good and bad in the planning system. Planning and development decisions are, by their very nature, difficult decisions, and if anyone in this place believes that consensus is possible on a range of development applications and development proposals then you've just got rocks in your head. It doesn't happen and it doesn't happen in any jurisdiction. There is always someone who is unhappy with a decision, the very—

MRS DUNNE: No, it's not about that.

Mr Corbell: If I can answer the question, because you made a fairly wide-ranging statement and I'd like to try to address it. That said, I equally see strong levels of endorsement of planning work that the planning authority is doing. For example—

MRS DUNNE: Could you give us an example, please?

Mr Corbell: Yes, very happy to. The Woden town centre master plan has been warmly endorsed by virtually every group—every group, actually; it's quite interesting—involved in it. They have all warmly endorsed it; Woden Community Council, the shop owners, the landlords, the sporting, retail and other organisations have all welcomed that master plan as the right direction for Woden. Equally, the City West master plan has been strongly endorsed as the right direction for the future of that side of the city. So we do get strong levels of endorsement for the policy work that ACTPLA does as much as we get brickbats about certain decisions that the planning authority makes. That's the nature of the planning and development process.

But I think it's worth making the point that there is a level of confusion about how the system works and there is a level of concern about how it works, and that is something that ACTPLA is very conscious of. When I released my announcement yesterday around community consultation, I also released the latest client satisfaction survey which ACTPLA had done through Artcraft Research, and that highlighted both weaknesses and strengths in people's perceptions of the planning system. I'd encourage you to have a detailed look at that because you'll see where the problems are as well as where the positives are.

MS DUNDAS: Sorry, Minister, it wasn't yesterday that you made the announcement

about the new planning and consultations, it was the day before; it was actually Tuesday. I thought we'd asked questions—it must have been of the Department of Urban Services—about that research and we were told that it wasn't available yet. So can this committee actually get a copy?

Mr Corbell: It's on ACTPLA's website and we'd be happy to provide you with a copy. I'll ask Mr Savery, as CPE, to expand a bit on this issue.

Mr Savery: There are three parts that I'd like to respond to in relation to your question. I have to preface perhaps my comment by saying that some of what I'm going to say is going to be challenging and controversial, but I don't hold back from that. I actually think this community's pampered in consultation; that's my experience from having worked elsewhere in Australia. I think that, in relation to what the minister is putting on the table—and obviously we've had some input, too, along with the studies—he's put greater structure around that, particularly in the non-statutory equation.

But I also want to include in that comment the need to understand what it takes to manage and administer that consultation. I think that's part of the equation that hasn't been discussed in any of this conversation, that the authority is equally criticised and planners generally are equally criticised for the time it takes to get approvals issued, trying to resolve all the confrontational disputes that happen when you engage the community. You're almost in a situation where you can't win because, on the one hand, we're being asked to consult more and more and, on the other, we're being asked to make decisions. I also believe that it's important that the committee understands that what we're trying to do is put in place a managing book arrangement within the resource constraints that we have.

Building on that, I wanted to talk briefly about the fact that we are very conscious of the need to educate and improve people's understanding of the planning system. It is a very complex environment, and most people come to deal with it only when there's a development happening next door to them that causes them great concern. At that point, often the level of antagonism already exists in the local community because often people find out about it, not through formal mechanisms that we engage with but through word of mouth. They may live some distance from the area of the particular proposal.

Certainly there will be some announcements and some initiatives in the very near future around the education program that we've been working conscientiously on over the last few months, and the Artcraft research that the minister's made reference to is part of our analysis of the community's understanding of the planning system so that we can better tailor the education program to respond to those needs.

But despite all the criticism we receive, and we acknowledge that sometimes we make mistakes and sometimes we don't do things as well as we'd like to, there is a high recognition and acknowledgement within the community—and I think the percentages are around 78 to 90 per cent—of their level of satisfaction with the environment in which they live and that Canberra's well planned.

Obviously, at the detailed level of individual applications, there is conflict; there's controversy. So people regard planners at that point as being less than useful or helpful. But when it comes to actually assessing or giving a judgment on the community and the

environment in which they live, there's actually a very high level of response.

The other point I want to make in conclusion is that what you're talking about is universal across Australia. Planners do not get a lot of green ticks and elephant stamps from the community. Everywhere I've worked—and it's a number of places, and most of us have worked in many places—

MRS DUNNE: Are planners in that list in the paper today?

THE CHAIR: I must say, we're traditionally last, as usual.

MS DUNDAS: I don't think we rate in the top 26.

Mr Savery: The National Development Assessment Forum did a piece of research not too long ago where it did an assessment of where planners rated against car salesmen, lawyers, et cetera. We're right down the bottom. And that's because of the environment in which we work.

But the last point I wanted to make, in acknowledging that this is a universal problem or a universal issue, is that the Planning Institute of Australia has recently concluded an inquiry into education for planners. It actually started to expand its terms of reference because one of the key issues is that we're now having difficulty getting planners into the profession and keeping planners in the profession. The people whom you need, we all need, to deal with these issues don't want to be in this profession anymore because they're sick and tired of the criticism that they cop, and a lot of it is unjustified.

If I could, just on the Belconnen issue: I personally intervened in that. I would not allow my officers to go to that meeting because I was convinced that, if I did so, I was acting irresponsibly. They were going to be publicly vilified in that meeting. It's not consultation after the event, after a decision has been made, for an officer to stand up there and be vilified; that's not consultation. On that basis, I wasn't prepared for them to go to that meeting.

THE CHAIR: Maybe the minister should have.

MS TUCKER: I agree that that's where the politicians have to stand up.

Mr Corbell: I wasn't aware of the meeting.

THE CHAIR: It's justification rather than consultation.

MS DUNDAS: In the new planning structure, the politician doesn't have a role; the minister doesn't have a role.

Mr Savery: Exactly. It's the statutory authority.

MS TUCKER: Yes, but he's ultimately responsible.

MRS DUNNE: No, not under the new structure; that's the point.

MS DUNDAS: That's what is unclear under the new structure.

MS TUCKER: It should be that it's his ultimate responsibility.

Mr Corbell: Well, ultimately, the authority is the decision-maker, but what people have a complaint about at Belconnen is the policy that permits that development to occur.

MRS DUNNE: No, that's not the only thing that they have a problem about.

Mr Corbell: Okay, just focusing on that development: if people feel that the policy is inadequate, it's a matter for me. I would have been happy to attend if I was aware the meeting was on and I was available. I wasn't aware the meeting was on.

THE CHAIR: They should arrange another one, probably.

MS DUNDAS: I'll ask a different question. In terms of the capital works, what is being done or proposed to be done at the Dickson and Lyneham wetlands.

Mr Corbell: Which page are you on? I'll ask Ms Ekelund to answer that question for you.

Ms Ekelund: Dorte Ekelund, Deputy Chief Planning Executive. The proposal for those wetlands is to do something similar to the David Street wetlands in Sullivans Creek—to actually look at opportunities to reinstate a more natural wetlands system rather than the concrete-channel approach that exists at the moment.

MS DUNDAS: I also wanted to ask about the Canberra spatial plan implementation. This is a new initiative, and we've got \$1 million in 2004-05 to implement the spatial plan. What's going to be prioritised in terms of this quite extensive document?

Mr Corbell: Mr Savery can give you the details. I'd only make the comment, Ms Dundas, that the spatial plan is a framework to guide particular decisions as and when they emerge—for example, how we determine the future settlement pattern of the city and where development is and is not appropriate. That's what that plan gives us; it gives us the information on where settlement should or should not occur. It gives us information and guidance on how transport should or should not work. So that's the purpose of the document. Implementation? Mr Savery can give you some information on that.

Mr Savery: Thank you, Minister. Through the chair: the key pieces of work that will be undertaken in the first instalment are going to be participation in the legislative amendments that have been foreshadowed, in part to assist in the implementation of the spatial plan through territory plan variations but also associated with the broader package of works that the minister has announced on legislative reform, some of which I think are relevant to some of the conversation that's been had here today.

There are a range of policy initiatives, some of which correspond with the development of the Canberra Central project, issues around water sensitive urban design principles. There are also the ongoing investigations into the development of Molonglo as a future land release area and residential settlement area. Some of that is also in conjunction with

the National Capital Authority. There are also investigations into the urban renewal project for East Basin that you're probably familiar with. I think they're the key initiatives. You'd appreciate that a large part of that would involve the engagement of expertise beyond the capacity of the authority; so a large part of that is also related to resources to carry out those measures.

MS DUNDAS: Just on a quick count, there are something like 55 short-term implementation initiatives within the spatial plan and some of them are revenue neutral; some are not. Would it be possible to get an analysis of those short-term implementation initiatives in the spatial plan document which will be using the \$1 million in the 2004-05 financial year? I'm quite happy for that to be taken on notice because if we go through the 55 we'll be here forever.

Mr Corbell: Yes, we're happy to take that on notice.

MRS DUNNE: Particularly on some of those that you enumerated there, Mr Savery: the work with WSUDS, how does that fit into the water strategy? Is that money in addition to what's set aside in the water strategy or is it the same money again?

Mr Savery: It's in addition—additional money.

MRS DUNNE: There are things in the water strategy, which I don't have in front of me, in relation to developing with ACTPLA initiatives in relation to water sensitive urban design. How do they fit together?

Mr Savery: I think my response to that would be that there's a lot of integration across government with a document like a spatial plan; so this is to give us some capacity to work with those other authorities. Whilst their money is very much focused on particular deliverables, ours is about having a broader appreciation of how something like water sensitive urban design can be incorporated into new subdivisions and land release projects. I would imagine that also it will assist us in the further development of a guideline document which may ultimately feature in the territory plan that would be a device by which we could regulate the private sector in the way in which they incorporate water sensitive urban design into their own developments. So I think it has to be seen very much in partnership with the programs that are being undertaken by other government departments.

MRS DUNNE: It seems that this is a very evolutionary process because you don't seem to have a very strong idea of what the outcome will be and what you'll do with the outcome.

Mr Savery: My response to that would be that I think we have a good idea of what the outcome is in the sense of the deliverable being better development outcomes that feature water sensitive urban design, but at this stage we're still formulating exactly what the structure is going to be, whether or not it's a guideline document. It's obviously not capital-works-related but it's going to inform the estates area of ACTPLA.

It will, I would imagine, also help feature in the HQSD process to assist in development assessment. It's an exercise in how the broad strategic principles articulated in the spatial plan actually find their way into the planning process, how it's delivered on the ground,

whether it's through our own policy development, whether it's through the way in which we administer individual development applications, concept design, residential estates.

MS TUCKER: I'm interested to know, just on the neighbourhood planning question again: what is your view of the success or not of the Watson, Downer, Hackett process? What lessons you've learnt from that, if any? What, also, is your current timetable for other neighbourhood plans?

Mr Corbell: Well, I'll have to take on notice the timetable of other neighbourhood planning processes. I'm not quite clear where they're at at the moment.

In terms of Watson, Downer, Hackett, yes, I think we did learn some lessons from that exercise. I think we've actually ended up with a very good outcome, one that reflects what people are looking for in those areas. I think the mistake that ACTPLA made, and the government made, through that process was to, I guess, put out stuff that was too much at variance with what people were expecting even though it was just for discussion, even though it was just for consideration.

MS TUCKER: It frightened people.

Mr Corbell: It did frighten people. I think that, combined with a level of misunderstanding about what that was all about really—we did close off some avenues which I think could have led to some very good urban design outcomes which didn't fundamentally change the character of the area but which did allow for a greater variety of housing choice in the area—just shows that you've got to handle that process a little bit differently; and we've certainly learnt from that experience.

That said, the outcome is one that I think is probably more conservative than it could have been but which at the end of the day does have—from what I could tell—the community's broader endorsement. So I don't think it was a fundamentally flawed process by any means but it did show, I think, the need to improve information to residents of the process and an understanding of what the territory plan does and doesn't provide for because there's still comment coming out from some of the individuals involved in that process which is just not correct. Whether that's deliberate or otherwise, I couldn't comment but it just emphasises the need to continue to inform people as to what is and isn't allowed under the territory plan and what the scale of activity can and cannot be.

MS TUCKER: That's fine. The high-quality, sustainable design criteria and process, what are you doing with that?

Mr Corbell: I'll be making a fairly significant announcement about that very soon.

MRS DUNNE: It's Friday.

MS TUCKER: You already asked about it, did you?

MRS DUNNE: No, "soon" means Friday.

Mr Corbell: No, it's not tomorrow. I think I've indicated to previous estimates

committees or annual reports hearings that the government has asked ACTPLA to significantly review that policy. It is too complicated, it is too open ended and it is a level of work which blurs the lines between pre-application and formal DA processes. I'd like to ask Mr Savery if he can elaborate on that a bit because it's something which he has particular views on which I strongly endorse. So without pre-empting, I guess, a policy announcement—

MRS DUNNE: And he's not looking pleased about that invitation.

Mr Savery: No, I'm happy to do it. I'm worried about actually revealing policy announcements.

Mr Corbell: Well, without pre-empting the policy announcement, because we are making some announcements quite soon on that, just the general issues you want to address.

Mr Savery: Well, what might be also useful is tying it back to the National Institute for Governance report that was the subject of the previous conversation. It didn't confine itself solely to the issue of consultation around non-statutory processes. Through the feedback it got, you'd note that it actually made some other recommendations, one of which was around HQSD and the need to clarify that role because it actually created antagonism within the community and the community didn't necessarily know was it being consulted in a formal sense or wasn't it as part of the HQSD process.

MS TUCKER: And was it producing outcomes?

Mr Savery: Well, exactly. I just think that that's also a useful thing to be conscious of, but the whole issue around HQSD has actually been picked up in that report as well. I think that the announcements that the minister's going to make in the near future will deal with that issue. So without pre-empting the policy, it seeks to clarify what the role of HQSD is in the entirety of the development application processes.

It seeks to further ensure that the development industry, or the proponents of applications, fully understand what their obligations are and it seeks to provide better policy for them, because at the moment HQSD has almost devised its own process but hasn't necessarily been very good at giving policy guidance for the people who are involved in that process, whether they're an applicant or a next-door neighbour. Ultimately what it tries to do is better intertwine HQSD with a relatively seamless process.

The best way to describe what it is at the moment is that there are almost three distinct processes that are seen as separate hurdles rather than a seamless process that includes design application and review—and review being AAT reconsideration. What we're endeavouring to do in this is make it more understandable; part of the educative process; make it more policy derived, not policy driven; and more seamless through the exercise.

MS DUNDAS: My question is actually in relation to the Nettlefold Street trees. There was an FOI request put to both ACTPLA and Environment ACT in relation to the Nettlefold Street trees. It was basically in relation to communication and correspondence. Three documents came from ACTPLA as a result of that FOI request, while

Environment ACT provided over 150 items. Does this indicate that ACTPLA was not discussing a land swap or communicating with the developer as it was requested to by the Assembly?

Mr Corbell: Well, that's not correct. The Assembly didn't request ACTPLA to; the Assembly requested me to.

MS DUNDAS: Well, there was a request that there be a land swap.

Mr Corbell: Yes, the Assembly requested that I, as minister, do that, and I've indicated to the Assembly what I did in that regard.

MS DUNDAS: So ACTPLA was not involved in trying to facilitate that land swap.

Mr Corbell: As far as I can recall, the only involvement of ACTPLA was to respond to requests from my office for the contact details of the lessee so that communication could be made between my office and the lessee.

MS DUNDAS: Can you confirm that you had a meeting with a member of the ACTPLA team, in the development and building admin area of leasing specifically, that discussed the Nettlefold Street development, because the FOI documents reveal—and I don't necessarily want to name the individual officer—that there was email correspondence that happened two days after the Assembly voted that said, "Met with Simon this morning. We press on with the development." Considering what the Assembly had asked to happen, that's, I guess, not what the Assembly wanted to happen.

Do you have any minutes of that meeting or any recollection of that meeting that happened on 29 August 2003 that could indicate what was actually discussed?

Mr Corbell: I'm happy to check the record. I'm extrapolating from what you're reading from. But my assessment of that would be that the Assembly did pass a resolution asking me to negotiate. I indicated to the Assembly that the government wasn't going to do that. I was subsequently censured by the Assembly for failing to do that. Following the censure, I then initiated negotiations. So that record would not be inconsistent with what I publicly stated at the time, if that's the same timing.

MS DUNDAS: You were subsequently censured—and I don't want to go over old ground—but there was time that was actively lost in terms of progressing that motion of the Assembly because of that decision that you took.

Mr Corbell: Well, I told the Assembly during the debate on the substantive motion about a land swap that, if the Assembly passed that motion, the government didn't intend to act on it. So that email, if the timing corresponds, would confirm what I'd already told the Assembly publicly.

MS DUNDAS: Yes, it's 29 August.

Mr Corbell: I was censured subsequent to that, and at that time I undertook what the Assembly had requested.

MS DUNDAS: And that was your office, not necessarily ACTPLA.

Mr Corbell: I've already indicated to the Assembly that it was my office.

THE CHAIR: Thank you, Minister. We'll resume at 2 o'clock.

Meeting adjourned from 12.51 to 2.03 pm.

THE CHAIR: Earlier today I referred to block 51, Majura. I take it that block, like the blocks around it, has a 50-year lease that expires on 31 December 2005?

Mr Corbell: I cannot tell you about the previous lease term, but I can advise that a new 20-year lease has been issued. That lease commenced on 7 April last year.

THE CHAIR: Your colleague the sports minister indicated that blocks 51 and 52 were the two preferred blocks, or the best blocks, in the Majura Valley for a dragway or other motor sports facility. I believe that there are no Commonwealth encumbrances, easements, or anything like that on block 51. Is that one of the blocks that is free of those things?

Mr Corbell: I am advised that there are no Commonwealth encumbrances on block 51. However, as you would know from my answer, there are encumbrances on block 52.

THE CHAIR: Which is why that lease has not been renewed. Until about August last year the government was also seriously considering putting a prison on block 51. It then decided to use block 92.

Mr Corbell: It was one of the sites that were considered, yes.

THE CHAIR: When the lease for block 51 was renewed on 7 April 2002—at that stage that block was a preferred site for a prison—why was the lease for block 52 not renewed because the territory could require that land for a public purpose?

Mr Corbell: If the government required that land for a public purpose it would have to go through the process set out in the Lands Acquisition Act. The issuing of a new lease does not preclude that in this instance.

THE CHAIR: I am referring to the issue of costs. A new lease for block 52 cannot be issued yet, but that does not preclude the government from resuming the land. However, that would be costly. You now have another lease for block 51. If the government were to resume that land it would have to pay the lessee just compensation for improvements that have been made to it. Would it have been simpler not to renew the lease and to make the necessary payments?

Mr Corbell: A 20-year lease is a relatively short-term lease. It would not have the same value as, say, a 99-year lease. Even if the government acquired that land through the Lands Acquisition Act, it would still have to pay compensation for improvements that had been made to it.

THE CHAIR: I appreciate that.

Mr Corbell: The issue is one of tenure. The lease-term map, which influences the extent of the lease term that can be granted for a lease in relation to this site, permits 20 years. At the time that the lease was issued I am not sure whether it coincided with our prison deliberations. I do not know whether I can give you an accurate answer as to whether or not the lease renewal issue was known to the government when it was considering the possible location of a prison. I will ask Mr Savery to explain it.

THE CHAIR: I believe that in April last year that was a possible site for the prison?

Mr Savery: That is correct. At the time that the new lease was issued it was evident to the government that the prison was unlikely to be established on that site. In our view the dragway alternative was not deemed to be a public use.

THE CHAIR: Why?

Mr Savery: Because it was not the intention of the government to operate it and use it as a piece of public infrastructure.

THE CHAIR: No, but it would be paid for by the government. I think it was quite clear that the government would provide the land and pay for the site.

Mr Corbell: No. The advice that I have is that it is not a public purpose. Mr Savery has described what is a public purpose. The mere fact that the government acquired the land and gave it to another party potentially would not justify the use of that clause to acquire land for a public purpose. If the government acquired land for a public purpose the territory would have to own or operate the facility. At that stage the government was not considering either owning or operating such a facility, so it was not considered an appropriate course of action.

Subsequent to that the government considered the matter further. The thinking at this stage is that if block 51 were a viable site for a dragway—my colleague Mr Quinlan indicated that a number of fairly detailed issues still need to be considered—and the territory acquired the site for a public purpose, inevitably we would have to play some role in the ownership of that site. We would possibly require some sort of trust arrangement or something like that.

THE CHAIR: A management agreement, or something along those lines?

Mr Corbell: Yes, but the territory would ultimately be the owner of the asset.

THE CHAIR: So if the territory were the owner of the asset that would satisfy the public purpose provisions?

Mr Corbell: That is my general advice. I have not been given specific or detailed advice in relation to that option. I am not aware of what that clause is. The advice that I have received is that it has never been tested in court. So the territory needs to be wary. It needs to ensure that it is on firm ground in justifying the acquisition of that land for a public purpose, particularly if the leaseholder does not agree to that acquisition and seeks to challenge the decision.

THE CHAIR: Obviously the leaseholder would have to be properly paid out. Perhaps Mr Savery could assist the minister.

Mr Corbell: The other point that needs to be made is that the leaseholder can challenge a decision to acquire. That is why we have to be particularly cautious about the use of that clause.

THE CHAIR: You said earlier that the government had two potential uses to which that land could be put. I was interested in establishing why you renewed the lease when it was a likely site for a prison.

Mr Corbell: It is pretty clear that you can use that clause for a prison. That can very safely sit in a public purpose argument.

THE CHAIR: Mr Savery, did you want to comment on this issue?

Mr Savery: My only comment, which will not be terribly helpful, is that I need to seek clarification. I will have to come back to you with information about when that lease was issued.

THE CHAIR: I think it was issued in about 1956.

Mr Savery: I am referring to the renewal date.

THE CHAIR: It was renewed on 7 April 2002.

MR HARGREAVES: Mr Savery wants to confirm that date.

Mr Johnston: Richard Johnston, Director, Development and Building Administration, ACTPLA. This is not specific corroborated evidence but it is quite possible that the lease was granted at a later date. The lease dates from April and that may well have been the date that the previous lease lapsed. That might be why there is some confusion over the dates.

THE CHAIR: Could you establish what is the exact date?

Mr Johnston: Yes, certainly. We will do that.

MRS DUNNE: Would you also establish what was the nature of the existing lease? Was it a 1956-type lease? I cannot really remember the nature of leases in Majura.

THE CHAIR: They were 50-year leases.

MRS DUNNE: If it were a 1956 lease it would have a withdrawal clause or specific withdrawal provisions.

THE CHAIR: Yes.

Mr Corbell: For certain uses.

THE CHAIR: Including the public purpose use. When that land is resumed the test would be whether the government owned it and had control over it?

Mr Corbell: That is my general understanding, yes. The government has not sought detailed legal opinion on that issue, but that is my general understanding.

THE CHAIR: Let me know if you establish anything different. That is your general understanding, which is fine. I believe that the study that was carried out on block 52 was available to you soon after you were elected to government. That study indicated that block 52 was probably the best site for a dragway. However, I understand that several issues still have to be resolved with the Commonwealth. The lease cannot be renewed until those issues have been resolved. I think the Commonwealth has an easement on that land.

Mr Corbell: The qualification that previously existed on that lease and that still exists resulted in the dragway losing its lease. Clearly, we do not want to place it in the same situation.

THE CHAIR: I can understand that. The Commonwealth has indicated that it will comment on this issue at the end of the year.

Mr Corbell: That is right.

THE CHAIR: Given that block 52 is the best site, or even a better site than block 51, if the Commonwealth indicates that it has no interest in or requirement for that block, would you not renew the lease and pay out whatever compensation had to be paid?

Mr Corbell: You are referring to paying compensation for block 52. It would be a bit speculative if I were to answer that question. We really need to await the outcome of our negotiations with Canberra International Dragway and whatever advice we receive from the Commonwealth.

THE CHAIR: You cannot do anything with that block until such time as those Commonwealth issues have been resolved?

Mr Corbell: Yes, that is correct. The Commonwealth has to give us a clear indication that it no longer requires that land for its use.

MR HARGREAVES: I think the prison would sit beautifully on block 52. The Commonwealth pulled back from its prison proposals because it knows about the future airport development needs. Is it the intention of the Commonwealth to use 30 per cent or so of the block to the north for the future development of the airport?

Mr Corbell: Are you referring to block 92, Mr Hargreaves?

MR HARGREAVES: No, I am aware of block 92. I was referring to blocks 51 and 52. I get as confused as everybody else does in relation to those two blocks.

Mr Corbell: It would be fair to say that that could be an issue. I guess that is why there

is a high level of uncertainty about all the land that surrounds the airport. I understand that the Commonwealth is doing a fairly comprehensive analysis of its needs. Regrettably, it chose to do that after the Department of Defence indicated that it wished to sell land, including block 92, to the territory. It is also regrettable that Canberra International Airport suggested that block 92 was a potential site for the prison, but it subsequently claimed that it was not an appropriate site.

MR HARGREAVES: I am worried about being pre-emptive in relation to this issue, and I am sure the chairman will agree with me. The Commonwealth did not support the original dragway proposal because of its proximity to the airport and the possibility that it would encroach on the future development of the airport.

THE CHAIR: And the east-west runway.

MR HARGREAVES: It would be pre-emptive if we started sponsoring the block to the north if it comes under exactly the same umbrella.

THE CHAIR: Are you referring to block 92?

MR HARGREAVES: No, I am referring to blocks 51 and 52.

Mr Corbell: Yes, it is fair to say that we do not want to be in exactly the same situation as we were with the previous dragway lease. If we are to proceed in relation to that site we must ensure that the tenure is clear. There must be security of tenure if we are to operate a dragway there.

THE CHAIR: Correct me if I am wrong, but I think that, unlike block 52, which is owned by the territory, the previous site was wholly owned by the Department of Defence, although the ACT had some part to play in its administration.

Mr Corbell: That is correct.

THE CHAIR: The Commonwealth has about a 39 per cent or 40 per cent interest in it, which is different from the previous site.

Mr Corbell: That is true; the Commonwealth does not own it. The territory owns at least part of that site and it is leased to a leaseholder. Nevertheless, we have been placed in the same sort of situation. The two governments both have a role in administering the lease.

THE CHAIR: I remind witnesses that they have to provide the committee with details establishing when the 50-year lease for block 51 was renewed, the date on which it became effective, the nature of the lease, when the lease commenced and when it is due to end.

Mr Corbell: Certainly.

MR HARGREAVES: Last night someone who is not connected with the management of the Railway Historical Society expressed some concern to me about the block on which it keeps its trains. What is the situation in relation to that block?

Mr Corbell: That matter is being managed by the Land Development Agency. When we deal with that agency later we will be able to give you some information. Mr Savery has something to say about the issue.

Mr Savery: There is an element of relevance that is not dissimilar to the issues that were raised earlier concerning blocks 51 and 52. Obviously, as part of the spatial plan, we have indicated quite publicly the potential for urban renewal in the e-space scenario. Whilst we do not have definitive timeframe as to when that might happen, we anticipate that the investigations that occur next financial year as part of the implementation of the spatial plan will enable us to better indicate to the Railway Historical Society how long its future tenure might be.

It might be decided that, for environmental reasons, there should not be any development in that area. One way or another we will be able to give it some sort of certainty about its future. I believe that the issue, therefore, relates to its interim tenure and its ability to attract members, investment and insurance on the basis of a short-term licence. So the issue is whether or not we can provide it with some level of security in relation to its short-term tenure.

MR HARGREAVES: That society is concerned about two issues. First, it has invested money in buildings and infrastructure on that site. The person to whom I was talking was concerned about any compensation that may or may not apply. Unless I am grossly mistaken, those issues would not have been addressed, as it is early in the process.

Mr Savery: Those issues have been raised with us. We had a couple of meetings with either the president or the executive of that society and we were alerted to those complex issues. At the time of transfer to self-government, arrangements relating to that society's assets were either put in place or not put in place by the Commonwealth. We have to work through those issues.

MR HARGREAVES: If there is to be a transport hub at the airport perhaps you could lobby the owner of the airport to set aside land for the Railway Historical Society. I believe it would be most appropriately placed.

MRS DUNNE: This morning, quite coincidentally, the lessee of block 92, Majura, approached me about a certain matter. I will ask this question of the minister, but I suspect that he might flick it to someone else. This lessee wants to undertake land erosion mitigation on his property. The Commonwealth said that he could do that but apparently he has now been told that he cannot because the territory has an interest in what goes on. Under his lease is he subject to territory law or to Commonwealth law?

Mr Corbell: Without knowing the details of the arrangement I really could not comment. It would be better if we took that question taken on notice. We would then be able to provide you with that information.

MRS DUNNE: How are we progressing with arrangements for the settlement of the Coonan and Tully families?

Mr Corbell: I have some advice in relation to that matter. The most recent advice is that we are still conducting negotiations. Mr Savery or Mr Johnston might be in a position to

supply some additional information.

Mr Johnston: I have no more recent advice than that. As you would appreciate, the negotiations concerning the valuations of improvements and so on are fairly difficult. Those negotiations are proceeding.

MRS DUNNE: What are the stumbling blocks? I gather that a valuation took place in April.

Mr Johnston: I do not have any up-to-date information, but I think there are further discussions about the details of those valuations.

MRS DUNNE: Would you take that question on notice and provide us with a timetable showing what has happened up until now and what you think the outcome might be?

Mr Johnston: Yes.

MRS DUNNE: I refer to a related issue. Has the territory started to negotiate with Mr Tanner over his block?

Mr Johnston: I believe that the answer to that question is yes. We have been in discussions with Mr Tanner as well.

MRS DUNNE: I would like to ask some general questions about Belconnen, a place that is close to my heart. I refer to block 81, section 65, which is a matter of some controversy. There seems to have been what could politely be called a bit of a mess up in the auction and leasing documents. Those documents, which seem to be at variance, had a specific set of uses. It is a matter of some debate whether or not one or more of them are open to be used as a club, restaurant, shop and entertainment or tourist facility.

When the development application was put in for the current controversial development there was an application for a change of lease purpose clause, which would have included residential. What betterment was paid, or has betterment been assessed? Have you come up with an amount? Has betterment been assessed for that change of lease purpose clause?

Mr Corbell: I might ask Mr Johnston to answer that question.

Mr Johnston: The betterment has not yet been assessed. The decision on the development application has been appealed to the Administrative Appeals Tribunal, so the final assessment of betterment will take place when a decision has been made on the development group.

MRS DUNNE: So because the decision on the development application has gone to the AAT you have not made a final decision on what betterment will be paid?

Mr Johnston: That is right.

MRS DUNNE: Is it your expectation that betterment will be paid to convert the lease to include some residential?

Mr Johnston: Probably. The applicant submits a valuation report with the application for a change of use charge. I do not have the figures but I expect that there would have been some assessed increase in value.

MRS DUNNE: Can you, Mr Johnston, or the minister give the community an assurance that no-one said, "We really meant to state residential and the lease was changed without a change of use charge"?

Mr Johnston: We can certainly guarantee that. As I understand it the development application included the lease variation to permit residential. That was not the use for which the site was initially sold. Further to that, under the land regulations the rate of change of use charge is 100 per cent in circumstances where the lease is varied within five years after its initial grant.

MRS DUNNE: On a policy issue, Minister, do you have a view about the desirability of changing the lease purpose clause so soon after the sale?

Mr Corbell: I was considering that matter when I was having discussions this morning. I do have a view. I am concerned about the occurrence of this practice. Since self-government it is a practice that has been permitted under the act and its regulations. It has occurred on a number of occasions. Any variation, such as a variation in this case, to the lease purpose, has been done in a way that is consistent with the territory plan, so the use is permitted under the territory plan.

I think it would be preferable if there were some constraints to restrict this type of occurrence. The makers of the act and its regulation probably assumed at the time that a 100 per cent change of use charge would be a sufficient deterrent to prevent speculative activity. On the face of it, that is a reasonable assessment. One would think that a 100 per cent change of use charge and a 100 per cent tax on the increased value was sufficient to prevent speculative activity.

Clearly, that has not been the case on a number of occasions. I am interested in exploring options to do one of two things: either to sell leases with a broader range of uses so that it is quite clear up-front and people do not have to refer to both the leases and the territory plan to understand the full range of uses, or to have some further constraints on variations within a particular period, above and beyond the 100 per cent change of use charge.

MRS DUNNE: You might recall a discussion about four or five years ago regarding the availability of land for a transport facility?

Mr Corbell: Yes, at Mitchell.

MRS DUNNE: Some of the land was auctioned with a covenant in the auction documents that specified that the lease could not be changed for five years. Would you entertain those sorts of measures?

Mr Corbell: It is certainly something that could be considered further. I would be quite open to doing that. I will ask Ms Ekelund to comment on that issue.

Ms Ekelund: Richard might be able to elaborate on this matter but, in the past, we were advised that if that involves a covenant within a lease it does not have sufficient legal standing to stop it happening. People are still able, legally, to lodge a development application for a variation to the lease. We cannot prohibit them from lodging such an application. Other mechanisms might be able to be used, such as changing the legislation and regulations.

MRS DUNNE: Minister, is that something that you and Mr Savery will be looking at in the current legislative review?

Mr Corbell: Given that it has come up in this context, it is a reasonable issue to consider further. This morning my office advised me that some work is occurring at the moment on what sort of legislative or regulatory change could be put in place. Clearly it is an issue that needs further consideration. I think it deserves some further investigation and change.

MRS DUNNE: On a related issue, the auction documents set out the gross floor area and refer to a number of things, for example, the setbacks for this development. In the auction documents the setback from the lake was listed as 17 metres. Why did ACTPLA approve a development with a setback of roughly eight metres from the lake?

Mr Johnston: I am not aware of that issue. If the setback was from the lake edge I would be surprised if the development did not comply with that. I would have to take that question on notice.

MRS DUNNE: Could you take that question on notice?

Mr Johnston: Yes.

MRS DUNNE: I am no expert in this area but, on my reading of the auction documents, the setbacks were 17 metres. They appear to be roughly eight metres from the lake edge. It appears as though they might be from the boundary of the block rather than the lake edge.

Mr Corbell: We have to be careful when we are doing these measurements.

MRS DUNNE: Could you clarify that issue for me, Mr Johnston?

Mr Johnston: Yes, certainly.

MS DUNDAS: My question relates specifically to the Belconnen development. Residents have expressed concern about what happens when development applications go before the AAT. Obviously appeals are made against ACTPLA's decision to approve development applications. Many residents have expressed concern about the fact that ACTPLA, as an ACT government authority, spends a lot of time arguing against the concerns that have been expressed.

They believe that the developer should put forward a case rather than the planning authority. As appeals are against decisions made by ACTPLA and not necessarily the

developer, can we speed up this process so we are not spending so much of taxpayers' money arguing claims that have been made by taxpayers?

Mr Corbell: I think you have misunderstood the process. The appeal is against the decision of the decision maker, which is ACTPLA. ACTPLA has to appear before the AAT to justify its decision and to explain it to the tribunal. The assumption is that the government should not challenge decisions made by taxpayers to challenge a decision. That is not the way in which our legal system works.

MS DUNDAS: I am putting it forward as it is a concern that has been raised.

Mr Savery: It is a misconception by the public that if ACTPLA supports a development it is the proponent of such a development. That is what happens around the country. Planning authorities, such as the ACT Planning and Land Authority, or local government councillors on a development assessment panel, should assess an application on its merits. They should assess what the proponent has put forward and any submissions that have been received against the criteria within, in this case, the territory plan and any other policy guidelines.

If there is a subsequent appeal either by the developer—often the developer appeals against a decision—or by members of the community, the authority's role in appearing before the tribunal is to explain and defend its decision. It will be doing so based on the merits of the case. It is not there to take issue with individuals who are appealing; it is there to defend its decision, having considered the merits of the proposal.

MS DUNDAS: I have taken on board everything that you said earlier, Mr Savery. However, members of the community actually believe that they are being persecuted for taking cases to the AAT. The legalistic approach to that process by government agencies makes members of the community feel that they are not being allowed to participate—and they should be allowed to participate—in these decision-making or appeal-making forums. I did not raise this issue as a criticism against planners.

Mr Savery: No, I know you did not.

MS DUNDAS: Some members of the community feel completely overwhelmed by that legalistic approach. They have looked at the territory plan and at the development guidelines and those cases end up in the AAT because there is a conflict about the application of the territory plan. I am putting forward the concerns of the community to the over-legalistic approach taken by ACTPLA in defending its decisions.

Mr Corbell: From a policy perspective it is worth referring to the Planning and Land Act and associated reforms that were passed by the Assembly in 2002.

MRS DUNNE: That was half a lifetime ago.

Mr Corbell: It seems a long time ago now. Those reforms introduced changes to the operations of the AAT, in particular, the establishment or activation of a Land and Planning Division of the AAT, and the establishment of a mediation process. That was designed to prevent issues going to full hearings, which are more legalistic in their management and handling.

Mediation has proved to be very successful. A large number of cases have been resolved through mediation, which has been very encouraging. The government financed the AAT to employ professional mediators and to conduct mediation sessions. Mediation is carried out on a without prejudice basis, as it needs to be. If mediation and consensus are not reached the matter can still be heard in the AAT, without the mediation having prejudiced the outcome of the AAT case.

We have put in place mechanisms to improve that process. When mediation fails we have to follow a more formal decision-making process, which can involve legal representation. The Assembly specifically had this debate when it passed the legislation. It recognised that there would not always be situations in which everyone agreed through mediation. In those circumstances legal representation is permitted. That allows for a formal hearing before the tribunal, which will arrive at a resolution. I can appreciate why some residents find that difficult. If mediation is not possible that really is the only avenue that is available to them.

MS DUNDAS: We passed this legislation a long time ago. In order to clarify this issue, if people are to be able to access the mediation process they need, first, to have been given some standing to participate in a formal AAT case.

Mr Johnston: The AAT tends to accept any appeal that is submitted to it. It goes through a series of processes involving standing and other preliminary issues before it gets into the merits of the matter. Mediation, generally, is one of the first things that occur. So that might well happen before there is any argument about standing. That is what has tended to happen so far. First, an attempt is made to mediate the matter and, second, you get into legal issues and merits arguments.

Mr Savery: I wish to make a couple of additional comments. It is regrettable that tribunals of this nature become legalistic, but again that is fairly universal. Often we find that the nature of the appeal, either in whole or in part, raises questions of law. Because the authority is not a legal entity—it is not comprised of lawyers—we need to seek advice from the office of the ACT Government Solicitor and we need its representation. When that occurs it is typically there as a friend of the court.

It is there to assist the court—or in this case the tribunal—to understand what are the issues; it is not there as an advocate for a particular position. I am sure that you are referring to a number of cases, but one case in particular is exercising your mind. In that instance the authority was criticised by the proponent, to whom we had issued an approval or notice of a decision, and by the opponents. The proponent felt that, in her circumstances, we were not taking a proactive enough position on her behalf.

Mr Corbell: I cite the objection to the redevelopment of the Kippax fitness centre, which I think is the case to which you are referring. I am advised that when the mediation hearing was held the developer contested the standing of people who had made the objection.

MS DUNDAS: So it happened at that stage?

Mr Corbell: In that circumstance it happened at that stage.

MRS DUNNE: It might be advantageous for those who might not have standing but who have taken a matter to the AAT to be involved in some sort of mediation. At least then they would feel that they had something like their day in court and that their issues had been heard. That might be desirable to build up public trust, even if it is not the desired legal outcome.

Mr Corbell: I had a meeting with some of the people who were affected by the AAT's ruling relating to the Kippax fitness centre. I indicated to them that their case was complicated because the parties were joined and, therefore, they were not recognised as having a standing in their own right. When the individual who was recognised as having a standing in his own right no longer had that standing, the whole thing fell over. I indicated to ACTPLA that it would be desirable if more information on how the AAT operated were made available to people earlier.

One of the points that constituents made to me was that the information that was provided by the AAT on how it operated was issued too late. They were already involved in the process. I suggested to ACTPLA—and I think this suggestion is being acted on—that information that the AAT makes available about its operations should also be available from ACTPLA.

MRS DUNNE: It should be available before people make an application.

Mr Corbell: So when people are considering an objection to the AAT they are able to get that information from ACTPLA rather than wait until they appear before the AAT.

MRS DUNNE: Even though this might be before the minister's time, could he provide us with the chain of events that led to the change of land use for section 65 from one-storey to two-storeys, which is outlined in the Belconnen lakeshore master plan? How was that change reflected in the Belconnen town centre master plan? Originally it was for entertainment, accommodation and leisure in a general sense, but that was changed to include residential.

Mr Corbell: I am happy to do that.

THE CHAIR: We will deal now with output class 1.1, strategic and land planning.

MS DUNDAS: What do those measures indicate for the spatial plan implementation stage 1 of the Molonglo Valley planning investigations and stage 2 of the Molonglo planning investigations?

Mr Savery: The investigations for Molonglo Valley are broken up into a series of stages. The first stage is to work with the National Capital Authority to examine the potential implications of development in the valley on issues of national significance in the national capital plan.

It is our expectation—and there is a commitment through the output measures—that that study and that work will be completed in its entirety, with sufficient time for us to move into the second stage of the investigations on the basis that the first stage indicates that development can proceed. In other words, it wouldn't compromise issues of national

significance. What form would it take? What are some of the potential environmental implications? It is really getting into the nuts and bolts of what a suburb in this area might look and feel like and what the geography of it might be. The 50 per cent there is indicating that we wouldn't expect to be able to complete all of that work in the next financial year.

MS DUNDAS: Will the planning investigation for the Molonglo Valley include an actual environmental impact statement?

Mr Savery: Yes, it would, but that would be in stage 2; it wouldn't be part of stage 1.

Mr Corbell: Can you clarify what you mean by an EIS, as well?

MS DUNDAS: That is why I said "actual EIS".

Mr Savery: I took it that that was what you meant. We would anticipate that, given the nature of this, with the sheer scale of it and where it is, there would be an environmental impact statement.

MRS DUNNE: It is stage 3 on the scale.

MS DUNDAS: How many stages are you proposing for the Molonglo Valley investigations?

Ms Ekelund: Initially we're looking at three principal stages. Neil has mentioned the first stage, being the assessment of national significance issues and determining whether the valley is suitable for urban development. The second stage is the more detailed environmental analysis, engineering analysis, roads and structure planning of the area, which would lead to an amendment to the national capital plan and a variation to the territory plan. At this stage we expect that a full EIS would be part of the second stage of work.

MS DUNDAS: The EIS would come before the variation to the plans?

Ms Ekelund: Yes. The EIS would be undertaken prior to a variation and would inform any variation. The third stage would be more detailed concept planning and subdivision planning, which would then inform capital works and creation of neighbourhoods. So it is quite a long period of studies. They would be accompanied by the statutory and informal consultation processes.

MS DUNDAS: There have been concerns raised that the Molonglo Valley will come online before work is completed in Gungahlin and Dunlop. Those are areas that they are trying to build in at the moment, and there are all the shortages and problems that go with that. Working through the sales and people building in Molonglo, what is the timeframe for the completion of stage 3?

Mr Corbell: I will preface the answer by saying that the government's policy, as reflected in the spatial plan, is that we're quite comfortable to have two development fronts in the city, both north and south of the lake, if you could call Molonglo south of the lake—maybe west of the lake.

MS DUNDAS: I'd call it west of the lake, yes—something more central than Gungahlin!

Mr Corbell: Nevertheless, we can have two major development fronts because it has been traditional through Canberra's history to have two urban development fronts. Whilst I'm not saying that is an argument for doing it, I think it is desirable to provide a variety of choice of product in the housing market. With Tuggeranong Valley all bar complete, the land choices are fairly limited in respect of new land to the north side, so opportunities in Molonglo would be welcome in that regard. As far as timing is concerned, it has been brought to my attention that, in the land release strategy which I tabled in the Assembly in the last sitting, we identified the potential for the release of land in Molonglo by the 2007-08 financial year, subject to all the other work being completed.

MS DUNDAS: The spatial plan is based on aggressive population growth figures that are also picked up in the economic white paper—we had this discussion with the Treasurer at the beginning of last week—that aren't necessarily matched by the population and employment growth projected in the budget papers. If the population projections don't come to fruition, what will happen to those plans? The whole spatial plan is based on this. We need to have somewhere to put all these new people, but other statistics are showing that we're not going to have that many new people coming through.

Mr Corbell: The spatial plan is not based on an assumption that we will need to accommodate all these people; it is based on a premise that we may need to accommodate all these people. We should therefore plan for that and be ready, should it occur. There are a number of "chicken and egg" issues. Does population growth come first and therefore you respond to it, or do you create the conditions that generate population growth and be in a position to respond to it?

There is clear evidence that there is capacity for the city to capture growth, which is currently occurring over the border within the territory. In respect of a more sustainable outcome and a more sustainable settlement pattern for the region, the territory has articulated very strongly through the spatial plan that that should be done in a way that restricts the footprint of urban settlement in Canberra and the region, rather than simply allowing it to spread out. At the moment that is definitely the trend. The trend is for the urban settlement pattern to spread out into the surrounding regions—into the surrounding shires and so forth.

Our strategy is very explicit in saying that we don't think that is a sustainable outcome, for a number of reasons. It puts economic pressures on the territory for provision of additional infrastructure, additional services and so on which only residents within the territory have to fund. Given that land revenues are a key issue in the financing of infrastructure into the future and that land-related transactions are important for the territory's economic future, getting more of that activity within the border is desirable to help meet infrastructure costs.

It is also desirable in respect of a range of other sustainability measures outside of the economic sphere. For example, do we really want to create a human settlement pattern that encourages longer journey times and greater fuel consumption as part of the overall

development of the city? Longer journey times lead to higher levels of energy consumption, regardless of what the energy source is, and that is not a sustainable outcome for the future of the city. Shorter journey times mean more compact metropolitan form—urban settlement pattern—and therefore greater capacity for people to live close to the city centre where the services, employment opportunities and so on, exist

That is what the spatial plan articulates. By opening up new development fronts we potentially start to generate the pattern of more people, especially younger Canberrans, choosing to live within the ACT rather than across the border. Any number of times I've spoken to people my age and younger in the ACT who have said, "I can't afford to live in the ACT; I'm going to go and live in Jerrabomberra or Queanbeyan." I think we've all heard those stories. One of the ways to respond to that is to provide a greater diversity of housing choice and housing product. That includes new land development areas such as Molonglo and Kowen, as well as the higher-density developments, which are identified for our city centre, our town centres and along the transport corridor.

MS DUNDAS: Will there be regular updates of population projections before Molonglo is opened up? Once we've opened it up, there is no going back. If we end up with a half-built new suburb in an environmentally significant valley, we'll have problems.

Mr Corbell: The ABS and the ACT government do regular population projections. They're informed by the census every time a census is taken. That is then extrapolated from other data in-between census periods. That said, you don't need to build a whole town centre straightaway to make it work. As long as you stage it in a reasonable manner you can slowly but surely develop it. That is what is occurring in Gungahlin. The reality is that Gungahlin develops in accordance with its population levels—the level of services and facilities increase.

When I was first in the Assembly in 1998, there was no major shopping centre in Gungahlin. Less than seven years later, there is one large supermarket and associated retail outlets there, and three more been approved for development. Within a very short period of time, in the overall life of a human settlement, you're seeing that increase in service and delivery. So you can stage these things.

Mr Savery: We anticipate—and we must appreciate that it is still in the very early stage—that the formal structure of this new suburb will be such that it won't have a town centre of its own because of its proximity to Belconnen, Woden and Civic. That is one of the reasons why the valley is being advocated as a potential settlement area. So whilst it will have local services, it won't be the same nature of suburb that you've seen in other areas.

MRS DUNNE: It will have a bus interchange, though. That seems to be one of the first things to be built out there.

Mr Savery: Certainly. There is infrastructure but, again, part of the rationale for having the compact urban form within both the 7.5 kilometre-band and the 15-kilometre band is to reduce the imposition of and the costs associated with the provision of infrastructure and services. I also make the point that, in relation to the population, strategic planning is not based solely on trends but on anticipation of change that might occur.

There are three things I could envisage over the life of the spatial plan, being 30 years, that could have a major impact or bearing on Canberra's population. We already know that investigations are occurring for the Sydney/Canberra corridor, to deal with potential population pressures on Sydney. We know that the Premier of New South Wales is potentially looking at some sort of boundary around Sydney, and there will be issues of leapfrogging. We know that happens; it has been experienced elsewhere—and Canberra is within the leapfrogging area. In a 30-year period, who knows what the Commonwealth might do in relation to population demographics resulting from immigration policy, which may have a significant bearing on Canberra? The plan is envisaged to give Canberra the capacity to respond to those potential changes.

THE CHAIR: I refer to page 181—costs. You've got territory planning for last year, or the year we're currently in, of \$7.648 million, going up in 2004-05 to \$12.480 million—close on \$5 million extra. I can't see a note that reflects that. Can someone tell me why there is an increase?

Mr Sakkara: The general note 1 covers that issue. It is largely because of a change in the administrative structure of the authority. The figures for 2003-04 represent the period from 1 October to 30 June, so they're not a full financial year number.

MRS DUNNE: That was the first question this morning.

MS DUNDAS: It is only a three-quarter year target.

Mr Sakkara: Correct.

THE CHAIR: It is a full year target? Okay.

MRS DUNNE: Is that the case with all the things like variation to the territory plan et cetera, that was only a three-quarter year target, even though we're doing away with these measures? You've taken away a whole lot of measures like numbers of variations to the territory plan, master plan, neighbourhood plans, et cetera. Basically you're taking away the quantity measures. Why is that?

Mr Savery: My view is that the quantity measures are relatively meaningless in a planning sense. Quality is, in my view, far more important. Whilst we've retained some quantity measures—and we need to—the ones that we've deleted we think are the least meaningful. What we're trying to do is provide a series of measures, whether they're quantitative or qualitative, that can more accurately measure the performance of the authority. Given that we're now looking at the authority having a full year of operation for measuring, I think that now is the time to be incorporating those sorts of measures. Generally speaking—and I think this is consistent with what is happening with other government departments—it is a reflection of a Treasury expectation of reducing the number of measures to those that are more meaningful, those that are more measurable. So generally we've adopted all of those practices and reflected them in the next 12 months.

MRS DUNNE: You haven't been here before, Mr Savery, to hear my diatribe about performance measures. You can read *Hansard* from last year or the year before! I agree

with you to some extent, but I still think there is value in having some quantitative measures. I notice that we don't have very much by way of satisfaction measures here either. Is this the sum total of the measures you propose to carry forward, or is this still an iterative process?

Mr Savery: It is probably fair to say it is iterative in the sense that, once we've had a full year of operation, we would want to examine the measures we have and how meaningful they have been. Obviously for the next 12 months, this is the full package that we're proposing to use.

MS DUNDAS: I've got some questions about the central Canberra implementation program, where we have the measure of the adoption by the government of the design development corridor for central Canberra. Who is doing the work on this design development code?

Mr Savery: The taskforce the minister announced recently has carriage of the preparation of the design development code. It will be produced by a project team that will sit within the authority and comprise approximately six people. They will be landscape architects, urban designers and planners. I have an expectation that there may be, again, a need for some external expertise. But generally we're hoping that we have the capacity and the expertise in-house to do that piece of work.

If you want a brief description of what that work might comprise, generally speaking I'm envisaging that there is going to be a relatively rudimentary business plan that identifies the resources, risks and priorities that will fall out of this exercise over the next few years, and that there will then be a program of actions that will build on the business plan. That will result after a period of consultation with stakeholders and through the taskforce process. It will cover a wide ambit of activity. It won't just be capital works improvement; it involves land release, events management, place management and maintenance. How the whole place looks and feels is a key issue.

An adjunct to all of that is the design development code that pulls together all the master plans, guideline documents and planning tools that currently exist across Civic and its fringes, including Northbourne Avenue, Constitution Avenue and Barton. It is critical to have the National Capital Authority involved in this process so we can pull it together into one comprehensive document where we can identify any gaps and inconsistencies in the language—because these documents don't necessarily all speak to each other. We can iron out any deficiencies.

MRS DUNNE: Do they speak to anybody?

Mr Savery: I'd like to think they do. They speak to planners. We're essentially creating a level playing field that will help streamline the process of getting approvals through the system.

MS DUNDAS: Is the taskforce you're talking about that has carriage the Civic working group that is composed of ACTPLA and the property council?

Mr Corbell No

MS DUNDAS: It is broader? Can you refresh my memory about who is on the taskforce?

Mr Savery: The taskforce was announced only a couple of weeks ago. It is essentially a government agency taskforce which comprises the ACT Planning and Land Authority, the Department of Urban Services, the Chief Minister's Department—which also features Business ACT as part of that—and the National Capital Authority. It is essentially charged with the responsibility of getting on with the job—actually doing the job.

MS DUNDAS: You've mentioned the involvement of stakeholders in this at some future stage. Who are you seeing as stakeholders at this stage?

Mr Savery: There are key stakeholders—and I would include the general community in that—but they won't necessarily be involved in every aspect of, for instance, the development of the business plan and aspects of the development of the design development code. The way that we've proposed to structure the implementation program is around seven themes, and I've mentioned some of those already: capital works, public realm improvements, land release and investment, and events management. The idea is to have stakeholders who have an interest in those themes to plug in at appropriate points along the journey, so that they can be providing input into those exercises. With the development industry, you would expect typically the property council, the HIA and the MBA to show a lot of interest. There are a lot of business groups that have formed around Civic.

MS DUNDAS: The City Heart Group, et cetera.

Mr Savery: Yes, the City Heart Group would naturally become involved in these exercises.

MS DUNDAS: In Civic, will the plan look at the community space and the need for community facilities? Will you be bringing in specific non-government community representatives in that sense?

Mr Savery: Perhaps I could go back to using the model the minister announced in the last two days. In terms of how we carry out the consultation, Canberra central would be one of the exercises that we'd take to the forum.

MS DUNDAS: Of the new community councils?

Mr Savery: Of the community councils, which also has the industry groups, the design professionals, the con council and ACTCOSS. We would say, "Look, this is the scope of the exercise. Where would you like to get involved? How do you see the best way to engage in this project?" That is the appropriate level in this hierarchy where you would use that forum.

MS DUNDAS: I was trying to narrow it down more to community organisations that currently hold space in Civic. They don't have the resources to initially form business groups like city heart, because of the work that they're doing, but they have a keen interest in the development of the Civic area—such as those people who are currently at

The ROCKS and the Griffin Centre. Those are two big organisations off the top of my head.

Mr Savery: I would envisage that we would engage them in ways similar to the way in which they've been involved in both the section 84 master plan exercise as it applies to the Griffin Centre and for the city west master plan as it affected The ROCKS facility. Bearing in mind that neither of those projects is complete, there is ongoing engagement with groups as we see the evolution of those two projects. I would see that they have the opportunity, if they wish to become engaged in the broad strategic planning of the Canberra central project, as well as more specifically as it applies to their own particular interests. The two examples you've given I think are very good ones of how we have engaged them.

MS DUNDAS: Going back to this timeline of June 2005 and the adoption by government of the design development code, will there be a draft design development code put out?

Mr Savery: Yes, there will be.

MS DUNDAS: When do we expect to see that?

Mr Savery: I was hopeful, but I think I'm being overly ambitious, that it might be available before Christmas. With the depth of work that is involved I think it will be after Christmas. The intention would be to have a draft document so it could be put out for consultation.

MS DUNDAS: And there is the establishment of a management structure and agreed business plan?

Mr Savery: That is correct.

MS DUNDAS: Is there a long-term timeframe for the work in relation to the central Canberra implementation that I could get on notice? You've got two things you want done by June 2005 that require steps in between. I assume work will continue into next financial year. If a timeframe has been developed—

Mr Savery: It hasn't. Perhaps I could put it to you this way: there is a four-year timeframe and we're in year one now. The government gave us \$1.5 million over four years. At that stage I think it was called the Canberra central strategic plan. It has evolved in thinking influenced, as you'd imagine, by new people coming into the exercise. The balance of the three-year program has now been announced to develop the administrative infrastructure that is pulling this project team and the taskforce together, preparing the business plan and the priority action plan. I think that will start to give you answers to the questions you're asking.

It will pull all of the planning inconsistencies together so we have a greater level of consistency. Then I would expect—and bear in mind there is also in the capital program in the budget papers the forward design for Childers Street—that within the next two to three years we'll start to see actions being implemented on the ground. I'd conclude by saying that Canberra central is 10 to 15 years in the making. These exercises don't just

appear successfully overnight.

MS DUNDAS: I'll wait until I see a business plan before I go further.

Mr Corbell: Mr Chair, I have some further advice on some questions that were taken on notice this morning. Perhaps I can answer those now.

THE CHAIR: Yes.

Mr Corbell: Mrs Dunne asked me about the Cohen Street extension. I have for the committee a copy of the program for the development of the Cohen Street extension. I think that was the information she was looking for. Perhaps I could table that, please.

THE CHAIR: Thank you.

Mr Corbell: I also have a list of the initiatives the government has agreed to fund which are part of the sustainable transport plan. That relates to the question Ms Dundas asked me.

THE CHAIR: Thank you for that.

MRS DUNNE: I wanted to talk about variations to the territory plan. We're discontinuing it as a quantitative measure and we seem to be starting the measure of an average time. I wanted to discuss the extent to which variations to the territory plan inhibit, or don't inhibit, developments of particular sorts. I suppose I really want to talk about variation 241 and why it has taken until now for variation 241 to come forward—Calvary, Gossen Hill and Jaeger Circuit.

We've known for some time that there needed to be a variation to the territory plan to facilitate the Calvary development. Everyone says they're keen for the Calvary development to take place but there has been a PA. Oftentimes the PA and the DVP happen simultaneously. It didn't happen on this occasion and we're waiting a very long time for this Calvary development to get off the ground.

Ms Ekelund: My understanding is that the variation isn't required for Calvary to proceed but it addresses the community's longstanding concern about the residential land use policy to the south of Jaeger Circuit.

MRS DUNNE: It converts that area that was residential into urban open space.

Ms Ekelund: It converts that area to an open space land use policy. The aged persons accommodation wasn't dependent upon a variation to the territory plan, but the territory plan variation will also address a very small sliver of urban open space which ran along a footpath. When the road gets realigned to the south, there is a little strip of light green which the design of the aged persons accommodation will have running through pathways or roadways. It is not going to affect the construction and design of the proposal, but it does correct a small sliver of land use policy.

MRS DUNNE: It is my understanding that Calvary have been told that they can design around it and then come back and fill it in later. Is that the case?

Ms Ekelund: My understanding is that the design will have pathways or roadways along that area. I'm not aware that it is proposed to have buildings in that area.

MRS DUNNE: The leases haven't been issued for Calvary and I understand they haven't been issued for Southern Cross Homes. Where are we with the development in relation to St Andrews Village, where they want to take it, which requires a variation to the territory plan?

Mr Corbell: Mr Cornwell asked me about these three in a question on notice in the Assembly. I'm happy to repeat the answer. In relation to Calvary, block 1 and 4, section 4 Bruce, an offer of lease has been made to the Little Company of Mary.

MRS DUNNE: When was that?

Mr Corbell: I'm advised it was 31 March. With Southern Cross Homes, an offer of lease has been made to Southern Cross Care (NSW and ACT) Inc. They have also held discussions with ACTPLA about their proposed formal development but they are yet to submit a development application. In respect of St Andrew's Village, block 12, section 28, Hughes, the LDA is currently undertaking a planning study to look at the suitability of the site for a 74-bed nursing home and hostel. The land that St Andrew's Village are looking at is currently designated as urban open space. The development will require a preliminary assessment and a variation to the territory plan.

MRS DUNNE: Is there a timetable for that?

Mr Corbell: I'd need to seek further advice on that.

MRS DUNNE: Perhaps when we get the LDA here.

Mr Corbell: Most territory plan variation preliminary assessments would be handled by ACTPLA. I can take the question on notice and provide some further advice for you.

MRS DUNNE: Thank you. We heard yesterday that we are now in a situation, after three years or so, that we don't have a guarantee that the Little Company of Mary will proceed with the proposed development of an acute care facility on the Bruce site. Part of the reason for that is because the land has been constrained. Now that we've got the planners here, can the committee have an exposition as to what extent the parcel of land that they're able to build on has been constrained? The setbacks have been changed, et cetera. I gather they were envisaging building on this much and now they're building on something less. I want to know what the PA originally covered and what it now looks like covering.

Ms Ekelund: My understanding of the site assessment indicates that there are probably two issues constraining where buildings can be located. One is the location and number of significant trees that have been sought to be retained. People who know the area will also appreciate that the surrounding area, and particularly the hill, is very heavily vegetated. With our increased consciousness of bushfire risk, a detailed bushfire risk assessment has been undertaken for the site. That indicates that there will need to be some buffer area, some clearance area, to the west and north-west of the site. The fire

assessment indicates that the risk of fire spread comes not only from the reserve area to the north but also from the heavily vegetated area within the residential area to the west. Given the nature of this proposal, with frail occupants, fire risk is being taken very seriously on the site.

MRS DUNNE: Can you tell me how much that constrains the building footprint?

Ms Ekelund: I'm afraid I can't give you the details but I'm certainly aware that there has been work done through a number of agencies, including the Land Development Agency and us, and the fire expertise in urban services. I can't tell you the amount, but we were of the view that the development could still proceed with all required buffers in place. That was our understanding.

MRS DUNNE: With the same number of dwelling units?

Ms Ekelund: It was my understanding that there wasn't necessarily a reduction. It certainly would need a different design solution but we were confident that that design solution could be reached.

THE CHAIR: Thank you. Any further questions on 1.1 can be put on notice. We will now go to 1.2. Firstly, there are a couple of typos—one I mentioned earlier halfway down page 183, percentages of licenses issued. Again we have "SES" instead of "CES". In note 14 it has "tine" instead of "time". My question on this output relates to note 14. Why is this measure being deleted? Isn't there merit in seeking some insight into the resolution of matters before they go into the more formal legal system and hence have some measures of this part of the process?

MRS DUNNE: It is a new measure.

Mr Corbell: There would appear to be an error in the note, because it is a new measure.

MRS DUNNE: Yes, I would have thought it was a new measure

MR HARGREAVES: The answer, Mr Chairman, is yes.

MS DUNDAS: I can't find footnotes 16 or 18.

THE CHAIR: No. We go from 15 through to 17 and 18. Note 9 refers to a measure of note 16. There is a note 16 saying it is a new measure that replaces the deleted measure of note 13. Ms Dundas is right—there is no note 16.

Mr Corbell: I must apologise to the committee. There would appear to be an error in relation to that. It would appear that either a number of new notes have been inserted when they're not required, or the reference has not been included against the relevant item. I will seek to provide the committee with a correction as soon as possible.

THE CHAIR: There are a few errors to be corrected there.

MS DUNDAS: This might need to be something taken on notice. There have been a lot of measures deleted and replaced with better measures of performance.

Mr Corbell: Yes.

MS DUNDAS: I'm trying to get some kind of comparison when we're moving from, say, a number of things that are happening to the percentage of investigations undertaken. It is hard to see how the comparison flows.

Mr Corbell: What is your example, Ms Dundas?

MS DUNDAS: If we look under building audits and compliance, electrical audits and compliance and hydraulic audits and compliance, we have six measures that all relate specifically to numbers—the number of performances, number of buildings investigated, et cetera. It is proposed that they all be replaced. For "building" it is the percentage of audit investigations undertaken, to be 10 per cent; electrical percentage of audit inspections to be undertaken, to be 100 per cent; and hydraulic percentage of audit inspections undertaken to be 100 per cent. Does that mean that next year there will be 10,875 inspections undertaken in respect of hydraulic audits and compliance, and that they will fulfil the 100 per cent? Especially in these transition years when measurements are changing and moving, it is good to get some kind of comparison. If that is available on notice, that would be great.

Mr Corbell: I will make a brief comment on this. I think the important thing for anyone looking at the budget papers is to know whether or not ACTPLA is meeting its requirements particularly, say, in relation to electrical audits and compliance where I think there is a statutory obligation for particular types of instalment to be inspected in a specific way. Rather than just give you a number—which is pretty meaningless; unless you know the total number of, say, hydraulic plans assessed you wouldn't know what percentage of them were being assessed—I think a percentage is a more meaningful figure than just a raw number where you've got no point of reference.

MS DUNDAS: I don't want to be in the situation—

Mr Corbell: Clearly in estimates committees, Ms Dundas, you can ask. When you see "50 per cent" you can say, "Well, how much is 50 per cent?" At least you know qualitatively what level of coverage ACTPLA is delivering, rather than having a number which has no context and no meaning.

MS DUNDAS: We've seen other agencies that have had 100 per cent targets like this remove them. If it is a statutory obligation, then they're doing it. Their attitude is, "We don't need to report on it because it is being done."

Mr Corbell: They may take a view but—

MS DUNDAS: We're trying to find out the right measures for ACTPLA and the sorts of things it is going to involve.

Mr Savery: Could I also make the point that part of the rationale for making the change at this point was in anticipation of the proclamation of the COLA legislation, which I understand will be on 1 September. Again it is far more practical to measure our obligations under that legislation in the form of percentages than by sheer numbers.

Whilst I've got the floor, I make the point that note 16 should appear at the top of page 183—the third percentage. "Percentage of opened compliance cases resolved" should be footnote 16. My apologies for that.

MS DUNDAS: Is there a footnote 18?

Mr Savery: I hadn't picked up that you had found that one.

MS DUNDAS: I hadn't!

THE CHAIR: She did. That is, "This measure has been deleted due to its lack of relevance in measuring ACTPLA's performance."

MR HARGREAVES: It has been deleted well, hasn't it?

THE CHAIR: It has.

MS DUNDAS: Yes. It has been deleted to the point that we don't know what has been deleted.

THE CHAIR: Is that percentages of certificates of occupancy or use issued within two working days?

MS DUNDAS: No, because that continues.

Mr Savery: No, it is not that.

THE CHAIR: What is it? It is not even there; it doesn't appear. It is brilliant!

MR HARGREAVES: It is the line under "bushfire recovery costs".

THE CHAIR: Perhaps you'd like to put it back in so we can delete it!

MRS DUNNE: Going back to Ms Dundas's question, especially about electrical and hydraulic audits and investigation, I think there is a category confusion here which you might want to address, Mr Savery, in that you're not going to audit 100 per cent of all installations, but you are going to inspect them. You inspect them and then somebody goes along and audits the inspection. Is that right? Is that what we're talking about, or are we talking about something different?

Mr Savery: No. In relation to new electrical installations and new buildings, we will be auditing and inspecting.

MRS DUNNE: You'll be auditing 100 per cent?

Mr Savery: That is the expectation of us.

MRS DUNNE: Then I think I'm suffering from a category mistake here. An audit of a process is usually where you go along and check the process.

Mr Savery: Audit the process.

MRS DUNNE: You audit the process. Could we have some clarification? I would expect that an audit would be a smaller proportion than 100 per cent and I would expect that the inspections would be 100 per cent.

MR HARGREAVES: It depends on whether it is a spot-check audit or a formal audit. In the old days, you used to get full audits, but not on this. The Auditor-General has sometimes had full audits because it is 100 per cent of the issue. But then that went into spot audits—what you say now is correct—where you would have x per cent.

MRS DUNNE: Do you want to take that on notice?

Mr Savery: Yes, I will.

MRS DUNNE: We passed new compliance legislation recently, which was supposed to be the greatest thing since sliced bread. Is it? Rather than relying on complaints before you undertake compliance action, can you initiate compliance action yourselves?

Mr Corbell: Yes, ACTPLA can initiate compliance action itself.

MRS DUNNE: Is it?

Mr Corbell: It has; and it has issued fines to people who have not been, say, complying with their leases, or a range of issues.

MRS DUNNE: It has been doing things like cleaning up, et cetera?

Mr Corbell: There is one case I'm aware of which I was briefed on some time ago. I'm happy to stand corrected if I've got any of the details wrong. I understand there was a persistently dirty block in one part of Canberra—I think it was in Belconnen. There were repeated requests for it to be cleaned up. It would get cleaned up for a little while and then it would go back to the way it was. I'm very pleased to say that, following the issuing of a fine for a dirty block, it was cleaned up very quickly.

THE CHAIR: Which block was that?

Mr Corbell: I'm not quite sure; I'd need to check.

THE CHAIR: In which suburb, should I say.

Mr Corbell: Again I'm not quite sure. I can't recall. It shows that having the capacity to issue fines and take their lease from them, as opposed to either a warning or taking them to court, means that you've got a more reasonable range of measures. That is a very positive step forward.

MR HARGREAVES: They're on-the-spot fines, are they?

Mr Corbell: Yes, they are.

MRS DUNNE: When we passed the compliance legislation we also passed a "fix-up-the-encroachment" licence process. Some of the building surveyors around town are telling me that that process is not working. This may be a crossover question with the Registrar-General's office, because I think part of the problem rests there. I'm still being approached by people who want to unit title things with encroachments. They haven't been able to solve the problem, and it was designed for that. I was assured it would solve the problem.

Mr Johnston: I hope I can clarify that. The compliance legislation did introduce a new mechanism for dealing with encroachments. There seems to have been some misunderstanding about whether that was going to solve the issue about unit titling buildings that encroach on their boundaries. It wasn't designed to do that. In fact, that requires some further changes to the Unit Titles Act which haven't occurred at this time.

MRS DUNNE: Why is it that, when asked specifically during the discussion before this bill was debated, I was told that it would fix it—"Don't you worry about it, Mrs Dunne!"—and that surveyors around the town were told by both officials and staff from the minister's office that this was the fix; when at the time I said, "Surely this is not sufficient, surely we have to amend the Unit Titles Act?" I was told, "No, no, Mrs Dunne; it's perfectly all right—this will fix it!" If it will not fix it, when are we going to see the amendments to the Unit Titles Act to fix it?

Mr Corbell: Mrs Dunne, you raise a legitimate issue and I need to go back and look at the advice I received. It was certainly my understanding that it would resolve the type of issue you're raising, but that would appear not to be the case. As Mr Johnston has indicated, further amendments will be required to the Unit Titles Act. In relation to advice given to other members, that would appear to have not been absolutely accurate. I have to take responsibility for that. In relation to the issues around the Unit Titles Act, I am in discussions with ACTPLA about proceeding with further work on the revision of the Unit Titles Act.

MRS DUNNE: Will that happen in this Assembly?

Mr Corbell: No. It is not realistic that it will happen in this Assembly.

MRS DUNNE: What needs to be done to amend the Unit Titles Act?

Mr Corbell: I have not been fully briefed on the details of what will need to occur. This is a very complex technical area, and I have to admit I am not across the detail of it at this time. I understand that officers of ACTPLA have initiated work to identify what does need to be changed but, given the limited number of sitting periods between now and the caretaker period, it is not realistic to suggest that amendments to the Unit Titles Act will be dealt with during the term of this Assembly.

MS DUNDAS: We have nothing to do in July; we could have a special sitting!

MRS DUNNE: That is very unsatisfactory, I have to say, because it was guaranteed to be a fix. When was that passed? Eighteen months ago?

Mr Johnston: Last year.

MRS DUNNE: I am less than happy.

THE CHAIR: Thank you. On that note we'll finish ACTPLA. We'll resume in 15 minutes for the Land Development Agency.

Meeting adjourned from 3.37 to 3.53 pm.

THE CHAIR: We will deal next with the Land Development Agency, which is on page 443 of budget paper 4. One of the agency's objectives is to "realise a better return on the Territory's land holdings". Has that objective been achieved to date? What is the benchmark against which that outcome is being or will be measured?

Ms Skewes: Anne Skewes, Chief Executive, Land Development Agency. The performance of the agency in its first year has been well in excess of its budget, as you can see in the budget papers and in the forecast figures to the end of June this year. Both the agency's performance in respect to the land sales program and its revenue estimates for the future indicate that it is performing well in excess of its current budget.

It is fair to say that that performance is largely attributable to the strength of the market conditions that we endured over the last 12 months. I refer to the important focus by the government on land development. Its intention is to get some added value through the development process from engaging directly in land development.

THE CHAIR: Do you have any benchmarks?

Mr Corbell: As you would be aware, when the government was first elected it announced its policy on public land development activity. The first estimates committee of this Assembly requested that a detailed financial analysis be carried out. I provided that report to the estimates committee. The report demonstrated that, over a period of five years from the implementation of public land development policy, there would be a significantly improved return. To date, we have demonstrated that that is the case. So it is based on that previous data that the estimates committee had available to it. That is the basis on which we are continuing to work.

THE CHAIR: Halfway down page 443 of budget paper 4 is the following statement:

The commercial objective is to deliver a return to the Territory on its investment commensurate with relevant industry benchmarks.

What are those benchmarks?

Ms Skewes: The agency is commencing a process of benchmarking itself against industry. Those benchmarks relate to a variety of qualitative and quantitative dimensions, for example, the financial return on the projects, setting various hurdle rates for the projects against what industry sees as appropriate commercial benchmarks and, importantly, the qualitative dimensions and outcomes of those developments.

MS DUNDAS: I refer specifically to the revenue that the government is meant to receive from the Land Development Agency. Last year's budget, the 2003-2004 budget, for

revenue associates and joint ventures was quite conservative. In fact, it was zero in the outyears 2004-2005, 2005-2006 and 2006-2007. That is not what is reported in the 2004-2005 budget. You are expecting to make \$11 million in 2005-2006. Why have projections relating to work being done by the Land Development Agency changed?

Mr Corbell: I will ask Mr Ryan to answer that question.

Mr Ryan: Gerry Ryan, Chief Financial Officer, Land Development Agency. We have shown figures for revenue associates and joint ventures in this budget, but we did not show those figures in the budget for the previous year. That reflects a change in accounting treatment. We assumed that the revenues and expenses in previous budgets for partnerships or joint ventures undertaking projects would be shown in this year's budget within the expenses of the LDA.

However, the more appropriate accounting treatment for these structures would be a sale of land into the joint venture. The LDA, as a partnership participant in that venture, would also receive revenue in the form of distributions. In this budget paper we are showing our estimates on both land sales revenue into those sorts of structures and the distributions that would come from the profits that would be returned from those investment structures.

MS DUNDAS: Does the other revenue line item relate specifically to land sales?

Mr Ryan: Yes. It shows a small number of other items, but predominantly it shows the return from the sales of land.

MS DUNDAS: The 2003-2004 budget also showed resources that were received free of charge. We were meant to see \$8 million in 2004-2005 and \$12 million in 2005-2006. Those amounts have disappeared from the 2004-2005 budget. Was that what you were talking about when you referred to different accounting measures?

Mr Ryan: Yes. That is an element of a land sale that is returned to the territory in the form of infrastructure. The LDA might sell land to the private sector and receive some infrastructure returns. Those were recorded as part of the revenue that was received free of charge. It could also be that land that is transferred to the LDA is shown as a revenue item at the time that the sale is recognised. Previously, no value has been attributed to that land

When predecessor agencies to the LDA, for example, the Gungahlin Development Authority, sold land that had not been recognised as having a value, the cost of that land and the sales would have been shown and appropriate resources—free of charge revenue items—would have been recognised. That was done to reflect the cost element of the land as well as the direct costs associated with preparing the land. Because the land was transferred to that authority without a transaction as such, it was a resource free of charge.

MRS DUNNE: I refer to offsite works or works that are returned to the territory. They are not necessarily returned to the LDA; they might be returned to ActewAGL, Canberra Urban Parks and Places, or something like that.

Mr Ryan: In a sense they pass through the LDA. The transaction, or the land sale, is recognised in the LDA's books. At the same time we reflect our liability and the expense of transferring those assets to ActewAGL and the Department of Urban Services.

MRS DUNNE: So you are the middleman?

Mr Ryan: Yes, we recognise both sides of the transaction.

MRS DUNNE: Does some of the money slough off on the way?

Mr Ryan: No. Unfortunately, we do not get any fees for that.

Mr Corbell: It is not a bad idea, though.

MRS DUNNE: On the statement of financial performance I presume that "other revenue" represents revenue from land sales?

Mr Ryan: Yes.

MRS DUNNE: It is a bit abstruse, but I suppose that that is the standard form.

Mr Ryan: It is the standard state government chart for accounts. Land sales fit in with other forms of revenue.

MRS DUNNE: I refer also to revenue from associates and joint ventures. The amount that you expect to receive this financial year is considerably less than the amount for which you budgeted. Is that because you are only operating for three-quarters of a year?

Mr Ryan: That represents stage 1A of a significant joint venture that is underway at the moment at Kingston. We anticipated that all the distributions from that joint venture would flow through and that all the profits would be recognised in 2003-04. There has been a delay in the completion of construction, so we have been recognising the revenue on a proportional completion basis. As at 30 June we are anticipating that 70 per cent of that project will be completed. As we recognise that revenue on a proportional completion basis the full amount of revenue will not flow through. Some of it will flow through in the following year.

MRS DUNNE: Is the amount of \$1.6 million that you expect next financial year the residue?

Mr Ryan: That is correct. It also represents some small elements of other joint ventures that have been wound up. However, the majority of it is from the Kingston foreshore stage 1A development.

MRS DUNNE: Are you not anticipating any revenue from joint ventures in 2004-05?

Mr Ryan: We are not anticipating any distributions from joint venture activities. There would be revenue from the land sales element for sales into structures. However, we have a conservative view about the timing of revenue recognition. Revenue will start to flow in the following years.

MRS DUNNE: At one stage when this process was first mooted there was to be a move away from joint ventures. There was to be a complete move away from selling land to a developer who developed that land and a partial move away from joint ventures. It seems from these figures that there will still be a substantial involvement in joint ventures in the outyears?

Mr Corbell: Clearly, joint ventures occur over a period of time. You could enter into a joint venture, say, next financial year, but your revenue might not be realised for a period of years down the track. When the government first moved to implement public land development, it indicated that there would be a level of joint venture activity in the immediate years after the establishment of that government activity. What is reflected in these budget papers is revenue from the relatively early years of the public land development process.

MRS DUNNE: Are there any current joint ventures apart from the Kingston foreshore development?

Mr Corbell: Yes. The previous government established a number of joint ventures that are still in operation or are close to finalisation.

MRS DUNNE: Is the dreaded Harcourt Hill joint venture still in operation?

Ms Skewes: Three joint ventures have nearly been completed—Amaroo, Southside Estates and Harcourt Hill. Those joint ventures are in their final stages.

MRS DUNNE: So the Kingston foreshore development and the three joint ventures that you have mentioned are the only ones? You said that you are anticipating further joint ventures in the outyears. Have you established where they will be?

Mr Corbell: I received advice from the LDA that it wishes to proceed with a joint venture for the release of land in the new suburb of Forde in Gungahlin. I have supported that move by the LDA. What it is trying to achieve will be quite different from the land development outcomes that have been achieved in the territory. The LDA has advised me that its board considers that the release of a larger parcel of land with a large number of overall dwelling sites will permit a more integrated development and, therefore, a better built neighbourhood.

One of the real problems that we have in Gungahlin is that the land releases are quite small. Sometimes you can tell who built a certain part of the suburb. Some suburbs in Gungahlin really do not work because they do not represent an integrated outcome. So we are trying to do something different. The advantage of entering into a joint venture at Forde—and this is something that I have stressed strongly to the LDA—is that we can use it to build our capacity. In future we will be able to do engage in those sorts of public land development activities.

Bringing skills from a potentially larger private sector partner will enable the LDA to build its own capacity, to know how to deliver those sorts of projects and to know what sorts of issues need to be addressed. It will also enable the LDA to achieve better results on the ground for the community. Something that we have not seen for some time in our

greenfield areas is integrated suburban development. More details of that will be announced later this financial year, or early next financial year.

MRS DUNNE: Is not part of the function of a more integrated approach the formulation of a structure plan or a suburb plan before land is released? I am thinking at the moment about the problems that have been experienced in the peninsula in Ngunnawal. Three or four joint ventures combined and the interfaces were not always felicitous.

Mr Corbell: That is why we want to look at establishing a public-private partnership that involves the territory and a single land developer. A larger estate would be built and all the work would be done by that one joint venture entity. Structural planning and other statutory planning controls do provide guidance but, as we have seen, we have had structural planning for other elements of Gungahlin and it has not necessarily delivered the integration that we have been looking for in a suburban environment. That is one of the real and meaningful things that the government is seeking from public land development activity.

We want a greater hands-on role in land development activity generally rather than just selling off raw land and letting the market work within existing planning controls. We want to be more active and interventionist and we want to achieve a better outcome. The community is expecting quality in these built estates. I am hopeful that this approach will demonstrate to Canberrans, to members of the Assembly and to others that we can deliver a much better quality product on the ground. Those were my riding instructions to the LDA board. I am grateful that it is cognisant of and wants to do that.

MRS DUNNE: I refer to Yerrabi stage two—one of those first developments that was sold by ballot and that seems to have been slow to get off the ground.

Mr Corbell: It was sold by ballot, yes.

MRS DUNNE: I have noticed several things when I have visited Gungahlin. Land servicing commenced in 2002-03, there was then a big pause and nothing happened for a while. When I went out there a couple of week ago seven houses were in the process of being built in an area that will eventually contain about 90 houses. Interestingly enough, land that came on line at the same time or a little later in Gungahlin town centre has much more developed structures. What are the factors that caused the delay in finalising that estate?

Mr Corbell: I will ask Ms Skewes to give more specific details about Yerrabi. I make the general point that you see a high proportion of house and land packages in some of the other estates where the land developer has sold land to a builder, the builder puts up houses on spec, and then he hopes to sell them. So you see a quicker result initially.

MRS DUNNE: It comes out of the ground faster?

Mr Corbell: It comes out of the ground faster because the builder is building houses on spec and he is hoping to sell them. Those houses might sit empty for a period of time, they might be rented, or whatever, before they are sold. The difference in the delivery means that there will be a difference in the timing. I would argue that we are getting an improved product. I ask Ms Skewes to outline those issues specifically as they relate to

Yerrabi

Ms Skewes: One of the factors that often come into play is the length of time between construction and development of the estate and the commencement of the building of houses. In about December last year settlement started to flow in Yerrabi. People are only just going through the process of settling on those blocks. Only 12 or 13 allotments are left in that estate. An offer is pending for the sale of those remaining 13 allotments.

MRS DUNNE: So you did not sell all the allotments in Yerrabi during the original balloting process?

Ms Skewes: All the allotments have now been sold. We are in negotiations with ACT Housing regarding that last component of housing.

MRS DUNNE: You said that all the allotments had been sold but that they had not all been sold in the private market?

Mr Corbell: No, they have all been sold to individuals or to companies.

MRS DUNNE: Why are we negotiating with ACT Housing?

Mr Corbell: As Ms Skewes indicated, about a dozen or so blocks are yet to be sold.

MRS DUNNE: We have been given conflicting information. Ms Skewes said that a dozen or so allotments were yet to be sold. She then said that all the allotments had been sold. What is the story?

Mr Corbell: She said that all bar a dozen had been sold.

Ms Skewes: Yes.

MRS DUNNE: So they did not all sell during the original ballot process?

Mr Ryan: The 12 or 13 allotments in that final stage were designated for some form of community housing. That is why we are in negotiations at the moment with ACT Housing.

MRS DUNNE: So it was not intended that they be sold at ballot?

Mr Ryan: That was the designation for that area. It is next to the child-care centre that was sold at auction late last year.

MRS DUNNE: So it was not intended that they be sold at ballot? They were not put up for sale in the first instance?

Mr Ryan: That is right. They were designated for something other than that.

MRS DUNNE: Have any of the blocks changed hands since the original balloting? If so, how many?

Mr Corbell: As that is a fairly detailed question I would have to take it on notice.

MRS DUNNE: Those allotments were sold by ballot to the private real estate market. There appear to be a lot of vacant blocks with real estate agent signs on them. Presumably those blocks were not sold to mums and dads, or to those sorts of people who wanted to build their own homes; they were sold to the real estate market. Is that what you desired or you anticipated would happen?

Mr Corbell: Clearly, when you go through a ballot process it is designed to provide an opportunity for individual purchasers to choose the block that they want and to build the house that they want rather than accept the more limited range of house and land packages that are available. That might suit some people, but it does not suit everyone. Equally we thought it appropriate—we still strongly believe that it is appropriate—to have a broader range of home-purchasing options.

People should be able to purchase the block of land that they want and they should be able to build the house that they want. Quite clearly, the majority of those allotments have gone to mums and dads, as you put it. I have met a number of people who have purchased land at Yerrabi. They are very pleased that they have had an opportunity to choose the land packages that they want and get the houses that they want.

MRS DUNNE: I would like to establish what other blocks were sold by ballot. Ballots were conducted in December for the Dunlop and Wells Station sites?

Mr Corbell: Yes.

MRS DUNNE: I was a bit underwhelmed by the turnout at those sales. I do not think they sold as expected on the day. How many unsold blocks are there in both those estates?

Ms Skewes: At Wells Station there are about 21 unsold blocks of the 80 that were offered at the November ballot. So about 59 blocks were sold. At Ginninderra Ridge, 36 of the 60 blocks that were released by ballot have been sold.

MRS DUNNE: What is happening with the unsold blocks at the Wells Station and Dunlop sites? I have been told that they have been offered to builders as house and land packages. Is that correct?

Ms Skewes: We are seeking to establish a display village in Wells Station. We are embarking on a process to engage builders over the next few months. Since the ballot we have been progressively selling sites or blocks over the counter. Since the ballot there have been some sales over the counter.

MRS DUNNE: Could you take this question on notice and provide me with month-by-month figures showing how many blocks sold at both those places? Originally, 90 blocks were supposed to be sold by ballot at Wells Station, but you took out 10 for a display village. Will more be going into the display village?

Ms Skewes: I will take that question on notice and provide you with further details about the display village.

MS DUNDAS: I refer to page 445 of budget paper 4 and to the line item "Expenses of Associates and Joint Ventures." There will be a delay in the implementation of that item because of the delay in the completion of the Kingston foreshore development. However, \$3.2 million and \$1.6 million do not equal \$5.9 million. About \$1 million has gone missing. The question that I ask is: Where did that \$1 million go?

Mr Ryan: The estimates reflect what we think might be the distributions from the joint venture at this stage. They are conservative because the joint venture has not completed construction and about seven or eight units are still unsold. So we have taken the lower end of the estimates that reflect the distributions that will come through in the next year.

MS DUNDAS: So the initial budget of \$5.9 million was not overly optimistic?

Mr Ryan: No, it was based on the feasibility study that the joint venture did at the start of its activities, building up to the previous year's budget. As I said, at this stage we have given a relatively conservative estimate as to how that might come through.

MS DUNDAS: I would like to ask a few questions about the land release program. My first question relates to the format in which the land release strategy was presented. Last year, as part of the land release program, there were block and section numbers in five areas for commercial and residential land releases. In this year's land release program all that we are given is areas, for example, town centre, city. No block numbers or other information is given. In relation to the residential land release program we have just been given a map; we do not even get a list. So it is incredibly hard to work out which blocks and sections will be sold in the 2004-05 financial year.

Mr Corbell: On pages 10, 11 and 12 of that document there are clear references to block and section numbers for commercial land supply, including office accommodation and retail land supply options. For example, on page 11 the sites identified—

MS DUNDAS: I have read the text.

Mr Corbell: I am answering your question. You were saying that there was no information, when there is. For example, the sites identified for release in Civic are: city, part section 63; section 31, block 1; section 19, block 23; section 84; section 52; and section 61. So there are clear references to those sites. In relation to the residential land release program a deliberate decision was taken to indicate only those districts within which land sales were to occur.

The reason for that is that the Land Development Agency is charged by the government to deliver public sector land development, to improve the quality of the built environment and to operate in a commercial manner. In order to achieve that it needs to have the flexibility to realign its sales to meet market demand. Given the new structure, we no longer believe it appropriate—and the government has agreed with this approach—to highlight every individual block and section, particularly in relation to residential sales which are highly cyclical in nature and which require a level of flexibility.

We have committed to what we believe to be a reasonable estimate of the total level of

sales in both greenfield and urban redevelopment areas as part of this land strategy. However, we have not given any indication as to the exact location within those districts to give the LDA the flexibility that it needs to assess market demand and establish the most appropriate vehicle—whether it is through direct sale, fire auction, public land development activity or some sort of private-public mix—to deliver the product along with the capacity to deliver slightly more or slightly less, as may be required, when it is responding to market demand.

MS DUNDAS: I can understand why you would want to do that. When we are trying to understand the budget papers and this land release program it is incredibly frustrating that that information is not available. The written text indicates that currently the Land Development Agency has greenfield supply in Forde and Harrison. By June 2004 it is expected that Bonner and Casey will be transferred. Does that mean that over 5,000 dwellings are waiting to be sold this financial year, or does it mean that 5,000 dwellings may or may not be sold anytime in the next three financial years?

Mr Corbell: Annexure A clearly outlines the LDA's expectation of its sales program in the relevant districts.

MS DUNDAS: Annexure A relates to commercial sales.

Mr Corbell: No. Page 15 refers to the Land Development Agency indicative residential land sales program. Gungahlin has 1,400 blocks, Dunlop has 100 blocks and Bruce has 143 blocks.

MS DUNDAS: What does the text that I just read out on page 5 indicate?

Mr Lowe: Gordon Lowe, General Manager, Urban Development, Land Development Agency. It is important to understand that this represents the land supply strategy. Under the arrangements that are now in place the ACT Planning and Land Authority transfers to the LDA on an annual basis a supply of land that we take on as part of our assets. That arrangement ensures that we have about five years worth of supply at any one time.

That is reflected in the narrative in this publication. What is shown for both residential and commercial in Annexure A is the amount of the inventory, if you like, that we will make available to the market in any given year. So the narrative talks about the total amount of supply that we have and the annexures tell us about releases on a year-by-year basis.

Mr Corbell: The government has put in place a much more comprehensive program for managing land supply issues in the territory. Prior to this government being elected to office, Planning and Land Management did not have the capacity to do the planning and forward design for more than a year's worth of land supply. We have invested money in ACTPLA and we now have the capacity to produce land supply plans five years in advance. So we do not get caught short should the market demand an increase in supply.

Equally, we can simply turn off the tap and still have the structure of a number of estates well planned and ready for release. So the process is much more strategic and transparent. ACTPLA does the detailed planning work for various areas and districts. It then transfers relevant areas, complete with structure plans, to the LDA, which decides

on release to meet market demand and other government objectives.

MS DUNDAS: The information supplied on pages 8 and 9 relate to older persons' accommodation. Is older persons' accommodation seen as residential or commercial?

Mr Corbell: Obviously older persons' accommodation tends to be either residential or community facility land, depending on what type of accommodation option it is. We felt it was important to include information on older persons accommodation, given the level of interest and demand that exists in the market at the moment for this type of accommodation. We wanted specifically to outline what steps the government is taking in that regard.

MS DUNDAS This does refer to specific block and section numbers.

Mr Corbell: Yes.

MS DUNDAS: But it has a very vague timeframe.

Mr Corbell: What is your question, Ms Dundas?

MRS DUNNE: One way or the other it is hard to pin down what you are doing.

MS DUNDAS: When will section 87 be up for sale?

Mr Corbell: The LDA expects it to be released in mid-2004.

MR HARGREAVES: Does that question pertain to an inquiry that is being conducted by the Standing Committee on Planning and Environment? If it does the question is out of order. I would like some advice on that issue.

MRS DUNNE: There is no specific reference to section 87 in the terms of reference.

MS DUNDAS: That inquiry has not yet been referred to the Assembly.

THE CHAIR: I accept that it is not an issue that the planning committee is inquiring into. On that basis I will allow the question.

Mr Corbell: Ms Dundas, I draw your attention to page 9. A timeframe is specified on that page. No land release strategy has ever reflected the precise date that an auction is to be held. It always gives an indicative timeframe during the year.

MS DUNDAS: Except that this land release program does not give an indicative timeframe.

Mr Corbell: Of what?

MS DUNDAS: It does not give an indicative time frame relation to the way in which residential land sales in Gungahlin will come on line. I refer to my earlier question. I quoted from page 5 which made reference to Forde, Harrison, Bonner and Casey. There was also reference to Crace and Ngunnawal, when all we have is Gungahlin in

annexure A.

MR HARGREAVES: Will you answer the question regarding the commercial approach in the LDA report?

Mr Corbell: That is exactly the point, Mr Hargreaves.

MS DUNDAS: The minister just said that land release programs have nothing more than an indicative timeframe that indicates when blocks will go on sale. That is not in this land release program.

Mr Corbell: I just told you that it is there in relation to some of these items. You can see it there in black and white, Ms Dundas. In relation to others, in particular, the residential land sales program, the government, on the advice of the LDA, has agreed to the following approach. First, we have a softening market in relation to residential land sales. Second, the government expects the LDA to operate in a business-type manner and to make assessments on release that meet market demand.

Therefore, we have given an indicative level of the volume of sites to be released in any financial year, over the next four financial years. The actual timing of those releases will be dependent on market conditions and market demand. I will ask Ms Skewes to elaborate on the reasoning behind that. It is important that committee members understand it.

MRS DUNNE: I think we have flogged this issue to death.

Mr Corbell: I will ask Ms Skewes to elaborate on my answer.

Ms Skewes: The commercial focus of the Land Development Agency involves a commitment to deliver a certain quantum of blocks into the market to ensure that the market is in equilibrium. The intention of the Land Development Agency in producing a land sales program is to identify what it will commit to in the delivery of those blocks to the market. The purpose of the agency is to work within the framework of the broad land sequencing program and the broad planning that has been done in north Gungahlin.

It is our intention, however, to have some scope because we are investing very heavily in some estates in north Gungahlin. Depending on market conditions, and given that we are in a softening market, we need the capacity to develop our estates in accordance with the general program and we need to be able to respond to market conditions. So the purpose is not to deliberately withhold information. More important, we need the capacity to respond to what the take up is likely to be.

We are currently committed to quite a significant development at Wells Station. That development is underway. Over the next few months the take up will be important in enabling us to determine where our next estate will be and what will be our next development and release. So, in that sense, while the agency was committed to a land sales program the nature of the estates and the timing and the development of those estates, particularly in current conditions, has to be subject to what transpires over the next few months

MS DUNDAS: The other question that I have relates to affordable housing. Page 7 states that the LDA, in order to improve housing affordability, will make available 100 dwellings in greenfield land releases each year. Is that 100 dwellings for each greenfield land releases, or 100 of the total number of greenfield land releases?

Mr Corbell: It is 100 per year in greenfield areas.

MS DUNDAS: So it is not 100 dwellings for Gungahlin, 100 dwellings for Dunlop and 100 dwellings for Bruce? It is a total of 100?

Mr Corbell: It is 100 overall, yes.

MRS DUNNE: The Treasurer was asked on budget day how this would to be managed and he shrugged his shoulders. He said, "I suppose that the LDA knows how it is going to do it". So does the LDA know how it is going to do it?

Ms Skewes: The LDA is currently determining that process and how it is to proceed to take those blocks to market, given the sorts of parameters that it has that enable it to deal with land and take it to market. It is the intention of the agency to offer those blocks, rather than houses, to the market over the course of the annual land release program. So we need to stage the allotments and the estates that we have available for that type of product and we need to time it to meet general market conditions.

MRS DUNNE: Will they be designated low-income blocks? Will it limit the capacity of people to bid? Would you have to pre-qualify in some way before you can bid or ballot for these blocks? How will it work?

Mr Corbell: Definitely to pre-qualify, the government's intention is that there will be an assessment made about the income capacity of people.

THE CHAIR: So it will be means tested.

Mr Corbell: There will be a means-testing approach. I would envisage that, given the level of interest, it would probably be conducted through some sort of ballot process.

MS DUNDAS: Just to clarify: regardless of market demand and of how the other estates are going, every year we will see 100 affordable dwellings put out onto the market?

Mr Corbell: That is the government's commitment, yes.

MS DUNDAS: They could be released without the releasing of any other sites because there isn't any market demand?

Mr Corbell: Clearly there is an underlying level of market demand. It is not as though in one year you will not sell any land.

MS DUNDAS: I know.

Mr Corbell: The thing to understand, Ms Dundas, is that it is not as though we will have a chunk of 100 houses sitting in the middle of Gungahlin and they are all going to be for

low-income earners. These will be salt and peppered throughout existing and new estates.

MS DUNDAS: But we have just had an exposition: the release of those estates is being presented to us in such a way so that they can be flexible as to how market sales are going across the territory and how demand is met.

Mr Corbell: That is in terms of the overall volume, yes.

MS DUNDAS: So if the commercial decision is made not to bring Dunlop online or to sell the 100 blocks at Dunlop in the 2004-05 financial year because of market forces, will there be an increase in affordable accommodation in Bruce and Gungahlin to make sure that the 100 quota is always met?

Mr Corbell: I understand what you are saying. Your question is based on a misconception because you are thinking, "What happens if there is such a big reduction in the land sales program that there is no capacity to deliver 100 blocks?" I think given the volume of the land sales program to date and what is anticipated over the next three to four years, if there were a reduction in sales there would still be more than sufficient blocks to make available.

MRS DUNNE: It is about half a per cent—

Mr Corbell: That is right. We are talking about half a per cent—whatever it is. It is 100 out of a land sales program of potentially 1,500 dwelling sites. It is very small.

MS DUNDAS: That goes back to my original question: there are only 100 blocks for sale in Dunlop and 143 for sale in Bruce. Because they are "salt and peppered throughout", as you put it, if the commercial decision is made to not release Dunlop, then the amount of affordable housing in Gungahlin needs to increase.

Mr Corbell: Clearly the program will be met. Whether there are more in Gungahlin or more in Dunlop is an issue that will be worked through as the individual releases are assessed by the LDA.

MRS DUNNE: This is not so much about the release: I know that the Land Development Agency does not have any capacity—I do not think it does—to subsidise land, but would the government envisage some sort of subsidy for low-income earners?

Mr Corbell: We anticipate that it will be dealt with in one of two ways: either reflected through a decreased dividend that is expected from the LDA to government revenues or an explicit payment to the LDA. It is a bit of a moot point which one you choose.

MRS DUNNE: My understanding of how the LDA works is that it has to sell land at market value.

Mr Corbell: That is correct.

MRS DUNNE: So they cannot directly subsidise the sale of land to low-income earners if you are selling it at market value. There is a contradiction there.

Mr Corbell: We may need to provide for some legislative change to permit sale in other circumstances.

THE CHAIR: Minister, on page 449—

Mr Corbell: I should just say that there are potentially other ways of doing it as well, for example, developing product which can be sold at a more affordable price.

MRS DUNNE: Which is low rent. That is perhaps not a desirable way of doing it.

Mr Corbell: I am not quite sure what you are referring to.

MRS DUNNE: Lower quality.

Mr Corbell: No. You can simply establish blocks that perhaps are not as large and therefore you can sell them at a more affordable price. So there is a range of ways of doing it.

THE CHAIR: Minister, on page 449 of budget paper 4, you state:

the decrease of \$93.114m in the 2004-05 Budget from the 2003-04 estimated outcome mainly reflects the more conservative budget parameters used by the Land Development Agency, when compared to the record land prices experienced in 2003-04 at the height of the property bargain cycle.

I can certainly see that; that makes sense—

In addition the introduction of different methods of delivery of land to the market in 2004-05 compared with 2003-04 will affect the timing of revenue recognition.

What does that mean? Does it mean that, because of the new way of developing land and the government's involvement in it, revenue will be less than it would be under the old system?

Mr Corbell: Revenue will not be less. The timing of revenue recognition or when revenue is received may be different. That is what that sentence refers to. So, for example, we have just had the discussion about joint ventures. Obviously, if the LDA enters into a joint venture with a private partner, the LDA will predominantly bring the land asset to the joint venture; the partner will probably bring more capital to invest in development of the land. What that means, of course, is that, in doing that, you do not get your revenue up front in the same way that you would if you simply sold the land raw in an auction. So the return is delayed. You still get a return; in fact, you get a better return because you are selling a value-added product rather than just a raw lump of land somewhere. That is what that sentence says.

Equally, when the government does its own land development activity but not in a joint venture, we have to invest the capital up front to service the land. Only when the land is serviced are we able to sell the land and get the return on our investment. So, again, it is not the level of revenue that we get which is in any way affected—in fact, it is significantly increased—but it is the timing that changes.

THE CHAIR: I look forward to seeing how that operates in practice. Are there any other questions?

MRS DUNNE: I have a quick one. I notice that the LDA has a block of land for auction soon at the Florey shops. There was a block of land sold at the Florey shops probably four or five years ago for commercial development. It has had a construction fence around it for about two years. First of all, the Florey development not taking place must surely be outside the terms of the auction documents. If we have not been able to build and develop a larger site at Florey, why are we selling the smaller site?

Mr Lowe: I am the general manager of urban development. I am not sure of the details of the previous block sold. Obviously that was released prior to the formation of the LDA and my involvement in that.

MRS DUNNE: It was, yes. It was in the term of the last government.

Mr Lowe: The current site that is available for sale is a relatively small block. It would accommodate in the order of 80 square metres or so of gross floor area. Its lease purpose clause includes restaurants, takeaway establishments or offices. So whereas a larger block that might be dependent upon a fairly significant capital outlay in securing a fairly large tenant may be finding difficulties getting pre-commitment from a tenant, we believe that there is a market there for a smaller site that would accommodate perhaps a small scale office or, more plausibly, a small takeaway food establishment, which, as members would be generally aware from general observations, seems to be an increasing role for local centres as they reinvent themselves and as that type of product becomes more and more popular in the community.

To answer the first part of your question, Mrs Dunne, I am not sure what action would be taken on compliance action. Obviously the LDA is not a regulatory authority.

MRS DUNNE: In fairness, would you take that on notice, Minister.

Mr Corbell: I can take that question for ACTPLA, yes.

MRS DUNNE: I wanted to also ask about the layout in Harrison or Gungahlin—all of the new areas bounded by Anthony Rolfe Avenue, Horsepark Drive and Gundaroo Road. Some residents and some people in the building and development real estate industry have expressed concern to me about the extensive long back lanes in places. I think I inspected some of them the other day—Salzer Lane and Newbold Lane. You can stand on a crest and probably look close to half a kilometre in either direction and there are just uninterrupted garages, back lanes and very narrow streets. Many people in the building and development industry say that these places do not sell well. Where did the street layout and the design come from that leave us with very long rear lanes? Is that a planning issue?

Mr Corbell: I think it is more of a planning issue. I will need to take some advice on that and will provide some information on it.

THE CHAIR: You can take that on notice.

Mr Corbell: Harrison is predominately a private sector development too.

MRS DUNNE: Yes, but somewhere along the line somebody had to approve it.

Mr Corbell: Yes.

MRS DUNNE: The street layout is less than felicitous.

MS DUNDAS: On the land release program and the commercial land sales program, will you be able to provide us with—don't worry about it; I will put it on notice. It will be easier.

THE CHAIR: That is it then. We will go on to ACTION buses for those who have been patiently waiting. I thank officers of the Land Development Agency—the LDA. You can all go. We will now deal with ACTION—budget paper 4, page 451.

Mr Corbell: Mr Chair, with your leave I have some additional information about a sustainable transport plan and targets for implementation of initiatives that Ms Dundas asked. With your leave I will table that.

THE CHAIR: Thank you very much. There are two parts to this: in budget paper 4, page 221, output 2.2: Public Transport under urban services relates to ACTION, and page 451 onwards relates to ACTION. We will deal with those concurrently. People can specifically refer to 2.2. Gentlemen, you should understand that these hearings are legal proceedings of the Assembly protected by parliamentary privilege. It gives you certain responsibilities and also certain protections. You are protected from legal action for anything you say here, such as being sued for defamation. It also means that you have a responsibility to tell the truth. Giving false or misleading evidence will be taken very seriously by the Assembly.

If you are going to take a question on notice, say so. We will ensure that the transcript is sent to the minister and the relevant departmental officer. You will have three days to answer any questions taken on notice. If any members want a question taken on notice, please refer to the relevant page of the budget papers. It will assist the officials.

I have some questions on output class 2.2: Public Transport and ACTION in relation to the ACTION interchanges. There has been discussion between ACTION, major shopping centres and planning agencies about the merits of and potential for integrating interchanges into shopping centres such as Woden and Belconnen. What has been the outcome of this consideration?

Mr Corbell: These discussions are very well progressed. ACTPLA, through its master planning activity at both Woden and Belconnen, has had extensive discussions in particular with Lend Lease, which operates the Woden Plaza, and to a lesser degree with Westfield, which operates Belconnen Mall. As we discussed this morning, Mr Stefaniak, the Belconnen site is contingent on the method and nature of release for the western car park at the Belconnen town centre. The project which is more advanced is the Woden site. The master plan now identifies a very specific area where the interchange can be relocated into a departure/arrivals lounge type facility. That involves some expansion of

the Woden Plaza, which is now possible thanks to the lifting of the retail moratorium by the government, and the development of a departure/arrival lounge as part of a relatively minor expansion of the Woden Plaza complex. The budget allocates, I think, \$400,000. It is actually in the ACTPLA budget—

Mr MacDonald: It is page 208, Minister, under "Public Transport".

Mr Corbell: Thank you, Brian. In the capital works budget there is \$400,000 allocated for the initial work.

THE CHAIR: When will the travelling public see any outcomes from these plans and discussions? Do you have a timeframe?

Mr MacDonald: I am the general manager of road transport. We have scheduled the preliminary planning work for the relocation and enhancement of the interchange scheduled for December 2005. I am not precisely clear on the stage of the development. We are working with ACTPLA in relation to the Woden master planning process. I cannot give you any more detail at this point. Perhaps we could take something on notice to clarify that for you.

Mr Corbell: There is a number of issues there that will need to be addressed, for example, if it is to become part of the Woden Plaza proper, obviously Lend Lease will facilitate that for us, given that they are the operators. I note that Lend Lease is trying to take over General Property Trust, so they could become the owners as well of Woden Plaza. That would, in itself, necessitate probably a direct grant of land to Lend Lease to expand the plaza and, as a condition of that direct grant, the construction of the departure and arrivals lounge.

MRS DUNNE: I want to follow up on the Belconnen aspects. We had a bit of a discussion this morning. I will take up your offer for a briefing, Minister, on how Cohen Street is going to work. I know I am not an engineer, but it defies imagination how you are going to get down such a long space in such a short time.

Mr Corbell: You go up sideways.

MRS DUNNE: It sounds like the zigzag railway. A lot of what happens there is, by your admission, dependent upon what happens on block 21 of section 52, which is the western car park. Will the release of that car park land be a competitive public venture or is it going to be sold as a direct grant to Westfield?

Mr Corbell: The government has a strong view that, given the very high value of the site, it should be by a competitive process. However, Westfield obviously does not believe that. They have certainly made representations to me that it should be through a direct grant process. I have not accepted that argument. It is too valuable a site. The issue is that, if we do go through a competitive process, we will need to make sure that our planning controls are such that whoever purchases the site delivers an integrated outcome both in terms of the relationship of that site with bus facilities and with the existing mall should a different purchaser emerge through the competitive process other than Westfield

MRS DUNNE: You have quite a few issues to capture there. It can be quite problematic.

Mr Corbell: Yes. It is a very difficult issue. That is why we are working through it very carefully. However, the government's strong preference is for a competitive process on that site.

MRS DUNNE: What is the timeframe on the competitive process?

Mr Corbell: I am sorry. If you had asked that when officers of the LDA were here, they would have been able to tell you. I will have to take that on notice.

MRS DUNNE: Thanks.

MS DUNDAS: I have some questions about what is written on page 221 of budget paper 4. There is an actual decrease in the cost of transport advice not just within the 2003-04 budget but in what we are targeting for 2004-05. Is there an explanation for that?

Mr Corbell: I will ask Mr MacDonald to answer that.

Mr MacDonald: That is primarily as a result of some funds we received in this year's budget that will not be replicated next year. There was \$90,000 provided for a demand responsive transport study, which is in train at the moment. That is basically the primary component of that reduction.

MS DUNDAS: Why was there a reduction from the 2003-04 target to the estimated outcome?

Mr MacDonald: Do you mean the \$20,000?

MS DUNDAS: Yes.

Mr MacDonald: I am sure Mr Eggins can help me there. There may have been some overhead reallocations during that period. It is a small amount. I am not sure.

MRS DUNNE: It is \$24,000.

Mr Corbell: It is a small amount.

Mr Thompson: I think we will have to take that on notice, Ms Dundas.

Mr Corbell: We will take that on notice.

MR HARGREAVES: It will cost you \$20,000 to find out the answer.

MS DUNDAS: There is also a drop in the amount of money that is allocated to the government assisted school transport program.

Mr Corbell: Yes.

MS DUNDAS: Can I have an explanation of why that money is dropping?

Mr Corbell: Yes. I asked the same question, Ms Dundas. What that reflects is the change in the wind-up of the program that we extended to children affected by the bushfires. You will recall that immediately following the fires many families obviously had to relocate. They still wanted to send their children to the same school and we provided assistance in the cost of fares to allow them to do that. Most of those families and those children are no longer using that service. This reflects the wind-down of that service.

MRS DUNNE: So it is entirely bushfire related?

Mr Corbell: I am advised that is the case.

MS DUNDAS: Again, was the decrease from the target to the estimated outcome in the 2003-04 financial year due to a lack of take-up of the bushfire fund?

Mr Corbell: It is a lower level of usage than was anticipated.

MRS DUNNE: At the top of the page the increase in the number of passenger boardings seems very modest in the next financial year. There is an increase from \$16.3 million to \$16.5 million—an increase of \$200,000 in passenger boardings.

Mr Corbell: Yes, it is a conservative estimate. That said, we have not, in that estimate, built in the expenditure that the government has committed around improvements to peak hour services. An amount of \$1.11 million has been built into the budget to enhance peak hour services. So, yes, we have set a very conservative estimate. I would hope that we would better that.

MRS DUNNE: I am now going to be really difficult and jump over to ACTION Authority. There is \$1.11 million for the enhancement of peak hour services, but there is actually a decline in the amount of property, plant and equipment, which I presume is buses, amongst other things.

Mr Thurston: I am the Chief Executive Officer of ACTION Authority. There is certainly not a reduction in the buses. We have just procured 20 additional IRIS buses earlier this year and they have gone into service. We are currently introducing 42 CNG gas buses.

MRS DUNNE: Where do the buses appear? In property, plant and equipment, which is where I would have thought the buses would appear, there is a fairly steady decline in the next financial year and in the outyears.

Mr Thurston: That category includes all the buildings and depots, as well as the buses.

MRS DUNNE: Therefore, on notice, what is the value of the buses?

Mr Thurston: The new ones?

MRS DUNNE: No What is the value of the fleet?

Mr Thurston: \$35 million.

MRS DUNNE: Thirty-five million dollars is the current estimate. What was it at the end of last financial year? Is it increasing and what do you expect it to be at the end of next financial year?

Mr Thurston: We will take that on notice. The value of the buses as at today is \$35 million.

MRS DUNNE: The buses are worth only \$35 million. So we are saying that the buildings et cetera—

Mr Thurston: A very expensive bus depot due to engineering, yes.

MRS DUNNE: It is very expensive.

THE CHAIR: However, it decreases.

MRS DUNNE: Yes, it does decrease. I would have thought that, if we were talking about land values and things like that, it would be going up.

Mr Thurston: Buildings do depreciate.

MRS DUNNE: Buildings depreciate, yes.

Mr Thurston: The buses depreciate as well.

MRS DUNNE: Yes. What is the \$1.1 million being spent on—new buses?

Mr Thurston: No. An amount of \$1.114 million has been allocated for additional peak hour services. We are currently defining where they will be, but they are primarily for long distance, commuter based, Monday to Friday.

MRS DUNNE: Are you taking any other services off to create the slack?

Mr Thurston: No.

MRS DUNNE: Are there are enough buses in the system to—

Mr Thurston: We are fortunate that we are procuring new buses. We have the opportunity to retain older buses, which we would normally sell, and that is a very effective way of putting on additional services.

MRS DUNNE: So you are not going to dispose of buses as the new ones come along?

Mr Thurston: With the \$1.114 million we will be retaining 10 of the buses that we would normally have sold to do the extra express services in the first instance. If they become successful, we can then graduate the sale of the excess buses.

MRS DUNNE: Thanks.

THE CHAIR: It would seem though that if your property is depreciating from nearly \$73 million down to \$58½ million over a five-year period you would not be buying many more new buses. It would seem that you have existing property that would just depreciate along with your buildings. Do you envisage in that time getting any more new buses?

Mr Thurston: As I said, we are currently in the middle of procuring 42 CNG gas buses.

THE CHAIR: That is estimated outcome. I suppose that is reflected this year and next year, is it?

Mr Thurston: Yes, that is correct.

Mr Corbell: It is worth making the point, too, Mr Stefaniak, that ACTION holds a considerable number of other assets. Its workshops and depots are very large fixed assets and they are getting quite old.

THE CHAIR: Most of the depreciation relates to that, I take it.

Mr Thurston: Yes.

MRS DUNNE: So it is actually the buildings?

Mr Corbell: The buildings themselves are getting quite old—both the workshops and the depot buildings.

MS DUNDAS: Do you have enough bus drivers to meet the extra demand for peak services?

Mr Thurston: Again, we are recruiting bus drivers. We have five bus drivers graduating tomorrow and another four will be starting on Monday. That will continue as long as it takes to cover attrition and whatever growth we have.

MS DUNDAS: The HR profile in the statement of intent indicates the number of bus drivers staying steady into the 2004-05 and 2005-06 financial years.

Mr Thurston: Yes. The full-time equivalent was static—until we were successful in gaining that extra money for the services, pre-empting that. We have a range of bus drivers—full-time, part-time and everything in between, so to speak.

MS DUNDAS: You are not projecting that you will be taking on more than 315 full-time bus operators in the 2004-05 financial year?

Mr Thurston: If we get growth beyond what we are expecting, we would. That is something we can manage. As I said, on the bus side it is easy: you retain the buses instead of selling them. That is the most cost effective way. If we get more patronage, the easiest thing is to recruit bus drivers. We do not have a problem with that, as long as we have people on the bus funding the costs.

MS DUNDAS: That was my other question. You have indicated that you expect the increase in the public bus transport passenger boardings to be more than one point.

Mr Corbell: I am hopeful that will be the case, yes.

MS DUNDAS: You are hopeful that will be the outcome. The sustainable transport plan has a target of, I think, nine per cent of work trips by 2010 being on public transport, which would require a three per cent increase each year between now and then as opposed to the 1.2 per cent increase that is projected in the budget paper. When will we get new targets that reflect the work that is being done?

Mr Corbell: Each budget will have targets in it that will reflect the government's thinking as to how successful we are in meeting those targets.

MS DUNDAS: The 2004-05 budget includes all of the measures that are meant to increase the number of public bus trips, and especially the peak hour services, but that is not reflected in the numbers for public bus transport passenger boardings.

Mr Thurston: May I just clarify? There are two sets of numbers: one is a mode split and the other is actual numbers. As you said, the target for sustainable transport is nine per cent by public transport in 2011, rising to 16 per cent in 2026. The figures we have in the budget paper in output 2 are actual numbers. The current mode split to buses is a fraction over seven per cent. They are two completely different sets of figures. If it were a five per cent mode split, a one per cent increase in mode split is a 20 per cent increase in patronage, because you have five per cent of 100. With these additional services we are looking at making express services more direct and more time competitive than the car thereby attracting people. That will, in turn, build on itself. When people start talking about faster, more direct bus trips that should market itself. The first step with sustainable transport is in paid parking, additional services and a flat fare—one fare anywhere. All of those things should culminate in more people using the buses.

Mr Corbell: That has been the experience to date. We have seen growth in patronage since we have come to office. That is something that we will continue to work on.

MS DUNDAS: I guess I am concerned about the conservative estimate then for transport boardings and in-service hours that is reflected in these budget papers, considering all of the other initiatives that have been brought on line.

Mr Corbell: That estimate does not take account of the additional funding from the increased peak services. It takes account of what we anticipate to be more general growth in the system and not the specific measure that we have implemented in this year's budget.

MRS DUNNE: Why is that, Minister?

Mr Corbell: My advice on that is that Treasury did not take that into account when revising these figures. I think it was a straight timing issue in terms of the preparation of the budget.

MRS DUNNE: Would it be possible for the committee to see what ACTION and DUS think will be the increases in the light of the extra money that is being spent?

Mr Corbell: That can occur through the normal quarterly reporting process where these targets can be revised and estimated outcomes revised.

MRS DUNNE: So you have not revised the targets?

Mr Corbell: Not for the purposes of this estimates process, no.

MRS DUNNE: You launched this document the week before the budget. You made claims and commitments to particular things, but those things are not reflected in this budget.

Mr Corbell: I am sorry; they are reflected in this budget. The government in this budget has reflected in terms of the plan what initiatives it is going to fund and how it is going to go about doing those things. But in relation to this one particular measure, I am advised that the \$16.5 million figure reflects more general growth that can be expected in ACTION boardings. It does not reflect the increase in funding available and, therefore, the expected increase in boardings as a result of the peak services initiative. There will be an opportunity for the government, in its quarterly reporting process to revise both targets and estimated outcomes, to take account of those issues.

MRS DUNNE: They will not be revised before the first quarterly report, so we will not see anything until October this year.

MR HARGREAVES: 18 October?

MRS DUNNE: Yes.

MR HARGREAVES: Fine with me.

Mr Corbell: That is my understanding, yes.

MRS DUNNE: That is pretty unsatisfactory.

Mr Corbell: I could understand your concern if there were a decrease in boardings, but we actually have an increase in boardings built in here. That is a positive.

THE CHAIR: But you said you had a decrease.

MRS DUNNE: No.

Mr Corbell: I would accept your arguments more if there were a decrease in boardings. What we are quibbling over here is the level of the increase in boardings. I think it is a pretty moot point, I must say.

MRS DUNNE: No, I am sorry, Minister, it isn't. You have made commitments in the sustainable transport plan annual budget to spend a whole lot of money.

Mr Corbell: Yes, which we are doing.

MRS DUNNE: It is not a very large amount of money, all things considered. This is basically steady state stuff in the numbers of boardings, hours and service. If you are proposing to spend money to increase boardings and, therefore, presumably hours in service, that should be reflected in the budget documents. I would like to see before the first quarterly report, which will basically be October this year, some indication of what the new targets are. Can the committee have that?

Mr Corbell: I can take that on notice and seek some advice as to whether or not it is possible to do that. I do not accept the proposition that there is somehow a problem here. The reality is that the sustainable transport plan has two benchmark dates. Our targets are reflected in that plan with the modal split at 2011 and the modal split at 2026.

MRS DUNNE: Yes, but are we going to see any progress reports?

Mr Corbell: I have heard your argument, Mrs Dunne. Could I answer your question? That is where we will meet or not meet those targets. That is where we will have to face the reckoning if we meet those targets on those dates or not. The relatively minor issue of whether it is \$16.5 million up from \$16.3 million, or up a bit more than even the \$16.5 million, is something which will be reported in an accountable way to the Assembly through the normal quarterly reporting process.

THE CHAIR: Minister, I am not going to go into your modest target for next year, but this year it has remained static: the target and the estimated outcome are the same. It seems that there has been no growth in overall boardings as a result of that.

Mr Corbell: The target is not the base figure; the target is the target. It is not the base figure.

THE CHAIR: That is the target, but the estimated outcome is the same.

Mr Corbell: That means that we got the target right.

THE CHAIR: That might be. Was there any growth in overall boardings?

Mr Thurston: Could I answer that? In the year 2002-03 where we had the full year of the one fare anywhere we got an overall increase of 3.5 per cent in patronage. That was an excellent result when you look at what is happening around the country. The more important figure was the adult increase of 9.17 per cent, which is what we are targeting under the sustainable transport. We want people in peak hours primarily to use the bus. We have been able to compound that nine per cent adult increase with a further two per cent adult increase so far this year.

THE CHAIR: That is accurate as at 11 months and 12 months.

Mr Thurston: At the end of April there is a two per cent component, yes.

THE CHAIR: Ten months

Mr Thurston: Yes. We have had some variance, which has pulled it down slightly, with the schools. We have marketed term tickets—\$55 a term—which are very much in demand for sale, but that is subject to the veracity of the kids dunking the ticket every time they get on a bus. They have paid their way, so there is no revenue exclusion, but we have to keep monitoring that to make sure that the drivers insist they dunk their tickets. But the good thing is that we have had a nine per cent plus a two per cent compounding increase in adult journeys in the peaks.

What we are proposing in this year is another set of express services that will again, if successful, improve the adult market. That is really what it is about. We are talking, though, about long distance travel that is very expensive to operate, as you can imagine. People have to look at the total cost of transport in that period and the benefit of those people being on the bus rather than in the car.

THE CHAIR: Are there any more questions on that particular point?

Mr Corbell: I think Mr MacDonald would like to elaborate on the earlier issue we were discussing.

Mr MacDonald: Minister, I thought that Mr Thurston covered it.

Mr Corbell: My apologies.

THE CHAIR: I thought he did too, Minister. So there is nothing further on that particular point.

MRS DUNNE: Can I just go back to the capital works which I put on hold this morning? There was a lot of brouhaha when the sustainable transport plan came out about real time bus information. At the time I received a briefing the officials said, "The most exciting thing in this, Mrs Dunne, is the real time bus information." When we get to the budget we are looking at a feasibility study in this financial year of \$100,000. Is there a commitment after the feasibility study, Minister, to fund real time bus information? If so, where? That is page 222 of BP3, table 6.3.10.

Mr MacDonald: Could I perhaps clarify, Mrs Dunne? It is more than a feasibility study. I think we are all convinced of the benefits of such a system. We see the study as more about implementing how we roll it out in the ACT, what are the priority areas and how it is all going to fit together. So it is more about implementation planning. In the following year we are looking to receiving additional funds to put it on the ground and have it operating.

MRS DUNNE: When it says in the budget papers that it is a feasibility study, that is a classification error? You have nowhere else to put it?

Mr MacDonald: I think it is a description error. When we were first putting in the budget bids, at that stage we were still thinking about the feasibility. We had done some further research and were convinced that it was a very firm proposition and could be implemented in the ACT. It is a matter now of how we roll it out. I would describe it more as an implementation planning process.

MRS DUNNE: Do you have any idea where it will be rolled out? Will I see one at my bus stop at the end of my street?

Mr MacDonald: The priorities clearly will be the interchanges, but we are looking at other main routes and corridors. I had the benefit of seeing a similar system operating in Christchurch—the lounge arrangements as well. The interchanges are the primary focus, but it can be in shops and they are talking about putting it in McDonald's, so when you are having your hamburger you can look on the screen and see when your next bus is coming. So there are lots of opportunities.

MRS DUNNE: If you are at McDonald's or on a bus route, yes.

MS MacDONALD: I think, Mr MacDonald, you should probably encourage them to get a salad sandwich instead.

THE CHAIR: That is good, Ms MacDonald.

MR HARGREAVES: Is McDonalds a bit of self-interest on your part?

Mr MacDonald: I'm MacDonald—"M-a-c".

MS MacDONALD: He doesn't spell it that way, Mr Hargreaves, and you know it!

THE CHAIR: I used to find the Norths Rugby Club a very good way of breaking the journey from Belconnen to Flynn!

Mr Corbell: We are exploring a number of other modes for communicating timetable and travel information for buses, including mobile phone technology. ACTION already has a well advanced proposal in that regard, which I'll be making some further announcements about soon. I know it sounds like it is all a bit "gee whiz", but experience demonstrates that we see increases in patronage of between 15 and 30 per cent where people have that reliability around knowing when the bus is coming or whether they've just missed it, because it reduces the planning you need, which makes it less attractive to catch a bus

It is very easy to say, "I know my car's there. I'll get into my car and go." At the moment, to take the bus you've got to look up the timetable, make sure you get to the bus stop on time and so on; whereas if you have more immediate information it is quicker. You can make a real-time decision to get on the bus. It eliminates that planning gap and therefore makes it much more convenient.

THE CHAIR: You're saying there is quite a good level of acceptance of those changes. What about the replacement of the 333 service, with the increased frequency and various routes through interchanges?

Mr Corbell: That was a policy implemented by your government, Mr Stefaniak.

THE CHAIR: Yes. How is that going?

Mr Corbell: I think there are pluses and minuses to it, I must say.

MRS DUNNE: I thought there were only pluses on buses!

Mr Corbell: Direct routes are attractive—people are reluctant to change at interchanges. But the trade-off is often that you have routes that wind around everywhere, to try and cover everything. Getting the balance right is a constant challenge and a constant task of ACTION. Guy is probably in a better position to comment on that than I am.

Mr Thurston: The current thinking within Australia particularly is that a more direct route with a slightly longer walk is more preferable than a cook's tour. When you look at the map of Canberra and our bus map, you can see that it is a proverbial tin of spaghetti. I think that, over time, we need to look at that. The current thinking is that, if you want to get people on public transport, you've got to try and get to about 120 per cent of the car time, not 150 or 200 per cent. That is even harder in Canberra than anywhere else because the road system is so good.

THE CHAIR: What feedback have you been getting from passengers?

Mr Thurston: The through-routing of the interchange is working well. The only "disbenefit" with that was that we lost the marketing aspects. You could say to anyone, "Get the 333." Japanese people still come into town referring to the 333. Some of them have old publications and they point to the 333. That was the best marketing initiative ACTION had. We lost that as part of the through-routing. The through-routing aspect is very positive but the journey time is the critical thing—and the confidence in the system of the real-time information and the security. It has to be an overall package to get people back to public transport. It is no good having an airconditioned, low floor bus if they don't feel secure in an interchange, for example.

THE CHAIR: I still get a few complaints that going from Macgregor to the interchange at Belconnen and vice versa takes pretty well half an hour, whichever route you take. I assume it is not Robinson Crusoe with some routes that are similar to that. That certainly is a disincentive to a lot of people using buses who'd be quite happy to do so. I'll give you a personal example.

Recently I used the bus for a long period of time—about six weeks—going from Flynn through the interchange to Civic and on to Manuka. I got there in 40 minutes, which was about 10 minutes longer than if I drove the car and had to find a car park—and similarly on the way home. If I wanted to do that from here, or if I were living in Macgregor, for example, that would be impossible because of the 30 minutes it takes to get to Belconnen. It would be fine after that, I'd imagine, but that is a disincentive.

Mr Thurston: It is. We're currently working on something to bring to the minister these extra services, to try to bypass the Belconnen and Tuggeranong interchanges where we can. You've got the through-routing, which is fine. That services Belconnen interchange and Tuggeranong, but if we can define some services which go from the suburbs straight into the city, bypassing Belconnen interchange, that will be attractive to the suburbs that serves. We're reviewing and trying to finalise that at the moment. The sheer nature of going through an interchange—either Belconnen or Tuggeranong—is a minimum of five minutes and more likely 10 minutes by the time you go round the intersections with all the traffic lights, and through the interchange.

MRS DUNNE: Mr MacDonald spoke before about the money in this current year's budget for the demand-responsive research. Who is doing it; where is it; and how long will it be before we get something out the other end?

Mr MacDonald: We are this week evaluating the tenders. We have four very strong proposals. The plan is to have that work completed by the end of August. The exercise is essentially about seeing if it is viable to operate a system in the ACT. We're asking the consultants to advise on a number of possible models and to see how that might be taken forward. It is challenging because we don't really have an effective working model elsewhere in Australia, although there are probably some overseas examples. So it is really in the nature of: is it feasible; what are the constraints; what do we need to do to make it work and be effective for Canberra?

MRS DUNNE: What are the models that you're asking them to look at?

Mr MacDonald: There are some concepts there. We're also asking the consultants to suggest to us other ways of operating it. To give some conceptual thoughts about it, one proposal we described was with the interchanges having a commissionaire-type arrangement like at airports, with the small commercial passenger vehicle being available and leaving when the vehicle is full, or within 10 minutes of the person arriving, so you're not having to wait half an hour or three-quarters of an hour as you do currently for the bus services—and having a fairly direct route. So it is basically asking, "Where do you live?"—mapping that out and being able to take people direct to their destinations. The tricky bit, of course, is how do you bring people back in from the suburbs to the interchange? That is one of the things we've got to look at very carefully to ensure good services not just from interchanges but also back into interchanges.

MS DUNDAS: Are the new white one-hump or two-hump buses that were delivered in the 2003-04 financial year CNG or IRIS buses?

Mr Corbell: They're both. For all intents and purposes, they look pretty much the same. We purchased 20 IRIS buses. They have one hump, which is an airconditioning unit, on the top. We have another 42 CNG-powered buses which have the same bodywork as the IRIS bus. You really can't tell the difference except that they've got two humps—and one of those is the CNG.

MS DUNDAS: How often do those buses need to be serviced?

Mr Thurston: The same as any other bus. To answer your question, they're put through a service regime which is on a time/kilometre basis under the manufacturer's warranty.

MS DUNDAS: Are all of those buses serviceable here in the ACT?

Mr Thurston: Yes. The 20 IRIS buses are all in service and running, and they're the ones you're seeing. There is only one CNG bus in service as of today. There will be another eight in service within the next 10 days as we finalise the gas installation. We'll have 33 of those in place by the end of the year.

MS DUNDAS: If they're all serviceable in the ACT why did I, earlier this year, see three

of them on the backs of trucks going to Sydney?

Mr Thurston: Good question. They are shipped on the backs of trucks from Adelaide, where they're built, into Sydney. They are customised in Sydney and they are then driven from Sydney to Canberra. We inspect them and then take delivery and ownership of them.

MS DUNDAS: No. I saw them going to Sydney.

Mr Thurston: That is right—they go from Adelaide to Sydney.

MS DUNDAS: No. I was driving from Canberra to Sydney and I overtook three trucks that each had a bus on them—going to Sydney.

Mr Thurston: Going to Sydney, yes.

MS MacDONALD: They have to come up the Hume Highway.

MRS DUNNE: Was it on the Federal Highway or the Hume Highway?

Mr Thurston: They're built in Adelaide at Custom Coaches and they go to the Custom Coaches facility in Sydney for final preparation.

MS DUNDAS: But along the Hume Highway—that is the question.

Mr Thurston: They're then driven from Sydney—so they've got 300 clicks under their belts by the time they get here. Then we go over them, inspect them and accept them. They're certainly not broken down.

MS DUNDAS: Are they painted in Sydney or in Adelaide?

Mr Thurston: Some of the final work is done in Sydney—the decals and stuff like that.

Mr Thompson: The other issue worth mentioning in respect of reliability is that, some years ago, there was some retrofitting of existing buses to convert them to gas. That was an interesting experiment. It is a bad recipe for reliability. Guy and his team have always been very much opposed to changing a bus after it is fully commissioned. It is much better to buy purpose-built diesel or purpose-built CNG buses. They'll work a lot more reliably than ones that are changed halfway through their lives.

MS MacDONALD: On that issue, nobody does the decals here in Canberra?

Mr Thurston: We pay Custom Coaches to deliver the buses in a state. It is much better for them to do that to the standard we've paid for because you get consistency and everything else. We get the buses in Canberra as per the contract specification; we go over them; and we ask that everything be up to speed.

MS MacDONALD: How long has that contract been in operation for?

Mr Thurston: The CNG contract has been this calendar year.

MS MacDONALD: Yes, but does that include things like the decals? They don't just go on the CNG buses, they go on all of the buses.

Mr Thurston: They do. When we buy a bus we want it specced out to what we want. We don't want to do that work ourselves. We want that to a standard, to a contract, so we can measure that and pay for it.

MS MacDONALD: I'm not arguing with that. I'm just asking: how long is that contract? Whom is it with?

Mr Thurston: For the 42 CNG buses it is the Scania bus company, and Custom Coach are the secondary contractors who build the buses. Scania builds the chassis and the body is built by Custom Coaches, which is an Australian component. The chassis are imported; we don't make bus chassis in Australia. We only deal with the chassis builder as the contractor.

MRS DUNNE: That is the wheels?

Mr Corbell: The chassis is basically the floor, the engine, and the wheels. They build the body over the top.

MRS DUNNE: The coach is the other bit?

Mr Corbell: You put the seats in, the roof on, and the walls and windows. That is the body.

MS DUNDAS: Could I go back to my original question, which was about fleet management? We see in the budget papers additional costs associated with the maintenance of the ageing bus fleet.

Mr Thurston: That is correct.

MS DUNDAS: You've already talked about the desirability of keeping on more buses, and older buses, so you can meet the peak demand, but that itself has associated maintenance costs. When does that get balanced out, so it becomes more suitable to buy new buses than maintain older ones?

Mr Thurston: The previous strategy, mainly in government agencies, around the country was to sell buses at 12, 13 or 14 years old. In Canberra that meant they didn't generally need an engine overhaul in that time. We made a decision to extend the life of the buses to 20 years, which is the industry standard, rather than selling them at 13 years to private operators in the bush, who would use them for another 10 years. We've now got a fleet up to 17 years old; the engines are going over 700,000 to 800,000 clicks; and we're doing some engine rebuilds.

It is more cost effective to do that and keep those buses, which are perfectly reliable and perfectly sound, for 20 years, but it does incur some parts costs and engine costs. That saves bringing forward capital costs. But we will manage. Buses are designed to last 20 years. They will need an engine rebuild and most probably they'll need two gearbox

rebuilds in that time.

MS DUNDAS: In the next three years we can see an increase in our maintenance costs, and in the next six years we'll see a replacement cost coming through?

Mr Thurston: It is not that simple. All the new buses have far more technology on them—airconditioning, for example, which is an absolute requisite if we're going to try and get people onto buses, and it requires maintenance. With the low floor buses there are some maintenance issues. Every new round of buses gets more technically up-market, as distinct from a pretty standard bus which is nearly 20 years old, which is a workhorse—that is the difference. We have to keep balancing them. It is certainly cost effective and an industry standard to keep buses for 20 years and do an engine overhaul once during the life of a bus.

MS DUNDAS: You've said that most of the fleet is now 17 years old.

Mr Thurston: No. Some of the buses are 17 years old—the older ones. The ones we bought in 1987 and 1988 are now our oldest buses. They're requiring an engine overhaul.

MS DUNDAS: Because they're 17 years old?

Mr Thurston: Yes.

MS DUNDAS: If the standard is still to sell them at 20 years, will they be sold in three years? Will we have to start buying more buses to meet the fact that those buses are coming offline?

Mr Thurston: A bus organisation like ACTION needs 20 buses every year, ad infinitum. That is a simple fact of life. If you keep a bus for 20 years and you've got a fleet of 350, you need 20 every year. That is a continuum. If we grow, as we want to, as part of the sustainable transport plan, we may have a fleet of 700 buses by the year 2026.

MS DUNDAS: Maybe you could provide on notice a breakdown of the age of the fleet, like the number of buses—

Mr Thurston: We certainly can do that. The average age of the fleet at the moment is 12 years, and that is the industry standard. We'll have 62 new buses in play in this current period, and the previous buses to that are now six and seven years old. They range all the way back then to 17 years.

MS DUNDAS: In respect of the fuel that our diesel fleet is using, have you considered putting biodiesel fuel through the ACTION buses?

Mr Thurston: I've had plenty of approaches and plenty of discussions with people about biodiesel. We're looking at any form of fuel that is cost effective and environmentally effective. You need to realise that we need a tanker full—35,000 litres—every day, and there is not a copious supply of biodiesel at this stage. There are companies which are trying to set up in Wagga and other places, where they believe they could assist us. The technology is sound; it is proven; but the supply is the issue.

MS DUNDAS: Again, isn't this the chicken and the egg argument? If you make the decision that you're going to use biodiesel, then somebody will step up to the plate and be able to provide that because they know the contract will be there. But a biodiesel seller coming into the ACT without any firm contracts is going to have incredibly high overheads and not want to come here, because they want to know that the demand is there

Mr Thurston: That is right. Companies wanting to get into biodiesel have made approaches to us. We can't give a commitment but we've shown a strong intent that, if they can supply a tanker load a day, we would be very interested in talking to them. It is not much good getting a tanker load every Pancake Day, because that wouldn't be effective.

MRS DUNNE: The IRIS buses are diesel, but they're EU standard.

Mr Thurston: They are EuroII diesel buses.

MRS DUNNE: They are EU standard, which is a different standard from the ones we have?

Mr Thurston: Yes. They're the most efficient diesel buses we have in the fleet.

MRS DUNNE: The IRIS buses are green and white. I assumed they were green and white because you bought them as a job lot because somebody else wanted them?

Mr Thurston: They were pink before we bought them. They were buses earmarked for the King brothers, who owned the bus companies from Newcastle to Murwillumbah, who nearly sent the NAB broke. They had more buses on paper than they had in the yard and were refinancing phantom buses. They went out of business and are currently before the courts. The supplier of the IRIS buses had these buses, which had pink handrails and looked absolutely—

MRS DUNNE: Atrocious?

Mr Thurston: I was going to say "atrocious". They weren't atrocious, but they were certainly "out there" in a different field.

MS DUNDAS: Canberra has had a pink bus before—and it did go rather well!

Mr Thurston: We insisted that, if we were to purchase them, we wanted them to be more standardised. We did that; it was very effective and the decals were quite easy to change. The Kings had pink and green stripes down the sides. We got them back to white and then we chose the new colour scheme, which I think looks very good.

MRS DUNNE: Has there been a policy change about the colour scheme?

Mr Corbell: Yes, there has.

Mr Thurston: A new image—green.

MRS DUNNE: This is the green urbanism, is it?

Mr Corbell: Let me give you an anecdotal comment. When in Brisbane a little while ago, I was talking to a bloke who is involved in public transport policy around the world. He said to me, "Look, one of the problems you've got in Canberra is that you've got boring orange and blue buses. They're not interesting; they're not sexy." Part of the psychology of getting people to think about public transport again is to have something a little bit different. I've had a hell of a lot of feedback about the new buses. Everyone thinks they look great. They notice them because they're different. I think if we had just got new buses and made them orange and blue, no-one would have noticed. They stand out and people can see that we are renewing the fleet—that we're investing in public transport.

MRS DUNNE: The new CNG buses are going to come out in the same livery?

Mr Thurston: Exactly the same colour and exactly the same body shape. Other than the two humps, you wouldn't know the difference—except that the gas buses are quieter, which is another environmental benefit.

THE CHAIR: Referring to financial performance on page 454 I note that, during 2003-04, ACTION received a payment to recognise various community service obligations of more than \$42 million. In budget paper 3, page 127, this increases to \$45.785 million in 2004-05. Where are those payments shown in BP4? Are they in user charges, ACT government? I just wonder why those amounts aren't separately identified. That is a significant amount of money and I thought it would have been sensible to have it more prominently displayed in BP4.

Mr MacDonald: The Department of Urban Services pays a substantial amount of funding to ACTION. There are three components. There is the revenue ACTION gets through its own fare box, there is the payment from urban services, which appears in output 2.2 with some overheads on it, of \$47 million, and there is also an amount paid by the department of disability and housing which reflects, I suppose, the concession component of the funding. I agree with you that it is not an easy way to pick it up. The best way is to look at the ACTION payments line, as you've picked up on page 452. The source of that is from those two areas—two different departments.

MRS DUNNE: So \$16.6 million "User charges—non ACT government"?

Mr McDonald: No. "User charges—ACT government" is the amount we're talking about. That is the funding the government provides to ACTION to run the services, in addition to the fare box revenue, essentially.

MRS DUNNE: What component of the \$52.3 million is the \$45.7 million?

THE CHAIR: The \$45.7 million would be in the \$53.772 million.

MRS DUNNE: There is \$45.7 million under CSOs. Is that part of the \$52.3 million?

THE CHAIR: The \$53.772 million—the one next to it.

MRS DUNNE: The CSO is on page 127 of BP3. The Department of Urban Services pays ACTION \$45.7 million to operate the network services, as a CSO.

Mr McDonald: As I was saying, there is also a component that comes from the department of disability and housing that makes up the balance of the funds. Shown there is the urban services contribution. There is a component coming from the other department, making up the balance of that \$53 million.

MRS DUNNE: What that means, Mr Chairman, is that the CSO list on page 127 is probably deficient because it doesn't mention—

THE CHAIR: I think there should be some better cross-referencing.

MS DUNDAS: It could be that the department of disability doesn't consider that their payment is a CSO.

Mr McDonald: It clearly is.

THE CHAIR: As a recommendation, perhaps there should just be a footnote to ensure that that is cross-referenced better and properly broken up.

MRS DUNNE: Are the "User charges—non ACT government" the fare box revenues?

Mr McDonald: Yes.

MS DUNDAS: And hirings?

Mr Thurston: Advertising and charter.

MRS DUNNE: Could we have on notice the break up—how much of that is fares, how much is hiring and how much is advertising?

Mr Thurston: Hiring is \$600,000, advertising is \$250,000 and the rest is fare box revenue.

MS DUNDAS: The statement of intent makes it clear that fare adjustments require endorsement from the ICRC—and the ICRC does make some decisions about how fares are set. The ICRC suggested that school fare-saver passes for university students be reduced—that university students not be able to access that particular fare-saver pass. Are you going to implement that?

Mr Thurston: That is a government decision. It is a government policy about what the fares are, as far as concessions and the like go.

Mr MacDonald: You need to go back and look at what the ICRC said overall. They were making some observations about potential areas in which the government could, I suppose, put prices up, if you put it that way, for some users of the service. My understanding is that the government has no intention of making any adjustments. In particular, with the tertiary students we have extended the coverage of those tickets

whilst the university is in session. Previously it was tied to the school term, and it has been extended to the university term.

MS DUNDAS: It was major problem for university students.

Mr MacDonald: Now I think it is much more reflective of that, and we have accepted the fact that they are part of the student population. The fare concessions do extend to them whilst they're in university term.

MS DUNDAS: You haven't made a decision, or you're not going to implement that recommendation?

Mr MacDonald: It is government policy. My understanding is that, given that we weren't making any adjustments at all to fares, at this stage we weren't going to change that particular one. When the ICRC comes out with a future report about possible fare increases, it would be reasonable to look across the whole set of sectors to see who might reasonably carry certain shares of those costs.

Mr Corbell: Ms Dundas, from a government perspective, I wasn't anticipating any change to fares and fare structure until the next ICRC determination process.

MS DUNDAS: On a different point—I guess this is again a policy question—we've had the conversation about how there is extra funding going to peak services. Will we be looking to extend services in the evenings and on weekends?

Mr Corbell: The evenings and weekends are our most problematic area, simply because of the very low patronage numbers for those services. In the last budget the government implemented, through ACTION, a trial of an alternative service provision in Weston Creek. I understand that has been generally well received by consumers in the Weston Creek area and we are considering whether or not to expand that to other parts of Canberra. What we're trying to do is get more efficient utilisation of our fleet during those times, whilst still providing a good level of service for what—it has to be admitted—are very low levels of patronage. I'll ask Mr Thurston to elaborate on that experience.

Mr Thurston: The night-time Weston Creek run has been successful. It can do with some refinements to improve it even further. We believe that has some potential to provide as good a service, or better, with a reduced cost in due course. We need to pursue that as well as doing the demand response and seeing if we can get a balance there. We will be proposing to the minister that the additional express services run later than they currently do, which is to about 5.30 pm. It has clearly come back from the community that they want express services up to at least 6.30 pm. So we'll be factoring that into the \$1.1 million.

Mr Corbell: I have to say, from a broader policy consideration level, that this is something I struggle with. There is a responsibility on the part of the government to provide a reasonable level of service for people who don't have access to a motor vehicle or other form of transport after hours and on weekends, but you have to balance that with where we are going to get the greatest increases in bus patronage and therefore the greatest reduction in private motor vehicle journeys, which is during peak times.

From a sustainability perspective, the very strong focus, as outlined in the transport plan, is on improving the levels of patronage during peak times. That is where we make the greatest difference from a sustainability perspective, and that is where a strong government focus will be. We will continue to develop more innovative ways of meeting our social justice responsibilities through a range of types of service delivery in the off-peak periods—especially after hours and at weekends.

MS DUNDAS: Was that demand-responsive transport trial in Weston Creek, or was it a different trial?

Mr Thurston: It is virtually an area service from Woden. You come off the intertown bus at Woden and there is an area bus, which will take you as close as possible to your home on a bus route. It then does a fixture of a route back into Woden.

MS DUNDAS: You said that that trial has being incredibly well received and you are looking at expanding it into other areas. Has an analysis been done of that trial? Is there a report on how it has been taken up that we could see?

Mr Thurston: We've got the patronage, obviously; we've had some focus groups and there has been very positive feedback. The focus group has identified that there are some refinements we could make which would improve it even further. That is what we're proposing in the next round of changes.

Mr Corbell: I can certainly provide the committee with patronage figures. That is the most obvious data we've got.

MS DUNDAS: Why was Weston Creek chosen for the trial?

Mr Corbell: It is a nice concise area.

Mr Thurston: Yes, and it is easy to manage.

MRS DUNNE: The service there sucks!

Mr Corbell: No, it doesn't. I live in Weston Creek. It is a pretty good service—especially the direct service along the Parkway from Weston Creek into the city.

MRS DUNNE: We don't use the Parkway enough for the buses.

THE CHAIR: It is good to see them there, but—

Mr Corbell: We do use them for some peak services.

THE CHAIR: In BP4, on page 456, the fourth dot point relates to interest. It says:

...the increase of \$0.133m in the 2003-04 estimated outcome from the original budget is due to the availability of under utilised capital funds for investment. The reduction of interest in the forward years reflects the utilisation of funds against capital programs and operational costs;

My question relates to the under-utilised capital funds for investment. Why were the relevant funds under-utilised during the current financial year?

Mr Thurston: It is a timing issue with the introduction of the 42 gas buses—and the processes we went through. There was some delay and we're now catching up.

THE CHAIR: So they'll be rolled over and utilised during this coming financial year?

Mr Thurston: Yes. We'll have 33 of the 42 buses in by September and then the last nine buses are out in the next financial year—the year after the one coming up.

MRS DUNNE: How late is the delivery of the CNG buses? They've been coming since Adam was a boy!

Mr Thurston: No. It was a procurement. There were environmental aspects we had to go through to procure the gas buses, as distinct from diesel buses. It took longer than we anticipated, with some of the planning and environmental issues, et cetera. We successfully got through that, but now the buses are coming on extremely well. They're lined up proverbially from here to Adelaide.

Mr Corbell: On the Hume Highway!

MRS DUNNE: On a truck!

MS DUNDAS: On page 456 it also indicates that \$5.7 million of the loan ACTION got of \$8 million was transferred to an equity injection for capital. Why was that done, if the capital program was being delayed anyway?

Mr Quirke: The \$5.7 million was for the IRIS buses—it wasn't for the CNG buses. Originally, in the previous budget, we had \$8 million allocated for the refinancing of the Daimler Dart buses. The \$8 million loan was transferred into a \$5.7 million capital injection for the 20 IRIS buses and there was a \$2.3 million loan left over.

MS DUNDAS: You don't have to pay any interest on that \$5.7 million capital injection, but you still have to pay off the remaining \$2.3 million capital loan?

Mr Quirke: Yes, that is right.

MS DUNDAS: Has that \$2.3 million loan been expended?

Mr Quirke: No, it will be drawn down in June and used for the CNG facility in Tuggeranong.

Mr Corbell: It is a fuelling facility for the natural gas buses.

MRS DUNNE: Is it the case that there is only one fuelling facility for the CNG buses?

Mr Thurston: The only facility with this crop of buses will be at Tuggeranong. That will fully service the 42 buses, and it will service up to 80 gas buses. The next step

would be—if we continue with gas, which we would at this stage—to put a gas facility in at Belconnen so you've got one on both sides of town.

MRS DUNNE: Would that create scheduling problems? "I'm going to run out of fuel; I've got to get back to Tuggers"?

Mr Thurston: It has a number of logistical issues. They're not problems—they can be overcome.

MRS DUNNE: I thought a Daimler Dart was a classic car.

Mr Thurston: Sorry?

MRS DUNNE: Mr Quirke was saying that we were—

Mr Thurston: Dennis Dart.

Mr Corbell: Those are the minibuses.

THE CHAIR: How many buses do we have as of now?

Mr Thurston: 361.

MS MacDONALD: Does that include the CNG buses we're about to get?

Mr Thurston: No. It includes the ones we currently have, and there are eight in the yard at Tuggeranong at the moment.

Mr Corbell: It doesn't include the other ones.

Mr Thurston: No. The other 34 are still coming.

MS DUNDAS: Referring to page 35 of the statement of intent, it talks about how the assets are being managed, and the capital injection for asset purchases. There was \$11 million for bus replacement for 2003-04, \$3.6 million for 2004-05 and \$3.6 million for 2005-06. Can I get a breakdown of how that is being spent?

Mr Thurston: I haven't got that document in front of me. What is it referring to?

MS DUNDAS: The bus replacement program and capital injection for asset purchases.

Mr Thurston: The original fleet replacement strategy was \$17.2 million over three financial years and we then got another \$5.7 million, as referred to before, for the 20 IRIS buses. That brings it up to \$23.9 million.

MS DUNDAS: So it is not necessarily a bus replacement program, it is a bus supplementation program?

Mr Thurston: If we accept that 20 buses will go offline every year and 20 need to come on, it is a replacement.

MS DUNDAS: You're expending a lot of money in 2003-04, but not as much in 2004-05 and 2005-06.

Mr Thurston: That is the way the deliveries have come. We got the bulk in this current year; we got 24 in this financial year; we'll have nine in the next financial year and nine in the following financial year.

MS DUNDAS: That was the answer I was looking for. Thank you.

Mr Thurston: Plus the 20 IRIS buses. We're taking delivery of 44 buses in this current financial year.

MS DUNDAS: The 20 IRIS buses were financed separately?

Mr Thurston: Yes—\$5.7 million.

THE CHAIR: Are there any other points in relation to ACTION?

MS DUNDAS: I'd like to thank Guy Thurston for his dedicated service to ACTION and for appearing at these estimates. It is the last time we get to play this game with him. Thank you very much, Guy.

THE CHAIR: I'd reiterate that. Thank you, Guy, for your service to the ACT and particularly to ACTION buses. I think you have made a very significant contribution. You leave the service far better than when you found it. I've always enjoyed working with you. I enjoyed the time when you'd brief us on your plans when we were in government, and in cabinet. Obviously you've provided the same sterling service to the current government. Thank you for your services to the territory.

Mr Thurston: Thank you.

Mr Corbell: I echo those comments. I'm going to miss Guy immensely in terms of his service and professionalism. Equally, I wish him well for his future travails in public transport somewhere. Thank you.

The committee adjourned at 5.59 pm.