

PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

Inquiry into budget estimates 2009–10

Melbourne — 20 May 2009

Members

Mr R. Dalla-Riva
Ms J. Huppert
Ms J. Munt
Mr W. Noonan
Ms S. Pennicuik

Mr G. Rich-Phillips
Mr R. Scott
Mr B. Stensholt
Dr W. Sykes
Mr K. Wells

Chair: Mr B. Stensholt
Deputy Chair: Mr K. Wells

Staff

Executive Officer: Ms V. Cheong

Witnesses

Mr J. Madden, Minister for Planning,

Mr Y. Blacher, Secretary,

Mr S. Gregory, Chief Finance Officer,

Mr J. Gilmore, Executive Director, Planning Policy and Reform, and

Mr D. Hodge, Executive Director, Planning Services and Development Facilitation, Department of Planning and Community Development.

The CHAIR — I declare open the Public Accounts and Estimates Committee hearing on the 2009–10 budget estimates for the portfolio of planning. On behalf of the committee I welcome Mr Justin Madden, Minister for Planning, and departmental officers. Members of Parliament and members of the public and the media are also welcome.

In accordance with the guidelines for public hearings, I remind members of the public that they cannot participate in the committee's proceedings. Only officers of the PAEC secretariat are to approach PAEC members. Departmental officers, as requested by the minister or his chief of staff, can approach the table during the hearing. Members of the media are also requested to observe the guidelines for filming and recording proceedings in the Legislative Council committee room. I made some comments on this earlier in the week, and said that I would be looking to speak to the Speaker and the President and also to the president of the press gallery about arrangements in this regard in the future.

All evidence taken by this committee is taken under the provisions of the Parliamentary Committees Act and is protected from judicial review. However, any comments made outside the precincts of the hearing — that is, outside the door — are not protected by parliamentary privilege. There is no need for evidence to be sworn. All evidence given today is being recorded. Witnesses will be provided with proof versions of the transcript to be verified and returned within two working days of this hearing. In accordance with past practice, the transcripts and PowerPoint presentations will then be placed on the committee's website.

Following a presentation by the minister, committee members will ask questions relating to the budget estimates. Generally, the procedure followed will be that relating to questions in the Legislative Assembly. I note that there have been some occasions in the past week or two where members have got a little overly excited, and I think that occasionally a minister has got overly excited too. I ask members, ministers and witnesses to respect the processes of Parliament. The Chair always gives people the call, and I ask members to respect that. Questions need to relate to the budget estimates. This is not a fishing expedition; this is a committee inquiry which has limited terms of reference and we have to deal with it like that. I will make a judgement on the appropriateness of the behaviour. I do not wish to pull anybody up, but I do wish this process to proceed smoothly, so I ask for the cooperation of the minister, witnesses and members of Parliament to make this a productive hearing.

I now call on the minister to give a brief presentation of no more than 10 minutes on the more complex financial and performance information that relates to the budget estimates for the portfolio of planning.

Overheads shown.

Mr MADDEN — Thank you very much, Chair, and I thank the committee. I might just run very quickly through a series of slides. It should take only 10 minutes. If it looks like we are pushed for time, I will try to terminate as quickly as I can.

Basically, the goal of the Department of Planning and Community Development is to lead and support the development of liveable communities in Victoria through improved planning and design for sustainable communities; ensuring better access to housing infrastructure, jobs and services; and increasing opportunities for participation. Victoria's strong population growth contributes to our prosperity but continues to require investment in maintaining and improving the liveability, particularly in growth areas. Managing sustainable population growth will continue to be the focus of the department in 2009–10.

Given the significant events of the last year, including the global financial crisis, the Victorian bushfires and ongoing climate change, the department's 2009–10 budget also has a strong focus on creating economic stimulus and jobs for Victorians by facilitating significant urban development renewal initiatives and supporting more resilient communities that are better able to respond to the impacts of change, overcome disaster and disadvantage, and recover from crisis.

In terms of the next slide, the DPCD's 2009–10 budget will deliver the goals of growing Victoria together. It contributes to a range of key government policy directions, including *Melbourne @ 5 Million*, the Victorian transport plan, *A Fairer Victoria*, the women's policy framework 2008–11, and it respond to the Victorian veterans sector study.

The Public Accounts and Estimates Committee's 80th report at recommendation 9 states:

Departments continue to review their output performance measures to ensure that they are relevant to, and that they reflect appropriately, the department's service outcomes and strategic objectives.

The department supports this recommendation and reviewed the current budget paper 3 output structure and performance measures. The review was undertaken in collaboration with DTF and PAEC, and the proposed new outputs and performance measures will assist the department to focus on existing and new service policy and priorities and assist the community in understanding the nature and services provided.

I would like to focus now on the planning portfolio. In the past 12 months there have been substantial pieces of work undertaken across the portfolio. These include, in particular, the bushfire response. The planning response to the 2009 bushfires is multifaceted and includes: supporting recovery activities by ensuring there are no impediments in the planning schemes to bushfire recovery and the provision of temporary accommodation; facilitating rebuilding by exempting the need to obtain a new planning approval for replacement homes, garages, storage sheds, dependent person's units and buildings used for farming — a further exemption has been introduced to community infrastructure affected by bushfires for development up to \$1 million; building capacity for fire-affected councils including skill-supportive design, mapping and statutory planning; planning for future bushfire risk including examining existing policy, risk identification and assessment of methodologies and the effectiveness of existing planning scheme tools; and strengthened new interim building standards for homes to improve to defend and defence ability and resilience of homes at bushfire risk.

These standards that apply across Victoria include methods for assessing the bushfire risk, which in turn informs the building design and the required construction methods and materials.

In terms of central activities districts, work to date includes the likes of Broadmeadows, Footscray, Dandenong, Geelong and Ringwood. We have a range of initiatives there to support these central activities districts. In terms of creating better places as well, there is \$2 million worth of urban improvement projects announced under round 4 grants for local councils.

Melbourne @ 5 million is a very significant piece of work. Melbourne is expected to reach a population of 5 million much faster than previously expected because of the attractiveness and liveability of Melbourne. *Melbourne @ 5 million*, released in December last year, identified that some 600 000 additional dwellings will need to be accommodated over the next 20 years, including 316 000 in established areas and 284 000 in growth areas. It also recognises the need to review the urban growth boundary to create an additional 134 000 dwellings, included in that previous figure of 284 000 dwellings required in growth areas.

Critical transport and employment priorities designed to reduce overall journey to work times were also identified. There is projected to be a significant need for new jobs located closer to where people live. In overall terms, it will maintain Melbourne's housing competitive advantage, lead to greater density in choice, shape the city, focus on employment closer to where people live and promote greater housing density near public transport.

I am pleased to advise that good progress has been made, with Geelong, Ballarat, Bendigo, Latrobe and Wodonga having all identified growth management projects which are to be undertaken by them with the assistance of the government. The urban development program approach has been extended to regional Victoria and will support the provision of land supply and demand information in key regional areas. Initial monitoring systems are currently being established in Ballarat, Bendigo, Latrobe and Wodonga.

The housing capacity of each municipal council will be assessed over the next financial year through my department's housing growth requirements work, identifying the opportunity for new housing throughout Melbourne. I recently announced \$1.5 million in grants to enable local governments and the Municipal Association of Victoria to provide the necessary assistance for this work.

I mentioned *Melbourne @ 5 million* and the population growth, but it is worth appreciating that even if we did not have that population growth, we still have enormous demand for housing, because people are living longer, household numbers in each house are smaller and people are forming their households later. Regardless of the population growth, we need an enormous number of dwellings to complement the lifestyle choices that people make.

We are working with the Growth Areas Authority to make sure that we fast-track work in the growth areas. The urban growth zone was introduced in 2008 and that has been applied to land in the five growth areas. The Growth Areas Authority is developing the draft precinct structure plan guidelines, or has. As well as that, the Growth Areas Authority has completed nine precinct structure plans for new communities. We have anticipated 21 under way and we are expecting work to be completed very shortly on those.

We are also undertaking a review of the Planning and Environment Act. It is an opportunity to modernise and address the system and ensure improvements in the act going forward.

On planning applications online, six councils participated in a pilot project — Banyule, Greater Dandenong, Hepburn, Hobsons Bay, Melbourne and Moreland — as well as 12 applicant firms, more than 30 referral authorities and VCAT. The early indications are that that has been relatively successful.

Metropolitan planning has basically been a priority, too. The state planning services have supported councils in the past 12 months by providing technical, policy and process support while dealing with requests for authorisation of planning scheme amendments in a timely manner.

As well as that building policy, the plumbing regulations 2008 came into effect on 24 November 2008 and replaced the plumbing regulations of 1998. The regulations include a number of variations and inclusion in key areas relating to the plumbing code. That seems to have been relatively successful and we are confident in that work being sustained as we go ahead.

In terms of Heritage Victoria, the heritage strategy grants program, which has funded \$2 million of projects to Heritage Victoria for heritage places, objects and collections management, represents a very significant investment and also supports those community groups who are very active in that space.

In terms of priorities for the forthcoming year, \$2.13 million in Creating Better Places grants will be provided for minor capital works projects as well as assistance to complete structure plans and the employment of place managers in metropolitan activity centres and certain regional centres and towns while \$1.5m will be provided in grants under the Expert Assistance Program to directly assist local councils in the planning and development of metropolitan activity centres.

In terms of development assessment committees, funding of over \$2 million over two years has been allocated to establish the development assessment committees outlined in *Planning for all of Melbourne*. In terms of development facilitation, \$3.2 million over four years has been allocated to the development facilitation strategic priority projects to fund new planning reforms and fast-track key building projects.

Then, on the statewide electronic planning applications online, \$10.4 million over four years to implement statewide electronic planning applications has been allocated.

The CHAIR — We might — —

Mr MADDEN — As well is that — I will finish up — there is a range that I hope to touch on as well: targeted urban renewal programs, central activities districts and basically significant investment on a number of fronts. I am happy to take questions on all those matters.

The CHAIR — The remainder of time for this hearing has been allocated for questions on the planning portfolio and the budget estimates. Minister, as I have asked other ministers, what federal grants or funding, both output and asset, will your portfolio or department or various agencies have received in the budget? Can your department provide the committee with a list and description of these grants? What accountability mechanisms, both to the federal government and your expectations from the organisations that you fund, will there be in respect of these grants?

Mr MADDEN — There is quite a body of work to explain in this area. Whilst there have been no new federal grants reflected directly in terms of the 2009–10 budget for the planning portfolio, that is not to say there is not a lot of involvement of the planning portfolio in a lot of other funding initiatives by the federal government.

Planning has been allocated \$6.5 million by the federal Department of Families, Housing, Community Services and Indigenous Affairs under the housing affordability fund for further development and integration of the

electronic development systems and processes, which is commonly known as e-planning. The funding for 2009–11 will enable existing systems to be modified to meet the national electronic development assessment technical standard, known as eDAIS, and also enable full integration of systems at participating councils.

The funding of \$6.5 million is subject to a memorandum of understanding, which was signed and returned to the federal government last week. The MOU stipulates funding conditions including six milestone payments for commencement to the end of the project in 2011. In addition, I understand there may be further funding announcements from the commonwealth in relation to the planning portfolio in coming weeks.

As well as that I made an announcement this morning, which is particularly pertinent to the question that you asked, Chair. All governments are very conscious that in Australia in 2009 the global economic environment is one of uncertainty, and we need to provide as much certainty as we can. It is certainly a contrast to a year ago.

The world is currently caught in the worst economic crisis since the Second World War. Growth has slowed, not only in emerging economies; recessions are being experienced in a number of Western developed economies — the United States, the United Kingdom, Japan and Europe — but we are making sure that we minimise these global impacts on our local economy. That is a top priority for the government.

To that end I have announced today, and I am pleased to announce here, some key planning reforms this morning, which will help Victoria secure its share of the federal government's \$42 million Nation Building economic stimulus plan. In particular I have announced a streamlined planning process for projects funded by the commonwealth's Building the Education Revolution and social housing initiative.

We have cut red tape to exempt non-government schools from the need for a planning permit where they meet certain criteria. I have made myself the responsible authority for schools and housing projects funded under the commonwealth's stimulus package. Where a permit is required I have streamlined the provisions to exempt them from the standard notice requirements and the review rights of the Planning Environment Act 1987.

That is not to say that poorly designed projects will get the automatic green light or that councils will be cut short of the process. For education proposals, with higher levels of amenity impacts and all social housing proposals, local governments will be notified and requested to provide comment. I will consider their views, and advice will be provided to me on their views when making those decisions.

These measures will take effect from this Friday. Without these measures, the projects could be languishing in approvals and at the VCAT system for up to 18 months, and this simply will not allow the projects to meet the commonwealth time frames to be eligible for the funding. For example, the funding contributions from the commonwealth require that 75 per cent of all new housing projects be completed by 31 December 2010. The time lines for the education funding are even tighter, with some projects needing to commence next month. I should point out that government schools are already exempt from planning requirements. This streamlined planning process will require that non-government schools are not disadvantaged in seeking funding under the Building the Education Revolution program.

We are taking action now to make sure we secure Victoria's fair share of the federal funding. We want to see our schoolchildren in Victoria and families in need of social housing have access to the commonwealth funds where they deserve them. My actions will ensure that \$1.4 billion of federal funding can be accessed for new school facilities, such as libraries, science and language centres. The funding will help equip schools with infrastructure to meet the needs of current and future generations.

My actions will also help secure around \$1.5 billion of commonwealth funding to build approximately 5000 social housing dwellings. Many members of this committee would be aware that earlier this year, the Premier announced the government would identify key projects where decisions could be fast-tracked in order to secure more jobs and help Victoria through the global financial crisis.

These streamlining measures I have announced today build on this momentum. They highlight the importance of the development facilitation unit in the planning portfolio. The Victorian budget supports these streamlining packages by providing \$3.2 million over four years to further the capacity of the department, the DPCD facilitation unit. My actions mean that \$3 billion of investment will flow to Victoria. These changes will pave the way for the largest number of simultaneous education and housing projects to be undertaken in Victoria's

history. This will boost local infrastructure and support jobs for Victorians. It will support projects with lasting benefits to communities across Victoria.

The CHAIR — Thank you Minister. It was a little bit long, but thank you.

Mr WELLS — Minister, the Ombudsman has reported that in relation to planning issues with the Keilor Park Reserve, a member of your staff, Mr Hakki Suleyman, inappropriately influenced this planning issue for the purpose of an ALP preselection dispute. The Ombudsman said:

Mr Suleyman was involved in the issue of a direction to the CEO which could have cost Brimbank at least \$100 000. I received evidence that Cr Suleyman and Mr Suleyman agreed to return funding to the 2009 council budget for development works at Keilor Lodge Reserve if Mr Seitz supported Cr Suleyman at the impending Kororoit preselection.

So my question to you is: when did you first become aware of the intervention of a member of your staff into the Keilor Park planning issue? Did you direct Mr Suleyman to conduct the actions he did at Keilor Park; and if you did not, who did?

Ms MUNT — How does that impact on the forward estimates?

The CHAIR — Thank you, Ms Munt.

The questions need to relate to the forward estimates. My judgement is that that one does not; it is more appropriate to a question on notice. Minister, my suggestion is that you do not need to answer that one, because it does not seem to be appropriate to the forward estimates. If you wish to talk about — and it is not for me to direct you, of course — planning arrangements for councils in that regard in the forward estimates, in the budget context, then I would be satisfied.

Mr WELLS — In fairness, can I just — —

The CHAIR — Through the Chair, please.

Mr WELLS — Through the Chair: in fairness, yesterday we had an assurance by the Premier on the Neil Mitchell program that the minister would be coming before public accounts, he would be asked these sorts of questions and he would be accountable. That is the assurance the Premier gave yesterday on the Neil Mitchell program, so we are assuming that the minister will be able to answer these questions.

The CHAIR — Neither the Premier nor Neil Mitchell actually run the arrangements for the Public Accounts and Estimates Committee.

Mr WELLS (to the Chair) — Are you saying that the Premier has deliberately misled people on the Neil Mitchell program?

The CHAIR — Excuse me, Mr Wells, I did say at the beginning that we need to conduct this hearing in accordance with the normal practices of Parliament, so when I have the call and I am speaking, I really do not need to be interrupted. What I have suggested here is that this question does not actually fall within the estimates hearing. If the minister wishes to answer it, that is his prerogative, but in terms of the Chair and in terms of this hearing, it is outside the terms of reference, except in relation to planning and the council.

Mr WELLS — Just on that point, with respect.

The CHAIR — The minister has the call.

Mr WELLS — Through you, Chair. With respect — —

The CHAIR — No, the minister has the call.

Mr WELLS — The Premier said yesterday that — —

The CHAIR — The minister has the call.

Mr WELLS — ‘Justin is appearing this week before the Public Accounts and Estimates Committee — I think on Wednesday’.

Mr MADDEN — Chair, I am happy to answer.

Mr WELLS — ‘I am sure he will get questioned before the committee about all of those matters’.

The CHAIR — Mr Wells, you are ignoring the Chair.

Mr WELLS — I am wondering if he can then answer the question.

The CHAIR — Order! Mr Wells, you need to respect the processes of the parliamentary committee; you are clearly not doing that. As I said before, you are an experienced parliamentarian, and you need to follow the procedures of the committee. I have asked all members, and that includes you, Ms Munt, who was also making an intervention when someone else had the call. There are processes which we have to follow, and we need to follow them properly. I have already given a ruling on this particular one, and I have left it to the minister and given him the call. I ask you to have respect for the call.

Mr WELLS — With respect, Chair — —.

The CHAIR — Minister!

Mr WELLS — With respect to you, Chair — —

The CHAIR — I will take no more.

Mr WELLS — With the greatest respect, Chair, we have had the Premier say one thing, and now you are contradicting what the Premier said yesterday. He gave assurances that he would answer these questions.

The CHAIR — I have already ruled on this matter. Minister, you have the call.

Mr MADDEN — I am happy to provide answers to this committee on anything I possibly can. In relation to Mr Wells’ questions about my electorate office, let me just say that if you read from cover to cover the report from the Ombudsman’s office, it is no doubt an appalling indictment on the operation of the Brimbank City Council. They are of course very grave and serious matters reflected by the Ombudsman, and I acknowledge that.

Mr Suleyman has been an electorate officer in my electorate office for the time that I have been a member for the Western Metropolitan Region and a member for Dousta Galla. He was employed in my office prior to my taking up my position in Parliament, and I have stood him down on the basis of the report that has come to all of us from the Ombudsman.

Can I just say that I have lost faith in Mr Suleyman. I have asked the President to deal with these matters and to resolve these matters at the earliest possible time.

The extent of allegations made against Mr Suleyman were significant in terms of the report, and they have been acknowledged by everybody and myself. I was not aware of his undertakings in any shape or form in relation to these matters, and as such I have lost faith in Mr Suleyman and stood him down accordingly.

Mr WELLS — But you did not actually answer the question. The question to you was: when did you first become aware of the intervention of a member of your staff into the Keilor Park planning issue? When did you become aware of that, and did you direct Mr Suleyman to conduct the actions he did at Keilor Park; and if you did not, then who did? That is the part that I need an answer to.

Mr MADDEN — Can I just make this point — —

The CHAIR — Before you answer — —

Mr WELLS — He agreed to answer the question.

Members interjecting.

The CHAIR — Without assistance from members who are getting a little excited. Minister, as I said before, I do not regard this as a question dealing with the estimates. If you wish to answer that one, that is your prerogative. I would prefer that you did not because — —

Mr WELLS — Hang on, he should be given the chance

The CHAIR — I am giving the ruling, thank you very much.

Mr WELLS — He should be given the chance to answer the question, and he has agreed to answer the question.

The CHAIR — Without the interruptions. If you actually listen, Mr Wells — —

Mr WELLS — He agreed to answer it first-off, and now you are giving him a chance not to answer it.

The CHAIR — You are not listening, Mr Wells, and your behaviour is not good.

Minister, I am giving you the prerogative if you wish to answer that one. I judge, as Chair, that it has nothing to do with the estimates.

Mr MADDEN — I have answered many of these questions publicly, and I have answered many of those questions within the Parliament. Those answers still pertain to your question, too, Mr Wells, and I am happy to repeat those answers because almost the exact question has been asked of me within the Legislative Council, and that relates to when I became aware of these matters.

The extent of Mr Suleyman's involvement in any matters dealing with the council came to my attention through the Ombudsman's report.

Mr WELLS — You cannot be serious! You did not know anything was going on in your own office until you read the Ombudsman's report. Is that what you are saying?

Members interjecting.

Mr WELLS — Are you saying that you did not know anything that was going on in your office until you picked up the Ombudsman's report.

The CHAIR — Mr Wells, I warn you.

Mr WELLS — How long has he worked with you — 10 years? If he has worked with you for 10 years and you have not done one thing about it, you are either being dishonest or you are incompetent in the way you have handled it.

Members interjecting.

The CHAIR — I formally warn you, Mr Wells, that you are ignoring the Chair. While it might be good for the television — —

Mr WELLS — We just want some answers.

The CHAIR — The Chair is standing. It is a convention of Parliament that when the Chair is standing the members are quiet — that includes the witnesses as well. You are flouting the conventions of Parliament. If you wish to show such bad behaviour as a parliamentarian, or if any other members of the committee wish to do the same, then I will formally warn them. After warning them, I will not give them the call. If you wish to participate properly in this proceeding, then do so. If you do not, then do not participate.

Mr WELLS — Get him to answer the question, then.

The CHAIR — Mr Wells, I am talking. The minister was answering the question.

Mr WELLS — Right.

The CHAIR — Thank you, Mr Wells.

Mr WELLS — So you are saying — —

The CHAIR — Without assistance.

Mr MADDEN — Thank you very much, Chair — —

The CHAIR — And it is not a laughing matter, either.

Mr MADDEN — No, I have — —

Mr WELLS — But you are saying that you have been working in your office for 10 years and you did not know anything about it?

The CHAIR — Mr Wells, that is totally inappropriate behaviour.

Ms MUNT — Absolutely. It is just too much.

Mr WELLS — You started in 1999, and for 10 years you had no idea whatsoever about the intervention into the Keilor Park planning issue?

The CHAIR — All right, Mr Wells. I think we have had enough of that question.

Mr WELLS — Is that the case?

The CHAIR — I give the call to Ms Munt.

Mr WELLS — Hang on. He agreed to answer the question.

The CHAIR — You are flouting the rulings of the Chair.

Mr WELLS — He agreed to answer the question.

The CHAIR — But you are not allowing him to answer.

Mr WELLS — No, I am just asking. He agreed to answer the question — —

The CHAIR — You are flouting the rulings of the Chair. You are taking no notice of the processes of Parliament.

Mr WELLS — Now what you are doing is letting him cherry pick — —

The CHAIR — I am not letting anybody cherry pick anything. If the committee members are unable to control themselves, then I will have no alternative but to suspend the hearing while we discuss this, as the committee. This of course will detract from the hearing. We actually want to have a hearing on the estimates. Unless the minister has anything quickly to add without any assistance from other members of the committee — that includes you, Mr Wells, and it includes you Ms Munt — then we will move on to the next one. The minister, to very succinctly finish answering the question.

Mr MADDEN — I believe I have answered that question.

The CHAIR — All right, Ms Munt?

Mr WELLS — No. This is about accountability.

The CHAIR — Ms Munt has the call.

Mr WELLS — Are you saying that the first time you knew about the Keilor Park planning issue was when you picked up the Ombudsman — —

The CHAIR — Mr Wells!

Ms MUNT — Minister, in relation to page 284 of budget paper 3 under ‘2009 Victorian Bushfire Response and Recovery’ and in particular ‘Bushfire Building Standards’, I note that \$1 million has been allocated in 2008–09 to communicate new building standards in response to the Victorian bushfires. Can you please provide the committee with an update on this initiative?

Mr MADDEN — The profound impact of the bushfires earlier this year no doubt weighs heavily on people’s hearts right across Victoria. What has been no doubt impressive for all of us is the fact that all Victorians and Australians beyond Victoria have really supported those affected by the bushfires. I would like to place on record my thanks and my compliments to the community for the broad support and the way in which everyone has responded.

I would just like to hand out to the members of the committee some documents I want to draw your attention to. These relate very much to building matters in relation to the bushfires. There is an array of documents there. We recognise that people wanted and needed the support to move back as quickly as possible into their communities and reassemble their lives and begin the rebuilding process following the devastation of the Black Saturday bushfires.

As a government we have moved quickly to identify strategies to address emerging issues facing communities impacted by fire. What you have in front of you is a collection of material that has been published by one of my agencies, the Building Commission. The information will assist people to understand what steps they need to take to rebuild. These publications follow a decision by the government, made soon after the bushfires, to introduce tougher building standards by bringing forward the new Australian design standard, AS 3959–2009, which is for the design and construction of buildings in bushfire-prone areas. This standard will help to improve the defensibility and the resilience of homes at bushfire risk. There are three documents there: a guide to returning to your property safely, *A guide to building in Victoria after the bushfires* and a plain-English document for people to understand how they can rebuild within the new building code or the new standard in relation to domestic dwellings.

Whilst it might appear initially technical, it is not too technical. I will try to simplify it and put it in layman’s terms. The new system of rebuilding means that all locations have to be assessed for bushfire risk. Then, on the basis of the bushfire risk — and I draw your attention to almost the centrespread of that document, which is ‘Rebuilding after the devastation’. That basically has the varying bushfire attack levels, or the BAL levels. There are six of them. They range from low to those dwellings in the flame zone. Then, in layman’s terms, down the other side of the chart it indicates the sort of works that need to be undertaken to fit into those categories. That helps people understand the practical implications and the materials they need to put into the dwelling, and also assists them to feel more confident that they are building at the highest possible regulatory standard of the time.

It will apply to all new homes across Victoria. All homes will be considered under the bushfire attack level. The bushfire attack level is determined by a number of factors, including the likes of aspect, slope and the proximity and type of vegetation at the site. One of those critical issues is the type of vegetation. If it is low-lying or if it is located in a rainforest, that has significant implications.

There will no doubt be the prospect that some homeowners may have to apply additional costs to their homes in the high-risk category. It is expected that around 80 per cent of new homes will be in the low-risk category across the state. This is new dwellings right across the state, not just in bushfire-prone areas. To ensure that communities have the information they require to make informed decisions when rebuilding and applying the new building standard we have invested \$1 million in educating and training for communities, councils and professionals. This has been done in a number of ways: seminars, industry roundtables, publications, voluntary programs, a website and an information hotline where people can talk to a technical expert.

Again I want to put on record that the government has been overwhelmed by the kindness and generosity of all Victorians in their willingness to assist. I also want to put on record the volunteer services, particularly within the building industry. The building industry itself has a number of volunteer programs under way to assist in the rebuilding effort. Many of those are professional organisations. That is being coordinated with the Building Commission. I announced one volunteer program that was the bushfire attack level assessment project, where volunteers who are registered professionals are available to assess a property’s bushfire attack level, which is a requirement before people start building.

That program will assist people in making a call as to how, where on the site and to what extent they might want to rebuild, and what other works they might want to undertake if they need to undertake any clearance as well. We are grateful for the number of professionals who offered to pitch in and help rebuild, and no doubt the royal commission will consider longer term issues. We are getting on with the job and helping people now when they really need it, and we also look forward to the longer term recommendations that might come from the royal commission and might assist us with planning and building matters well into the future.

Ms MUNT — Do you know how much rebuilding is currently under way?

Hon. J. M. MADDEN — I will take the specific details on notice, but it is quite comprehensive. There are those who are now reaching a critical point where the sites are cleared. Recently it was announced that more than 30 per cent of sites are cleared. We have had fine weather this week, so that could be almost 40 per cent by the end of the week, I understand. With the clearing of a lot of these properties people are now having to make the judgement call themselves as to whether they will or will not rebuild because they are at that critical point. That support from the volunteer services is critical to inform them now, if the site is cleared, what the implications are and how they might rebuild, whether it be on exactly the same location or with slightly different materials. For some it might even be a bigger property, for others it might be smaller, depending on where they are in their life.

Ms MUNT — And their family responsibilities.

Hon. J. M. MADDEN — That is right. For many of them it is a critical point. We want to support them, and we certainly are conscious of that. It is a very big decision for some people, and some people are electing not to rebuild. We can support them in any form around making that decision with counselling or support. We are happy to provide that.

Mr DALLA-RIVA — Minister, the Ombudsman has reported that in relation to the property issue at 76–78 Biggs Street, St Albans, the property was provided free of charge to your of staff Mr Hakki Suleyman, who then used it for the purpose of ALP recruitment and meetings, and in particular it became the address of the Maribyrnong North Turkish branch of the ALP.

The CHAIR — I am not sure where we are going with this.

Mr DALLA-RIVA — Did you direct Mr Suleyman to use these premises for those purposes? If so, who directed him? And when did you first become aware of this arrangement and the uses of Biggs Street by your staff member?

The CHAIR — That does not seem to relate to the estimates at all. There is not even anything remotely relating to the estimates, so I call on Mr Noonan.

Members interjecting.

Mr DALLA-RIVA — You cannot pick and choose. We have had the Premier yesterday saying, ‘Justin is appearing this week, by the way, before the Public Accounts and Estimates Committee, I think on Wednesday. I’m sure he’ll get questioned before the committee about all these matters’. We are questioning the minister about all these matters.

The CHAIR — I have made my ruling, Mr Dalla-Riva.

Mr DALLA-RIVA — We have been trying to uncover the stench coming out of this office for over 10 years. If he does not know what occurred, this was in May of 2006. This came out of his office.

The CHAIR — We do not need any props, thank you. Mr Noonan has the call.

Mr DALLA-RIVA — We need an answer. The stench out of his office is unbelievable, and we need to know exactly what was being used.

The CHAIR — Mr Noonan has the call.

Mr DALLA-RIVA — You cannot shut me down. I have asked a question.

Members interjecting.

Mr WELLS — We need this question answered. He answered the first one in part, and we need an answer to the second one. This is blatant corruption.

The CHAIR — Mr Wells, you should know that any imputation against another member of Parliament has to be done by way of substantive motion in the house, and that has to be given by way of a notice of motion. It is not for any member of this committee to make any imputations in the committee hearings. I think that is completely out of order.

Mr DALLA-RIVA — We are not making the imputations, Chair. This is a report.

The CHAIR — Mr Dalla-Riva, your behaviour is not good either. I have made a ruling on the question. The question had no relation to the estimates. If you wish to ask those questions in the house, you are free to do so.

Mr WELLS (to the Chair) — He needs the option of answering that question. You need to give him the option of answering that question.

The CHAIR — Mr Wells, thank you very much. I have made a ruling, and Mr Noonan has the call.

Mr WELLS — Hang on! He needs to be given the option to answer this question.

The CHAIR — Mr Noonan, go ahead, please.

Mr DALLA-RIVA — The Premier yesterday said, though, he would be held accountable — and he is not.

Members interjecting.

The CHAIR — Mr Wells, you are out of order.

Mr RICH-PHILLIPS (to the Chair) — You are just randomly picking and choosing what is happening.

Members interjecting.

The CHAIR — Mr Wells — —

Members interjecting.

Mr NOONAN — Can you advise the committee how the planning system has is being streamlined to assist bushfire-affected residents to rebuild their communities?

Hon. J. M. MADDEN — Thank you very much, Mr Noonan.

Members interjecting.

The CHAIR — Mr Wells, you are out of order. The minister has the call.

Mr MADDEN — Thank you very much, Mr Noonan.

Mr DALLA-RIVA — Hang on! When are we going to get an answer on the first matter?

Mr WELLS — Why are you shutting down this part of the committee?

The CHAIR — I am not shutting down anyone.

Mr MADDEN — In relation to the very profound matters around the bushfires, I am conscious that Victorians have been profoundly affected by the bushfires.

Mr WELLS — He had this man in there 10 years ago.

Mr DALLA-RIVA — This is selective.

Mr WELLS — This is a joke.

Mr MADDEN — I would hope that the opposition recognise the significant impact and profound effect of the bushfires on all Victorians.

Mr DALLA-RIVA — When do we find out — —

The CHAIR — Thank you, Mr Dalla-Riva!

Mr WELLS (to the Chair) — The Premier gave us an assurance that he would answer these questions, and he is not answering the question.

Mr MADDEN — I welcome your question about streamlining the planning system.

Mr WELLS (to the Chair) — You are shutting it down. This is a disgraceful situation.

Ms MUNT (to Mr Wells) — No, you are shutting it down by your behaviour.

Mr MADDEN — The Premier made a commitment to help those rebuild after the bushfires, and all those affected by the Black Saturday bushfires.

Mr WELLS (to the Chair) — That was a straightforward question — —

The CHAIR — The minister has the call.

Mr MADDEN — As communities begin that rebuilding process, as I mentioned in my previous answer, people are at a very important point in the process. As sites are being cleared they are having to make very profound and significant decisions about whether they go back or whether they do not and what they can expect from going back. One of the big questions that people ask is: what are the planning requirements? I have mentioned the building requirements. In the vast majority of cases people will not need a planning permit, but there will be some instances where because of various overlays that exist and have existed that will have an impact on the rebuilding process.

What we have sought to do is reduce the burden, in a sense, of the planning system. My aim is to ensure that the planning process is streamlined as much as possible and is as straightforward as practically possible. One of our government's first steps in the wake of the fires was to ensure that there were no impediments to the process of bushfire recovery and to provide for temporary accommodation on sites affected by bushfires. To make sure this could happen quickly, we introduced a planning exemption to the planning schemes to provide for works associated with recovery activities and recovery uses such as depots and temporary accommodation.

You have before you an advisory note that was produced. That is not only for council officers but also the general community to assist them in understanding what the implications of rebuilding are in terms of the planning system. We took a further step last week to assist rebuilding by introducing a new provision as well, clause 52.39, to the Victorian planning provisions 2009, titled 'Replacement buildings'. The new provision enables landowners to rebuild their homes and other types of buildings that were damaged and destroyed in the 2009 Victorian bushfires without having to satisfy what might be the normal planning scheme requirements.

The new provision has been welcomed by the Municipal Association of Victoria, I understand, and by bushfire-affected councils. The provision exempts the rebuilding of dwellings and other types of building from any requirement of the planning scheme, including any requirement to obtain a planning permit to use or develop land. The provision has been designed to allow simple site plan approval by local councils to enable people to seek building approval and commence rebuilding. The new provisions include several important conditions that must be satisfied before rebuilding can commence. These conditions are mainly to ensure the safety of residents and focus on things such as flood plain areas and land subject to inundation. We believe we have cleared most of the planning permit requirements, but there might be just a tiny fraction where you have a flood plain overlay or inundation or a landslip where some technical requirements might still need to be considered.

The approval of a simple site plan will provide for a streamlined process and ongoing security for future owners of land and legal proof of the right to develop. The new provision makes it easier for people to rebuild their

homes and farms and saves residents and councils time and money in processing planning permit applications, appreciating that for some smaller rural municipalities this is an enormous task to deal with given the volumes that we are seeing. In most cases the site plan replaces the need for the planning permit, but most likely a building permit will still be required to ensure the structural safety and the implementation of the new bushfire building requirements.

Another piece of work — and I know that this is very much in the consciousness of the community — that the department in conjunction with the Department of Sustainability and Environment and the CFA is currently undertaking is a review of native vegetation management in bushfire risk areas. The review will establish if changes are required to current vegetation controls and management practices to take into account the increased bushfire risk in many parts of Victoria. It will also consider whether landowners have sufficient capacity and understanding of the current regulations to manage vegetation and reduce bushfire risk around their homes. The review will be completed in time to assist the deliberations of the royal commission. We will continue to work with affected communities with bushfire recovery to ensure there continues to be a consistent and coordinated approach to rebuilding.

Mr RICH-PHILLIPS — Minister, the Ombudsman has reported that a member of your staff, Mr Suleyman, used his position to inappropriately influence a planning decision involving leasing Cairnlea Park to the Cairnlea Soccer Club. Did you direct Mr Suleyman to act on this issue; if not, who did? When did you first become aware of this conduct by your staff member? Given that you have employed this crook for 10 years, why do you expect us to believe that you did not know about the corruption in your own office?

Ms MUNT — Does this mean, Chair, that the opposition is absolutely uninterested in planning in Victoria?

Mr WELLS — That is a straightforward question.

The CHAIR — Without assistance from members — —

Mr WELLS — We are interested in the way he conducts himself.

Ms MUNT — No, this is — —

Mr WELLS — This is about the way he conducts himself as the Minister for Planning.

The CHAIR — Mr Wells and Ms Munt!

Ms MUNT (to Mr Wells) — It is also about the way that you are conducting yourself.

Mr WELLS — But the Premier gave an assurance yesterday that he would be able to answer these questions and be held accountable — —

Ms MUNT (to Mr Wells) — You have no interest in planning in Victoria.

The CHAIR — If you wish to conduct a conversation, conduct it outside, please. Mr Rich-Phillips has asked a question. Once again, I see a limited relationship to planning. Insofar as it relates to the planning portfolio — —

Mr WELLS — What do you mean ‘planning’? It is all about planning.

The CHAIR (to Mr Wells) — Excuse me, I am speaking. You are continually rudely interrupting. I am dealing with the question that Mr Rich-Phillips asked. Insofar as it relates to the planning portfolio and the budget estimates, the minister, to answer.

Mr MADDEN — In relation to these matters around Mr Suleyman, as I have previously answered in the Legislative Council, to the media and here today, Chair, I was made aware of Mr Suleyman’s involvement in these matters and the extent of those matters through the Ombudsman’s report. I have stood aside Mr Suleyman. The employment of Mr Suleyman is dealt with by the Parliament. He may have worked in my office — —

Mr RICH-PHILLIPS — For 10 years.

Mr MADDEN — But he is employed by the Parliament. I have asked the President to deal with those matters, and I have asked — —

Mr WELLS — See this? This was in your local paper in 2006. You cannot say that you did not know — —

The CHAIR — Thank you, Mr Wells!

Members interjecting.

The CHAIR — The minister has the call.

Members interjecting.

Mr WELLS — You cannot say that you did not know about it until you read the Ombudsman's report.

The CHAIR — Minister, do you have anything further to add?

Mr MADDEN — No. I believe I have answered that.

Ms HUPPERT — In your presentation you referred to — —

Mr WELLS — On a point of order — —

Members interjecting.

The CHAIR — Just a moment. If you call a point of order, we will need to consider any point of order in a private hearing, which means I will need to ask the witnesses and the people who are attending this hearing to withdraw.

Mr WELLS — We do not need to go down that line.

The CHAIR — I did not think we needed to.

Mr WELLS — No, we do not need to go down that line, but we need clarification on why you are not directing the witness to answer the question.

Ms MUNT — Ms Huppert has the call.

The CHAIR — Thank you! Mr Wells, I understand what you are saying. I did ask the minister had he finished answering the question.

Mr WELLS — He had not started answering it.

The CHAIR — He said yes. I actually gave him the option to answer it. I did rule it as largely not relating to the estimates, particularly the questions at the end. The statement at the beginning and the first sentence could have been vaguely related to the estimates. The minister said he had answered the question. I gave the call to Ms Huppert. Ms Huppert, to continue.

Mr WELLS — Hang on! The Premier gave an assurance yesterday that when it comes to accountability — —

Ms HUPPERT — The question is in fact, Minister, if you could outline to the committee how the development assessment committees will implement the government's metropolitan strategies?

Members interjecting.

Mr MADDEN — Thank you very much, Ms Huppert. I have passed around to the committee, two documents. One is an information document based on the development assessment committee policy announcement for clarity around the way in which the development assessment committees would operate. There is a significant amount of misinformation out there, and a lot of that has been that — —

Dr SYKES — Where is it emanating from, Minister?

Mr MADDEN — A lot of that misinformation in relation to the development assessment committees has come from the opposition.

The CHAIR — Without assistance please, Minister!

Members interjecting.

Mr MADDEN — I just want to clear the air on how they would operate and how they are intended to operate. In 2008 the Brumby government completed its first five-yearly audit of Melbourne 2030. As part of the audit process an independent group of experts reported that the fundamental principles of Melbourne 2030 were more relevant than ever. In the face of climate change, population growth, traffic congestion, housing affordability and demographic change it reinforced that it was more important than ever.

The Brumby government's metropolitan planning policies support new housing and growth opportunities in a range of locations, including some in greenfield locations at the fringe of Melbourne and some in established areas. That is a very important component of Melbourne 2030. Some people interpret it as either one or the other; it is not one or the other — it is both. It is providing a diversity in a range of housing types and housing provision right across the Melbourne metropolitan area.

In established areas in particular, principal and major activity centres are intended to be the major focus of change. Of course people are a bit concerned about their green leafy suburbs or their green leafy streets, so they do not want to see development occur in those streets. The intention of Melbourne 2030 is to concentrate new housing, new business opportunity, new development and any intense development in those central activity districts or the principal activity centres.

The expert audit group of Melbourne 2030 recommended that a greater focus should be made on a smaller number of activity centres in order to have the greatest impact. It recommended a new entity to facilitate the rapid and focused development for decision-making. I will reinforce that: decision-making, as opposed to the controls, because, again, there is a bit of confusion out there in the community around the difference between the controls and the setting of the controls and the decision-making.

It recommended considering revised planning responsibilities in such centres. The Brumby government's response to these findings and the recommendations has been the establishment of development assessment committees.

The development assessment committees will enable state and local governments to partner in making planning permit decisions in relation to areas and matters of state, regional and metropolitan significance. The development assessment committees offer a number of benefits. They offer the ability for more balanced decisions to be made where state and local planning policies can be equally considered. This is particularly important for projects that have impacts beyond their immediate locality, because the development assessment committee as modelled in that sheet comprised two members from state and local government and an independent chair. They offer the ability for councils and the state to share the pleasure — and the pain, of course — and responsibilities for the decision-making process.

The DACs are not about streamlining; they are about making quality decisions on projects and matters of significance. Those decisions will be informed by the relevant controls, and those controls will be established and set by local councils in collaboration and consultation, in conjunction with the state government. They are about giving confidence to Victorians that the impact of a decision down the road or the next suburb are made and assessed in a balanced way. They are about ensuring that the decisions of today are also in the interests of future generations.

They might look for a dwelling in their immediate locality that is smaller, that does not provide for their children because their children have moved on, but their children might also want to live in that locality in a smaller dwelling as well until they form their own household or their own family; so it is important to be conscious that we are not talking about outsiders, we are talking about people who live in those communities needing more dwellings into the future.

The DACs will assist in making the decisions in relation to these areas nominated for potential development, and this mechanism is not only in the best interests of today's generation but also future generations.

Our children and grandchildren can benefit from the decisions in the context of their housing and employment needs. They are about partnering in decision-making with local government, and that has always been the premise to establish the DACs.

Over the past 12 months — and if we refer to the development assessment committee model on the paper in front of you — a technical working group comprising officers of the first five councils has been established to offer advice about the best model to be implemented to establish the DACs. The model suggested by the technical working group — so these are representatives or officers from the council — will see, by and large, the existing council processes for lodging a permit application remain the same; however, when it comes to the decision itself, instead of the delegated officer or a committee of council making the decision, the DACs will make that decision.

Let me stress that the model and the legislation drafted for the DACs does not impact on third-party appeal rights. Legislation for DACs was introduced in Parliament on 2 April this year and passed in the Legislative Assembly on 7 May, and I look forward to the passage of this legislation through the upper house. It will be interesting to see what the opposition's position is on this.

Mr WELLS — At least it will be honest! When it comes to planning, it will be based on honesty.

The CHAIR — The minister!

Mr MADDEN — It is very important that the DACs are a balanced approach, a partnership approach, and are understood. Currently there are only two models for dealing with planning decisions in these sorts of spaces. The council makes the decision or alternatively, the minister makes the decision.

This is a shared approach which we believe will allow for more balance rather than the black-and-white approach of the council or — —

Mr WELLS — Which council?

Mr MADDEN — Or the minister making that decision, and through development assessment committees we can do this a third way. We have also provided — and I know there is some misinformation around the way this is supported — \$2 million over the next two years to help support the establishment of these models.

Ms PENNICUIK — I note that the three government members have asked questions which virtually allow the minister to make a ministerial statement on various aspects of planning, which is a bit of a segue into my question.

The minister, in answer to the question on the building standard, did not address the issue that the CSIRO had raised concerns about that building standard not being as good as the one it was replacing. In your answer about development assessment committees, you mentioned statements made by Melbourne 2030 but you forgot to say that the Melbourne 2030 expert group did say that the community had not been brought along — one of the key themes of that finding was that the community had not been brought along in terms of Melbourne 2030 and that not enough resources were being given by the government to implementing Melbourne 2030. Therefore we now have a rushed or a streamlined or fast-track planning process that is being put in place — —

The CHAIR — Your question, please.

Ms PENNICUIK — I am getting to my question thank you, Chair. Added onto that layer that you are talking about in *Melbourne @ 5 million* and the streamlined fast-track planning process you have been describing all morning, we have the federal government's stimulus package resulting in millions of dollars for social housing, which is a good thing.

But while increased funding for social housing should be encouraged, there is a growing concern among stakeholders and the community that the state government is fast-tracking social housing and other planning through the state planning system at the cost of careful planning and good design.

The CHAIR — A question, please.

Ms PENNICUIK — I am getting to the question.

The CHAIR — You are taking a long time.

Ms PENNICUIK — The decisions that we make today will cast long shadows.

The CHAIR — Can you ask your question, Ms Pennicuik?

Ms PENNICUIK — Buildings and new dwellings are going to last a long time, and my question is: the president of the Royal Australian Institute of Architects says that we may end up, without careful planning and good design, with ghetto communities. I want to know what resources are being put in place in the department to address this serious issue, and also to ensure that particularly social housing is state of the art in terms of energy efficiency and ecologically sustainable design, because that is what we will need as we go into this century.

The CHAIR — Thank you for that question. The minister, to answer.

Mr MADDEN — There are two issues I will try to do justice to in your question. The first was in terms of the bushfire standards. I am conscious that we want to assist people and give clarity to them rebuilding as quickly as possible. The standard which we brought forward — the adoption of that standard — would have been recommended for adoption at a ministerial council on a national basis, I understand, in May next year.

So it had really gone through all the gateways to get to May next year, but it was just the last few ticks in the boxes that it needed from all ministers and their departments right across the country, for agreement, and of course there was going to be some negotiations and discussion, I anticipated, behind the scenes by the departments of various state governments to deal with these matters.

What we did not want was people being uncertain about building to the best possible standard. We wanted to ensure that in people trying to make the critical decision as to whether or not to rebuild, they could feel very confident that the standard or the methodology that they were going to adopt would do justice to their expectations and their understanding.

They needed that information. This was basically ready to go, other than national agreement on the compliance of it. We decided to bring forward that. It is, we understand, the best possible standard at this point in time. That is not to say that it is going to be the perfect standard. We will, no doubt, continue to monitor the standard, and I know that other jurisdictions will be particularly interested in the successful implementation of the standard.

The ACT has also adopted the standard. There were some comments made by one or two organisations which have been involved in developing the standard. I think one or two made comments that they thought it could have been better. I am sure that we will see a standard develop beyond this one which will be even better, but a standard does not occur overnight; it does not just appear on paper. I understand this standard has taken five years to get to this point. This is the best we can possibly offer people at this point in time.

The royal commission is highly likely to make some comments around building and planning issues. We look forward to the comments that they make, and of course we will consider those. We have already stated that we will take very seriously any recommendations made by the royal commission in relation to any planning or building matters, and any other matters for that sake. It takes five years to get one of these standards up, and we are at the end of the five years.

We do recognise that the flame temperatures in these fires were higher than the flame temperatures that have occurred previously. These standards are built to a certain flame temperature, and it is likely that it will be confirmed that an increased flame temperature has additional risks. Any new standard that will emanate from the royal commission work being developed and the work which will continue to be developed, I am sure, by ministerial councils and the relevant building authorities nationally will seek to improve this standard to a greater extent given what we now know took place on Black Saturday. I certainly understand your interest in these matters, and am happy to also keep you up to date on the progress.

The CHAIR — All right, Minister, the other part of the question, please, quickly. We have taken a lot of time.

Mr MADDEN — The other part of the question was the fast-tracking based on the major announcement made today and the federal government's announcements. I am very conscious of quality of design when it

comes to the built environment. My background as an architect has been very useful in terms of this portfolio. It is very important to make sure that we do not just build for building sake, that we do not build for use alone.

The greater urban amenity of the built environment is an important component of the livability of Melbourne, the livability of our regional cities and our rural areas as well. We do not want to risk that component of our livability by having buildings that appear poorly designed from an aesthetic point of view or the way they relate to their communities. We have put in place \$3.2 million over four years, allocated to the development facilitation unit for strategic projects within the state as well as assisting in providing advice as to what projects need to be facilitated at a rapid rate, as has been the case recently, but also to provide strategic facilitation advice on how to overcome difficulties around design issues, amenity issues and how to resolve many of these matters.

At the end of the day planning can only improve where we get people to try to resolve matters collaboratively rather than just denying the entitlement to build. It is very important that we encourage planners at the local government and state government level and the professions to work collaboratively and listen to one another in a way that we can resolve these matters. That is what we are seeking to do through the facilitation unit, and a major component of that is the amenity issues and the concerns of locals. The announcement we made today does not exclude locals from having input.

What it will do is if projects show signs of controversy in the sense of their design, then we will ask the council what its views are. We would hope the local councils would consult and provide some of that information to us, because they are in a place where they can listen to locals' views and respond to us rapidly as well.

Ms PENNICUIK — Minister, it seems you are stepping up the speed of planning. Are you stepping up the requirements for quality in terms of ecological sustainability?

Mr MADDEN — What we have seen recently are the five-star arrangements for domestic dwellings and a national agreement through COAG around lifting that standard to six stars. We would also anticipate that we will also have other requirements locally on a number of environmental issues. In terms of higher density, we would expect those matters to be considered thoroughly, and advise that they be considered thoroughly. A lot of the provision of these projects is done through the Office of Housing, particularly in the housing and education buildings. We are seeing investment in these environmental initiatives. I think the Office of Housing has benchmarked the quality sort of development that can be achieved in the likes of Prahran recently, where they have developed an award-winning public housing development. The government appreciates that it needs to, in a sense, lead the way in terms of what the private sector can do and also make that a major consideration in how these developments occur.

Mr SCOTT — Minister, I refer you to budget paper 3, page 338, and the funding provided for development facilitation for strategic priority projects, which you just touched upon in your previous answer. I would like to ask about a different aspect of that particular funding project. Can you please advise the committee how this initiative will support the delivery of jobs to Victoria during the global economic downturn?

Mr MADDEN — We recognise that timely planning decisions play a critical role in securing jobs in the construction and development industries. There has no doubt been a slowdown in the commercial construction industry, and that can have a significant impact on jobs. We are very conscious that in providing more construction, that has to be good for jobs. That is why in February this year the Premier and I announced that we would fast-track decisions for key building projects. From time to time some projects become roadblocked, and some of these are very complex. This is not necessarily a criticism of councils. Sometimes those complexities are difficult to resolve and they need a mechanism to bring a decision to a head.

Our decision was not about disenfranchising communities or denying councils a role in the process. Our decision was not about approving just anything that can create a job. Our announcement was basically about paving the way so that more timely decisions could be made on projects so that people can move on with their lives. Our focus is on unblocking decisions for projects of such a scale that they would have a significant impact on jobs or on projects with significant community benefits. To put it into perspective, I will give you a few examples.

The first example is 670 Chapel Street, South Yarra. In February I made myself the responsible authority for a development at 670 Chapel Street, South Yarra. This development, which was already under construction, was about to come to a standstill and the construction workers were threatened with the real possibility of being told

not to come back to work because of a dispute over the stamping of plans. My decision to become the responsible authority and make a timely decision on the plans meant 146 people could return to their construction jobs.

Also in February I announced that I would facilitate a process for making a decision on the future of the Chirnside Park Country Club. The background of this one is that the council chose to exhibit a rezoning proposal for a residential subdivision of the golf course. The council abandoned the rezoning after its exhibition, which attracted over 900 submissions. Without some form of intervention, the proposal would have been unable to go any further. There would have been no chance for people to put forward their views and not even a chance for the proponents to appeal. I have decided that the proposal is, at the very least, worthy of future consideration.

The proposal has the potential to make a significant contribution to the metropolitan housing supply. It has the potential to generate in excess of \$335 million of construction work and approximately 2460 jobs. I have set up an independent advisory committee to consider the proposal. I have also called in from VCAT the development application for the new golf course at the former quarry site so that the two matters can be considered together. This will give all interested parties an opportunity to have their say and be informed so an informed decision can be made.

The various projects that I have intervened in since February have the potential to create more than 18 500 jobs, both directly and indirectly, for Victorians. Jobs are important to the government, particularly where they can be supported through timely decision making. The 2009–2010 budget supports jobs in the construction and development industries by providing \$3.2 million over four years for the capabilities of the development facilitation unit, which I mentioned previously. This money will assist proponents and councils with projects on a case-by-case basis. It will enable a rolling audit of major projects to be conducted so I can be advised of projects' progress and any appropriate actions that will fast-track decisions. The money will also support my department to facilitate projects that are funded under the commonwealth stimulus package, as I have mentioned before, bearing in mind issues that I have also mentioned.

We have streamlined the planning process for the building and education revolution and social housing initiatives. My actions will mean that around \$3 billion of federal investment can flow through to Victorian schools and families in need of social housing without being bundled up in bureaucratic red tape. We support jobs. We support a planning system that delivers decisions in a timely but also fair and transparent manner.

Dr SYKES — Minister, in relation to the Sunshine pool planning issue, the Ombudsman documents how a member of your staff inappropriately sought to intimidate members of the community concerned with this planning issue. When did you first become aware of this issue, and did you direct Mr Suleyman to act on this issue?

The CHAIR — Minister, once again I feel that this particular question — —

Mr WELLS — We just need one answer to one of our questions. We have asked four questions now, and we have not had one answer.

The CHAIR — Mr Wells, I am speaking.

Mr WELLS — This is a disgraceful cover-up.

The CHAIR — There is no cover-up. It is a matter of doing the estimates. Minister, as I said, I do not think this question actually relates very much to the estimates at all, but it is up to you if you wish to answer it insofar as it does seem to relate to a planning matter. I do not regard it as having anything to do with the estimates hearing, but I will leave it to your discretion.

Mr MADDEN — Thank you very much, Chair. In terms of the word 'planning', I just want to be very clear here. I think the use of the word 'planning' by the opposition is different from the strategic planning and planning authority status that I have. I think the use of the word 'planning' in their instance relates to actually somebody just doing the planning proposal for a project as opposed to an application or a regulatory authority request, which is slightly different. In terms of the information that was reported in the Ombudsman's report, the extent of that became knowledge to me in the Ombudsman's report.

Mr DALLA-RIVA — We have got copies here in November 2005 re Mr Hakki Suleyman!

Mr WELLS — You have said that for the whole four questions.

The CHAIR — The minister has the call.

Mr MADDEN — Can I also make it very clear, Chair, that there is no formal relationship between the ministerial office and the electorate office.

Mr DALLA-RIVA — No, don't go down that path!

Members interjecting.

Hon. J. M. MADDEN — There is no formal relationship.

Mr WELLS — You have no idea what your electorate officer was doing?

The CHAIR — Mr Wells! The minister, to answer.

Mr WELLS — This is a disgraceful cover-up.

Hon. J. M. MADDEN — There is no formal relationship between those two offices. It is very important to be aware of that. In relation to Mr Suleyman, Mr Suleyman, as I said before, has been stood down. The extent of his involvement in matters with the council no doubt is deplorable. The activities of the council have been deplorable, and as such he has been stood down and I have asked the Presiding Officer to deal with these matters.

Members interjecting.

Dr SYKES — Please, Chair — —

The CHAIR — On the estimates, Dr Sykes.

Mr WELLS — We have not had one answer to any of our questions.

The CHAIR — Dr Sykes has the floor.

Ms MUNT — Not one question on the estimates.

The CHAIR — Ms Munt and Mr Wells! Dr Sykes has the call — on the estimates, please.

Dr SYKES — I respond to your comment. I have a clarification, Minister. I understand you have had difficulty in ensuring relevance and consistency, Chair, but as Ms Pennicuik identified earlier, the minister has had the opportunity to make broad-ranging comments on a number of issues today. I am seeking a specific clarification.

Minister, in relation to my question about when you first became aware of the issue, you have answered to the effect that you became aware of the extent of the issue in the Ombudsman's report, but that is not the question I was asking. My question was, and is, when did you become aware of the issue, not the extent of the issue?

Ms MUNT — How does this relate to the forward estimates?

Dr SYKES — When did you become aware of the issue?

The CHAIR — Minister, once again, I regard this as — —

Mr WELLS — Chair, just one answer.

The CHAIR (to Mr Wells) — Excuse me. This does not relate to the estimates.

Mr WELLS — This is a disgraceful cover-up.

The CHAIR (to Mr Wells) — Minister, if you wish to answer, it is at your discretion. I prefer that you answer questions about the estimates, but the minister has the call.

Mr WELLS (to the Chair) — He does not need your protection in regard to — —

Ms MUNT — And he is not getting it.

The CHAIR — The minister has the call.

Mr WELLS (to the Chair) — He does not need your protection. We just need an answer.

Hon. J. M. MADDEN — I repeat my previous answer, which was, as was reported by the Ombudsman, then I was made aware of these issues.

Members interjecting.

Dr SYKES — You were first made aware of the issues when reported by the Ombudsman. This is what the minister just answered.

Ms MUNT — Minister, you touched in your presentation on central activities districts, which are also mentioned on pages 166 and 167 of budget paper 3, and my question is — —

Mr RICH-PHILLIPS — Chairman, I wish to move a procedural motion. The Premier committed that he would answer questions and this committee should direct him to answer questions.

The CHAIR — Just a moment, Ms Munt. Mr Rich-Phillips wishes to move a motion. I ask that the sitting be suspended and that the room be cleared. Thank you very much. You wish to do that?

Mr RICH-PHILLIPS — I want to move that the minister be required to answer questions.

The CHAIR — No, I do not want to hear the motion. If you wish to move a motion, you will have to do it in a private meeting.

Mr RICH-PHILLIPS — I wish to move that the committee direct the Chair to require the minister to answer the questions put to him by the committee.

The CHAIR — If you wish to move a procedural motion, we will need to have a meeting — —

Mr RICH-PHILLIPS — I do not care whether it is done in public or in private.

Dr SYKES — Point of clarification, Chair — —

Mr WELLS — It should be done in public.

The CHAIR — I suspend this hearing. Clear the room while we have — —

Dr SYKES — Point of clarification, Chair. Under what standing order do you need to clear the room to discuss this procedural motion? Under what standing order do you need to take this action to deal with a procedural motion?

Mr RICH-PHILLIPS — We have nothing to hide. You may wish to hide the proceedings, but we do not.

The CHAIR — The session is suspended, and that includes any filming.

Dr SYKES — Under what standing order, Chair, do you need to take this action to proceed with a procedural motion?

The CHAIR — We just need the secretariat here.

Proceedings suspended.

The CHAIR — I recommence the hearing and I ask Ms Munt to repeat her question.

Ms MUNT — Minister, in your presentation you touched, under ‘2008–09 achievements’, on the central activities districts, also mentioned on pages 166 and 167 of budget paper 3. Can you please explain how work over the coming year will continue to support employment and urban improvement in the central activities districts, particularly in light of the *Melbourne @ 5 Million* planning update?

Mr MADDEN — As I have made very clear, we support jobs and we are very keen to make sure that we gear the economy for increased job numbers. We are very eager to make sure that we enthruse the private sector to invest in opportunities to provide jobs. We are taking action now to provide services and infrastructure for the growing population who are choosing to call Melbourne home, and we are doing that right across Melbourne. But we are doing it with a plan. The Melbourne 2030 planning update, *Melbourne @ 5 Million*, was delivered hand in hand with the Victorian transport strategy. The two were developed together and they should be read together.

Central to the Brumby government’s land use and transport strategies is the development of central activities districts. These centres will offer CBD-like functions and a range of housing opportunities with the view to providing more jobs closer to where people live, to minimise congestion flows in and out of the Melbourne CBD. This year’s state budget delivered \$19.7 million for urban development strategies and urban improvement projects in the six designated central activities districts of Melbourne. I will nominate what they are: they are Box Hill, Broadmeadows, Dandenong, Footscray, Frankston and Ringwood. These funds will be used to undertake business and project cases and streetscape improvements. The funds will also be used to increase employment opportunities along priority corridors that link the central activities districts with the likes of universities, research technology, medical precincts and other areas of high employment.

As part of this year’s budget, the Brumby government has allocated \$80.3 million to transform the Broadmeadows central activities district into, I suppose, the equivalent of Melbourne’s northern capital. This includes \$62.9 million to redevelop infrastructure and community spaces and \$17.4 million to develop a new government services building. Specifically, the budget will see the delivery of the train station and bus facilities. It will provide a green-spine pedestrian cycling path to connect residential areas with the town centre, and it will help deliver new leisure and recreation facilities and provide for new housing demonstration projects.

The \$17.4 million investment in a new government services building will kick-start provision for the Broadmeadows central activities district. It will co-locate key government community and support services, like the departments of human services, justice, and education and early childhood development, making essential services more readily accessible for people in Melbourne’s north. We envisage that the new government services building will create in the order of 500 construction jobs.

This is great news for the people who live and work in Melbourne’s north. It capitalises on the Broadmeadows rich and diverse community and its close proximity to the city and the airport. It is an important longer-term project that will see Broadmeadows transformed into Melbourne’s northern capital, creating jobs and building key infrastructure. It is a very exciting project and yet another example of the Brumby government delivering on our commitment to make Victoria the best place to live, work and raise a family.

Mr WELLS — Especially if you are a branch — —

The CHAIR — Thank you very much. Mr Dalla-Riva has the call.

Mr DALLA-RIVA — Minister, I again ask: the Ombudsman has reported that in relation to a property issue at 76–78 Biggs Street, St Albans, this property was provided free of charge to your member of staff, Mr Suleyman, who then used it for purposes of ALP recruitment and meetings. In particular, the premises became the address of the Maribyrnong North Turkish branch of the ALP. I again ask: did you direct Mr Suleyman to use these premises for these purposes? If so, who directed him? Was it you? When did you become aware of this arrangement and the uses of Biggs Street by your staff member?

The CHAIR — Mr Dalla-Riva, I have already ruled that that particular question does not relate to the estimates. It does not even relate to government business.

Mr DALLA-RIVA — The Premier yesterday said that he would have an assurance by the minister.

Members interjecting.

Mr DALLA-RIVA — We are getting shut down again. Why is there a cover-up by this committee? The Premier yesterday, Chair, said — and you knew about this in 2006.

Mr RICH-PHILLIPS — Where is the transparency?

The CHAIR — Mr Noonan has the call.

Mr WELLS — Why would you say that you only knew about it when the Ombudsman's report came out?

Mr DALLA-RIVA — Why will you not answer it?

Mr WELLS — We just need a straightforward answer — for the fifth time.

Mr DALLA-RIVA — We will keep on asking.

The CHAIR — Mr Dalla-Riva, recognise the Chair, please. I have already ruled that Mr Noonan has the call. As is well known, the Public Accounts and Estimates Committee and indeed parliamentary committees deal with matters which pertain to the terms of reference of the particular committee. I have ruled that question does not relate — —

Mr DALLA-RIVA — The Premier — —

The CHAIR — Excuse me.

Mr WELLS — He gave an assurance that we would get some answers today.

The CHAIR — This question does not really to the estimates, and Mr Noonan has the call.

Members interjecting.

Mr NOONAN — Can you please explain to the Committee the role of e-planning, and how this will increase efficiency in Victoria's planning system?

Hon. J. M. MADDEN — Thank you for your interest in the planning system, Mr Noonan. It is a very important matter in the sense that people in the construction building industry are very keen to see rapid improvements in the planning system, and we are going to make sure that we improve the planning system.

Mr WELLS — Especially in Brimbank.

Hon. J. M. MADDEN — We are committed to continual improvement of the Victorian planning system. We are conscious of the resource demands by local councils — —

Mr WELLS — Why don't you just table it? It will save us a lot of time. You are just reading it, anyway.

Mr MADDEN — We are conscious that lengthy delays in the planning system translate into costs on the development industry and this a very critical component. If you are a land-holder and the planning system delays your ability to deliver what it is you are seeking to deliver on that land, those costs build up into that project, particularly housing. So any delay in the likes of housing end up being transferred into the final price of the house.

That has a very profound influence on the housing sector. It has a very profound impact on those seeking to purchase housing. So it is very important that we improve the efficiency of the planning system to reduce the holding costs in order to improve the affordability and in a sense the accessibility and diversity of housing stock. We are conscious that at any local government level resource demands are very prominent in how they deal with the planning system. Lengthy delays in the planning system translate into effects — —

Members interjecting.

The CHAIR — The minister, to answer.

Mr MADDEN — — on jobs, on businesses, home-buyers and of course the broader community, so cutting red tape from the actual mechanics of processing a planning permit application has been an important element in this government's cost-cutting program of reducing regulatory burden.

If there is one thing this government is very committed to, it is reducing regulatory burden. If we have to in any way introduce regulation, we seek to take regulations away. We balance that approach. We do not want any more regulatory impost on any industry, particularly the building and construction industry. This is an important part of the 2009 state budget.

We have allocated \$10.5 million over the next four years to further develop online planning application processes, and I refer you to budget paper 3, appendix A, pages 338, 342 and 344 where that is referenced. This will make the permit assessment process quicker by reducing the referral and approval time frames between agencies, so when a permit application is made it can be electronically referred to and received by another agency. That agency may have an interest in the matter, such as a water or power authority.

This may not seem that exciting in terms of administration, but at the end of the day it will have a very significant benefit because rather than send it off by hand or even fax it, you will be able to basically send it electronically and have a response fairly rapidly; and also catalogue and monitor all those things. It will allow for the collection of application of permit application data in ways that councils have been unable — —

Members interjecting.

Mr WELLS — He's talking till 11.30 to avoid another question. Are we going to get another question?

Mr MADDEN — In Victoria the development of electronic planning systems is guided by an e-planning roadmap which is done in conjunction with the Municipal Association of Victoria, and this means we are well placed to work with the federal government on this initiative. With 79 councils across Victoria and more than 50 000 permanent applications made across the state, it is critical that there is a consistent approach to developing — —

Members interjecting.

The CHAIR — Ignore the interjections, Minister.

Mr MADDEN — In February this year we concluded a pilot plan for applications online. Six councils participated in the project, metropolitan regional, and in addition to 12 applicants, more than 30 referral authorities in VCAT participated. The results from this pilot indicate that the average reduction in the time taken for permit processing was 30 per cent. This is very important.

If you can reduce the processing by 30 per cent, then the holding costs on these projects are potentially also reduced by 30 per cent, and that will end up having a direct and significant positive impact on the purchaser at the other end. The program of work over the next year will deliver the capacity for the councils, referral authorities and the state government to offer integrated planning application services throughout Victoria. I look forward to making sure that over the next 12 months we see this expanded, developed and offering benefits to the broader community.

Mr DALLA-RIVA — Clearly the Premier is in to protect you because what he said yesterday — —

The CHAIR — Mr Dalla-Riva, the question, please.

Members interjecting.

Mr DALLA-RIVA — It has been absolutely disgraceful behaviour. You are the planning minister. You are in fact the senior minister of the Department of Planning and Community Development.

The CHAIR — Your question?

Mr DALLA-RIVA — This is exactly what we are getting at. Minister, you are the senior minister of the Department of Planning and Community Development. Part of your department's strategies for the year ahead is to put the residents front and centre to make our suburbs and towns better places to live, as you always say.

Why did you not investigate or make any investigation into the Brimbank council when it became abundantly clear that the councillors there, some of them well linked to you, were not living up to your own department's expectations of putting residents' interests front and centre?

I have given you examples about Biggs Street, Keilor Lodge Reserve, Keilor Park allocation and the list goes on. You cannot seriously, Minister, after 10 years have your head so buried in the sand you are unaware of what was going in your office. I ask you to answer the questions as was promised by the Premier yesterday.

Mr MADDEN — In relation to basically politics in the western suburbs, it is not for the fainthearted. Can I just say, Chair, that — —

Mr RICH-PHILLIPS — Or the honest, it would seem.

Mr MADDEN — There will always be muckraking in politics. The opposition is enjoying that today.

Mr WELLS — What? Hang on, are you saying it is muckraking rather than dishonesty and incompetence?

Mr RICH-PHILLIPS — You have had a crook in your office for 10 years.

The CHAIR — Minister, the question was about Brimbank and planning. I would ask you to confine your answer to that.

Mr MADDEN — As I was saying, in politics generally there will always be people making comments for all sorts of reasons on all sorts of bases — —

Mr WELLS — This is corruption. You are not making excuses for corruption, are you?

The CHAIR — Mr Wells, thank you.

Mr MADDEN — All sorts of comments in relation to many, many matters.

Mr RICH-PHILLIPS — I think he is about to say why he ignored it.

Mr MADDEN — The opposition will make comments in Parliament, they will make them in the chamber.

Mr WELLS — This is the Ombudsman's report.

Mr MADDEN — There will always be others who will make comments, Chair, and they have to be seen in context and in that light.

Mr WELLS — So you ignore them?

Mr MADDEN — In relation to the Ombudsman's report and the findings of the Ombudsman's report, as I have said in my previous answers — —

Mr RICH-PHILLIPS — You ignore anything put under your nose.

Mr MADDEN — They are very profound findings by the Ombudsman. We take them very seriously as a government.

Mr WELLS — No, you do not. You did not answer one of our questions.

Mr MADDEN — We have committed to and promised to adopt all the recommendations by the Ombudsman.

Mr RICH-PHILLIPS — What choice did you have?

Mr WELLS — Your inaction is a disgrace. You are part of a disgraceful cover-up.

The CHAIR — Without assistance!

Mr MADDEN — I am very keen that they happen as quickly as possible. In relation to Mr Suleyman, he has been stood down from my office — —

Dr SYKES — On full pay?

Mr MADDEN — — because of what the Ombudsman has reported on.

Mr RICH-PHILLIPS — After 10 years of corruption.

Mr DALLA-RIVA — When are you going to be stood down?

Ms MUNT — Chair, please; this is just abuse of the minister.

The CHAIR — The minister, to answer without assistance.

Mr DALLA-RIVA — Everyone else has been stood down.

Mr RICH-PHILLIPS — You should just resign.

Mr WELLS — He thinks it's funny. He thinks it's a joke.

Mr DALLA-RIVA — This is not funny.

Mr MADDEN — I seek for the President to resolve the matter. Mr Suleyman has been stood down and I do not want him to return to my office because I have lost trust in him.

Mr DALLA-RIVA — They are close, but they have not got the main one.

The CHAIR — Thank you, Minister. That concludes consideration of the budget estimates for the portfolio of planning.

Mr WELLS — What a disgraceful cover-up.

The CHAIR — I thank the minister and departmental officers for their attendance today. Where questions were taken on notice, the committee will follow up with you in writing at a later date. The committee requests that written responses to those matters be provided within 30 days.

Witnesses withdrew.