

TRANSCRIPT

ECONOMIC DEVELOPMENT AND INFRASTRUCTURE COMMITTEE

Inquiry into local economic development initiatives in Victoria

Melbourne — 8 November 2012

Members

Mr N. Burgess
Mr M. Foley
Mr B. Carroll

Mrs I. Peulich
Mr G. Shaw

Chair: Mr N. Burgess
Deputy Chair: Mr M. Foley

Staff

Executive Officer: Mr S. Coley
Research Assistant: Mr M. Newington

Witness

Professor B. Gleeson, Professor of Urban Studies, University of Melbourne (sworn).

The CHAIR — Welcome to this public hearing of the joint-party Economic Development and Infrastructure Committee's Inquiry into local economic development initiatives in Victoria. All evidence taken in this hearing is protected by parliamentary privilege. Comments you make outside this hearing are not afforded such privilege.

Please state your name, position and whether you are appearing on your own behalf or on behalf of an organisation.

Prof. GLEESON — My name is Brendan Gleeson. My current appointment is Professor of Urban Policy studies at the University of Melbourne. My understanding is that I would be appearing in my personal capacity. I am not representing the views of the University of Melbourne.

The CHAIR — I now invite you to make an oral presentation.

Prof. GLEESON — Thank you for the invitation to appear here. I have done my best to look through and think about the terms of reference of the Inquiry. I hope that in some brief remarks I can say a couple of things that may be useful and hopefully not too tangential. I think my expertise and experience is a particular one. It does not cover all the terms of reference and your interests, but let me raise a few things, perhaps just for thought.

My appointments, just briefly: I have now returned to the University of Melbourne; immediately previous to this I was the Deputy Director of the National Institute for Regional and Spatial Analysis at the National University of Ireland; and prior to that I was the Director of the Urban Research Program at Griffith University for quite a few years. I mention that because in those roles and capacities I have had, from that applied academic perspective, a fair bit of experience of working with local government, some of it directly — and I will just briefly detail that — but a large part of it as either the manager for or direct participant in a lot of contract research and engagement with local government, mostly around planning and infrastructure but on occasions touching directly on the issue of economic development.

My direct experience of local level planning, briefly, was in my first position after graduating as a planner in corporate development at Melbourne City Council, where we were looking at the efficiency and effectiveness of the Council's processes rather than the planning system itself. That was a really interesting place to start as a planner, to think about those issues.

Much later on in my career, in Brisbane I was Chair of the Brisbane Inner City Advisory Committee.

The CHAIR — Such a little council up there, too.

Prof. GLEESON — Yes. It does not think that way itself. It was a joint committee of Brisbane City Council and the State Government looking at planning particularly in the central area of Brisbane and at ways to improve the efficiency and effectiveness of that planning through that joint effort. For some years I was also a member of the Planning and Land Council in the ACT, which was a body that had a key role in the assessment of major development proposals in Canberra.

More lately, just before my departure to Ireland to take up that appointment, until the end of 2010 I was a founding board member of a body called the Urban Land Development Authority in Queensland. It was a public land development agency which had local government planning powers. It was quite different from, say, a VicUrban or now Places Victoria or the other kind of kindred agencies such as, for example, Landcom in New South Wales; it had local government planning powers. I would have to say that I learnt a lot through that experience of being on the board of that agency and being around and being part of its first development processes and ambitions, and the forming of those policies and things that went with that.

The Queensland Government, as I understand it, has wound up the ULDA, but it has actually transferred the model — I was just reading that this morning — directly to a new, I think, minister for economic development. So it has in a sense voted to stay with that model of direct land development including through a process that takes up and uses local government powers in very specific instances in what are called urban development areas. I think there is something to learn about from that experience. Therefore in that state there seems to be some bipartisan interest in that model, although there is the usual argument about its application.

I learnt a lot through that because its principal object in its legislation was promoting the production of and accessibility to affordable housing — not social housing, affordable housing — which was to be sold into the mainstream. It had some innovative ways of doing that, which I think are some take-up lessons for local government. We also tackled head-on the tricky issue of infrastructure, particularly how to bring forward funding and to fund catalyst infrastructure, you might call it — infrastructure that gets something going in an area where things have been sluggish.

The main insight that I think came from that experience was the use of value capture. I imagine that is going to be continued with because, interestingly or otherwise, there was broad support in the property industry for the way that value-capture instrument was formed. It was not in the legislation, although the agency had the power to do that, the way it was formed and applied. It had support from the Property Council and the ULDA. I think it is a mechanism we need to think about more in Australia. Of course there is a lot of discussion about it, and we have applied it here in Victoria on occasion. There are plenty of arguments in favour of it, but also from my experience the private sector will support it where it is done clearly and transparently and where it is clearly linked to value uplift, where they can see value creation through innovative public policy.

The CHAIR — Could you give us an example?

Prof. GLEESON — For example, the Urban Land Development Authority in a UDA — an urban development area — declared by the Minister at our instigation would often, to cut to the chase, upscale planning: it would release a lot more development potential that may have been planned for previously. We try to do that with the best planning principles, but basically we create a whole lot of new value through new development potential allowed through the alteration of the planning system in that way.

Mrs PEULICH — Just on that point, the City of Greater Dandenong recently did a presentation on the need to build value-capture principles into, for example, grade separations. We heard from a previous witness that private sector interest could actually be substantial if it was possible to package up a number of these in order to bring in the funds. It is very important, and where there is a shortage of funds in the public sector we need to look at it.

Prof. GLEESON — I think so. It is good to look at those instances where it has worked successfully in Australia, and it has. It has tended to be, in my understanding, that the jurisdiction-wide application of that instrument has not proved to be politically sustainable or effective. For example, New South Wales had value-capture betterment in its legislation and its systemic operation through the '70s, but it did not prove to be politically robust, probably because it was not the right model. There are ways of conceiving it and applying it in specific areas for specific periods of time where I think you can bring the full development process with you.

The CHAIR — Circumstances would also predict whether or not it was going to be successful, wouldn't they? I mean, given the circumstances at the moment, the political desirability of it may be greater than it was in the '70s in New South Wales.

Prof. GLEESON — Agreed; yes, that is right. And things change, both in the nature of the planning discussion and the planning community and the development community; they are very different communities than they were in the '70s.

The CHAIR — Absolutely.

Prof. GLEESON — They were more at each other's throats, to be frank, in the '70s. That was a very confounding thing, getting in the way of resolving some good things. For example, in the ULDA, a lot of the officers recruited in the ULDA came from the private sector, including its CEO, who came from Delfin Lend Lease. The prospects for a better conversation with the private sector were there from the start. That may be an elliptical comment. Anyway, we can come back to that.

I want to make a couple of points just briefly, if I may. The first is on the issue of planning and local economic development, which exercises me. In making the following brief comments I want to be very clear to the Committee that I am a steadfast and enthusiastic supporter of both settings. I guess what I want to make the brief point about are the dangers, the ensnarements, and the self-defeating consequences of when we get the two mixed up and confounded. It is very common. It is a discussion that I think we could perhaps think a little bit more about. There has been a tendency over the last 10 to 20 years in different jurisdictions — and I have no

interest in politics particularly, but from all points of the political spectrum — to at times confuse, confound or collapse the two policy settings. They are distinctly separate, if frequently intersecting, policy frames. I think the temptation to see the planning system as directly a vehicle or article or form of economic development is wrong in principle, costly in practice and self-defeating in consequence.

Mr FOLEY — It is not a good idea.

Prof. GLEESON — It is not a great idea.

The CHAIR — A no-no.

Prof. GLEESON — That is what an academic is here to do: hammer it in from every direction.

Mr FOLEY — Thank you very much. Got that!

Prof. GLEESON — Planning's rationale lies in a distinct domain of market failure — that is, the manifest failure of markets, unregulated land markets — which we do not have — to undervalue key community concerns and values, like amenity, access, safety, affordability, proper preservation, resources, efficient sequencing of the use of resources and those kinds of things. It is a historical point. We have not had that kind of situation prevail for a very long time; in fact, it would take us back to the rather chaotic industrial city of the 19th century, from whence — and given its failings — came planning, sanitary, health and all those original reforms.

The CHAIR — To address them.

Prof. GLEESON — Which were originally pushed by the upper middle classes, who were so alarmed by them.

In Australia throughout the 20th century we have had a pretty much political and social consensus on the need for planning — lots of argument about how to do it, which is a good and healthy thing. I do not want to flog this too much, but I just wanted to make the point that I think it can be objectively stated, shown and demonstrated that when we collapse the two, it really is a self-defeating object. Even though it can be understandable in certain instances, it is self-defeating if only because the community will not wear it. Surveys tell us that the community, more than ever, strongly wants good planning and good planning outcomes. There is a paradox there because they will often have trouble at the local level with some of the things that are necessary to achieve that — I might say that from the point of view of expertise — but nonetheless that community sentiment is strengthening.

Also there is community anxiety about urban stressors and failings: congestion, unaffordability, amenity, despoliation and those kind of things. Coming back to Melbourne — I am from here originally, but I have been away for a long time — it is remarkable to me how much public transport is in the public mind and in public conversation now. We just had 100 masters students at Melbourne present on aspects of urban governance, and half of them, I would say, chose to talk about public transport. They were using social media in evidence and Twitter and all that stuff that I do not understand — the landscape my teenage son inhabits — as evidence of community discussion that we are not always well attuned to in some of the other frames.

The community is very concerned about urban quality and values, and I think we have to be very concerned, therefore, not to collapse these two very important and equally worthy policy settings. My view is that we do need an efficient and effective planning system. A sclerotic, over-administered planning system serves no policy end. It is costly, and it is something that has to be avoided at all costs. That is a separate argument to the one saying that planning in itself in the first instance should be about employment generation. I believe that economic development will be best pursued and applied in a circumstance where we have clear, effective and certain planning that is efficiently administered. I particularly underline the importance of certainty. I keep getting that from developers in the private sector. What they want is not necessarily less planning, but certainty and clarity. Sure, they want administrative efficiency as well, but we ought to all want that.

Anyway, not to, hopefully, overdo that point — —

Mrs PEULICH — Sorry, are you able to comment as to how that could occur or be improved, vis-à-vis the current system?

Prof. GLEESON — If I may, I would just make the very broad point that generally — —

Mrs PEULICH — I am a member of the Government.

Prof. GLEESON — Right. No, all good. It is a point that, I think, applies to all jurisdictions and probably applies in a particular way in Victoria, although for a long-run reason outside the current cycle. I think generally we put far too much effort, resources and community time in the planning system into the administration of the planning system and not enough into plan making. I think we spend an enormous amount of time, cost and energy on planning appeals. I think we have too-extensive appeal rights — and I would probably be keelhauled in some quarters for saying that — but I have been — —

The CHAIR — Could you just repeat that for me?

Mr FOLEY — Sorry, I was whispering in his ear.

The CHAIR — That is okay, I just missed that last point.

Prof. GLEESON — That is all right.

The CHAIR — Anything you are going to be keelhauled for I want to hear.

Prof. GLEESON — Right. In a summary form I was just saying that there is too much effort and community time, effort and resources spent on plan administration — particularly in the appeals system — and not enough on plan making, cementing community intent and then saying, ‘The community has had its say; we have given it a thoroughgoing opportunity to do that, and that is the right thing, democratically. We are now going to implement the plan.’

Mrs PEULICH — Building a community’s consensus on it.

Prof. GLEESON — That is right.

Mr FOLEY — One of your university colleagues was here last week essentially saying, ‘Too much time on the process — —

Mrs PEULICH — He was saying the same thing.

Mr FOLEY — and not enough time on the strategy.’

Mrs PEULICH — Yes, that is good.

Prof. GLEESON — I agree with that. None of that is to say it is easy. The Government at the moment is going through the difficult process of attempting to get community and multi-sectoral input on its new metropolitan plan, and we are contributing to that. That is hard work. Just recently I had an interview with someone — I think he was an executive director of the Council of Australian Governments, which has been funding intergovernmental work on plan-making in Australia’s cities — and he was saying that that really is the hardest nut to crack: getting some kind of viable and well-expressed community statement of intent at the metropolitan level to allow local planning and to provide the certainty for local planning, for example. So I do not think we resource that — and I do not mean here and now; I mean over the last 50 years in Australia — and I do not think we put enough effort into that. We seem prepared — for mysterious reasons and through an error of thought about what we think is democracy — to allow that to take very negative forms in the judicial system through planning appeals.

Another role I had was as a minister’s adviser. When a new minister came into the ACT, we reformed and rewrote the planning legislation, but we were also asked by the Government — I worked with public servants — to reform the planning appeals system. It was the Government’s intent to move it from a traditional planning appeals system to one based on mediation. My experience of that was an enormous success, and I think that change was implemented based on the Tasmanian experience in particular. That is another point, but it is about the costs — —

The CHAIR — It is an interesting one, though.

Prof. GLEESON — It is about the costs that we have allowed — and which we do not discuss enough — for one part of the planning system and perhaps the under resourcing of another.

Mrs PEULICH — A part of that is that councils — politically inspired councillors, elected representatives — find it easier to say ‘no’, succumb to 100 objectors and let VCAT be the bad guy than actually take the decision they need to take.

Prof. GLEESON — Correct. I agree with that statement.

The CHAIR — The system you put in place in the ACT, is that still in place?

Prof. GLEESON — I believe so. The Committee would need to check on that separately. I have been out of Australia for a bit, and I have not followed up on things in the ACT for a while. That is my understanding. It did lead to a substantial and sudden reduction or diminution of conflict and costs with the whole planning appeals process, and mediation was compulsory in the first instance.

The CHAIR — Was there a backlash to it?

Prof. GLEESON — No, because you still have the safety valve. If it is not exhausted at mediation, people still have the option and the right to go to appeal, but the aim was to get the exhaustion rate up to 80 per cent or 90 per cent, where most planning appeals would be exhausted through mediation. You get happier outcomes and much less cost.

The second and closing point I wanted to make is just to underline, from my own experience, the opportunities — and I think the necessity — for innovative local planning, and by that vague term I particularly mean positive planning, given the current challenges facing our cities. So I am talking about not just regulatory planning but this other concept of positive planning, where the planning system itself takes positive or direct action to try to achieve its own objects, rather than simply regulating and waiting in the regulatory cycle for something to happen.

Where this manifests, where you most see it locally, are with these vexed pieces of land. They are often strategic, and the planning system has higher aspirations for them, but nothing happens. I can think of a piece on the Gold Coast that we worked on for a long time. There are all sorts of reasons. In that case, the owner was just sitting, stalling and being a real problem for council. Even though the community’s interest in that piece of land, which was by a rail station, was very high, this person did not see any need in any coming decade to do anything about that piece of land.

The CHAIR — And there was nothing to push him?

Prof. GLEESON — That is right, and all manner of negotiation and mediation had not gotten anywhere. That is just one example. There can be many reasons, but I think there are some innovative and successful models, including the ULDA, but others where in certain very specific instances you would have to use things like compulsory purchase. I noticed that the Queensland Government has now preserved and arrogated that power in its new structure — compulsory purchase. You have to put many protections around that. We do not like to do that. The challenge in our cities now is so great — we have rapid population growth and we have great resource pressures. In a different era you might have thought about these landlocked pieces or strategic pieces differently, but I think we ought to be thinking about ways in which local government can be empowered carefully and with all the necessary safeguards to allow the planning system to achieve its objects.

Another model that has worked well is when local government, in some circumstances, does a development. My preference is for joint venturing with the private sector where they are experienced and the risks are shared. There are plenty of good models around that.

I just wanted to underline the need for — without being able to give you any comprehensive answer on — some more creative powers in planning, particularly at the local level, rather than simply relying on the timescales and the possibilities of regulation — saying we will allow that to happen there at some point. What you are really saying is, ‘We would prefer that piece of land to be high density. It is right next to a rail station. We really do not like the idea that it is a weed-infested block from the community’s perspective’, but recognising all the challenges around that in terms of protecting private interests and the like. I think there are some models that

have been used in other jurisdictions that could be thought about but they need state government interest and enactment, and they need safeguards.

Mr SHAW — Can you give us an example of one of those models?

Prof. GLEESON — In that example, without going into too many more details about the specific site, which is probably not appropriate, the Urban Land Development Authority was able to, in my understanding — certainly when I left the country it had started a process which would have led to that pocket of land being declared an urban development area, and essentially that authority would take over the planning of that and release its development potential. That is one example with local government support.

There was a lot of local government anxiety about the Urban Land Development Authority, understandably, when it was first stood up and enacted, because it was seen to be taking from local government powers.

The CHAIR — And therefore from local people.

Prof. GLEESON — And therefore from local people, and that is a reasonable fear, but given the way it was run, in the end we had local governments coming to us, saying, ‘We have some difficult pieces of land. We cannot deal with it in our processes. Can you work with us to resolve that?’, on the understanding that the Urban Land Development Authority is only for a period of time, and you would work to the minimum amount of time necessary to — —

The CHAIR — To get the job done.

Prof. GLEESON — To get the job done. That is one example. My former colleague at Griffith, Dr Eddo Coiacetto — I cannot offer you the spelling of that name — has done a lot of work looking at the experience of local government itself in getting involved in the development process. My understanding is that he has written a book about that recently in Australia, so there is some work out there that would be around best practice that you could access.

The CHAIR — Would you like to take questions now?

Prof. GLEESON — Sure.

Mrs PEULICH — Just a quick one. Thank you very much for all that, and I particularly liked your differentiation between the concept of affordable housing and social housing and would not mind speaking to you at another opportunity about that, but more specifically you said you just recently returned to Australia. Is that right?

Prof. GLEESON — This year.

Mrs PEULICH — This year. So you would have lived through our local council election process just recently?

Prof. GLEESON — As a resident.

Mrs PEULICH — As a resident. Deeply flawed, quite unstable, volatile — 48 per cent of incumbents have returned. Often there are people pretending to stand for a particular platform just to pass on preferences in this very profoundly disturbing system. Regrettably, in some councils we end up with people democratically elected despite perhaps very low turnouts — in some councils less than 45 per cent or around 50 per cent. Again, in a manipulated system we end up with feral, anti-development councillors. It does not matter how many boxes a development ticks — they will say no. What do we do? What is the solution apart from the consensus building to which you are referring — the reform of the system? What can be done in relation to persistent problems where councillors — even though something might meet the state planning scheme — say no and people are forced to VCAT? Should there be some sort of penalty for people who fail to execute their statutory duties? I am being provocative.

Prof. GLEESON — Yes, certainly; I understand where you are going. Penalties I am not immediately comfortable with. I would have to think about this issue to give you a more deliberated answer. I sense there is a community anxiety that is arising from — and it always surfaces at these very specific local levels; it is not the

only thing driving this kind of churning, but is one of the manifestations bubbling up — community anxiety about the rapidity and the scale of change in our cities generally. We know that to be generally a good thing. Also, people are very concerned about growth, growth management and growth pressures.

Mrs PEULICH — But sometimes it is only very minor. The other night I witnessed a debate over the length of awnings. There was a 90-centimetre difference in proposal and outcome, and there was an hour and a half debate in a council meeting. I mean, it is bloody ridiculous.

Prof. GLEESON — This is an instance of where I would be seeking, through regulatory and administrative reform, to shift the emphasis of the planning system away from that level of administration towards plan making and involving the community. It is not a satisfactory answer to your question, but I think there is too much community sentiment and anxiety and opportunity for expression being shunted to this kind of pettifogging argument over the slightest development detail. I think that probably the planning system, more than we realise, permits and encourages that. It does not actually encourage and foster community sentiment, and I think there is more of it than we realise to be mobilised into the plan-making stage and to — including at the local level — produce solid statements of community intent, as difficult as that can be.

I think there are some cases or instances where state and metropolitan planning objects of a certain scale are clearly being confounded by this kind of vexatious process for the State to intervene — say, through Places Victoria, in the way that ULDA did. I think that proved to be a fairer model than you might realise, and I am not surprised that the new State Government has stayed with it. There are ways of safeguarding to prevent that becoming an abusive thing, by having triggers and the like. I think the situation you are describing ought to concern us all, including the planning community. I know it does; a lot of planners despair and are dismayed by the amount of our sector's energy that is poured into the minutiae of development control rather than the more important decisions arising from the challenges facing us.

Mr FOLEY — If I could, Professor, just on that last issue your colleague Dr — what was his name, from Melbourne University?

Mrs PEULICH — March.

Mr FOLEY — Yes. He expounded on these kinds of issues as well, particularly around the relationship between local government, the states and the private sector. A lot of what you have said is similar. He took the view about some of those state instrumentalities, of which the Queensland example was one and Places Victoria is an iteration here at the moment, that their taking over the planning role — which, as you said, has been a consistent, regardless of their stripes, government approach for some time — was largely counterproductive if they did not bring the local government agency with them, subject to that local government agency, local government area, being up to it. What is your view on that issue, given your last comments that you thought the model had some benefits at the state level?

Prof. GLEESON — I agree with that, and I think the devil is in the detail of the establishment and running of those sorts of vehicles. I think the vehicle itself is a good and a sound one, that the state agencies in very specific circumstances and instances can intervene to achieve certain policy objects, which means moments — not long periods, moments — in the longer cycle of interrupting the local planning and development cycle when a community's higher interest is triggered, without putting it in too lofty terms.

But Dr March is entirely right: you have to bring local government with you; it does not do any good to get the back of local government right up. It just leads to conflicts and costs and playback and feedback in the political system that none of us would want. So the devil is in the detail of bringing local government with you. I think there is a lot to be learnt from the ULDA experience in Queensland in the way that local government was brought along with its processes. The way in which UDAs were declared was critical, so there is detail in the steps of the process of intervention that would go towards allaying local government's concerns.

I was surprised to be convinced. I was brought in at a late hour to read the draft legislation for the new public land agency in Queensland, and I was surprised to see that it was given planning powers. That is very unusual. All the other agencies — VicUrban — traditionally came out of a land commission program.

The CHAIR — When was this?

Prof. GLEESON — The ULDA was set up as recently — I am sorry; I do not have the exact year in my mind — 2007–08, around then. So I was not convinced that that agency would need planning powers, essentially — —

Mr FOLEY — It held the planning powers, not the Minister?

Prof. GLEESON — Correct.

Mr FOLEY — That is the difference.

Mrs PEULICH — But delegated by the Minister?

Prof. GLEESON — Yes, they were delegated, though.

Mrs PEULICH — So he could still overrule?

Prof. GLEESON — Correct, yes. That is true, which ultimately is the right way for it to fall. But generally the ULDA operated as very independent, at arms-length from the Minister. It had an active board that was helpful for that and which had local government on it.

Mrs PEULICH — Represented by officers?

Prof. GLEESON — No, on the board. A lot of officers were recruited from local government; that helped. But we had several board members who had been senior — one was an ex-mayor of a regional council — and they were helpful to creating the culture of an organisation that was respectful and could cooperate and talk the language of local government.

Mr SHAW — From your travels and your research with regard to encouraging local economic development, what do you find are some of the better ones that you have seen or have researched that would encourage that?

Prof. GLEESON — On local economic development, I am not sure I am the best-placed person to give you an example or instance of that, I am afraid. My mind straightaway goes back to the work that I did in Ireland last year, which was really interesting, in the wake of a devastating collapse of everything, not just public finances but community value and private wealth. The collapse of the planning system was integral to the whole collapse of their — —

The CHAIR — Was it?

Prof. GLEESON — Yes. So that is actually an interesting context to study. A lot of the work of repair and renewal has been left to local government. The central state has been so caught up with dealing with Brussels, the financial crisis and the bigger things that the community fortunes have really been left back — communities have been put back on their haunches. Where I have seen some very successful economic renewal and development strategies have been those in Galway, for example, that have used creative industries. I think that is something that we have to think about in Australia and Victoria — to identify local governments that have pockets or incubators of creative industries because they are now so important to the general economy and they are so amenable to local influence. You can do a lot at the local level to help nurture and create creative industries in all their diversity.

The CHAIR — For example? What would you classify as creative industries?

Prof. GLEESON — Let me go to the example of Galway. It is the Irish situation, where it has become an international centre for the celebration of music and food and those locally produced and articulated things.

The CHAIR — Is this like the Newcastle renewal?

Prof. GLEESON — Which I do not know enough about. Also important in Galway has been teaming with a very locally loyal and fixed university, Galway university. A lot of R&D work has come out of Galway university, and there is a very substantial health products industry — one of the biggest concentrations in Europe — in that area that has been very important to its fortunes through the crisis and its prospects for

renewal. Local government has been, in my understanding, quite successful in helping to broker relationships between the university and local industries. I think where there is a regional or local university apparent there are some good learnings and prospects for local government to take an interest in that and to be the broker with sectors that can be influenced by local policy. Not all can be.

Mrs PEULICH — I think Poland is going down that track, too, in a fairly big way.

Prof. GLEESON — I am not surprised to hear that.

Mr SHAW — You mentioned the case in Ireland. How do you find the public transport infrastructure? How does that fit in with a case like that in Ireland, or how important is it for us here?

Prof. GLEESON — If you look at the latest census results that have been reported — my colleagues at RMIT University have been looking the results that have just been released. Looking at modal share, there is a big shift going on in our cities that we do not completely comprehend. There is a shift to public transport, which I would not have predicted. There is a slow but relentless diminution of the car in journey to work. It is still very important but — in Melbourne and Sydney in particular — public transport is becoming more and more a part of the ordinary urban task — work, living — and we have much more complex trip patterns now than we used to have. Journey to work is a smaller proportion of people's travel than it used to be. People travel for all sorts of important reasons now, not just for work and recreation. They could be travelling to university.

There is the growth of overseas student numbers in our city. Do not forget that university is now the third biggest export sector in the country with the export of educational services. There is a very high and growing percentage now of young people who do not take out a licence. Who would have predicted that? It would have been an article of shame when I was 18 years old not to have a licence.

Mrs PEULICH — Only because their mum and dad still drive them around.

Prof. GLEESON — But they are on public transport. If we look at the growth of ridership on public transport by young people, there are very important things going on in our transport systems that we may not fully appreciate, we may not be sensitive to. My feeling is — I am not being an advocate for public transport; I am trying to speak objectively — it is going to be more and more critical to the productive functioning of our cities.

Mrs PEULICH — Especially as congestion increases anyway.

Prof. GLEESON — I think the old style big road planning has probably had its day.

Mr CARROLL — You spoke about empowering local government. Did you see that Robert Doyle went around the city — he got a front-page article in *The Age* — and highlighted the various strategic sites that had basically become bomb sites over the past 15 years?

Prof. GLEESON — The Argus building and — —

Mr CARROLL — Yes, he highlighted all of them and basically said that he wants to see them being redeveloped. He really did not have much of a stick; he said he would fine them if they did not get the developments going. I am sure that we all have sort of bomb sites on a smaller scale in our electorates. I have had to get involved in just a couple by cold-calling the owner to find out by saying, 'That's a strategic site. Can we get the ball rolling?' In Moonee Ponds, Reading Cinemas from over in the United States have had a large strategic parcel of land for the past 15 years that they just have not touched.

You said that this committee could perhaps look at how we could empower local government and you mentioned the book that your friend had written. What could we give local government — what sort of powers — to assist them to get some of these bomb sites up and moving, where the owner has just no intention but is happy to just land bank it and wait for another 15 years or pass it on to the kids?

Prof. GLEESON — I was very pleased to see Lord Mayor Doyle's work on that and his advocacy around those sites. It is shocking to me, to come back after a long time and see something like the Argus building a great graffiti monument and other things: the building opposite Spencer Street station and the Royal Saxon,

where dissolute students used to go in a previous era. It is shocking to see that some of those places have been there for decades.

I have done work in the United States, particularly in Detroit. It is interesting to me that in a land that very strongly values free enterprise they do not mind allowing the exercise and use of compulsory acquisition powers at the local level where you have that kind of clear and manifest — —

The CHAIR — Misuse.

Prof. GLEESON — misuse of land and it is really contradicting the public interest, and so important now is land in our cities that I do not think it is like in a previous era. I think there is a stronger community and public interest case for intervention and use-it-or-lose-it development.

Mrs PEULICH — With time frames?

Prof. GLEESON — Yes, those kinds of things. If you spoke to someone with expertise in planning law, there would be a range of instruments you could use. I am pleased you raised that question because it is something we have to be careful about. We do not like impinging on people's things, but some of these are almost like a red rag for the community and are not doing our city much good.

Mr CARROLL — Compulsory acquisition laws, ending up in the courts.

Mrs PEULICH — I guess part of it is exacerbated by the financial downturn in many instances, but, yes, there is obviously land banking as well.

Prof. GLEESON — Some of these buildings are complex and full of asbestos. They are difficult to — but still.

The CHAIR — Professor, I thank you very much for your time on behalf of the Committee because we do truly appreciate it. I for one have learnt a lot just listening to what you have had to say, and I have made copious notes here that I will probably not understand when I go back to them. Thank you very much for being here. You will receive a transcript of today's proceedings at some stage over the next couple of weeks. Please feel free to make any typographical changes where you think there have been errors but nothing to the substance of the document. Thank you very much.

Prof. GLEESON — Thank you, Chair. Thank you to the Committee. I enjoyed it.

Witness withdrew.