

CORRECTED VERSION

PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

Inquiry into 2003–04 budget estimates

Melbourne – 14 May 2003

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Witnesses

Ms M. Delahunty, Minister for Planning;

Mr P. Jerome, Executive Director, Planning and Land; and

Mr J. Collins, Executive Director, Policy and Research, Department of Sustainability and Environment; and

Mr T. Arnel, Commissioner, Building Control Commission.

The CHAIR — We now welcome the Minister for Planning and also some new departmental people. Minister, before we ask you to give us your 6-minute presentation on the more complex financial and performance indications of the planning portfolio, on behalf of the committee I would ask you to convey to the secretary of the department and the coordinating minister the fact that the Public Accounts and Estimates Committee received from the department at 2 o'clock today the answers to the questionnaire that was circulated to it some weeks ago. I understand you will be conveying our concern to the department, and I would ask that it been conveyed in the strongest possible terms. It is most unsatisfactory to have these received at 2 o'clock today, prior to the commencement of this hearing.

Mr FORWOOD — If I could briefly add, Minister, we do not hold you personally responsible for this obviously, but it makes the work of the committee very difficult if we get this documentation at this stage. We started at 2 o'clock with you on other portfolio issues. We have not had an opportunity, of course, to even address this issue, and my own comment is that one wonders how well the department is establishing itself if it does not have the capacity to produce this in a timely manner; so I fully endorse the Chair's remarks.

Ms DELAHUNTY — I will ask the departmental representatives if they wish to make a comment.

Mr JEROME — At this stage I do not think I can make a comment. I take on board the comments of the committee, and the message will obviously be conveyed.

Mr FORWOOD — We would like a response.

Mr JEROME — Indeed. The only comment I would make at this stage is that a number of the questions relied on budget information which was not available until last week. We could have, I suppose, provided a partial response earlier on and then come back with the figures, but we chose to complete the questionnaire, and given that we are one of those newly created departments, with the budgetary issues it took some time in putting together the required information. That is the only comment I can make at this stage, but I take on board the matter you raised and will refer it to the secretary.

The CHAIR — I would appreciate that, thank you. Minister, could we have the overhead presentation now?

Mr FORWOOD — Do you have copies for us?

Ms DELAHUNTY — Yes, we do have copies for you.

Mr FORWOOD — Thank you.

The CHAIR — While Bill is handing those around, you might like to start.

Overheads shown.

Ms DELAHUNTY — As Bill alluded to, in December 2002 the government created a new department, the Department of Sustainability and Environment. This was a critical step forward for the state of Victoria. We brought together into one organisation all of the state government's responsibilities for the management of Victoria's environment, both the natural and the built environment. This allows us to provide a strong policy focus on sustainable development, which is a key policy objective of the government.

A key feature is the integration of functions of the new department to bring the regulatory skills and instruments of the planning and building systems to bear on the issue of sustainable urban development and land use, both in metropolitan Melbourne and beyond. This allows us to make significant gains in sustainability through the improved use of regulations as a complement to other measures such as pricing incentives, programs and policy. In doing this we are sending a clear message that environmental issues are not simply so-called green issues of traditional interest, but increasingly encompass the brown issues associated with urban development and management and sustainable resource development and management — in particular, the issues of quality and efficiency of the urban form, the sustainability of transport systems, urban water use and the quality and character of the built development essential to the government's agenda. This opportunity exists within the portfolio to better use the regulatory framework that governs land use and development in Victoria.

On portfolio responsibilities within the new portfolio, my principal responsibilities are to ensure the development and implementation of land use, infrastructure and urban management policies, strategies and programs that are sustainable and improve the environmental, economic and social outcomes. Within this portfolio I have direct

responsibility for planning, in particular, the planning strategies that embrace the urban, rural and regional areas and facilitate response to environment, social and economic change. Crown land management — ensuring the good management of the state's interest in Crown land. Land administration — providing authoritative, comprehensive and easily accessible land administration and land information systems to underpin the property market.

On building activity and the economy, since we are talking about the market, Victoria's building industry has had an outstanding year on top of a series of outstanding years. It is record upon record; over \$1 billion worth of activity in 9 of the 12 months last year, and in July 2002 alone there was \$1.4 billion in building activity. In Victoria we have 30.2 per cent of all building approvals in Australia, which is not bad when you think that we only have 24 per cent of the population. A corollary of this has been the outstanding Land Registry transactions. The Victorian economy is buoyant as we know and, quite properly, I am sure you heard that from the Treasurer. The Victorian property market is running at historically high levels. To the end of March 2003 the number of transactions lodged with Land Registry was 7 per cent higher than in 2001–02. There will be an increase totalling \$177 million this financial year, and I can go into more detail about that.

Melbourne 2030 is our key planning blueprint for managing population growth in a sustainable way over the next 30 years and Transit Cities is a corner of that canvas. In the previous two budgets we have announced the development of Transit Cities and significant progress has been made with the Dandenong transit city program. Planning studies have commenced with terrific interest from the private sector — both here and interstate, and indeed overseas — at Frankston, Ringwood, Footscray, Box Hill, Geelong, Ballarat, Bendigo, Latrobe Valley, Epping, Broadmeadows and Werribee, as well as significant progress, as I have mentioned, at Dandenong.

On the government investment program and public heritage program, last year we provided \$4 million for the restoration of heritage places owned by the state or local government, all providing direct public benefit. We are also providing heritage advisers in 60 municipalities. Pride of Place — a significant government program — is a strong part of our partnership also with local government. On the planning system, we made a commitment when we came to government to return planning to the local community. One way that is clearly demonstrated is through the very low number of ministerial interventions, plus the fact that we provide publicly our reasons in a written form for the interventions that we do make.

Significant projects have been approved in the central city. We are overseeing, if you like, a metamorphosis of the inner city. Earlier we talked to the committee about the arts precinct, but you can go to the Herald and Weekly Times site, Spencer Street station redevelopment, Digital Harbour, Central City Studios et cetera. There has been significant progress on the rural zones review, and the government is providing significant education and professional development training for planners. On the challenges ahead, the continued implementation of Melbourne 2030 — and we have set up a high level implementation reference group — and our smart growth committees are being implemented. We have the sustainability agenda — a high level policy of the Bracks government to position Victoria as a world leader in environmental sustainability by promoting changes in the way we use energy, water and other resources central to our modern lifestyle.

On planning system reform, tomorrow I will be launching a new development, a key initiative, with the Municipal Association of Victoria (MAV). We do understand that with a booming property industry there is pressure on the planning system. The government is making changes progressively in consultation with the key stakeholders' achievements and strategies. There is a list.

The CHAIR — We can read those unless there is any one or other that you would particularly like to draw to our attention.

Ms DELAHUNTY — I think I would like to draw your attention to the Melbourne Airport Environs Strategy Plan, which was a first. It was debated in the Parliament, approved by the Parliament and is a good template for our green wedge legislation which we look forward to debating in the house. How I am doing on my 6 minutes, Chair?

The CHAIR — You are past it by 2 minutes. That is why I asked that you might like, in coming up the final straight, to just refer to those key items in achievements and strategies, so I am very pleased that you referred particularly to the Melbourne Airport environs strategy, because certainly in the north-west that is well and truly acclaimed. Thank you for that presentation, and also thank you for the overheads because it is very useful to have our own copies of these.

To begin, in budget paper 3, part 1, page 303, 'Outlook and outputs', you refer there to the government's decision to deliver its vision for a sustainable future for urban, regional and rural communities and industries across Victoria,

particularly with reference to the statewide planning and building regulatory system. You also referred in your overheads to the \$1 billion plus in building activities that were occurring. My particular interest in this is how our performance in the last financial year will inform our actions in the next financial year on planning and building regulatory systems. And just by way of a supplementary in advance, you, amongst other ministers, have recently called for a national summit on the future of Australia's towns and cities, including a really active role by the commonwealth government. Can you tell us a little bit of what would be the key benefits that could be derived from a national planning policy?

Ms DELAHUNTY — I think there are several important questions embedded in that — firstly, the ongoing strength of the building and construction industry in Victoria. It is not a bad barometer of the state of the economy, and certainly confidence in the Victorian economy is high. This is one clear piece of evidence for that. The total value of building approvals rose 12.5 per cent to \$13 798 million for the 2002 calendar year, and that is up \$1531 million from 2001. This is an all-time record as I think I alluded to in the presentation. The residential sector is the largest sector by value in the 2002 year, increasing 13.2 per cent over the previous period. Private sector building work has increased by 11.3 per cent. It is now worth \$12 583 million, while public sector building has risen 26.8 per cent, which, of course, reflects in no small part the government's substantial public assets investment program.

A couple of important milestones were reached during the year: February, April, May, June, July, August, September, October and November all exceeded \$1 billion worth of building activity. These are astonishing figures. As I said, in July 2002, building activity recorded \$1.467 billion. This is the highest monthly total of building work recorded, I am told, since the inception of the building commission, outstripping the August 2001 figure. Another point to make is that regional activity has been very strong as well. This is not just a central business district (CBD) record. We are seeing astonishing building activity, and it is very heartening to see the number of jobs that have been created by this right through regional Victoria. Approvals in regional Victoria are rising 25 per cent in the 2002 calendar year compared to the previous year. There has been huge growth, for example, in the south-west region, the north-west region, a leap of 35 per cent in the north central region, and Gippsland jumped 44 per cent in its building activity. So you can see it is spread right across the state.

We believe we will experience more sustainable levels of building activity in 2003, but I think we said that, did we not, Tony, last year? We certainly believe this government has a responsibility, and we have delivered on that, I think, to ensuring that we assist the long-term sustainability of the building and construction industry. We also believe this does not stop at the Murray, that these are issues quite properly addressed by the federal government. And you are quite right, Chair, Labor planning ministers have called for the federal government to engage in the development of a strategy for our urban development, our built form in our cities. We know we are a big continent, but most of us cling to the coast, and an overwhelming percentage of Australians live in big cities on the coast. I think if we are talking about sustainability and we are serious about sustainability we must engage the federal government — this one and the next — in a concrete partnership plan.

Mr CLARK — My question relates to green wedges and in particular what steps the government is taking to make sure that green wedges do not become brown wedges — that is, undeveloped land that is weed infested and not viable for green uses. So what I want to know is how does the total amount of land that has been clarified as green wedge under the current proposal compare with the previous amount of green wedge land, what additional moneys is the government proposing to put in to supporting the new green wedges, and how will that money be directed? Are you expecting councils to provide rate relief to people with green wedge classified land, how do the proposed green wedge and rural conservation zones fit into the scheme of things, and how are you going to decide what is going to be those and what is going to be non-zoned green wedge land?

The CHAIR — Did you get the five components of that question?

Ms DELAHUNTY — Can you run no. 3 past me again?

Mr CLARK — How much money and where are you going to direct it?

Ms DELAHUNTY — It is on the public record, but I am happy to repeat it because it is a good story. It may help the committee to understand that perhaps green wedges is a bit of a misnomer. You alluded to that in your question. Green wedges is land identified to have environmental, economic and indeed social significance. It is pristine areas in some cases, but it is also land that incorporates and protects such valuable economic assets as our water catchments. As you are probably know, there are many cities around the world that wish they had protected their water catchments. Now it is too late.

It also includes the protection for economic assets such as our airports, particularly our curfew-free Melbourne Airport, which gives us a great strategic advantage. They are also areas which support some of the richest agricultural potential in this state. They are areas, 12 of which we have now identified very specifically that share fundamental characteristics like that but are very different. Your first question was: what is different?

Mr CLARK — The total size of areas, what size areas are current green wedges, what sorts of areas are you going to under the new strategy?

Ms DELAHUNTY — This is a new concept. We are the first government in the world to protect, through legislation, green wedges. It was a notion articulated by the Hamer government, that there should be areas of land interspersing the growth corridors of this expanding city, but those areas were not defined. This government has defined them. When the Premier announced the Melbourne 2030 strategy in October we announced the urban growth boundary, the interim urban growth boundary subject to analysis and full submissions on that detail, and, of course, the green wedge land was defined through that process. It is the legislation that will protect the uses and status of the green wedge land. If you go to money, substantial funds have been allocated to the Melbourne 2030 program, specifically to local councils. I think the total is \$5.6 million.

Mr FORWOOD — Which output group?

Ms DELAHUNTY — I am answering this question — and \$5.6 million is available to councils in two ways, to keep it simple — one is an immediate allocation of up to \$100 000 for each of our 31 metropolitan councils to begin the implementation of Melbourne 2030. The balance of the \$5.6 million is available as a pool of funds to be bid for by different councils to do specific work around Melbourne 2030. There are certain councils that are preparing a bid for part of that money, to help them implement the green wedge policy of Melbourne 2030. Specifically there are no identified and defined 12 green wedges. There will be, as a result of the work done in partnership with the government by the appropriate councils, specific detailed and unique action plans for the management of each of the 12 green wedges. There is substantial financial incentive for that work to be done.

You referred to the two new zones. They are further available to councils to implement as the Mornington Peninsula council has requested us to allow it to amend the planning scheme to implement that. Those two new zones are available to any council to provide further protection as they see fit to the green wedges.

Ms ROMANES — I refer to page 160 of budget paper 2 for 2003–04 and the issue of builders warranty insurance. I would like you to outline what action has been taken by the government in the last year to ensure Victoria's builders can obtain the necessary insurance required to ensure the future of the building industry.

Ms DELAHUNTY — That is an important question that segues quite nicely with our discussion about the record building approvals, and I alluded to the support the government is giving clearly to the private sector to support the structural strength of the building and construction industry. We have done a couple of things. One was to introduce security of payments legislation which had not been in existence, if that makes sense, in this state; it had been in New South Wales. This government introduced that security of payments legislation.

We have also worked very closely with the Building Commission and the peak bodies representing builders — small, medium and very large builders — in this state to try to assist in the face of market failure. With the collapse of HIH and the exit of Dexta we understand there was a substantial gap in the insurance market. I repeat that this is market failure that has to be dealt with in a way that is sustainable. At this point about 10 000 domestic builders are insured and registered with the Building Practitioners Board. The number of registered and insured domestic builders has stayed consistent, I am advised, at about 10 000 over the past five years. There is clearly a take-up of the new insurance product which has been supported in negotiations, as I said, between the government through the Building Commission, Consumer Affairs Victoria and the peak building industry bodies. We took decisive action early last year when insurers threatened to leave the market. The Victorian and New South Wales governments negotiated a different product, a changed form of warranty insurance that we believe is sustainable for insurers as well as meeting what is an important goal for this government — that is, consumer protection.

During last year the Victorian government provided temporary reinsurance support for the builders warranty insurance offered by Dexta, which exited the market. Faced with this exit by Dexta the Victorian government facilitated the transition of builders to the two other major insurers by arranging a simplified procedure for rapidly obtaining interim cover. I think there are positive signs of competition in the market, but we are still working closely with the industry, particularly in rural Victoria, to support those good builders who maintain quality and price. I thank the Building Commission — and Tony Arnel is here with us today — for the work it has done in

supporting builders right across the state during a very difficult period caused by market failure in the insurance market.

Mr RICH-PHILLIPS — You have responsibility for the planning operations output group, which is at page 334 of budget paper 3. The description for that output group includes reference to the provision of policy and strategic advice on the planning system and also administrative services to the minister in his role as the responsible authority under the Planning and Environment Act 1987. You have been here long enough for your bureaucrats to have updated that for you. The question relates to the availability of that advice with respect to the Planning and Environment Act. You would be aware that the Parliament has recently passed the Commonwealth Games Arrangements (Amendment) Bill which, with respect to the Commonwealth Games village, vests the power of the Minister for Planning under the Planning and Environment Act with the Minister for Commonwealth Games with respect to that site, and for that site the Minister for Commonwealth Games is effectively the de facto planning minister.

Ms DELAHUNTY — He is not de facto planning minister, he is the planning authority.

Mr RICH-PHILLIPS — Will the Minister for Commonwealth Games have access to the policy advice and the support services with respect to that act that you would normally have through this department and, if so, what protocols exist for that minister to access the advice of your department acting as the planning authority on that site?

Ms DELAHUNTY — Perhaps that is a question more properly directed to the Minister for Commonwealth Games. As I said, he becomes the planning authority for that project. I understand that a high-level expert planning advisory committee has been established to provide advice on this matter. The planning core of the Department of Sustainability and Environment has or will make a submission to that advisory committee and provide advice as required.

Mr RICH-PHILLIPS — I presume Mr Jerome was referring to the committee established under the Commonwealth Games Arrangements Act? Is that a separate issue from whether the Minister for Commonwealth Games has planning authority on that site will be able to access the advice that you would normally get with respect to the Planning and Environment Act, given his acting as planning authority on that site. Will he have access to the resources of the Department of Sustainability and Environment, the planning group, with respect to that site?

Ms DELAHUNTY — That question is quite properly directed to the minister responsible.

Mr RICH-PHILLIPS — Nothing has been arranged with you as planning minister?

Ms DELAHUNTY — I have answered that question. Ask the relevant minister. I am sure he will be happy to answer.

Mr DONNELLAN — I refer the minister to funding identified for Transit Cities in the 2001–02 and 2002–03 budget papers and ask what progress has been made in implementing this program? Further I refer the minister to the additional funding identified in the Transit Cities program in the 2003–04 budget on page 92 of budget paper 2 and ask how this funding will be allocated?

Ms DELAHUNTY — This has been a huge success story for two reasons: it is obviously attractive to the private sector and is good policy and supported by local government. It illustrates in a clear way how Melbourne 2030 can work. There has been substantial progress. There was additional funding identified for the Transit Cities program in 2001–02 and 2002–03. I alluded to Dandenong, which is an interesting template. The Dandenong Development Board Bill is currently before Parliament and it will establish the board to drive this development. Pending the appointment of the board we have established an interim advisory committee. Master planning has been completed and that will guide future development. The new Vicurban is currently well advanced with planning for the \$250 million redevelopment of the former saleyards site, which is a fantastic use of basically disused land in a key area of Dandenong adjacent to the rail and bus network. Work has already commenced on the \$340 000 upgrade of the Dandenong station in preparation for the new opportunities.

Great progress has taken place in Ringwood. The Minister for Transport opened the new bus interchange at Ringwood station which was part of the Linking Victoria and Private Place programs. The Deputy Premier opened the new stage 4 of the Queensland Investment Corporation's Eastland shopping centre valued at \$110 million. Vicurban is acquiring land on Maroondah Highway for a mixed-use development, including apartments and other developments.

In Box Hill, again terrific progress. Two studies of the Box Hill transport interchange urban design framework have been completed. Public investment includes the 2.2 kilometres of tramline extension along Whitehorse Road, and \$1 million to redevelop Market Street. TAFE is expanding its facilities on the east side of Elgar Road. Box Hill Hospital is to build a multistorey car park. Again that is the public and private investment which is very strong in Transit Cities. The Centro properties group is undertaking a \$60 million redevelopment of the Whitehorse Plaza and a 21-storey building in the heart of Box Hill for mixed use, a cinema, hotel, commercial and residential. In Sydenham there is the construction of the Watergardens railway station. A new town centre, basically, is being created a Sydenham. I was out there recently to announce the Queensland Investment Corporation's master planning.

The Frankston CAD master plan has been adopted. Again TAFE is involved. There have been discussions of the first stage infrastructure improvements, including the Frankston centre redevelopment. The Footscray master plan is well advanced. The Department of Sustainability and Environment is working with Department of Infrastructure, Victrack, Victoria Police and the council to identify suitable sites for Footscray's new police complex.

At Broadmeadows there is again master planning. The key stakeholders are the Kangan Batman TAFE and the Broadmeadows health service. Private sector involvement is being facilitated with the Gandel group, owners of the Broadmeadows shopping centre, and the private sector owner of the Broadmeadows station complex at Epping again with council and the department. We have some interest, such as the Deutsche Bank commercial development at South Morang and, of course, the Urban and Regional Land Corporation Aurora development at Epping. At Werribee master planning is moving on.

In regional areas, so that we do not think this is only for metropolitan Melbourne, there is a new station precinct master plan. At Geelong there is a strategic framework and master plan. At Bendigo there is a new master plan, and in the Latrobe Valley several studies are under way, particularly the Warragul transit precinct study. A lot of work is going on. There is tremendous interest from both the public and private sector, and these are great exemplars of Melbourne 2030 in practice.

Mr FORWOOD — I understand how difficult it is when you create a new part of a new department. One of the huge difficulties I am having is tracking what happened to the planning section from the Department of Infrastructure last year and now and your budget for the coming year. According to the document we have the number of staff by output group will go down by 110. Pages 37, 38 and 39 — by the various output groups: 83 under permanent staff, 27 under temporary staff. I guess my question is: did everybody who had a planning function in Infrastructure go to the new department so the same amount of staff are now over there? Did the funds that supported you to do the work that you did as a planning department also go in a commensurate way — you might need to take this on notice — and, if so, can somebody show me how to find it and where to match it all up?

Ms DELAHUNTY — I am happy to take that on notice, but Paul Jerome, the head of planning in the new department and the old department, might be able to elucidate.

Mr JEROME — I will take it on notice if we may and give you a detailed answer, but there are two issues here. One was, in terms of the machinery of government changes, the planning function as you would previously have known it in the Department of Infrastructure moved across to the Department of Sustainability and Environment. The second issue is the state budget, which was about all the new departments. At the time of transfer clearly arrangements were made for the transferring of resources to cover what was transferred through the end of the financial year. That was to be administered to the end of the financial year through the existing Department of Infrastructure so there was continuity in accounts from that point of view, and on 1 July the new budget comes into effect for the new departments. Obviously it was a complex situation because you had people from DNRE going to DPI — sorry, I should not use the acronyms — people from the Department of Natural Resources and Environment going to the Department of Primary Industries and the Department of Sustainability and Environment. You had some resources people moving to the Department of Infrastructure, Multimedia Victoria moving to the Department of Infrastructure, and some of the planning function moving to DSE. There was a fairly complex sort of arrangement that had to be gone through by the Treasury and Finance bureaucrats and I cannot give you the details of that.

Mr FORWOOD — Thank you for that answer. They can sort that out for themselves, I am more interested in what happened with you guys. As part of that, are there any new functions that you have picked up in the ongoing year over and above the functions you took with you? If so, where would I find the funding for that? I would appreciate that when you get a moment.

Ms GREEN — In your presentation today you referred to new funding for the public heritage program. I note this is discussed also on page 92 of budget paper 2. Can you expand more fully for the committee on how this funding will be targeted at restoration of Victoria's important heritage buildings?

Ms DELAHUNTY — This is an important question that relates to sustainability. I have talked a lot about sustainability in the built form and sustainability in the way we use water and energy, but I think the way we use or abuse heritage and heritage buildings is quite a complex matter that relates to sustainability quite directly. The Victorian government has committed \$8 million to deliver on the goals and initiatives of the Victorian heritage strategy. It will help implement some of the heritage protection initiatives in Melbourne 2030. As you know, that is one of our key directions — respect for and protection of our heritage in the broadest sense. Protecting the things we love about Melbourne is quite integral to keeping it as one of the most liveable cities in the world. It was clear in all the consultation that the community wanted to stop ad hoc and unmanaged sprawl and wanted to protect the heritage of our streetscapes and buildings.

There has been some quite sophisticated work done on this, both through Heritage Victoria and generally through the department and in government, thinking about the fundamental question of whether we just save a building because it is old or whether we save a building because it is significant and because it can have a rebirth in some way. There is a whole range of examples — Werribee Mansion springs to mind for some reason, as does the Abbotsford convent. That is a precious piece of land, the buildings are quite precious, but they are only valuable to the community ongoing if they are used in a sustainable way. We spent quite a bit of time looking at the policy questions around heritage. We have also used this money to support heritage advice to councils. Most of our councils have some form of heritage overlay in their planning schemes and it is a question of judgment about how that is interpreted in the light of specific building permit approvals. We have provided support for councils with expert heritage advice to try and make those decisions more transparent and formed by expertise. I think councils have respected the value of that.

The heritage program will contribute to those broad goals through the development of the heritage strategy 2005–10; the heritage advisers, as I mentioned; heritage studies; urgent works and loans to assist owners and managers with heritage places at risk; promoting the consistent framework for assessment of heritage and basically refining those guidelines so we all sign up to them; providing guidance to local government, which is usually at the front line of this work; ensuring the planning schemes of our councils, in particular, respect the full extent of heritage values in each municipality — many of you represent councils that have spent substantial funds on heritage and character assessments of various corners of their municipalities; and publications and exhibitions that increase awareness and knowledge of sustainable heritage. In addition, enforcement of heritage legislation has been an issue that we have spent a bit of time on. We will be continuing the identification of heritage places as an important outcome of the statutory planning process.

Mr CLARK — I understand, Minister, that you are now the responsible authority for any wind farms over 30 megawatts in capacity. In terms of ensuring that you are properly advised, informed and briefed on wind farms, have you had the opportunity so far to visit any wind farms in Victoria or elsewhere? If not, do you have any plans to factor that into how you get briefed and inform yourself on wind farms over the course of the coming year?

Ms DELAHUNTY — I think the government's commitment to renewable energy sources is very well known, but it does not hurt to repeat it. We made a commitment in the 1999 and 2002 elections that we would develop renewable energy sources and, of course, wind farms are part of that policy. As you would know, the wind energy guidelines were developed by a cross-department working group and steering committee established in December 2001, which, of course, was before I was planning minister. That job was to consult across government and to prepare guidelines to assist industry and councils in the preparation and assessment of new wind farm applications. The development of those guidelines — which I repeat began before I was planning minister — was undertaken in the context of the government's commitment to renewable energy strategy and indeed our greenhouse strategy; members on this side of the table would be very familiar with that. The guidelines were developed in close partnership with, and are supported by, the Municipal Association of Victoria. As with everything in planning, it is a balance — a balance between competing interests. It is a balance always between the social, economic and environmental outcomes. As planning minister when applications come to me as the responsible planning authority we take advice from a range of experts and certainly investigation of the wind farms that are now operational will be fed into any decisions that may need to be made in the future.

Mr CLARK — Have you visited a wind farm or do you plan to visit one in the year ahead?

Ms DELAHUNTY — Yes, I do plan to visit them. I think that would be quite a useful exercise, as I try and visit some of our other key locations of planning decisions. But in many cases they are not just planning decisions but decisions made by government on a policy basis, and that is always a case of considered discussion within government, of seeking the best advice available to government, both inside and out. Again, planning decisions which must be made within the statutory time lines are informed by the best possible advice we can get.

Mr MERLINO — Minister, I refer you to page 307 of budget paper 3, and again the important issue of sustainability. What action are you taking in the planning portfolio to ensure sustainability of the built form?

Ms DELAHUNTY — That question reminds me of some work that we announced in the arts policy, which we launched today, and our public art policy which goes to the quality of the built form. The sustainability of the built form is something we have been able to focus on now that we are part of the new Department of Sustainability and Environment. It gives us an opportunity to see what levers we have to improve the sustainability of the built form.

The residential subdivision provisions of all planning schemes were revised in August of 2001 as part of the government's Rescode policy. There was a commitment at that time to review the residential subdivision provisions of Rescode, known as the sustainable neighbourhoods code. As you know we are pretty committed to community capacity building, and we do not want to see land carved up into lots without regard to liveability, access of services and certainly without regard to basic principles of sustainability. Melbourne 2030 is the vehicle. The nine key directions speak loudly to that policy and the way we can implement the policy of sustainability in the built form. It is promoting excellent neighbourhoods designed to create attractive, walkable and diverse communities. We are also establishing according to neighbourhood principles.

The sustainable neighbourhoods code will deliver best practice in residential subdivision through networks of walkable neighbourhoods, where neighbourhood centres support local services facilities. It will be an incentive to reduce car use because public transport will be available. It even goes, for example, to the size of the footpaths. It is interesting to see the evidence around urban design and planning which says that if you have tiny narrow footpaths people will be less likely to use them. They will certainly be less likely to push the pram and take the kids to school if they are jammed onto tiny footpaths with cars and trucks roaring alongside them. That is just one example.

Clearly water efficiency and water use is a high priority of this government — water conservation, local management of stormwater. You will hear more about that from the Minister for Water. I was in Horsham along with the rest of the cabinet on Monday and we launched the new urban precinct there — again, old saleyards and a metamorphosis into a new urban precinct with a water feature, a lovely lake and gardens around it, and that is recycled stormwater reused in a clever, sustainable way.

Our five-star energy goal is another key component of sustainability of the built form, as indeed are such things as broadbanding. The new suburb of Aurora, which is the Urban Regional Land Corporation's —

Ms GREEN — It is in a good electorate!

Ms DELAHUNTY — Yes, green — a good electorate, a good idea, good urban planning. James, I think that will be a very good example of sustainability in the built form. The sustainable neighbourhoods code will be demonstrated in Aurora, and in other places as well.

Mr RICH-PHILLIPS — Minister, you spoke earlier of the wind energy guidelines and you said that they had been drawn up with the support of the Municipal Association of Victoria. Firstly, could you tell us if individual local councils supported those guidelines or was it only the MAV as an organisation that supported that? Just to get a handle on the scope of this issue of planning for the wind industry, can you tell me how many applications are now against those guidelines for consideration — the sort of numbers of towers that are being considered — just to get the scope the issue?

Ms DELAHUNTY — I am not sure that I can without notice, but perhaps the departmental representatives might have those figures to hand. The question about the MAV support for — — ?

Mr RICH-PHILLIPS — Individual council support.

Ms DELAHUNTY — The MAV is the peak body representing councils, as you know. Quite clearly there have been detailed discussions conducted by this working group and steering committee which established the guidelines. Their brief as I understand it — I repeat that that was in December 2001, before I was planning

minister — was to consult across government and with industry and councils to prepare guidelines. The guidelines were developed, I am informed, in close partnership and were publicly supported by the Municipal Association of Victoria.

Mr RICH-PHILLIPS — Given you said the brief was to consult with councils, will you be able to provide in relation to that issue information as to whether individual councils actually provided input and whether they supported those guidelines as distinct from the MAV? I am happy for you to take that on notice.

Ms DELAHUNTY — I think I would be repeating what I said, but I am happy to have that explored, since I was not the minister. I would certainly be looking to see the departmental response to that. I should say that it is my understanding that the local member in Portland for the new seat of South-West Coast has been publicly, repeatedly and loudly supportive of wind energy and specifically the Portland wind energy project. I do understand also that the local council in Portland is publicly in support of this project. As you know, it is Australia's biggest renewable energy project. We believe, and it is supported by the evidence before us, that it is important for the environment. It delivers on the government's commitment to developing renewable energy sources. It is also of economic benefit to that area. You would be aware of the manufacturing jobs, particularly at Keppel Prince Engineering. I think NEC Micron — —

Mr FORWOOD — NEG.

Ms DELAHUNTY — NEG Micron is also taking advantage of this project; and you would also be aware that there is competition from other states wanting to develop renewable energy industries.

Mr FORWOOD — A quick supplementary question: are you confident that the NEG Micron facility will go ahead? I understand there is some concern about this.

Ms DELAHUNTY — I think that is more appropriately addressed to the Minister for State and Regional Development. Clearly as the planning minister we make decisions on advice given to us, and one of the conditions of the permit was that the manufacturing targets would be in the portfolio responsibilities of the Minister for State and Regional Development.

Mr FORWOOD — Does it mean that if it does not happen then the permit is withdrawn?

The CHAIR — The minister has already replied that that is in another minister's responsibility.

Mr FORWOOD — The minister herself tied together the fact that the permit was issued for the wind farm on the basis that NEG Micron proceed.

The CHAIR — She did not say that.

Ms DELAHUNTY — I did not say 'NEG Micron' — I think they were your words, Bill. There were conditions of the permit, one of which was to remove, I think the number was seven, proposed wind turbines on Cape Bridgewater, which we believed — —

Mr FORWOOD — Minister, your words in 'Assessment of panel', at page 48:

A permit will not be issued for turbines at Cape Bridgewater unless the Victorian government is satisfied that NEG Micron investment will eventuate.

My question is very simple. If it does not eventuate, is the permit withdrawn?

Ms DELAHUNTY — The minister has sent me a letter assuring me that those conditions are in place. I can only take that advice.

The CHAIR — Last year at the Public Accounts and Estimates Committee hearings you spoke about ministerial interventions. Could you please provide the committee with an update on those interventions this financial year?

Ms DELAHUNTY — The figures tell a very strong story. We came into government promising to, I suppose, reinstate democracy. One of those important measurements of planning democracy is local planning input. We also promised to reduce the number of ministerial interventions as evidence of that restoration of democracy.

We further undertook to publish our reasons for any ministerial interventions. That was issued in the form of a practice note to clearly define the scope of ministerial interventions in planning matters to ensure that such powers are exercised in an open and accountable way. Provisions for the intervention of the Minister for Planning and planning and heritage processes are powers under the Planning and Environment Act, the Victorian Civil and Administrative Tribunal Act and the Heritage Act. The practice note sets out circumstances for exercising these powers and the principles that will apply in considering a request for intervention. Each time the powers of intervention have been used we have provided written reasons for each decision, including an explanation of how the circumstances met the requirements of the guidelines and the legislative criteria. This material is also made available on the Department of Infrastructure, now the Department of Sustainability and Environment, web site.

In the past 12 months, to be specific in answering your question, 57 amendments to the planning schemes have been approved, 5 matters from VCAT have been called in, and 1 permit application has been referred to the minister for decision. We contrast these figures with the hundreds each year of ministerial interventions made particularly by Mr Maclellan in the Kennett government, on none of which the community was given the courtesy of an explanation for the reasons. There are several guidelines around which ministerial interventions are circumscribed, and they are set out in the practice note in accordance with those three acts.

Mr FORWOOD — Minister, I refer you to page 92 of budget paper 2 under the heading ‘Melbourne 2030’. The second paragraph talks about Melbourne 2030 revitalising the city’s middle and outer suburbs by creating 100 high-quality activity centres. It goes on to say that the 2003–04 budget provides \$4 million over four years towards this project. Again, probably because I am slow I cannot work out which output group it comes out of, and that would be a useful piece of information if you had it, but my question in particular is that this is \$1 million a year, I presume, for four years?

Ms DELAHUNTY — Yes.

Mr FORWOOD — How is it going to be allocated? Is it first come, first serve? What are the measures by which we as a committee, and the state, will know that the \$1 million each year has been usefully spent in achieving the government’s objectives in relation to Melbourne 2030?

Ms DELAHUNTY — That is a fair question.

Mr FORWOOD — Just trying to be helpful.

Ms DELAHUNTY — As you know it is a big plan. It is a 30-year blueprint for managing in a sustainable way the growth of Melbourne. I have already outlined to the committee, in answer to an earlier question, the funds that were announced for local councils specifically to begin the work on implementing Melbourne 2030 of \$5.6 million. The new funding of \$4 million over four years — and you are quite right, that is \$1 million per year — is to support the implementation of Melbourne 2030 as well. This will come in addition to the commitment of \$5.6 million to local councils, which I have outlined. The priority implementation areas will include regional housing strategies, protection of the green wedges, open space protection, growth area planning and planning system improvements.

Let me just go to some of the specifics about where that money will go. We have announced, if you like, the scaffolding for the way Melbourne 2030 will be implemented on the basis of the policy and on the basis of an analysis of the 1300 submissions. We have announced that there will be a high level implementation reference group, which will be supported by a secretariat within the department. Bill Russell will chair that, and there will be funds made available to pay for his time, so it is not a totally voluntary — —

Mr FORWOOD — Out of this \$4 million?

Ms DELAHUNTY — Yes, indeed. We are setting up the new urban development program, which is the ongoing ability to ensure we have an adequate long-term and regularly sequenced supply of land for affordable housing. It will support the smart growth committees. Each of the five designated growth corridors will be micro managed, I suppose is a fair way of putting it, by the smart growth committees. They will have independent chairpersons and will have the obvious stakeholders on each of those smart growth committees, whether they are in Wyndham, Cranbourne or Hume or wherever.

We are also working on new design through our Victorian Design Advisory Council design guidelines for medium-density housing, particularly around the designated and agreed activity centres. We will be putting a little bit more money into the planning system improvements, particularly the pre-lodgment, certification and Planet

program. The Planet program is the educational, professional development tool to improve the skills and expertise of our planners, particularly in local government.

Mr FORWOOD — Which output group was it?

Mr COLLINS — Urban and regional strategies and programs.

Ms GREEN — Minister, I have another Melbourne 2030 question. I refer to page 92 of budget paper 2, and I ask the minister to inform the committee what action the government is taking to avoid any shortage of land for future metropolitan development.

Ms DELAHUNTY — This is a very important part of the work we are doing with Melbourne 2030. The question that is often put to us — and I think this is at the heart of the question just now from Danielle — is if we have a policy direction of a more compact city, a more sustainable city, how do we manage the supply of land given that the most affordable housing probably is still on the fringes of Melbourne?

As we launched Melbourne 2030 we drew an interim urban growth boundary, which is punctuated by the five designated growth corridors where there is, if you like, the ability for unlimited growth. But that growth is to be managed. The whole principle of Melbourne 2030 is not just providing land for subdivision on the fringes of Melbourne; it is actually providing an environment to build communities, and those communities need to be supported by transport infrastructure, by educational and health infrastructure, and certainly by retail commercial and business opportunities.

How do we, over the 30-year life of this plan, ensure that we have an adequate supply of affordable housing and that the supply of land is released in an appropriate way? We have set up an urban development program in consultation with the Department of Innovation, Industry and Regional Development. I will pass around to committee members a copy of the urban development program annual cycle, because the essence of it is we will take the data from both inside and outside government, and we will publish annually land supply and demand.

We announced the urban development program on 7 February this year at a function at the urban development institute. A key element to that is, as you can see, the annual cycle. In January and February there will be land development status workshops with councils, developers and infrastructure agencies. In March and April we will prepare the land supply/demand balance sheets, so every year we will prepare land/supply demand balance sheets. In May and June we will conduct the regional development forums — that is, six residential development forums and one industrial forum as required.

In July each year we will publicly release the annual urban development program report. Following that we will identify potential land and infrastructure issues. In September there will be a report to government on land supply and infrastructure issues. In October there will be input to the department and water authorities, particularly water infrastructure and budget planning. In November we will review and update the demand data, including revised population and housing forecasts. In December and January we will take out the camera and will acquire aerial photography and satellite imagery to identify the extent of new development.

I bring that detail to the committee because it is a very fair question. There has been concern, certainly in Sydney, that artificially constraining land supply drives up prices for housing. We are committed to the supply of affordable housing, particularly in the five designated growth areas, and indeed throughout the metropolitan area. To ensure that we have the absolute latest data, and that that data is tested, challenged and agreed to by government agencies, councils, developers, and agencies beyond government, we have committed to this annual urban development program. As I said, the centrepiece is the annual publication of land supply and demand data.

The CHAIR — I have a supplementary question in relation to the fear that there may be a shortage of land. Is there factored into this redevelopment of existing land that is used for whatever purpose, and which would become, say for argument's sake medium-density or high-density housing, in relation to Transit Cities? Is that factored in? It is not just new land?

Ms DELAHUNTY — No, it is all land. It is land availability, and of course that is primarily in the five designated growth areas. It is land availability right across the metropolitan area to draw to the government's and the private sector's attention disused land, such as the Niddrie quarry, which is a good example, as are the Dandenong saleyards and the Horsham saleyards.

The CHAIR — But it will not take into account land that is currently in use. For example, one that I know very well is the Broadmeadows precinct that will be further developed as part of the transit city concept. This proposal will not take that transit city concept into consideration?

Ms DELAHUNTY — I repeat my answer: it will cover all available land and it is driven by, if you look at the reference to November, the constant and annual review and updating of demand data, which includes revised population and housing forecasts.

Mr FORWOOD — I have a quick supplementary question too, and I am hanging out with real interest for July for the release of the report. Will the report draw a distinction between privately owned and government-owned land?

Ms DELAHUNTY — I will ask John Collins to answer.

Mr COLLINS — It is not our intent to specifically identify categories of land by ownership. The intent is to identify the total availability of sites with large parcels. There will probably be data available that would enable identification, but not in terms of a comprehensive statement of all publicly owned land versus all privately owned land. In relation to the July date this year, we are just starting — —

Mr FORWOOD — Are you telling me July 2004?

Mr COLLINS — No, we are just starting. We are about to run the first series of forums. This timetable shows what would be the expected annual cycle in a normal year. I would expect that we should be able to meet this or come very close to it, but bear in mind that this is the first time.

Mr FORWOOD — August would be fine, John.

Mr CLARK — My question again relates to wind farms. Are you able to tell the committee the Victorian government's target for the amount of wind energy development by 2010? The former Minister for Energy and Resources at one point referred to 2000 megawatts, but I have heard other suggestions that it is 1000? In relation to the applications you currently have before you awaiting decision, can you tell us how many applications you have got, how many towers, how many megawatts they cover; and also what amount of that is in coastal locations versus non-coastal locations? If I am putting you on the spot I am happy for you to take that on notice.

Ms DELAHUNTY — I am happy to take that on notice. Clearly I do not have that information to hand. As to your general question, it is probably better directed to the appropriate minister, probably the Minister for Energy Industries. I believe our government target is 1000 megawatts by 2006. The department informs me that current applications are around 650 megawatts.

Mr FORWOOD — So we are getting there?

Mr DONNELLAN — Many departments are having to look for administrative and efficiency savings. What impact do you think that may have on the planning portfolio?

Ms DELAHUNTY — As you know, the government has committed to efficiency savings across all portfolios, as the Premier said, generally related to the size of the portfolio. It is good housekeeping to constantly challenge us on how we are spending public funds. The budget savings for planning are less than 1.3 per cent of the total DSE budget. We will find through efficiencies in the planning portfolio \$600 000, and certainly it is a good opportunity for us to challenge the way we are spending the money and to ask the question: can we do it better?

Mr RICH-PHILLIPS — Back to Melbourne 2030, there was a request for submissions as part of the development of that framework. With respect to the submissions, will they be released publicly, and if so, when? And in terms of some of the projections in Melbourne 2030, I know that the Housing Industry Association with respect to some of the long-term targets — 620 000 extra households; a million extra people for Melbourne — has questioned those and suggested they are up to 20 per cent below what the HIA believes those long-term targets are. Secondly does the department stand by those long-term projections or are they being revised; and will the submission also be released and if so, when?

Ms DELAHUNTY — I will start with the submissions. As I said, there have been around 1300 very detailed submissions on Melbourne 2030, which overwhelmingly show support for the key directions and principles of Melbourne 2030; as have all the stakeholders, whether we are talking about the Property Council of Australia, the Municipal Association of Victoria, the green wedge coalition, the Planning Institute of Australia or

any other stakeholder. Indeed there has been overwhelming public support from a former leading Liberal in Alan Hunt — a former planning minister — who wrote what I thought was an outstanding article in the *Age*.

Mr FORWOOD — Some people here have heard the language I use about Mr Hunt. Last time I was on the record in *Hansard*, I think the word was ‘quisling’!

Ms DELAHUNTY — Yes, well you have your own fights within your own party. All I know is that we have got outstanding understanding of Melbourne 2030 and the key principles and detail of it, but also a public call for bipartisanship because it is a 30 year strategy. Planning is about long-term clarity and certainty, and Alan Hunt’s very valued intervention into this debate echoes some of those stakeholders I referred to, who are calling publicly for bipartisan support for Melbourne 2030, and it is a good opportunity here with this committee to ask the Liberal Party: do you support Melbourne 2030 — —

The CHAIR — This committee doesn’t support that plan, Minister — —

Ms DELAHUNTY — Well it should! You can add some value here.

The CHAIR — We are not rewriting the Parliamentary Committees Act!

Ms DELAHUNTY — So I look forward to that support.

Mr RICH-PHILLIPS — So those submissions will be released?

Ms DELAHUNTY — They already have been.

Mr RICH-PHILLIPS — All of them?

Ms DELAHUNTY — No, let me finish answering the question. We have privacy responsibilities, as you understand. Therefore the submissions of organisations have been listed on our web site as we promised, and they have been approved by those organisations for release. There are privacy questions relating to individual’s submissions; so that list is on our web site.

Now to the housing projections. This is a really interesting area. We have some incredibly skilled and passionate people working in our research corner of the department. The projections they have released which support Melbourne 2030 are just that — projections. There are no targets, and I would like to reinforce that. But it is based on a belief and clear evidence that Melbourne is enjoying a population increase. This provides us with terrific opportunities, but it also provides challenges in managing, in a sustainable way, that extra population. We can either put our heads in the sand and continue as we have done with the pressure on particular municipalities — either inner city municipalities like Yarra, like indeed my own, Darebin, and the pressure on places like Casey, for example, where they are trying to manage the demand for more diverse styles of housing alone — or we can sign up to a broad strategy to tackle this in a partnership, which is what Melbourne 2030 has achieved.

All councils have accepted the first tranche of the support money which I outlined at the beginning of our discussion. They have committed to implementing, in a way that suits their residents and their needs, the principles of Melbourne 2030, so there are no targets. There are projections based on the best advice we have, projections which will be constantly tested, updated and refined if the evidence supports that, and housing projections which we are inviting groups of councils and municipalities to together try and deal with.

Mr RICH-PHILLIPS — So you stand by those projections at the moment. There is no reason to change what you have — —

Ms DELAHUNTY — You are not listening to my answer, with due respect.

Mr RICH-PHILLIPS — I am. I am saying that nothing has come forward — —

Ms DELAHUNTY — What I am saying is that they are projections based on the best advice we have at the time. I have identified that we will constantly test and re-evaluate those housing number and population projections, but there is no doubt that Victoria is enjoying a population increase. This is a great place to live, and we have an economy that is booming, an arts sector that is buoyant and a building and construction industry that reflects the buoyancy and optimism abroad in Victoria. A wise and responsible government, which we are, and a stunningly rigorous department will be constantly testing and refining and updating over the 30-year life of this plan, our housing and population projections.

Ms ROMANES — Minister, the Melbourne 2030 Transit Cities program is dependent on the performance of Melbourne's public transport system. One of the budget fact sheets states that the program:

Will help link people to services, opportunities, and each other by putting a seamless transport network at their doorstep.

What arrangements are in place between the Department of Sustainability and Environment and the Department of Infrastructure to ensure that this is the case?

Ms DELAHUNTY — That is an important question because it goes to one of the key directions of Melbourne 2030, which I know, Glenyys, you are very familiar with, and that is improving the transport options for Melburnians and Victorians. We have some quite detailed information on how easy it is to get to different parts of Melbourne, by car and how much more difficult it might be to get to different parts of Melbourne by public transport. We have mapped the pattern of existing activity centres, and we have mapped the public transport routes between and across the city, through those activity centres.

As you know we are also committed as a government to increasing the number of trips by public transport to 20 per cent by the year 2020; the number now is around 9 per cent. So it is a big call but that is our commitment, and of course it is directly related to implementing the principles of Melbourne 2030, which after all are about managing the expansion and growth of our city in a sustainable way. The Transit Cities program is pretty central to that, and I have spoken at some length about the detail of the existing Transit Cities program and we have expanded that program from 5 to 13, which I do not think I have mentioned to the committee.

Mr CLARK — My question relates to the rural zone review. As you are aware the rural zones review reference group released its discussion and options paper at the end of February. The executive summary of that paper said that the reference group was unaware that two draft rural zones, the green wedge zone and the rural conservation zone, were being proposed in relation to the government's green wedge policy, and they said that that may have had a marked bearing on the recommendations of the project's teams. That seems to be of significant —

Ms DELAHUNTY — Sorry, who said that?

Mr CLARK — This is the executive summary of the rural zones review reference group's discussion and options paper released at the end of February. That seems to suggest a pretty significant waste of public money and effort if the rural zones review did not know about the green wedges zone and the rural conservation zone proposals. Is that in fact correct? If so, how did it happen that way and how much cost and delay has been caused; and will the rural zones review continue to apply to what is now the proposed green wedge land?

Ms DELAHUNTY — The rural zones review reference group was appointed in March 2002. I appointed a reference group to analyse specific issues and provide advice about improvements to the existing rural zones in the Victorian planning provisions. The key to that was efficient and effective operation of the rural zones to ensure sustainable future of rural Victoria.

You would probably be aware that there have been some incursions into these rural zones and some anomalies. Certainly as Minister for Planning it has been raised with me by several groups — and not just farmers, as you would expect. So the reference group was asked to examine a whole range of issues, and I do not have the terms of reference here with me, unless the department has. You are quite right, the reference group submitted its report in late January this year. It recommended to us, and I certainly supported that recommendation, that the draft be widely circulated for decision and comment. This work is of course —

The CHAIR — Did you mean discussion and comment?

Ms DELAHUNTY — Discussion. Did I say decision? I beg your pardon.

That has been out for discussion since the beginning of March, and I know there is animated discussion about that. The total cost of this project has been about —

Well, it does not matter, you did not ask me that question, so I will not give you the information.

Mr CLARK — Don't be retentive about it!

Ms DELAHUNTY — I do not think it is a very exciting figure. Clearly this work is being done in parallel with and informed by the work that the government and the Michael Buxton reference group have done on

protection of green wedges. Part of the reason we want to protect green wedges is the protection of valuable agricultural land, as I outlined earlier in this discussion. So it is parallel work. Clearly the rural zones review will be completed in concert with the green wedge legislation, the green wedge zone and the rural conservation zone. They are parallel pieces of work, and once the consultation period is complete we will analyse in a detailed way the submissions on that, as we always do.

You would not be surprised, Robert, to hear that many of the submissions to Melbourne 2030 more generally, but specifically on the green wedge and urban growth boundary issues, are referred to the rural zones review and some quite valuable advice has been given to government through that Melbourne 2030 submission process, and that will be fed into the final decisions on the rural zones review.

Mr CLARK — Will the rural zones review still cover what is now going to be the green wedge land, and how much has been lost as a result of them not knowing about these other two zone proposals?

Ms DELAHUNTY — The answer to that is that the reference group has consulted widely. We have now opened its report to the widest possible consultation. Rather than look at time lost, which I do not accept, I look at a symmetry of work so that the final product is both consistent and clear and provides protection in two areas: protection to sensitive green wedge areas and protection to our rural and particularly our agricultural production sector.

Mr CLARK — Will the review cover the green wedge land?

Mr JEROME — Can I just clarify something. The review of zones is not about a review of land; it is the review of the zones that are available through the Victorian Planning Provisions system, with which you would be familiar, for councils and planning authorities to then use, and they may choose to use those zones to apply them to land.

Mr FORWOOD — The rural zones?

Mr JEROME — Rural Zone Review does not affect the land as such; it is a subsequent step. It is about the zones that are available in the planning system.

Mr CLARK — But will it affect the zones that will apply in what is now loosely called green wedge land?

Mr JEROME — It is our anticipation, and I think the minister indicated, that the consultation around those recommendations that came out of that Review is already under way and will conclude in June this year, so that when linking that to the minister's comments about the submissions on Melbourne 2030 later in the year we will have the complementary comments on the green wedge zone and the rural conservation zone that were specifically put out in the context of the green wedges. And we will have the results of the consultation on the broader Review of the Rural Zones, which are also state wide.

Mr FORWOOD — Okay, we are nearly there. Inside the green wedge area will there be a rural zone if someone wants it — a council wants it?

Ms DELAHUNTY — That is a different question.

The CHAIR — Mr Merlino has the final question.

Mr MERLINO — Minister, I refer you to page 337 of budget paper 3, which lists outputs for Pride of Place projects completed. Could you give the committee more detail about the program and what its targets and objectives are?

Ms DELAHUNTY — I think people are familiar with Pride of Place, the urban design grants program. In May 2002, \$8 million was allocated to this project, and as you would expect, there has been quite a substantial demand. I understand that the applications for the 2002–04 program are closed. As you would expect an independent panel will make formal recommendations regarding projects which can best meet the programs selection criteria and are funded within the budgets.

Mr FORWOOD — Which branch of the Labor Party?

Ms DELAHUNTY — Sorry, I missed that, Bill.

Mr FORWOOD — I was being rude.

Ms DELAHUNTY — That is not like you, Bill. Do not change a lovely relationship right at the very end.

These grants encourage councils to consult their communities, to plan strategic and capital works that can be implemented in stages, and, of course, the idea is to achieve more durable and appropriate design outcomes. Pride of Place projects guide long-term planning to consider local centres for changes. It is also to consider increasing tourism to counter urban decay or small town decline, and indeed to offer safety. We know there is a lot of evidence that well-designed civic spaces are safer spaces because more people are attracted to them.

These projects have demonstrated substantial leverage, particularly as they have attracted funding from other government programs, and private investors. So it is a program that will improve vitality amenity sustainability — that word again. This is the philosophy that drives the work that we do in this department — sustainability.

The CHAIR — That concludes consideration of the budget estimates for the portfolios of arts, women and planning. I thank the minister, her departmental officials and her staff, and I personally — and I am sure others — have found it an extremely informative and very useful afternoon.

The committee has a couple of issues that it will be following up in terms of questions that it will put on notice, and it looks forward to receiving those. Thank you very much, and good afternoon.

Committee adjourned.