



LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

STANDING COMMITTEE ON PLANNING AND ENVIRONMENT

(Reference: Annual and financial reports 2005-2006)

Members:

**MR M GENTLEMAN (The Chair)
MR Z SESELJA (The Deputy Chair)
MS M PORTER**

TRANSCRIPT OF EVIDENCE

CANBERRA

TUESDAY, 24 OCTOBER 2006

**Secretary to the committee:
Dr H Jaireth (Ph: 6205 0137)**

By authority of the Legislative Assembly for the Australian Capital Territory

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

APPEARANCES

ACT Land Development Agency	1
ACT Planning and Land Authority	1

The committee met at 1.28 pm.

Appearances:

Corbell, Mr Simon, Attorney-General, Minister for Police and Emergency Services and Minister for Planning

ACT Planning and Land Authority

Savery, Mr Neil, Chief Planning Executive

Ekelund, Ms Dorte, Deputy Chief Planning Executive, Planning Services

Pinkas, Ms Gina, Adviser, Minister Corbell's office

Lavis, Ms Jacqui, Director, Development Services

Meyer, Mr John, Director, Client Services.

Walsh, Mr Adrian, Manager, Corporate and Human Services

Howatson, Mr Anthony, Chief Finance Officer

ACT Land Development Agency

Skewes, Ms Anne, Chief Executive Officer

Morison, Ms Jenny, Deputy Chair

Ryan, Mr Gerry, General Manager, Corporate and Finance

THE CHAIR: Good afternoon, everyone. Welcome to this public hearing on the annual and financial reports of the Planning portfolio. This afternoon we will be hearing from the Minister for Planning and senior ACT government officials regarding the ACT Planning and Land Authority and then the ACT Land Development Agency. On behalf of the committee, I thank you in particular, minister, for making your time available this afternoon. We are all aware that last week was a taxing sitting week.

Although you are all probably familiar with the nature of this hearing, please bear with me while I read the statement of rights and responsibilities. The committee has authorised the recording, broadcasting and rebroadcasting of these proceedings in accordance with the rules contained in the resolution agreed to by the Assembly on 7 March 2002. That concerns the broadcasting of Assembly and committee proceedings.

Before the committee commences taking evidence, let me place on the record that all witnesses are protected by parliamentary privilege with respect to submissions made to the committee in evidence given before it. Parliamentary privilege means special rights and immunities attach to parliament, its members and others, necessary to the discharge of functions of the Assembly without obstruction and without fear of prosecution.

Whilst the committee prefers to hear all evidence in public, if the committee accedes to such a request, the committee will take evidence in camera and record that evidence. Should the committee take evidence in this manner, I remind the committee and those present that it is within the power of the committee at a later date to publish or present all or part of that evidence to the Assembly. I should add that any decision regarding publication of in camera evidence or confidential submissions will not be taken by the committee without prior reference to the person whose evidence the committee may consider publishing.

I remind each witness that, as you respond to a question or make a statement, you should

state your name and the capacity in which you are appearing. In relation to questions taken on notice, please note that it is the responsibility of each witness, in consultation with the departmental liaison officer, to check the transcript and respond to the questions. Responses to questions taken on notice are required within five full working days, and the transcript will be emailed to the minister and departmental contact officer as soon as possible.

These proceedings are being broadcast to government offices, and the media may be recording or filming the proceedings, as you have seen. The Assembly now also provides webstreaming access to public proceedings. Would all witnesses please ensure that all mobile phones are turned off or in silent mode. I remind you that they are not to be used in the committee room. Finally, we will be breaking for afternoon tea at 3.00 pm. Minister, would you like to make an opening statement?

Mr Corbell: Good afternoon, Mr Chair and committee members. Thank you for the opportunity to be here today. I do not intend to make an opening statement but I and officials of the ACT Planning and Land Authority are very happy to answer your questions in relation to the annual report.

THE CHAIR: Thank you, minister.

MR SESELJA: Minister, page 29 of the annual report refers to the proposed Civic to Belconnen busway. I want to ask a few questions about that, if I might. Firstly, I have asked questions previously—I think the most recent was a question on notice in December last year—about the total costs to date of preparing for the busway, or doing the analysis. Are you able to give us an update as to where the costs are at, at the moment, how much has been expended? I think that, when we last asked, about half of the \$6 million or so had been expended. Are you able to give us an update on that?

Mr Corbell: I will take some further advice, Mr Seselja, but, whilst that is coming, my recollection is that for this financial year an appropriation of \$1.5 million was made for the completion of the planning work associated with the Belconnen to city transitway. That was a reduction of \$1.5 million from what was projected in previous budgets, so the government did reduce the scope of that project in this year's budget to contain it to the planning work. That work is ongoing. The preliminary assessment is currently being progressed by the ACT Planning and Land Authority and that will be finalised later this year.

MR SESELJA: This calendar or financial year?

Mr Corbell: This calendar year is my understanding. To date, approximately \$3.5 million over the past couple of years has been expended on the project.

MR SESELJA: So, with the reduction, there would still be another potential \$1 million; is that right? Are we down to \$4.5 million now from an initial \$6 million?

Mr Corbell: Total expenditure will be approximately \$4.5 million.

MR SESELJA: The final report on route selection, which was prepared or finalised in, I think, November 2005, refers on page v to a cost-benefit analysis. It says, "A cost-

benefit analysis is under way by others and will guide future decisions as to the detail of the busway project.” I have not seen the results of the cost-benefit analysis, so forgive me if it has been published, but I understand that a contract was signed with Consultecon for \$94,930 and that expired on 30 March this year. Has that been completed? If so, has that cost-benefit analysis been made public, or has it been presented to you, minister?

Mr Corbell: I will ask Ms Ekelund to answer your question.

Ms Ekelund: Dorte Ekelund, Deputy Chief Planning Executive. A detailed cost-benefit analysis has not been undertaken as yet. That would be the next stage post the work that is currently programmed. The detailed cost-benefit analysis and the detailed design have been removed from the original budget allocation, so the reduction in the budget allocation down to \$4.5 million excludes the detailed cost-benefit analysis and the detailed design.

MR SESELJA: Okay. So what came out of that \$95,000 contract with Consultecon?

Ms Ekelund: I think I would have to take that on notice.

MR SESELJA: It is listed on the contracts register as for a cost-benefit analysis for the Belconnen to Civic busway. It is for \$95,000 but it is not listed in the reportable contracts over \$20,000, so I am just trying to get a feel for what occurred with that. Was that contract completed?

Ms Ekelund: I am going to have to take it on notice.

Mr Corbell: We will take that on notice, Mr Seselja. I am happy to provide further information to you.

MR SESELJA: My concern is that we have a contract that finished in March and no cost-benefit analysis to speak of, when it seems that \$95,000 was expended for that specific purpose. I am just wondering what the delay is.

Mr Corbell: Mr Seselja, as I say, we just do not have that information to hand, but I am happy to take it on notice and provide it to you.

THE CHAIR: Thanks, minister. Ms Porter has a supplementary question.

MS PORTER: Yes, with regard to the existing bus interchange at Belconnen. I am just wondering, minister, whether you could inform the committee as to the current status of the other work that will go on to replace that interchange.

Mr Corbell: The government is very keen to see the redevelopment of the Belconnen bus interchange. The existing bus interchange is very old and tired, unsafe in some respects, and certainly not providing the type of amenity we would like to see for public transport users. Right now, the status of that project is that the government is in detailed negotiations with the owners of the Belconnen Mall to create a new bus interchange which would be integrated with the retail facilities at Westfield Belconnen. That would involve relocating the bus interchange from its existing location to a location on the south-western side of Belconnen Mall, adjacent to Lathlain Street.

Those negotiations are at an advanced stage and are subject to a very detailed agreement which is being finalised between the ACT Land Development Agency and Westfield Belconnen. Once that has occurred and been completed, I will be in a position to announce the details of that agreement and what it means for the new bus interchange arrangements. That work has been supported by ACTPLA through very detailed planning work on how the extension of Cohen Street through to Lathlain Street will be finalised, and also in terms of the overall development envelope for the mall as part of the bus interchange relocation. I am very confident that in the coming months we will have final agreement with Westfield and we will be in a position to outline to the community the details of the redevelopment project, which will be a very significant one for public transport users.

THE CHAIR: Minister, if I could come back to some overarching areas. Page 9 of the report, in the overview section, states that substantial progress has been made towards implementing key initiatives of the Canberra spatial plan and the sustainable transport plan for the ACT. Can you expand on what has been achieved in that area?

Mr Corbell: A range of things have been achieved in the 12 months that this annual report covers. In terms of the spatial plan, the most significant is the very advanced work that has been undertaken to prepare the Molonglo Valley for potential future urban development. As committee members would know, the Molonglo Valley was identified in the spatial plan as a new urban development front for the city. Since being identified in that strategic planning document, a range of very detailed planning work has occurred to better inform our decision making around the potential development of that site.

For example, a detailed environmental assessment has occurred. A detailed land use suitability assessment has occurred. In the most recent budget, funding was provided for detailed investigations into transport, and road connections in particular. We have also done a range of other detailed assessments to inform a variation to the territory plan and an amendment to the national capital plan. We do have the in-principle agreement of the National Capital Authority to proceed to an amendment to the national capital plan and a subsequent or concurrent variation to the territory plan. I anticipate that the NCA, either later this year or early next year, will be releasing an amendment to the national capital plan that will provide for future urban development of parts of the Molonglo Valley.

That is probably the most significant piece of work that has happened in terms of the implementation of the Canberra spatial plan. In addition to that, detailed planning work has commenced on the Eastlake area, which is the area between Kingston Foreshore and Fyshwick and is the area adjacent to, but not including, the Jerrabomberra Wetlands. The work there has sought to resolve some conflicting land uses. For example, there are very large areas of land still set aside for railway reservation in that area and it is, quite frankly, land which is no longer used or anticipated to be needed. So some rationalisation of that land use is being evaluated. There are also issues with the relocation of the electrical substation adjacent to Kingston Foreshore and detailed work has occurred on where that electrical substation may be relocated, how long it would take to do that and those sorts of issues. Those are, I guess, two very significant elements of the spatial plan implementation.

Perhaps the other thing worth mentioning is the regional approach we are attempting to

adopt. The spatial plan said very clearly that we need to create a more compact urban footprint. We cannot, for sustainability reasons, for energy use associated with transport and so on, allow our city to sprawl out into a whole range of directions beyond our borders, and so we have sought through intergovernmental arrangements, we have sought through the recent Queanbeyan local government area planning investigation, to assert the need for a contained metropolitan area and to argue that development should happen closer to the city centre, rather than sprawling out around it. So we have been successful to a degree in that, but we will continue to argue the need for that type of policy.

Just very quickly on the sustainable transport side of things, we have talked about the Belconnen to city transitway. That is a very important piece of work which will provide us with the dedicated corridor and the planning issues resolved for that transit link between Belconnen and the city. Let's remember that the corridor is the single busiest public transport corridor in the city at the moment. It carries the largest number of journeys of any type of public transport corridor in the city, so its upgrade is very important. At the same time, we have upgraded the first stage of a similar transitway between Gungahlin and the city. That is along Flemington Road and that is now being utilised by ACTION buses.

In addition, we continue to focus on improving bicycle infrastructure. The planning authority has recently gone out to consultation and is finalising new bicycle parking guidelines for new commercial office buildings in the city so that we have sufficient shower/change facilities and secure parking facilities for bicycling. Finally, and perhaps most significantly, we are about to embark or have just embarked on a major travel behaviour change program in the northern part of the city, mostly in Belconnen, which is involving tens of thousands of households in informing them about their transport choices and encouraging them to change some of their transport choices towards more sustainable transport behaviour, whether that is using public transport for some journeys, cycling or walking for some journeys, and this is a major program funded both by the ACT government and by the commonwealth government. We are very hopeful of seeing some really significant improvements. In fact, 11,000 households in north Canberra will be involved in that program. That is a bit of a snapshot, Mr Gentleman, of some of the things we are doing to implement the measures that we have set targets for through both the sustainable transport plan and the spatial plan overall.

THE CHAIR: You mentioned there in regard to the spatial plan the new area of Molonglo. How many residents do you think you will be able to cater to in that area?

Mr Corbell: Approximately 40,000. Somewhere between 40,000 and 55,000 householders or residents could be accommodated in the Molonglo Valley. That is contingent on more detailed planning work. Certainly, I am advised that in the eastern part of the Molonglo Valley, which is the area closest to Weston Creek, and that area coming under Coppins Crossing, in the area of about 44,000 residents or about 20,000 dwellings.

DR FOSKEY: Thank you very much for allowing me to ask questions. I will just follow up a couple of things. I probably will not have many opportunities to ask questions. I was wondering if there are any reasons, apart from resource constraints, as to why the Planning and Land Council was discontinued.

Mr Corbell: No, regrettably; it was entirely a budget decision by the government.

DR FOSKEY: How much will it save?

Mr Corbell: I am advised approximately half a million dollars.

DR FOSKEY: Over what period of time?

Mr Corbell: Per annum.

DR FOSKEY: Per annum? Goodness.

MR SESELJA: It sounds like an expensive council.

DR FOSKEY: It does, doesn't it? They must have had a lot of holidays away.

THE CHAIR: It might be better if we just continue with the questions.

Mr Corbell: Perhaps I could clarify that. That includes the administrative costs associated with its operation, the support staff to the council, as well as the payment to council members—they were remunerated positions—plus their travel and accommodation costs if they came from interstate.

DR FOSKEY: In its absence there is the loss of third party appeal rights in commercial areas. I also note that the new planning reform legislation will remove appeal rights from—unless it changes from the draft—anyone except people with a material interest. I am interested in community engagement and how members of the public or anyone without a material interest, which may include people with heritage interests, architectural interests, environmentalists or whatever, will influence planning decisions.

Mr Corbell: It depends what sorts of planning decisions you are talking about. If you are talking about policy decisions and about how policy is developed, there is a very clear and very important role for all sorts of interests in our community to be involved and to give their input into what the rules should be for planning and development assessment in Canberra. The most important thing to emphasise in the development of public input in the new planning system is the focus on the fact that development assessment will be made under the proposed legislation according to codes—merit, impact and so on. Those codes will be planning policy, which will be embedded in the territory plan. There should be—and I am determined to ensure there will be—opportunities for strong public comment on the detail of those codes, basically in terms of setting the rules. This is the philosophy the government is trying to bring to our planning system. The role for very broad scale, genuine public interest is in the setting of the rules for planning and development in our city.

Once the rules are set, once that public input has been given and once the decisions have been made, the application of those rules and the opportunities for review of decisions consistent with those rules is necessarily more limited. It is limited to those people who are directly and materially affected by those decisions. It is not an opportunity to come in and revisit the policy. It is not an opportunity to come back and use individual

development assessments to argue the toss on what the policy decision has been. There are other avenues for doing that.

The approach we are adopting is broad public comment up front, in terms of setting the rules, and then, once the rules are set, making sure that those people who are directly impacted by a particular development decision are able to have their interests protected through a review mechanism. That is essentially the approach we are trying to adopt.

To answer your question more directly, the public will be involved in the setting of codes, which are part of the territory plan and the normal consultation processes that are involved in varying or amending the territory plan. There are also opportunities for the public to comment on particular development proposals through the existing informal consultation networks that have been fostered, for example, by ACTPLA with community councils, with individual residents groups and so on. There is also the opportunity, where an individual development application is publicly notified, for people to make comments through that process.

DR FOSKEY: I note that on page 17, under “Outlook”, one of the projects that has been progressed, or is to be completed in this current year, includes the character guidelines for inner north and south Canberra. They are all interesting but I would like to know a little bit more about that in particular. Perhaps you could unpack the meaning of “character guidelines”, whether earlier neighbourhood planning efforts—consultations—were included in this and also whether there has been any consultation in the current round of progressing or completing this project.

Mr Corbell: The character guidelines are a result of a direction I gave the planning authority a little while ago, which regrettably was delayed but is now under way. The character guidelines work is in response to the issues that were raised as part of the neighbourhood planning process and the application of the A10 areas in a number of suburbs, particularly in the inner north and inner south.

The direction I gave the planning authority was that there should be a set of character guidelines that identified the specific characteristics of certain suburbs that would be used in guiding the development assessment decisions for the A10 areas in established suburbs, particularly in the inner north and inner south. The ACT Planning and Land Authority has not yet conducted public consultation on those character guidelines. I currently have a submission before me which will allow me to decide whether or not I am satisfied with the scope of their proposal.

Once I have signed off on that, the ACT Planning and Land Authority will commence a consultation process on character guidelines in those suburbs. I stand corrected. The submission I have before me is on a different matter, but the character guidelines work is progressing. I will ask Mr Savery to give a bit more detail on that.

Mr Savery: The character guidelines are in development at the moment so that we can have a discussion paper, or a similar type of document, available to go to the public for the purposes of public consultation. We would anticipate that that document will be available for the minister’s consideration prior to Christmas. Then it will be a case of making a judgment about the appropriateness of when we go to the public, given that it will be around Christmas. We try to avoid consultation during that period.

MR SESELJA: What is the projected cost of developing those, in full-time equivalent staff and in total numbers?

Mr Savery: We have engaged a consultant to assist us, which is a \$30,000 contract. In terms of staff time, we have a couple of staff working on it—not full time. It may cost in the order of \$50,000 if you take all those costs into account.

MS PORTER: My question goes back to the community engagement question. You mentioned, minister, the community councils. I get some feedback from members of the community. I can only speak about the area in which I am a member, which is Belconnen. People do not necessarily believe that community councils widely represent the community; they report small numbers of people that continually come, but that the engagement is not great and they are not necessarily well attended. On page 44, where it talks about community engagement, it says that the authority provides financial support to the councils to ensure that information about significant planning matters is provided to the councils and that councils have opportunity to engage with the authority et cetera. Obviously there is an emphasis placed there on those community councils and the way they engage with ACTPLA.

I was wondering whether or you not felt any sense of concern, or if there is any concern at all, about the numbers of people who may or may not become involved in that process. If there is any concern, what other plans might you have to help them re-engage people or to find another way.

Mr Corbell: The community councils are just one way that the authority and the government seek to get feedback from the community on planning issues. It is not the only way. It is not an exclusive way of doing it. It is just one of the many non-statutory mechanisms that ACTPLA employs.

ACTPLA runs non-statutory consultation processes through a variety of mechanisms to try and get community feedback. For example, when work was occurring on a local area plan for Downer, ACTPLA worked through the Downer community association. That was a more specific residents group for a particular suburb, whereas community councils tend to cover a town centre or a district-type area. They also conducted something directly with residents. They sent information out to letterboxes and so on, directly. They hold shopping centre stalls, information stalls at shops—those sorts of mechanisms are all used by ACTPLA.

I know that community councils are not representative to the same degree that perhaps other fora are but they are nevertheless a valuable forum that we try to engage with. We have entered into arrangements where we provide some level of financial support to allow them to get information out. That is not the only mechanism. The authority uses a broad range of mechanisms, both statutory and non-statutory, and I think that is the way it should be. There will always be comments, I think, that certain fora are not representative. The same accusation was made of LAPACs when we had LAPACs. As is invariably the case with any sort of community forum, you tend to get the diehard regulars and often not many others. But some councils do it better than others in terms of providing a forum for people to hear about particular issues they are interested in and to have their say. It just depends.

I know, for example, the Weston Creek Community Council are very good at getting information out to local residents. They letterbox their whole area on a regular basis. If they have a big meeting coming up on an important issue that they know is of interest, or which they think will be of interest, they go and letterbox the entire area. They certainly did that with the planning and development bill. They letterboxed every house in Weston Creek and said, "We are going to have ACTPLA coming along. It is about the new planning system. If you are interested in this, come along. You can hear about it and you can have your say about it, or you can find out how you can get more involved." They did not get a strong response, unfortunately, but it shows that we are giving community councils that ability to get out to the communities. I think other community councils could learn a lot from the way Weston Creek do their work, but it is up to each individual community council.

MR SESELJA: On page 99 of the annual report, the actual employee expenses were \$20.818 million. In this year's budget, the estimated outcome for last financial year was in the vicinity of \$19.5 million. That seems a pretty big disparity between what was estimated to be the outcome in June, when the budget was presented, and the actual outcome. What is the reason for that disparity of over \$1 million?

Mr Corbell: I will ask Mr Howatson to answer your question.

Mr Howatson: I might have to take that particular question on notice.

MR SESELJA: Was there an influx of staff—Mr Savery might be able to answer that—in the latter part of the year, in an unexpected fashion?

Mr Savery: No, not that I am immediately aware of. There was not an influx of staff. Typically, during the course of a year we will carry somewhere between 12 and 15 vacancies. We are obviously always keen to fill those. It may be that towards the end of the year we were successful in filling a number of those positions. I think that, in order to give you an accurate answer, we would need to take that on notice.

THE CHAIR: While we are on employees, could I bring you back to page 60, workplace health and safety. It shows there a reduction of the premium rate for workers compensation. How specifically has ACTPLA been able to make those reductions?

Mr Savery: Perhaps I can answer initially, but I would also invite Mr Adrian Walsh to respond to this. We have had a very proactive program within the ACT Planning and Land Authority promoting the need for everyone to be alert to occupational health and safety issues, both at the workplace and when they are off site, bearing in mind that a number of our employees work off site, inspecting building sites. That can often be where incidents occur.

That has been done in conjunction with a union consultative committee, which is required under the certified agreement and our enterprise agreement. That has been a very useful forum for us to work with staff and the unions to identify areas of potential risk. We also make it a very strong part of our induction program to educate new employees about the workplace. As a result of all of those initiatives, I think that has resulted in a reduction in our premiums. Mr Walsh wants to expand on that.

Mr Walsh: To add simply to what Neil said, basically we address both prevention and cure—prevention in the sense of actively seeking to prevent workplace injury. It can be simple intervention, just walking around and saying to people sitting casually in chairs, “Sit up straight”—those sorts of very simple things, actively working with managers to encourage people to take leave, to make sure that they don’t accrue lots of flex time but get to use it. We try to actively look for an ongoing work-life balance, I guess.

The other side, importantly, is that when a problem emerges we look to very early intervention, active case management, making sure that people don’t lose touch with the workplace, so we get them back into the workplace and they remain in touch with the workplace on an active basis. All the research says that if you can do that you have a much greater chance of not losing touch with people and therefore driving up the compensation claims. They are fairly simple things, and I guess we wouldn’t want to take too much credit. I think there is a general trend across the ACT service to reducing rates, but we have been successful in keeping ours down, so we are pleased about that.

THE CHAIR: Good. Ms Porter, do you have a supplementary to this?

MS PORTER: Yes. Mr Savery mentioned the numbers of vacancies at any given time. I was momentarily distracted by the vision of someone going around and saying, “Sit up straight.” It reminded me of school. I was looking at page 55 where it talks about the authority liaising with higher education sectors to identify specific programs from which trainees or graduates may be attracted. Is one of the reasons for the vacancies the skill shortage that we are all aware occurs in some disciplines in the ACT? And, if that is the case, what kinds of negotiations are you having with the University of Canberra? Is it down to the degree where you are developing actual partnerships to assist in getting some particular skill sets through for what you need?

Mr Savery: It is a combination of those things. I wouldn’t put the vacancies down only to skill shortages, and we wouldn’t be the only government department that carries vacancies. In fact, part of our budget is premised on having a certain number of vacancies in any one year in order to meet our bottom line, so we would anticipate that there would be, on average, somewhere between six to 10 vacancies—roughly—in order to meet our budget bottom line.

We have discussed this on previous occasions. The Planning Institute of Australia’s inquiry into planning education highlighted the fact that there are ongoing issues in the planning fraternity in being able to attract people into undergraduate courses, to participate in the planning profession, and to retain people who have entered the planning profession and stop them going into other areas. It turns out that planning has some wider applications and we’re noticing at the moment with the skills shortage in the commonwealth that departments like defence are targeting planners to come in because of their sort of holistic approach to issues, which appeals to the Department of Defence. So we are in constant competition with other agencies who see planning as providing a type of skill set that would be of use to them. But, as I say, we are having difficulty attracting people into the profession in the first place.

In terms of our partnerships, we certainly are looking to foster and develop our relationships, particularly with the University of Canberra, because it has its architecture

and design course. Despite the fact that that does not include an undergraduate planning degree, it nonetheless is a potential source of employees for us. We employ a number of landscape architects and other paraprofessionals who could, potentially, emanate from the University of Canberra, including engineering graduates from the ANU and University of Canberra.

Our program of partnerships is also broadening to include, for instance, the CSIRO. At the moment we're actively engaged in advising the minister in relation to the sustainable communities partnership, which, in many respects, is about supplementing our skill sets with their skill sets and working up a project in partnership, as opposed to us having those people employed within the agency on a permanent basis. They are likewise looking for our type of skill sets which they do not have readily available within their organisation through planning and engineering disciplines, but also the practicality of on-the-ground application of some of the ideas that they are currently developing.

We've also talked in the past about the one planet living program. We have tried to develop a partnership with that organisation. That hasn't been successful to date, but that doesn't mean that the ideas and the philosophies that they practise aren't constantly being picked up and developed by us. I think the minister has previously reported, or responded to questions on notice, about postgraduate programs with the University of Canberra, which, to date, haven't been successful, largely because the university itself has determined that it is unlikely to get support from the commonwealth for such a program, but they have not abandoned that idea. We, along with the Planning Institute of Australia and the Royal Australian Institute of Architects, have offered letters of support to the university in its endeavours to achieve that particular aim.

We also regularly engage with secondary schools and tertiary institutions outside of this jurisdiction, as well as within, to provide careers information for undergraduate people. We are also keen to re-engage in our undergraduate program of out-placement during their outyears, during their courses, where at least one or two undergraduates might be able to work with the organisation for 12 months to gain an insight into the workings of a planning organisation.

THE CHAIR: Thank you. Minister, I refer to page 11 and the statement of planning intent that was issued, I think, in December 2003, nearly three years ago. When do you expect to issue a new statement of planning intent?

Mr Corbell: There is no set time, Mr Gentleman, for issuing a statement of planning intent. It's an option open to the minister where the minister feels that there is a need to give direction, or new direction, on what the policy priorities should be for the planning authority. It is the mechanism in the Planning and Land Act that allows the minister to give some policy direction to the ACT Planning and Land Authority.

To date, the issues I outlined in my statement of planning intent in 2003 remain quite relevant, and you can see them under the dot points on page 11. To a large degree those remain the key priorities, particularly around governance and legislative reform; obviously we are well into a program of achieving that. Issues around spatial planning and sustainable development are very relevant to the work we are doing with Molonglo, the city centre, transport and so on. So they do, to a large degree, remain relevant, but I wouldn't rule out issuing a new statement of planning intent at some point between now

and the end of the government's term. It would just depend on whether there are new directions that I feel should be given priority by the authority or whether we need to update the existing statement. For the moment, at least, I am satisfied with the general content of that.

MR SESELJA: Picking up on the statement of planning intent and the first two dot points, governance and legislative reform and professional leadership and capacity: you are going to be losing one of your senior staff, Ms Ekelund, soon, who I am sure will be missed. We congratulate Ms Ekelund on her promotion. What is the succession planning in terms of that and do you expect to lose any of your other senior executives in the coming financial year?

Mr Corbell: I don't want to see any other of my senior executives leave in the coming financial year, Mr Seselja. Yes, you are right: Ms Ekelund's departure is a real blow to us. She has been a very important contributor to planning policy and leadership of the planning authority and its predecessors for a good number of years. She's one of our longest-serving, most senior officials and I will miss her advice and leadership, as I know the rest of the authority will. But she has a great opportunity ahead of her in Western Australia and she is to be congratulated on that. It's a tremendous opportunity. I think it will make her one of the most senior women in the planning profession in the country, and that is a real feather in her cap. I certainly wish her well, even though I am going to miss her and her advice.

The authority will go through a process to recruit to Ms Ekelund's position when she leaves and I hope that we get a strong level of interest. It is a senior position and I would hope and expect that we will get a good level of interest, because the work we are doing in Canberra, whilst we are a small jurisdiction, is quite progressive in a whole range of areas. Even with the issues that the government has encountered recently around its finances, the policy work is very challenging and very contemporary in its focus, and I hope we will get a good range of people applying. I don't anticipate losing any other senior executives—I don't want to—and we'll certainly work hard to keep the people we have got.

THE CHAIR: Minister, you touched on future directions a moment ago, when you were talking about the statement of planning intent. Page 27 talks about the restructure of the territory plan. When will the detail of the new plan be released for public consultation and will this be in time for the commencement of the new legislation next year?

Mr Corbell: The structure of the new territory plan has already been released, Mr Gentleman. When the draft bill was released, we also released an outline of what the structure would be. Between February and April next year we are aiming to provide further detail and allow people to make public input, public comment, on that proposed new structure, and then we hope that the new territory plan will be in place for the commencement of the next financial year.

DR FOSKEY: Going back to community engagement, I was wondering whether you could give me a bit of an outline on how often the planning and development forum meets, how ACTPLA interacts with it and how much input it has. I note that it is made up of representatives of all the town councils and some key stakeholders from the community sector, such as ACTCOSS, the conservation council, the housing industry

and the master builders association. It is a very diverse group that probably never entirely agrees on a number of things, so how do you work out what you have been advised by that forum?

Mr Corbell: I do not think we expect the planning and development forum necessarily to have a unanimous view on any issue because of its very diverse membership, but it is an opportunity to bring all of those different interests together in the one room so that access to them is easy from the ACT Planning and Land Authority's perspective, but also it helps inform debate if community organisations, residents organisations, hear the perspectives of industry organisations or professional bodies such as PIA, the architects and so on, and vice versa. So it is a real opportunity for dialogue and exchange of perspectives amongst those groups as much as it is an opportunity to hear their different perspectives on policy issues. Mr Savery can outline in a bit more detail how it operates. It is a large group, but it meets on a regular basis and it does prove very valuable in terms of getting information out and getting information back in.

Mr Savery: The planning and development forum meets every six weeks and we schedule those meetings on an annual basis to give members an opportunity to put them in their diaries. We have also used that forum to elicit responses to our consultation methodology for particular exercises. I think probably the most beneficial to date has been the planning system reform project whereby, throughout this year, we have routinely used that forum to outline how we intend to undertake the next stage of consultation as well as provide them with some information about the types of things that are contentious to the community so that we can get a feel, or a sense, from those different groups as to what their views on those particular matters would be, over and above the fact that, of course, they have reserved the right to make their own submissions throughout that project.

We have also used it as an opportunity to present some of our more important strategic projects, policy projects, car parking strategies, the character guideline work and the evaluation of the garden city provisions. All of those key policy documents have been presented at various stages to the forum. As the minister said, it is not to obtain a consensus position, but actually to enable each of the stakeholders to express views on the work that we are doing and the particular interests that they have so as to enable the other stakeholders, some of whom have diametrically opposed positions, to have a different forum in which they can understand those issues, if not actually have a conversation around them. That then proves useful to us because we are obviously better able to understand where the main sources of any contention are going to be so that we can seek to address those, either through the content of the policy or through the way in which we undertake the subsequent consultation.

My view, based on the feedback I have had from all the different interests, is that they find the planning and development forum extremely beneficial, but they, as you noted earlier, do not purport that forum to be the be-all and end-all of the consultation with the broader community. I think for us, though, it is an opportunity or it is an ability to get some of the peak interest groups together in a room, whereas it would be impossible for us, for instance, on a regular basis to have all the residents associations of Canberra in a room together with all the other interests that we have to take into account. So for that reason we use the planning and development forum as a peak body but recognise that there are much broader interests that we have to engage with outside of that forum.

DR FOSKEY: Are the members of that forum able to go back and discuss with their various organisations the issues raised, or is there a degree of confidentiality about the discussions in the forum?

Mr Savery: It depends on the subject matter. We have actively encouraged them to be the conduit back into their groups. So the minister, when he set up the planning and development forum, did so on the basis that it would deliberately provide an opportunity for people to go back to their membership and have conversations around particular issues, but there have been a couple of occasions where we have taken the planning and development forum into our confidence on the basis that they would not share that information.

The best example of that is the planning and development bill, where there were a couple of occasions along the way where we could only talk to them on the basis that they would not go back to their membership, but it was also recognised, because there were milestones along the way, that, when that particular piece of work became a public document, we would accept that when they went back to their membership they may have a different view to the one that they expressed in the planning and development forum; in other words, we would not bind them to any of the comments that they were expressing. We were using them, if you like, as a litmus test while we were developing material that had not been to cabinet. I have to say that the way in which they honoured that confidentiality was to be applauded, because they did not breach that confidentiality.

DR FOSKEY: That would be difficult, I would think, for some of them.

Mr Savery: Yes.

DR FOSKEY: I want to move on to low-income housing, as you probably would have expected. On page 51, under the ACT women's plan, you have included as a category responsive housing. First of all, I note that you are part of the Chief Minister's task force.

Mr Savery: IDC, yes.

DR FOSKEY: I do not know if I am allowed to ask you how that is going, but I am interested. The second dot point talks about identifying sites for dwellings, including social and community housing, for release to facilitate the entry of moderate-income earners into the housing market. The first question is: what are you doing about low-income housing? Secondly, the last sentence of that dot point says that the sites meet criteria relating to public transport, schools and shopping. How are the proposed closures and amalgamations of the 2020 strategy going to impact on your capacity to deliver in this case, given that it is one of your key considerations, apparently?

Mr Corbell: Sorry, what do you mean by that, Dr Foskey?

DR FOSKEY: The last sentence mentions schools as one of the criteria, and in some areas schools will be closing, one assumes, if any or all of the plans on the list eventuate. This is one of your criteria?

Mr Corbell: I think I understand what you are asking.

DR FOSKEY: That's good. I am giving you a lot of scope, Minister Corbell.

Mr Corbell: You are, as you usually do, Dr Foskey.

DR FOSKEY: Make the most of it.

Mr Corbell: In relation to schools and the identification of sites, the identification of sites for affordable housing for moderate-income earners, for example, tends to be, by its nature, focused primarily on greenfields releases. There is not much vacant land available in established suburbs. There is some and, where appropriate, that is assessed to determine its viability or suitability for moderate-income housing. But, as a rule, the sorts of issues that we are looking at here tend to relate to greenfields releases, new suburbs, where obviously closure of schools is not an issue. If anything, it is the reverse.

Capacity in new suburbs for schooling is far greater than in established suburbs. Indeed, Gungahlin is the only district in Canberra that is anticipating an increase in its school age population over the next 10 to 15 years, for obvious reasons. So the work that is being undertaken is to focus on where sites are available for moderate housing and moderate-income housing opportunities. You would probably recall that the ACT Land Development Agency in the last month advertised an expressions of interest process for developers to develop two sites, one in Franklin and one in Dunlop, both greenfields areas, for moderate-income housing projects, and there has been a strong response from industry to those.

The other part of your question was in relation to what we are doing for low-income earners. Obviously, facilitating the ability of moderate-income earners to get into home ownership increases the opportunity for low-income earners to get opportunities in either the private rental market or public housing options, because we are helping to relieve that pressure. That is the first thing to note. The second thing to note is that the role of the planning authority in terms of low-income housing is basically to facilitate opportunities for Housing ACT to have adequate sites in new suburbs for their housing stock or for community housing providers to have sites for their housing stock. In the past year alone, the government has facilitated additional sites for Community Housing Canberra in Gungahlin. I have recently also met with Community Housing Canberra and have indicated my support for a proposal from them to have a rolling program of sites made available to them through the ACT Land Development Agency for further affordable housing for low-income earners in new estates in Gungahlin and elsewhere as those estates come on line. Those are some of the things that both the LDA and ACTPLA are focusing on in that area.

MR SESELJA: Minister, going back to the territory plan, I want to take you to some comments you made in the Assembly in 2003 in response to this committee's report on DV175. Amongst other things, you said:

For similar reasons, the government also does not agree with the Committee's Recommendation 10 relating to west Fyshwick. Amongst other things, this recommendation would allow bulky goods retailing along Canberra Avenue, with the potential to significantly impact on the retail hierarchy in the nearby established areas of Kingston and Manuka and other sites in Fyshwick precinct "b" areas. The potential for several bulky goods retail outlets to congregate in this location also has

strategic planning implications.

Given those comments, is it your contention that there isn't, under the current interpretation of the territory plan, the potential for several bulky goods retail outlets to congregate in west Fyshwick, in precinct "b"?

Mr Corbell: Mr Seselja, I would have to check the record to look at my comments in the context in which they were made before I sought to answer that question. I just don't have those comments to hand and I would like to go back and look at them before I answer that question.

MR SESELJA: Okay. Putting aside the comments, is it the authority's interpretation that there is a restriction on the types of bulky goods retailers and other retailers or the numbers that could be, say, in west Fyshwick, in precinct "b"?

Mr Corbell: I am advised by Mr Savery that he would need to look at the detail of the plan before being in a position to answer that question. You are asking for the authority's interpretation. I think they would need to go back and look at the detail of the land use policy and the areas you are referring to before venturing an opinion.

MR SESELJA: I would have thought precinct "b" has been pretty well thought through in recent times, in terms of what is and what is not allowed. One of the things you said there was that you would not want bulky goods retailing along Canberra Avenue. That is what we are going to be getting, is it not? We will be getting bulky goods on Canberra Avenue.

Mr Corbell: Again, I have answered your question in relation to my comments. I do not know whether you are taking my comments in context or not. I need to go back and check the record before I am in a position to answer that question. In relation to the interpretation of the territory plan, Mr Savery advises me that he would need to take advice on the detail of the land use policy and the areas you are referring to before an opinion could be ventured on that.

THE CHAIR: As chair, I think we need to be careful, too, in regard to this issue. I understand there is a court case occurring. I am not sure whether it has begun, but we need to be a little bit careful as to whether we infringe on a sub judice—

MR SESELJA: Are we to never discuss the territory plan again as long as there are court actions?

THE CHAIR: No, only in relation to the—

Mr Corbell: I think it is in relation to this particular site, Mr Seselja. As you are well aware, a competitor to the lessee of the site at Fyshwick has, as of Friday, sought relief, or sought to challenge, I should say, the interpretation of the planning authority in relation to that site in the Supreme Court and in the AAT. Clearly, these are matters which we need to be circumspect about.

MR SESELJA: Surely whether there is a court action is not relevant in looking at the territory plan. There could be court action at any given time.

Mr Corbell: The court action is precisely around the interpretation of the territory plan in relation to that site.

MR SESELJA: Does that mean that for the duration of the court action we will have no public discussion on the interpretation of the territory plan in relation to precinct “b” officially?

Mr Corbell: I will endeavour to answer all questions on this issue as forthrightly as I can, but I will have regard for the fact that this matter is before the court at this time. Obviously, as with any matter where the territory is facing a challenge in court, we need to be somewhat circumspect about what information or opinions are ventured outside of the process the court is involved in.

MS PORTER: I want to ask a question about a couple of reviews that are going on, or that I presume are still going on—one is into A10. That is to the application of it, not the concept. I was wondering where that is up to, and also the Unit Titles Act.

Mr Corbell: Thanks, Ms Porter. You have given me the opportunity to further clarify some of my earlier comments. Dr Foskey asked me about the character guidelines. In my initial answer to that I was thinking of a submission I have before me, which is, in fact, the submission on the review of the A10.

DR FOSKEY: Is that the garden city variation?

Mr Corbell: The garden city evaluation. I have that before me currently. That will go out to a public process once I have considered that submission. That work is well in hand. Once I have considered that submission I will be in a position to proceed to the next stage, which will involve public comment on the garden city provisions.

In relation to the Unit Titles Act, this is an area of real concern for an increasing number of people in the city who are being adversely affected by decisions by management committees of bodies corporate. I am keen to see a fair process for dispute resolution for people caught up in body corporate disputes that still provides good levels of consumer protection and also a workable arrangement for bodies corporate.

That work is well advanced. There has been consultation, or a call for submissions, to date, on issues that affect people caught up in the operation of the Unit Titles Act. The next stage will be the release of an issues paper which seeks to summarise and consolidate all of those comments. It then asks people to comment on that itself. It also proposes some potential future directions in terms of the review of the legislation. So the next stage is for public comment on those future directions as a result of the issues that have been raised to date. That will be going out some time this month or early next month, I understand.

Mr Savery: That is right—both of them.

MS PORTER: And the time frame for that, once it goes out, did you say?

Mr Corbell: I am advised that the consultation process on the Unit Titles Act will close

before Christmas. It will then come back to government—to me—in the new year. The government will then make some decisions on how it wants to proceed in terms of a new piece of legislation. There will be some opportunities for subsequent comment on that once legislation is progressed.

THE CHAIR: While we are on reviews, can you give us an update on where the concessional lease review is up to and how this will tie in with the planning system reform?

Mr Corbell: That review was undertaken over two years ago. The government released the results of that and its response well over a year ago. In response to the recommendations of the review, we made some immediate changes and inserted a definition of “concessional lease” into the Land Act. We agreed to a range of other recommendations in that review which will be put into effect in the new planning and development act when that is provided to the Assembly later this year.

DR FOSKEY: I wanted to follow up on the garden city variation review and whatever it comes out with. I am interested in how that process relates to the process in the development of the new planning legislation in terms of code, zones and so on. Are these parallel processes that will never meet, or is there some point at which whatever comes out of this garden city variation review will marry, or do whatever—have a civil union—with the planning reform legislation.

Mr Corbell: A civil partnership.

DR FOSKEY: Yes, that is right. It will take me a while to get that right.

THE CHAIR: It will not offend any other acts.

Mr Corbell: The new territory plan proposes simply to reduce the number of land use policies that currently exist in the territory plan. We will call them zones in the new territory plan. We will also reduce the number of zones that exist in terms of individual categories. I am not clear on the intentions at this stage, but the A10 area may be called something else. It may be called a zone of some sort or may be incorporated within a broader zoning policy. I will seek some further advice on what that may be.

The policy intention of providing for a slightly higher level of development intensity in the core areas—the A10 areas—will be retained. It is the government’s policy to retain those core areas in our suburbs to provide for some level of housing choice in a suburb and some level of higher development density, albeit very moderate. So the policy intention will remain unchanged, but its technical identification and title may change as a result of the new territory plan coming into effect.

Mr Savery: Perhaps I could make a comment. Your question highlights just how complex this particular exercise is at the moment with the development of the new territory plan and its codes, along with the evaluation of the garden city provisions and various other projects we are working on, including the character guidelines. At the end of the day, we are trying to bring this all together so it arrives at a point where decisions that are made by government after public consultation on various pieces of work are actually embodied within various codes. That is not to say that, for instance, an

individual piece of work, whether it is the character guidelines or the garden city provision evaluation, results in a code of its own accord. It may be that there are features within that which are scattered amongst various codes. In respect to residential, there are going to be several codes and there are going to be six zones. You have to choreograph all the different parts to fit in with that new structure.

The simple answer to your question is that the various housing codes, the zones and the evaluation of the garden city provisions are being developed contemporaneously. But there is a bit of chicken and egg, because we obviously have to complete our consultation to know whether or not there are any changes that we would recommend to the minister arising out of that—recognising, as the minister says, that we are not revisiting the government's policy on A10 and suburban areas.

Ms Ekelund: I think it is fair to say that there will be a zone in the area that we currently see as A10 and that there will be code provisions. As we have mentioned, there might be more than one of the residential codes, but there will be code provisions that relate directly to the garden city provisions and any refinements which may eventuate from this current evaluation. So that will fit neatly into the new system.

THE CHAIR: Minister, water restrictions kick off next week in the ACT. On page 77 of the document there is a discussion on water-sensitive urban design guidelines. Can you tell us when these will be finalised? Does industry now support the government's approach?

Mr Corbell: There is a mixed view from industry on these guidelines. Philosophically, for example, the Housing Industry Association is opposed to any form of mandatory requirements, whether for energy or water use. That is just their philosophical position. They are opposed to mandatory requirements of any nature. They are opposed to compulsion when it comes to conditions associated with the development of buildings. The government does not agree. In fact, most governments in Australia do not agree with the HIA's position on this matter. We assert the importance of compulsory or mandatory measures to improve energy performance and reduce water use in new homes.

Leaving aside the HIA's position, they have stated that philosophical objection but they are, nevertheless, working with us constructively on issues of detail, as do the MBA. The MBA do not have the same level of philosophical objection as the HIA do. They take a much more pragmatic approach, at least here in the ACT, which is welcome and we thank them for it. Other industry groups and professional groups have generally been very supportive of the measures that are proposed in the new guidelines.

There are some issues, as they relate to small blocks and the provision of the current requirements for a rainwater tank or grey water system on a small block—a small cottage-sized block somewhere between 250, 350 and 400 square metres. The authority is currently responding to the issues that have been raised by industry on those blocks and looking at whether or not the guidelines need to be adjusted to take account of other acceptable measures that will still achieve the 40 per cent reduction in potable water use. That is the target for all new dwellings but it can perhaps be achieved by other mechanisms.

That work is under way. I am very supportive of the authority doing that work with

industry to get the guidelines right and to get some broad-scale acceptance of them on the couple of issues that are still in contention. I look forward to seeing that result, hopefully later this year, so that the guidelines can be issued as a permanent guideline, rather than an interim guideline.

THE CHAIR: Are you looking at other measures in regard to environmental sustainability, apart from what is listed?

Mr Corbell: In terms of energy and water use?

THE CHAIR: Alongside water use, are you looking at any other planning measures to ensure sustainable development?

Mr Corbell: The main issues at this stage are around energy and water. In relation to energy, as you know, we have moved to adopt the national standard under the Australian Building Codes Board of a mandatory five-star energy rating for new dwellings, and that took effect on 1 July. The water sensitive urban design guidelines will become permanent and they will achieve a 40 per cent reduction in potable water use in all new dwellings, in all new estates and in all new commercial buildings. So those are significant measures in all of those types of development.

The focus now is to progress more of a national agenda around a consistent approach to reducing energy and water use and improving the sustainability of the built form, whether that is a new suburb, a new building or a new home. The government is very actively involved, through Mr Savery, who is the chair of the planning officials group, which is the group of all the senior planning officials around the country who support the Local Government and Planning Ministers Council, in measures to adopt some nationally agreed frameworks for measuring energy and water performance and improving our performance in those areas, as well as advancing, I think more significantly, a national agenda around sustainable cities.

The sustainable cities initiative, which the ACT was instrumental in getting up and going through the national summit on the future of Australia's cities and towns back in 2003—it seems a long time ago—is well advanced. That work will, hopefully, be put to COAG in the coming six months for a national sustainable cities initiative by all the states and territories. It is currently being considered by all state and territory executives for their endorsement and hopefully it will be a cause that will be put forward by ministers at a COAG meeting some time next year.

DR FOSKEY: Thank you very much. I note that a couple of times in the report—the first time at page 16—there is concern expressed about climate change and I am wondering how this is demonstrated in ACTPLA's work. I have read the most relevant sections, and I am interested in that. I also want to explore the development at East Lake afterwards.

Mr Corbell: Mr Savery can elaborate, but can I just say, from a policy perspective, that issues around climate change inform virtually every aspect of the work that the authority does. Whether it is decisions to try and create a more compact urban form for the city that contains development within a 7.5 kilometre intensification area or a 15 kilometre urban containment boundary, or work around trying to facilitate more transport-oriented

development, supporting or improving public transport infrastructure, or energy or water efficiency in new dwellings and new buildings—you name it—climate change is informing those policy directions. The work of planners and planning authorities in this process is vital and, as has been recognised by the Auditor-General and by other reviews of the work of the whole of government, the planning authority is one of those agencies that lead other government agencies in the consideration of these issues and how to respond to them.

Mr Savery: If I could add to that, apart from the Office of Sustainability, I would be bold enough to say that our agency is probably the most cognisant of, and the most capable within government in terms of the type of work that it does of influencing, issues to do with climate change and sustainable development generally, and that is infused through all the work that we do. But there are constraints sometimes that may cause people on the outside to question whether or not that is in fact the case.

Our policy environment has a legacy element to it; in other words, policy may date back three or four years, and we are not in a position to automatically update that to reflect the latest or most current understanding of issues around climate change so that we can reflect that in all of our decision making. But that does not mean that individuals, when they are dealing with a particular issue, do not seek to influence the outcome, to try and mitigate the effects of climate change or to improve the development of a building. Also—and I know I have made these comments in past hearings—the science around this is changing and evolving all the time and we are not at the forefront of that science, so we have to learn our art in many respects.

There is some contention also around what is the right outcome. We still have a debate to be resolved, although I think it is coming to finality, as to whether or not suburban sprawl represents a more sustainable form of development than a compact city. There are people at the top of the profession and at the height of academia who contest what the most appropriate form of sustainable development is. If we seek to implement one or other of those, and we have essentially through the spatial plan, there will be some who will contend that we are not, in fact, pursuing the most appropriate forms of sustainable development.

I think it might be useful to try and illustrate in a simple way the degree to which we take this on as a serious issue. We have, as part of our training and development budget, hired the cinema at Manuka and invited all of our employees to see a screening of *An Inconvenient Truth*—not to preach to them but to give them the opportunity to have an appreciation of what the issues are, what the potential implications are, so that when they undertake their work back within the authority they can make their own value judgments. As I say, it is not for me to ultimately dictate to individuals that this is the way the world is, because we know that it is not conclusive. I believe that climate change is upon us and we have to do all we can; but we also have to do it within the practicality of the policy framework in which we operate.

We have noted in our annual report—the minister has commented on the national initiatives that we are involved in, and I would support the comment that he has made—that we are at the forefront of this in bringing some of the other jurisdictions along in the discussion and in identifying what we see as the key issues and the key ways in which through planning, in all of its guises—through integrated land use and transport

planning, through good urban design, through the way in which we design estates and our concept planning—we can seek to actively participate in the climate change debate and hopefully make some positive contribution to that exercise.

I made the remark in our executive, either yesterday or today, that in the space of 18 months the changing nature of debate—I am not saying with the ACT government, but in general conversation—has gone from, in some cases, being dismissive of climate change through one, in a more recent debate, of “well, we had better start looking at how we can mitigate the effects of climate change” to now having a discussion at commonwealth level about how we adapt to climate change. So planning is being asked, through COAG and through the ministerial council, to start advising on how planning is going to participate in the adaptation of our built environment to the effects of climate change.

DR FOSKEY: But have we moved through and bypassed how we mitigate—

Mr Savery: No. In fact, the COAG decisions around the collaborative plan of action on climate change place as much emphasis on trying to mitigate the effects of the worsening climate change outcome as on adaptation. So our focus is still as much on trying to mitigate the prospect of an even worsening climate change environment as on adaptation.

DR FOSKEY: Have you observed—and did you invite some representatives from the HIA to your filming—that it has become easier to push an energy-efficient agenda with the current, I think, acceptance that climate change—

Mr Savery: No, I had that discussion. This is coming out of our training and development budget; I am not paying for the HIA to attend the screening. I have certainly invited the National Capital Authority to come to the screening. I have also discussed the notion of inviting the local planning institute members who are not part of the organisation and the Royal Australian Institute of Architects. The Department of Territory and Municipal Services is also inviting its staff to come to the same screening.

Mr Corbell: On a broader question that you raised, Dr Foskey, it is still patchy, I think. There are elements of industry that are still very conservative on this issue and do not acknowledge the extent to which I think policy must respond to issues of climate change. I have to say that the biggest issue in Canberra is transport. The transport challenge is still enormous and the need to convince people in industry and in the broader community that we have to work to moderate our use of private motor vehicles if we are to reduce energy consumption in our city is a real challenge.

There is still an enormous level of emotion around car parking, for example. Car parking is an important issue in our city. Cars are the dominant transport mode and will continue to be even if we meet our targets around reducing journeys to work by private motor vehicle. But it is almost as though any questioning of the level of car parking provision can be met by this emotional statement: “Don’t touch it; don’t go anywhere near it.” The reality is that we must look at car parking in the context of addressing energy use in our city and having an informed and considered response to how we manage demand and supply in car parking and how we balance that against improving public transport, improving cycling to work, improving walking to work and so on. At the moment the debate is still against those who argue for a moderation of our use of the private motor vehicle.

We see it in the public debate: “We need 10,000 car parks tomorrow.” But, if we were to provide 10,000 car parks tomorrow, as some in industry have argued for, we would increase motor vehicle use, not reduce it; we would induce demand. We hear from the Liberal Party that we should ban on-road cycle lanes, and we hear it from the NRMA. But, again, banning those will just send the signal that cycling is not encouraged as a legitimate alternative transport mode. This is a particular debate on transport that is most difficult and we need as many voices as possible to argue the importance of an informed approach around transport policy that is about reducing energy emissions from our use of private transport.

THE CHAIR: Minister, we are out of time. We have a short break now before you are due to return with the LDA.

MR SESELJA: I have one question.

THE CHAIR: Mr Seselja, could you put that on notice, please, for the minister.

MR SESELJA: Sure.

Meeting adjourned from 2.59 to 3.14 pm.

THE CHAIR: Good afternoon again to the minister and good afternoon to Ms Skewes, Mr Ryan and other officials of the LDA. I thank you for making yourselves available this afternoon. You are probably familiar with the nature of the hearings, but bear with me while I read this statement. The committee has authorised the recording, broadcasting and rebroadcasting of these proceedings in accordance with the rules contained in the resolution agreed by the Assembly on 7 March 2002 concerning the broadcasting of Assembly and committee proceedings.

Before the committee commences taking evidence, let me place on record that all witnesses are protected by parliamentary privilege with respect to submissions made to the committee in evidence given before it. Parliamentary privilege means special rights and immunities attach to parliament, its members and others, necessary to the discharge of functions of the Assembly without obstruction and without fear of prosecution.

Whilst the committee prefers to hear all evidence in public, if the committee accedes to such a request, the committee will take evidence in camera and record that evidence. Should the committee take evidence in this manner, I remind the committee and those present that it will be within the power of the committee at a later date to publish or present all or part of that evidence to the Assembly. I should add that any decision regarding publication of in camera evidence or confidential submissions will not be taken by the committee without prior reference to the person whose evidence the committee may consider publishing.

I remind members and witnesses that questions on notice should be responded to within five full working days and we will email a transcript to the minister and the department as soon as possible. If you have a mobile phone, please turn it off or put it into silent mode. I should make it clear that Ms Jenny Morison is Deputy Chair of the ACT Land Development Agency, not an official of the LDA. Minister, would you like to make an

opening statement?

Mr Corbell: No, I do not intend to make an opening statement. I welcome Jenny Morison, Deputy Chair of the LDA board, who is with us today. Ms Morison, Ms Skewes, Mr Ryan and I are happy to try to answer your questions.

MR SESELJA: I want to start on page 65 of the annual report, which refers to the liquidity ratio of the LDA and the current year budget, 2005-06, being seven to one and the current year actual being two to one. I want one of the financial people who know a lot more about these things than I to explain the drop to me. Is it to do with the PTE? It probably is not because it was prior, but what is the reason for the drop in liquidity from the budget to the actual, and how is the agency going to increase that to four to one in the outyears?

Mr Corbell: I will ask Mr Ryan to answer that for you.

Mr Ryan: Gerry Ryan, Chief Finance Officer of the ACT Land Development Agency. The budget figure for the current ratio, which is current assets over current liabilities, which is a measure of the liquidity, was seven times and the actual result was two times. Actual current liabilities were \$40-odd million higher than anticipated in the business plan, mainly related to the increase in the amount of infrastructure liabilities and provisions for scheme costs that were held at the end of the year compared to the budget, particularly the infrastructure liabilities relating to the responsibility to hand over infrastructure assets that are produced by private developments and that are then passed on through the LDA to the respective agencies, custodians, Actew and the Department of Urban Services as it was then.

In this case it just reflects the timing of the estimated time it would take for those private developments to be completed and infrastructure handed over. The business plan anticipated that a number of those large development projects would have been handed over prior to this time, but there are still assets and liabilities being held for the transfer of those infrastructure assets. Also, the provision for scheme costs represents a liability recognised for the delivery of infrastructure by the LDA itself for developments where there have already been land sales made. In the case of some of our estates where items of infrastructure might be scheduled to be delivered later in the development program and there have been sales made earlier, there is a liability created to recognise the apportionment of that cost. As it turned out, the estimate was that these provisions would not necessarily be as high as they turned out to be because of the land sales and the timing for which that infrastructure is being delivered.

MS PORTER: I noted on page 58 that during the financial year, the period of reporting, the LDA converted to a public trading enterprise. Minister, could you outline what savings or benefits to the territory there have been as a result of this change, or are they anticipated?

Mr Corbell: The most significant change as a result of this decision, Ms Porter, is to provide for the LDA to purchase from the territory the land which it subsequently either sells or develops and then sells itself. What that means is that there is a clearer separation between the finances of the LDA in terms of revenue gained from land sales and the return the territory gets on its land asset. I do not profess to understand the full

complexity and technicality around that issue, but that is, in effect, the outcome of the result of moving to a public trading enterprise. Previously, the LDA did not pay up front for the land that it received on transfer from the government prior to development and sale. Now it does, so there is a much clearer separation between the territory's books and the LDA's books in terms of that land sales revenue and the return on the sale of those assets.

Ms Morison: I think importantly, particularly from the board's perspective, we have appreciated the additional transparency this will actually bring to the presentation of our results, because you can actually see what the margin is that we are actually achieving on our land sales, whereas previous to that when we were not paying market value for our land it was a little difficult to get that level of transparency. We believe it is a far more transparent approach. I think, in terms of interpreting the results from last year, it is well disclosed in these financial statements in the report that we achieved our operating result for last year and delivered more cash back to government than was originally budgeted. So, from those aspects of financial performance, the board was well pleased with this result, although you have to now interpret it for comparability, but obviously our statement of corporate intent going forward is fully under this new PTE model, so it will be even more visible and transparent.

THE CHAIR: I should have reminded witnesses earlier to state their names and positions for Hansard when responding to questions.

Ms Morison: I apologise.

THE CHAIR: That's all right; it was my fault.

MR SESELJA: According to page 70, the wage costs for the year went from \$4.02 million to \$4.71 million, an increase of 17 per cent. Are you able to take us through some of the reasons for this increase?

Mr Ryan: Yes, I am happy to do that. Salaries have increased. The resourcing of the LDA increased from its previous levels in prior years as the number of projects that the LDA was taking on increased. It also takes into account, obviously, certified agreement increases that have occurred in that time. The increase of, as you say, approximately 17 per cent is mainly reflective of the ramping-up of resources in relation to the increased level of projects being undertaken.

MR SESELJA: The number of full-time equivalent staff, I understand, was around 54 at the end of the last financial year. I think that is right, but correct me if I am wrong. I just don't have that in front of me; I am going from memory.

MS PORTER: It is on page 24.

Mr Corbell: That is correct, 54.

MR SESELJA: Obviously, there is a big budget for all sorts of contracts, but how many contract bodies would there be on site, in broad terms or on average terms, at the LDA, essentially doing the job of employees but not under employee expenses or full-time equivalent staff, or are they included in full-time equivalent staff?

Mr Ryan: The employee numbers, the FTEs, are only related to permanent or temporary ACT public service employees, so those under ACT government contracts or under certified agreements. Any resources that are under contract are covered in the supplies and services area. The numbers that might be involved vary significantly across the year as contracts are undertaken or people are engaged on contract and consulting arrangements for specific projects or specific needs. They vary significantly during various times of the year. At any one time it is probably difficult to say just how many contracts are of the nature that you refer to as conducting staff-like activities.

We have contracts where people are engaged through contractors and through consulting firms to conduct specific project management activities. We have arrangements where consultants come in to do specific design or planning work, and those are very much related to the projects on foot. In some cases, those consultants are not resident in the LDA—they conduct their work outside—but in other cases they are on the premises to conduct that sort of consulting or contracting work. But we would have to take on notice the numbers or an average number that can be determined over that financial year.

MR SESELJA: If you could, on notice, perhaps get a range during the financial year. If that is able to be averaged out in some meaningful way, that would be helpful.

Mr Ryan: Okay.

THE CHAIR: Minister, at the bottom of page 16 there is a reference to two commercial sites being sold in the Tuggeranong town centre, block 6 section 3 and block 5 section 3 Greenway. Can you tell me what the developers plan to build on those sites?

Mr Corbell: I will just get some advice on that. They were both sold for commercial development, so a range of commercial uses, including an office, some retail uses, some professional office space uses—a range of uses, as I understand it, but I will need to get further advice on exactly the scope of the lease conditions and what they provide for. But it is certainly within the commercial land use policy in the town centre.

MS PORTER: Going back to the staff issue and the profile of the staff, page 24 gives the age profile and I note that the highest percentage of full-time equivalent staff is in the 55 to 60 age group. I am just wondering, minister, whether you perceive any difficulties in that and whether the LDA possibly has any strategies in place to address any staff shortages if and when those staff choose to retire, particularly around the retention of corporate knowledge.

Mr Corbell: Not really, Ms Porter. I might ask Ms Skewes to comment a bit further, but, when you actually look at the number of full-time equivalent staff, the majority of staff are in the 30 to 45-year-old age bracket. So, whilst there is a high number in individual percentages in the 55 to 60-year-old age bracket, when you look at the staff overall, the majority of the staff are in younger age brackets, which is a good thing for the organisation. The work the LDA does is quite specialised and, I would say, unique in the ACT government and unique in other jurisdictions as well. There would not be more than maybe 500 to 600 people around the country who work in public sector land development organisations of one sort or another and, whilst the private sector is considerably larger in terms of its employment, the unique work that public sector

development organisations do means that the number of staff with experience in the public sector is quite limited. So we seek to get those people wherever we can.

The other issue that the LDA, like all public sector land development agencies, faces is being able to offer competitive terms of employment. The private sector, by its very nature, particularly the very large private sector development organisations, has a lot more money to throw around in all sorts of areas, including marketing, employment and things associated with the conditions of employment, than the public sector. But I think that the LDA performs very well and has been able to attract an excellent range of people with the skills we need to run what is a pretty major undertaking for one of the smallest number of employees in the country.

It is probably worth drawing your attention to comparative staff numbers in land development entities. The LDA in the ACT engages approximately 54 full-time equivalent staff. Compare that with South Australia's Land Management Corporation, which is their public sector development entity, with 72. VicUrban in Victoria has 121, Landcom in New South Wales has 143, and LandCorp in Western Australia has 87. So it is certainly the smallest in terms of staff of all the public sector development agencies in the country, but it is also the highest in terms of sales revenue per person. So, in terms of staff numbers versus dollars that come in as sales revenue, the LDA outperforms all the other entities.

That is partly due to the nature of the land tenure system in the ACT. Nevertheless, when you look at, say, LandCorp in Western Australia, the return is \$159 million worth of sales revenue a year and it engages 87 staff. The LDA returns \$171 million of sales revenue a year for 53 staff. The Land Management Corporation in South Australia employs 72 staff and only brings in \$212 million, not a huge amount more than the LDA. VicUrban employs 121 staff but only brings in \$179 million, or \$9 million more than the LDA. I think that shows that we run a pretty lean organisation in terms of comparison with the LDA's other jurisdictional equivalents. That does put pressures on the organisation, but it is an organisation that is pretty trim in terms of the number of staff it has to do the very broad range of projects that the government asks it to do.

THE CHAIR: Just while we are on staff, on page 25 it says that one LDA staff member is covered by an Australian workplace agreement and the others are on the Treasury certified agreement. When do negotiations begin for the renewal of that agreement?

Mr Corbell: I am not sure when that AWA expires. I would probably have to take that on notice.

THE CHAIR: No, the certified agreement.

Mr Ryan: My understanding is that the certified agreement is currently in the process of negotiation, with an anticipated date of around April next year.

Mr Corbell: The LDA is part of the Treasury CA, which is part of the central bargaining round—the common bargaining round.

MR SESELJA: Page 16 of the annual reports notes the Gungahlin Business Park tender process. Are you able to clarify whether that process is being used to find a joint venture

partner or a purchaser of the QEII site in the city?

Mr Corbell: Yes.

MR SESELJA: Where is that process up to at the moment?

Mr Corbell: At the moment, negotiations are continuing with the party involved. They are contingent on the securing of a tenant for the proposed building at QEII.

MR SESELJA: Is it fair to say, then, that there is an agreement of sorts, but contingent on a commonwealth tenant taking up the site? Has something been concluded between the LDA and the private sector partner to the extent that, if the commonwealth tenant chooses to take up the option or to lease the site, that essentially comes into effect? Is it at that point, or is it still more preliminary than that?

Mr Corbell: No. A process has been agreed between the LDA and a private entity to develop that site, contingent on a tenant being secured for that site.

MR SESELJA: Who is that private sector entity?

Mr Corbell: I am not in a position today to disclose that. That depends on the conclusion of the process the LDA is engaged in with that entity for a tenant.

MR SESELJA: Is there a reason why that is kept secret or confidential?

Mr Corbell: The processes are commercial-in-confidence. I think it is appropriate to respect that whilst a tender process is ongoing.

MR SESELJA: You have indicated that the tender process is not ongoing and that some sort of agreement—

Mr Corbell: No. The tender process between the LDA and its partner and the commonwealth is ongoing.

MR SESELJA: Is there a reason why QEII was not specifically identified and a tender process undertaken for that site, rather than it being linked to the Gungahlin business park?

Mr Corbell: The EOI sought expressions of interest from those in the development sector who wished to cooperate with the LDA to advance the design and construction of commercial and mixed-use developments within Canberra. I will refer you to the expressions of interest document. Point 2 of that document in part A, which is headed “Development opportunity”, reads:

This EOI is seeking responses from the development sector keen to cooperate with LDA in what will be an exciting opportunity to advance the design and construction of commercial and mixed use developments within Canberra.

The current priority of LDA is to seek private sector participation in commercial development projects, with a particular focus on the Gungahlin Town Centre. However, other opportunities may be pursued as appropriate to assist in achieving a

range of economic, design and commercial objectives.

This is reiterated at point 4 of the expressions of interest process under “Commercial development objectives”, where it reads:

In addition to the Gungahlin Town Centre, LDA has other land under its control for which it may also seek to pursue commercial development opportunities.

It was quite clear in that documentation that Gungahlin and potentially other sites would be considered in this process. The LDA identified an opportunity with the QEII site and used the expressions of interest process, which quite clearly stated that other sites could be considered to seek a partner for that site.

MR SESELJA: What is the reason for the undersell? It seems to me that you have a fairly lucrative site right in the city. Is there a reason for keeping mum on what some of these opportunities are? When you advertise a process in Gungahlin and then say, “And there will be some other opportunities,” is that not an undersell? If you identify QEII, or if you identify other prime city sites, and say, “These are some of the opportunities that will be available as a result of this tender process,” would you not be more likely to get a broader interest?

Mr Corbell: The EOI was subject to very wide advertisement, both locally and nationally. I recall doing some media comment on it at the time. It was advertised within the Property Council of Australia. In fact, it was put on the Property Council of Australia’s website at the time it was advertised.

The whole process the LDA has adopted in relation to the QEII site is designed to achieve the maximum possible return to the taxpayer for that site. There is no doubt in my mind, or in the LDA’s assessment, that we will get a better return from that site by entering into the joint arrangement that has been proposed than we would by simply selling the site raw without any tenant in place.

It stands to reason that we will get a better return from the site, and the private sector would be willing to pay more for it if there is a guaranteed rental return. That is the objective of this process. It is to achieve that guaranteed rental return that increases the value of the site significantly. It means the taxpayer gets a better return from the site than had the site been sold via an auction process without that guaranteed rental stream in place.

MR SESELJA: It is not a question, is it, of simply a choice between raw and tender; it is a question of whether or not you either run a separate process for sites in the city or whether you identified at the time, in a broad process, key and prime sites that are of interest to industry. I am still not clear as to why the LDA kept silent on some of the opportunities, rather than promoting the opportunities that would flow from that tender process, which would almost certainly make it more attractive to industry.

Mr Corbell: I reject your suggestion that it was in any way downplayed. I have just read to you the intention in the expressions of interest document.

MR SESELJA: It was not mentioned.

Mr Corbell: That made it clear that other sites would be considered, not just Gungahlin. In response to that, the LDA had a very strong level of response from the industry sector. Not just locals but national development companies came on board and said, “We want to be involved in this.” Some very significant names at a national level, as well as a local level, responded and believed this to be something that they wanted to be involved in. I think that indicates that industry understood what the LDA was proposing to do.

THE CHAIR: While you are on identifying sites, page 18 of the report refers to the direct grants program. I really want to go into the second part of the statement there on aged care sites. It talks about one in Nicholls. Does the LDA have, I guess, a future plan for how it will target sites for aged care development in the ACT?

Mr Corbell: That work is more in the ambit of the planning authority than the LDA. The LDA delivers the sites to the market but the identification of those sites and when and how they could be available is really driven more by the planning agency and the whole of government coordination group, which is located in the Chief Minister’s Department, which coordinates applications for aged care sites.

The most recent site for release is the Nicholls site, but further sites have been identified that are subject to some further planning work. The most obvious of those is a large site in Tuggeranong, immediately adjacent to the Vikings Club. That land between the Vikings Club and the dam wall of Lake Tuggeranong is subject to planning considerations—in particular, a change to the territory plan—and that work is being considered by ACTPLA at the moment. That’s probably the next most significant site potentially for release.

As a result of the government’s efforts over the past three years, there has been a very substantial increase in the number of sites and approvals given for aged care housing in Canberra. We now have approvals in place at the Bruce site, the Little Company of Mary site adjacent to Calvary Hospital; at the Lake Ginninderra site, the Illawarra Retirement Trust development; at Garran; and the Goodwin redevelopment in Ainslie. Also, since June 2003 we have provided land for more than 600 aged care places across the city. In addition to the ones I mentioned, land has been granted in Monash to Goodwin Homes; in Page to Ridgecrest Retirement Village; in Page to the Villaggio Sant’Antonio; in Hughes to St Andrew’s; in Garran to Southern Cross Homes, a Catholic retirement body; and to Mirinjani in Weston. A site is also currently being progressed for UnitingCare in Gordon. So a very significant number of sites have been granted already and we’ll certainly continue that program.

The government is now at a stage of assessing future needs. Given the extent of grants we’ve given over the past couple of years, it’s time to take a pause and just assess what demand will be and how that can be accommodated over the coming three to five years.

THE CHAIR: While we’re still on site identification, during this report’s time, 2005-06, the LDA offered 35 blocks to eligible moderate-income purchasers. Is the LDA planning to expand its moderate-income housing scheme?

Mr Corbell: Yes. The LDA is exploring a number of new mechanisms to facilitate further moderate-income housing in the ACT. I mentioned this in my answer to

Dr Foskey's question during the planning authority hearing. Two sites in Dunlop and Franklin have been identified for an affordable housing demonstration project, and that will certainly provide a significant level of supply. In addition, the government will continue with the moderate-income land ballot process, to facilitate that and respond to demand with that. We'll also be facilitating direct grants of land to community housing providers—in particular, as I indicated, Community Housing Canberra, who are continuing to seek a range of sites for affordable housing projects that they deliver and which I'm very keen to support, as is, I know, the LDA.

In addition to that, we have mandated levels of affordable housing built into the targets for the Forde development. A similar expectation will be put in place for the development of the Woden East site when that is progressed by joint venture, hopefully in the next couple of months. So we continue to focus very strongly on this issue of housing affordability.

DR FOSKEY: Primarily the people who benefit from that are on a moderate rather than a low income. Minister, have you asked the LDA to look at a strategy for housing people on low incomes, people who are not in a position to purchase properties and who will be relying on the rental market for the foreseeable future?

Mr Corbell: The LDA is not a housing provider per se; it is a public sector development entity. Its job is to provide land to the market, so as a consequence its natural constituency is people wishing to purchase properties or develop properties, not solely renters. As I indicated to you before, Dr Foskey, the LDA supports measures to provide greater opportunities for people who can't afford to enter home ownership but want a secure supply of rental accommodation, and that's achieved in a number of ways.

Firstly, as I indicated to you before, providing more opportunities for people who can afford to enter the home ownership market to do so helps relieve pressure on the private rental market and, perhaps to a lesser degree, on the public or community housing market. Secondly, the LDA supports direct grants of land to organisations that provide affordable rental accommodation, and the best example again is Community Housing Canberra. A good specific example is the village view development in the Gungahlin Town Centre, a multiunit/apartment development by Community Housing Canberra, which was then sold to a range of private owners as well as some retained by Community Housing Canberra itself. That is, in the majority, rental accommodation, providing lower-cost rental options for people seeking that type of accommodation. That was facilitated by a direct grant through the LDA, so that's an example of where the LDA does contribute through direct grants to community housing providers or to the government's own housing provider, Housing ACT.

DR FOSKEY: Does the LDA charge for land that it provides to ACT Housing?

Mr Corbell: There is a charging policy, yes.

DR FOSKEY: And at what level is that?

Mr Corbell: The charging policy at this stage is market value. I think there is an argument to review that, but that is something that government will be giving further consideration to. I think we should review the charging policy and provide for housing to

secure sites at development cost, rather than at market value, and there's obviously a difference between the two. So housing should meet the development cost of the site, but not necessarily market value would be an option that I think should be considered.

DR FOSKEY: How would you further that particular proposal? Is it coming up, for instance, in front of the affordable housing task force that the—

Mr Corbell: Yes, that's the forum for these issues to be addressed, and I certainly have indicated to my colleagues, in particular the minister for housing, that I think it's a sensible way forward. I know he's supportive of that, but a range of other considerations need to be brought to bear by government, including that there is an opportunity cost as a result of that and that needs to be taken into account.

DR FOSKEY: Finally on this topic, for me anyway, does the annual report include information about land made available for public housing in the last year? Was there any and is it reported on?

Mr Corbell: It's not explicitly reported on, but if you want to ask that question I could take it on notice?

DR FOSKEY: Yes, I'm asking it.

Mr Corbell: Okay, I'll take it on notice.

DR FOSKEY: Thank you.

Mr Corbell: I should just add that in many instances Housing ACT's policy is to purchase homes from builders. Sometimes housing will purchase land and then commission builders to build a home, which they will then own, pay for and rent. But quite often housing's approach now, in terms of its new housing stock, is to spot purchase spec-built homes by builders, in which case the LDA is not directly involved. So it just depends on housing's acquisition process.

DR FOSKEY: Thanks.

MR SESELJA: Last time you came before us, I think during the budget estimates, we were discussing the issue of land release and the need to get more land on the market in response to the influx of demand. Are you able to give us an update as to where that's at and what you see will be the most significant land releases in the coming months that will address some of that shortage?

Mr Corbell: Yes. This has been a priority for me, for the LDA and for the government as a whole in the last couple of months, Mr Seselja. We've clearly seen an increase in demand. In the first quarter of this year I think it would be fair to say that all commentators were predicting a moderation of demand, and indeed a bit of a flattening out of demand. That changed following the federal government's budget, which clearly was an expansionary budget in terms of public sector employment in Canberra, and all of a sudden everyone realised that we were going to need a lot more land. Fortunately, the government was in a position to respond promptly to that.

The forward planning work done by ACTPLA meant we were in a position to bring more land to the market, and about two months ago I announced an additional number of sites to the market, which will bring to 1,200 the total number of new dwelling sites that will be provided from greenfields projects in this financial year. That's up from just over 900 that we had predicted in our budget papers. Five hundred blocks will be delivered to the market by Christmas—they started about a month ago—with the balance delivered in the first half of next calendar year. That's a significant increase in supply. Most of that supply is in the Gungahlin area, with the exception of a small amount of supply in Dunlop; there's still a little bit in Dunlop. The only significant release on the south side is West Bonython.

MR SESELJA: Is West Bonython this year or next year?

Ms Skewes: West Bonython is on our program to deliver, hopefully by the end of this calendar year. The first release is in West Bonython, with the balance of the estate to follow thereafter. Can I just add further to the comments on the land release program? What is also becoming very significant for that LDA is that there is already supply out there still in the pipeline, and one of the things that we spend a reasonable amount of time doing is monitoring market conditions. As you can imagine, that's a pretty important part of our business.

Certainly, while there was a need to bring more land onto the market, we were conscious that there was existing supply already in the builders' and the developers' pipeline; there is probably in the order of over two years land supply already in that pipeline. But we were very conscious of the need to supply into the market a product that we feel people are becoming more confident with. Certainly, people are very appreciative of the quality of development that we're producing. I suppose a testimony to that is Wells Station, which was fortunate in winning a commendation from the Urban Development Institute of Australia, through their New South Wales Division, for the quality and the presentation of that estate.

It is becoming obvious to us that the market generally like the quality of the development that LDA is providing. They like the attention to detail, the attention to the quality of the public domain and the quality of housing that now is appearing in those estates. So part of the process for us over the last few months was also responding to the market who are keen to also buy land in our new and, we believe, good-quality estates.

Mr Corbell: I'm very proud that the LDA is starting to get recognition for the quality of its estates. Clearly, with the establishment of public sector land development one of the objectives was to lift the standard of new suburbs. It's interesting that people looking for blocks of land are indicating a clear preference for LDA-developed estates. For example, there are two estates in Gungahlin, side by side—one a private sector estate and one an LDA estate—and, whilst there are still unsold sites in the other estate, people are preferring to purchase in the LDA estate because of the standard of the public realm, the standard of the street tree plantings, the public spaces that really make or break an estate in terms of its attractiveness and usability by people. That is fantastic and it has been recognised by the UDIA with that commendation for the LDA. That's a great result, because it's exactly what we said we wanted to do. One of our objectives with public sector land development was to have better suburbs for people to live in. The LDA is delivering in spades on that objective, and it's something I and the government are very

proud of.

DR FOSKEY: That's excellent, except it's a little disturbing to hear that we might be looking at two places developing over the years, where one remains a more desirable place to live and therefore attracts a different, higher, price. I'm interested in whether there's a cost differential in purchasing in either of those estates, and how can we then ensure that private developments are of that sort of class? We don't like to think that we're still building places that might be less desirable to live in in the future when we know every place could be an excellent place.

Mr Corbell: It's for that reason, Dr Foskey, that the government's preference and the LDA's preference to date has been to not go with an in-globo land sale, and by that I mean selling land raw.

DR FOSKEY: Like original Gungahlin.

Mr Corbell: Yes, because there's only so much that regulation can achieve. You can set standards through regulation to achieve particular outcomes, in terms of road width and public space and so on, but there's only so far that regulation can go. What we're seeing from our experience in public sector land development is that it's when you get a public sector entity that's focused on lifting the standard above and beyond what the regulation says that it makes a difference. The government now does not, as a rule, release land in residential areas in globo; we either develop it ourselves through the LDA or we develop it in a joint venture, such as Forde or Woden East. The philosophy to date has been to steer away from in globo because there are too many problems associated with it in terms of the quality of the estate. It's a much more random process whether or not you get a good outcome. You can get a good outcome, but you can also get quite a poor outcome.

DR FOSKEY: That will depend on who the developer is.

Mr Corbell: It depends very much on the philosophy of the individual developer, and it can come down to very simple things like how much money they're prepared to spend on street trees, how much money they're prepared to spend on maintaining those street trees, for example, through the life of the development: are they putting in stock that's six months old or three years old? Those sorts of differences are significant for householders and home owners when they're making decisions about where they want to purchase. Similarly with the quality of the public realm: is it well developed; is it well maintained throughout the establishment of the estate? Those sorts of issues are important, and also what sort of information and what sort of welcome is being given to residents in terms of: is this a desirable community to locate into? The LDA focuses very strongly on welcoming people into its estates, running processes to introduce them to their neighbours and to the facilities and services available in the area—things that some private developers do but others don't. So it's a much more proactive approach on the part of the LDA.

DR FOSKEY: How many joint ventures is the LDA involved in?

Mr Corbell: One at this stage, which is the Forde joint venture. I think there are still the remnants of the Gold Creek joint venture, and Harcourt Hill. It is proposed to enter into a new joint venture for Woden East. That's all at this stage.

THE CHAIR: Minister, in earlier discussions this afternoon with ACTPLA there was discussion on climate change and sustainable development, and on page 38 of this report there's a statement regarding reporting from the Commissioner for the Environment. Can you expand on the response the LDA has made in regard to that reporting and any future planning in regard to environmental concerns?

Ms Skewes: Certainly the LDA, as part of its commitment to quality development, sees also the need to have a principal focus on sustainability. We are in a variety of our projects pursuing sustainable initiatives and I can give you examples of some of those in our current range of projects. The Forde joint venture is a particular project that we were keen to progress on the basis of seeking some level of innovation in sustainability initiatives for that urban development project. The development implements an integrated water cycle management strategy and seeks to sensitively manage its relationship and interface with the Mulligans Flat nature reserve. It is also advancing a partnership arrangement with Greening Australia for tree-planting initiatives. Forde will also achieve a 4.5-star minimum rating. It's also looking at introducing the BASIX criteria, reducing energy consumption by 25 per cent and reducing water consumption. Those are some of the initiatives through the Forde joint venture that we've been very keen to progress.

One of the other things that we're very conscious of is that it's one thing to have a range of sustainability initiatives, but it's another thing to have the public well educated in what those initiatives mean for them when they come to purchase a home in a new estate. So we've also been looking with Forde to deliver a sustainability demonstration home as part of our display village, to have that as an opportunity for the public to come along and find out more about what we're seeking to do with those initiatives, learn about the initiatives themselves and then develop them further in their own homes if they buy land and start their own building projects.

Our further land releases that the minister referred to earlier also have an objective in relation to sustainability, particularly as we start to release further land in the estate adjacent to Wells Station at Franklin. The work that we've done in subsequent stages of Wells Station incorporates key ecological and sustainable strategies that address water management and sustainable transport. We also seek to encourage housing diversity, as well as block and dwelling efficiency, and the retention, importantly, of some of those significant ecological features that are part and parcel of those sites. Water-sensitive urban design has been integrated into these estates to ensure landscaping treatments are sustainable. That's an important part of promoting quality public domain areas, which is something we're seeking to do in our new developments. We're also very conscious that the regimes we put in place in those new estates are sustainable in the longer term.

Bonython West is another land release area that we will be progressing over the next few months. The concept plan for Bonython West will provide for the reduction of stormwater run-off, with its associated pollutants, and seek to maximise how we deal with waste water and reuse opportunities in that estate. Specifically, the estate design incorporates a number of initiatives, including a rock-filled and planted swale drain in the central park. Parks are a very important part of the amenity of our new development areas and it's important that we're able to develop those facilities in a way that can be well maintained into the future. We also propose at Bonython West to install an

underground storage tank to capture run-off from adjacent roads, blocks and park areas, and this will assist in assuring the sustainability of those park areas we put in place into the longer term.

Those are some of the initiatives quite specifically we are promoting, and we continue to have as an objective in all of our land release areas that we're undertaking, and certainly those that we're doing in partnership with the private sector, the opportunity to ensure that we are leading, particularly with our water-sensitive urban design initiatives.

THE CHAIR: Are there financial implications of these programs? Does the LDA make less income, for example, if it's building sustainable developments?

Ms Skewes: We certainly are looking at the cost structures associated with these sorts of initiatives. One of the things that we believe is that this is an important part of urban development practice nationally; it is expected that estates will be produced in a way that is efficient, both in the immediate term in terms of the cost structure for the project but also in the longer term in terms of the maintenance regimes. We're very confident that the initiatives that we have put in place are sustainable, both in terms of the expected returns from the projects we're currently involved in and in the longer term. The management and the maintenance regimes need to be cognisant of the fact that someone has to maintain these public amenities and public areas into the future, so we've factored that into our thinking. We certainly believe what we are doing is delivering a very good outcome for the territory in terms of significant leading practice in sustainability initiatives, but also it is able to demonstrate that in the longer term, when some of these items of public infrastructure are handed over, they can be well maintained by the territory or those who are responsible for their longer-term protection.

THE CHAIR: Thank you.

MR SESELJA: I have a financial question. On page 70 the budget spend on supplies and services was to be \$9.46 million and the actual spend was \$11.47 million, an increase of \$2 million. Are you able to take us through some of the reasons for that fairly significant increase in supplies and services? What were some of the supplies and services that were unexpected at the beginning of the year that were paid for?

Mr Corbell: I'll ask Mr Ryan to answer that for you, Mr Seselja.

Mr Ryan: Yes, administrative expenses were \$2 million higher than planned. As I mentioned earlier regarding salaries, the costs of employees, it reflected also an increased requirement to inject resources into development activities, which had increased from the previous year as the LDA took on a greater proportion and a greater number of government land development activities from the earlier years. As such, the LDA incurred increased costs in relation to both the quantum of resources having to be taken on and the industry cost levels that we were encountering in seeking inputs of skill levels and resources that were higher than expected originally in the business plan. So it was really an impact of the increased level of activity and the breadth of projects that we've been undertaking.

Ms Morison: If you look at the total figure in 2005 on page 70, which is the actual operating statement, against the total figure in 2006, given the land sales increase I just

want to support Gerry's proposition there: in fact there has been only a marginal increase in our overall supplies and services but an increase in our activity.

DR FOSKEY: The last dot point under the heading "risk management" on page 60 says "establishing transparent accounting treatments for community service obligations undertaken". Where would I look in here to see the accounting for community service obligations?

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

Mr Ryan: That's identified as certainly one of the areas that is an important element for LDA to keep a focus on as we conduct activities in the development sense as a commercial business operation, but we're also conducting activities on behalf of government and it's an important element of our financial reporting and our accountability that we're able to demonstrate as clearly as possible where there are costs involved in our activities that are the result of implementing government policies where these might occur, as compared with conducting very much the business of land development and dealing with the government's land assets. So that's why that's listed there. There is no current capacity under the Financial Management Act or under the appropriation arrangements for LDA to receive appropriation moneys for community service obligations, so we seek to show in our reporting where there are costs that were incurred in delivering a particular policy outcome for government. These are not the normal, but where they might be incurred we will certainly demonstrate them clearly.

DR FOSKEY: So there have been none to date, and that's why you can't point me to any here in the accounts?

Mr Ryan: In the management discussion and analysis a little bit further on, on page 63, under "comparison to budget" just before the comparison to 2004-05 actual, there's a paragraph which talks about some of the costs LDA incurs in processing direct grant applications, which is a function that LDA undertakes, which is an instrument of government policy, if you like. It shows there that we could demonstrate that costs incurred in both the resources used and the costs associated with delivering land through direct grant concessions was in the order of \$1.1 million, but we do not have a capacity at this stage to represent an appropriation for that in a sense of CSO funding; that's not able to be done under the current arrangements.

THE CHAIR: Minister, I'm sure Mr Pratt would like to ask this question, so I'll ask it for him: on page 41 the strategic bushfire management and operational plans are identified. Can you tell me how effective the LDA's bushfire operational plan will be? Also, are environmental groups or the Commissioner for the Environment consulted on reducing fuel loads in those open areas?

Mr Corbell: The LDA would seek advice from Environment ACT where necessary or appropriate on environmental issues associated with the land that they have custodianship of. The LDA holds land and is directly responsible for the management of land once it is transferred to its portfolio for sale or development, but there may be a number of months or even years from the time land is transferred before it's actually developed. In that time, the expectation of government, as it is of all land-holding agencies, is that the land is appropriately managed to protect the community and the

environment.

You raise the particular issue of bushfire fuel management. The LDA has a bushfire operational plan, which involves grazing or slashing of fuel to protect the urban interface, and that's particularly important given that the LDA is often at the urban interface in terms of greenfield sites being prepared for development adjacent to new, already-developed suburbs. I note there's discussion in the annual report about where grazing is and isn't appropriate. I would imagine the LDA would seek the advice of Environment ACT where appropriate on whether and where other fuel reduction mechanisms might have to be employed. Anne, do you want to elaborate on that?

Ms Skewes: Yes, we certainly do meet our requirements in relation to the preparation of the strategic bushfire management plan and that's done with the endorsement of the Emergency Services Authority, which we work very closely with in the preparation of those plans. In accord with those plans that get endorsed by the Emergency Services Authority under the terms of their act, we then instigate an active program, through the variety of means that the minister has described, to effectively manage those large land-holdings, many of which are at the urban interface and require sensitive and appropriate management. So we have got a very active program and we do have very good support from the Emergency Services Authority and all the other agencies that we work closely with in a coordinated manner to be sure that that's appropriately implemented.

Mr Corbell: Generally speaking, by the time land is transferred to the LDA the environmental issues are well understood in that they've been comprehensively assessed as part of the planning process to determine how land will be developed or should be developed. So by the time the LDA takes custodianship these environmental issues are usually very well understood because they've been subject to detailed planning processes prior to the transfer to the LDA.

DR FOSKEY: I'm interested in page 38, where it is chronicled that the Commissioner for the Environment proposed a development of a particular floodway. I'm wondering if some of these recommendations could improve the amenity of the land in such a way. What you have here probably wouldn't have been thought of without the assistance of an environmental expert such as the Commissioner for the Environment. It appears that her advice—or his; I'm not sure which commissioner it was—will be taken on. It's commendable that the advice is taken, but do you also believe that it will improve the amenity and liveability of that particular estate?

Mr Corbell: I think the reference is to Forde, and providing real amenity to the estate through the management of water and the water collection points in Forde is a very important part of the master plan for Forde. Certainly the provision of the central community facilities, shopping and so on is all located within the area of the pond that's proposed at Forde, so there's no doubt the joint venture partners, the LDA and the private partners, consider the water features at Forde to be integral to the attractiveness of that estate—integral not just in terms of how the water feature itself presents but also the ability to use the water collected in the pond for the irrigation, and to lift the standard, of the public realm in the new suburb.

So that's certainly been identified, as you suggest, Dr Foskey, as adding value to the

estate, and the issues that the commissioner raised are consistent with that. Having met with the Forde joint venture board on a number of occasions and having spoken to some of their project managers, I know they are really embracing very strongly the sustainability of that future neighbourhood and that they would welcome these comments and want to build them into their plans for the estate.

Ms Morison: In support of that, I think you will find also that water is a key feature in how we manage that in some of the other estates as well—in Bridgewater, one of our new estates. Certainly, when you look interstate as well, wherever possible the amenity that's provided by any water on site is really captured as a large value add in these estates and is probably seen as better practice.

MR SESELJA: Minister, on 3 October this year there was an opinion piece published in the *Canberra Times* written by an LDA board member, Jim Soorley, and it went into some of the issues around EpiCentre. It was published after the Auditor-General had launched an inquiry into the matter. Do you think it's appropriate for a government board member to be commenting on an issue that is being examined by the Auditor-General?

Mr Corbell: Mr Soorley made those comments in his capacity as a member of the LDA board. I don't direct board members in this regard. Mr Soorley made the decision that he felt it was appropriate to comment on those issues and he advised the LDA board of that; I know the board was aware of that decision. That's a matter for Mr Soorley and the board.

MR SESELJA: But do you have a view about a government board member commenting on—essentially pre-empting—an auditor-general's inquiry?

Mr Corbell: I don't think Mr Soorley pre-empted the Auditor-Generals' inquiry in any way; Mr Soorley sought to put on the record the views he had as an LDA board member, and which I think were shared by the board, as to how skewed the commentary on the EpiCentre issue had become. I think Mr Soorley was really defending himself and other members of the board, and he's entitled to do that.

MR SESELJA: Would it not have been more appropriate for him to do so through the Auditor-General's inquiry and wait for the outcome of that. Certainly some of the stuff in the article—

Mr Corbell: No, it was more general commentary about the—

MR SESELJA: It certainly dealt with some of the issues at hand, though.

Mr Corbell: Mr Seselja, I don't think the Liberal Party can have it both ways on this issue. You can't allow other members of the industry to have a free-for-all and make all sorts of accusations about the LDA—

MR SESELJA: I don't control them; they don't work for me.

Mr Corbell: Well, you can't support them, Mr Seselja, in doing that and then criticise one of the parties for seeking to defend themselves in that public debate. The LDA board, and the LDA as an organisation, have been subject to the most extreme criticism

from other players in the property sector in this town. All sorts of accusations have been made about them and about their organisation's conduct. If you're suggesting that they should sit silent while all of these accusations are made, and not respond even in a very moderate and balanced way, I think that's unfair and I think it's quite reasonable for the LDA board to defend themselves. They are legally responsible for the activities of the organisation and they are entitled to defend themselves when the sort of extreme and outrageous claims that we've heard from some elements of the property sector are being made against them. So, no, I don't in any way criticise Mr Soorley's comments.

MR SESELJA: I'm just curious why the board waited until after the Auditor-General had launched the inquiry before launching this defence. Wouldn't it have been more appropriate to do it before and then await the outcome of that inquiry?

Mr Corbell: They're comments made by Mr Soorley as a member of the board; they're not the comments of the board itself per se.

MR SESELJA: Were they approved by the board beforehand?

Mr Corbell: The board was aware of Mr Soorley's comments and he drew the attention of the board to his article prior to it being published. You can construct any sort of conspiracy you would like to fancy, Mr Seselja, about this, but at the end of the day the LDA and its board have been subject to quite extreme and unreasonable critique by a range of—let's face it—commercial competitors over the EpiCentre issue. I think the LDA board have been extremely restrained, given the level of criticism that has been levelled at them and the organisation, and I think Mr Soorley's comments were quite reasonable in the circumstances.

THE CHAIR: I should make the comment, as the chair, that we are inquiring into the annual report for 2005-06, which of course ended at the end of June 2006. It's probably appropriate for witnesses as well as members to understand that. Are there any other questions?

DR FOSKEY: Yes. This has just come to me; I haven't come prepared on this, but perhaps we can explore it further later if that comes up. In relation to the Woden East development, there's some concern by the Woden Early Childhood Centre, the childcare centre adjacent to the Woden East development, about roads. I'm not sure whether it's the LDA's responsibility, but I'm seeking clarity on this. They've had confusing information—and I'm just confusing you even further because I don't have here the notes from my meeting with them—about where roads will go and how that will impact on the safety and the amenity of that centre.

Woden is one of the areas where there's a shortage of childcare, so it's obviously performing a valuable service. Do you have consultations in this instance, with Woden East about to go ahead, about infrastructure? Is it the LDA that looks after infrastructure that goes into these kinds of developments, or what can I do to advance the case of the Woden Early Childhood Centre?

Mr Corbell: Dr Foskey, I'm advised that the childcare centre in question have, I think subsequent to raising the issue with you, had a meeting with the planning and land authority, where they have been briefed on the proposals for road infrastructure in the

Woden East development. They're aware of the issues and I think it has given them some assurance about what's going to occur. As I understand it, they haven't indicated major concern with that, following that information.

To answer your more general question: sometimes the LDA delivers infrastructure, either on its own or through joint venture. Other times the government will fund capital works itself and those would be supervised by ACTPLA or TAMS, depending on where the project rested. So it just depends; sometimes it's funded directly by budget by the government and delivered by ACTPLA or TAMS or some other agency; other times it's not budget funded and it's funded as a cost to the development and it's delivered by the LDA, or a joint venture with the LDA, and sometimes it's provided by the private sector as a development condition. So it just depends on the project and on the nature of the infrastructure being delivered.

DR FOSKEY: And in the Woden East instance ACTPLA is just responsible for the design of where it goes?

Mr Corbell: No, there's capital funding in this year's budget for the construction of the extension of the street, across Yarralumla Creek.

DR FOSKEY: Yes, that was their concern.

Mr Corbell: That is a budget-funded piece of capital works, with the funding being provided by ACTPLA to contract out the development of that infrastructure.

THE CHAIR: I'm sure I speak for all of the planning and environment committee members in encouraging community groups to make submissions to any inquiries we have regarding the draft variations. The committee would certainly like to hear from those community groups.

DR FOSKEY: Is there such an inquiry at the moment in relation to this area?

THE CHAIR: We've just finished off an inquiry into the Woden area.

DR FOSKEY: You have? Not all community groups know that. They start learning how to do it when an issue hits them.

THE CHAIR: You could let them know, Dr Foskey.

DR FOSKEY: It's over today; but you could make an extension, an exception?

THE CHAIR: The committee has made its final decision today, Dr Foskey.

DR FOSKEY: Okay.

THE CHAIR: As there are no further questions for our witnesses, I thank them very much, once again, for reporting to the committee. We'll get the transcript over to you as soon as possible for checking, and once again remind you that after you've received questions on notice could you please get those back to us within five full working days.

The committee adjourned at 4.33 pm.