

COMMONWEALTH OF AUSTRALIA

Official Committee Hansard

JOINT COMMITTEE ON PUBLIC WORKS

Reference: Site filling, stabilisation and construction of infrastructure for the Defence site at ermington, Sydney.

MONDAY, 19 FEBRUARY 2001

SYDNEY

BY AUTHORITY OF THE PARLIAMENT

JOINT COMMITTEE ON PUBLIC WORKS Monday, 19 February 2001

Members: Mrs Moylan(*Chair*), Senators Calvert, Ferguson and Murphy and Mrs Crosio, Mr Forrest, Mr Hollis, Mr Lindsay and Mr Ripoll

Senators and members in attendance: Mrs Crosio, Mr Forrest, Mr Hollis, Mr Lindsay and Mrs Moylan

Terms of reference for the inquiry:

Site filling, stabilisation and construction of infrastructure for the Defence site at Ermington, Sydney.

WITNESSES

BAGLEY, Mr Craig Charles, Distinctive City Outcomes Manager, Parramatta City Council
BLACKLEY, Mr Bernard, Director, Defence Estate Organisation, Department of Defence1
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KELLY, Mr Craig, Lawyer, Minter Ellison62
LARKIN, Mr William Bernard, Secretary, Ermington Chamber of Commerce
MACDONALD, Mr Nigel, Director, National Project Consultants Pty Ltd and Project Manager, Department of Defence
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MOSS, Mr Doug, NSW Environmental Services, Thiess Services Pty Ltd1
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NEWMAN, Mr Kenneth Robert, Chairman, Residents Committee, Ermington Naval Stores Site49
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ROLFE, Mr Michael Richard, Secretary, Sydney Harbour and Foreshores Committee
TOOKER, Mr Mark, Director, Patterson Britton Pty Ltd1
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WEARNE, Ms Lorraine, Lord Mayor, Parramatta City Council

Committee met at 11.04 a.m.

BLACKLEY, Mr Bernard, Director, Defence Estate Organisation, Department of Defence

MACDONALD, Mr Nigel, Director, National Project Consultants Pty Ltd and Project Manager, Department of Defence

MOSS, Mr Doug, NSW Environmental Services, Thiess Services Pty Ltd

TOOKER, Mr Mark, Director, Patterson Britton Pty Ltd

CHAIR—Welcome. This hearing of the Public Works Committee is to consider the project for the site filling, stabilisation and construction of infrastructure for the Defence site at Ermington, Sydney, New South Wales. This project was referred to the Public Works Committee on 7 December 2000 for consideration and report to the parliament. In accordance with sub-section 17(3) of the Public Works Committee Act 1969:

(3) In considering and reporting on a public work, the committee shall have regard to –

- (a) the stated purpose of the work and its suitability for that purpose;
- (b) the necessity for, or the advisability of, carrying out the work;

(c) the most effective use that can be made, in the carrying out of the work, of the moneys to be expended on the work;

(d) where the work purports to be of a revenue-producing character, the amount of revenue that it may reasonably be expected to produce; and

(e) the present and prospective public value of the work.

This morning the committee inspected the site of the proposed work and received a briefing from the Department of Defence. The committee will now hear evidence from the Department of Defence, Parramatta City Council, Ermington Chamber of Commerce, Residents Committee, Ermington Naval Stores Rezoning and Redevelopment, and the Sydney Harbour and Foreshores Committee. I welcome the witnesses and ask whether you have anything further to add to the capacity in which you appear.

Mr Moss—Thiess is the preferred contractor for the filling and stabilisation works.

Mr Tooker—Patterson Britton and Partners are the engineers examining the infrastructure issues.

CHAIR—The committee has received a submission from you, dated December 2000. As there are no amendments, it is proposed that the submission dated December 2000 be received, taken as read and incorporated in the transcript of evidence. Do members have any objections? There being no objection, it is so ordered.

The document read as follows-

CHAIR—I now invite you to make a short statement before we proceed to questions.

Mr Blackley—Madam Chair, I would like to welcome the Public Works Committee to Ermington. From your site visit earlier this morning, you were able to see that the land along Parramatta River, some 700 metres in length, is flat, rising gradually to meet the existing, wellestablished residences in Ermington. Starting about five years ago, Ermington has been undergoing a period of urban renewal and gradual upgrading of existing dwellings which is translating into increasing land values. The proposed residential development will complement that change in assisting to raise the urban amenity and perception of Ermington as a place of preference to live. To facilitate this, the extensive community consultation, which has continued for the past five years, has ensured that the new development is not exclusive. For the past 50 years, other than the access to the foreshore strip, the land has been fenced and inaccessible. The development opens the site up; it provides a new passive and recreational activity space and a myriad ways of accessing the foreshore and the new development. It allows for a ferry wharf, should demand be realised at some time in the future. It leaves unallocated space for car parking to support the ferry wharf, should that be required. It provides for a new sea wall, totally reconstructed and high enough to prevent the nuisance flooding that has occurred along the strip from time to time. Defence will meet 50 per cent of the cost of the new wall.

The site preparation works which the committee is to examine today comprise two elements. The first involves the importation of clean fill on to the site to raise the level above the one-in-100 years flood level, and to compress the existing soil in order to stabilise it. As the Defence submission outlines, the existing soils are soft and do not provide a firm building foundation for the residential development that will follow. Just as demolition and remediation works were undertaken previously by Defence's Commonwealth works, these works have been subjected to the environmental clearance of Environment Australia, the Commonwealth's environmental watchdog. During the undertaking of the works, the land will remain a Commonwealth place, that is, under the Commonwealth's environmental jurisdiction.

That is not the case for the second element of the works—the construction of infrastructure, roads, water, gas, sewer, telecommunications, et cetera. These are necessary to enable building parcels to be sold to home builders. As these works require the approval of numerous utility providers, Parramatta Council and the state government, under s.56, the works are clearly subject to state legislation. The means of achieving these approvals will be via development and building applications, to be lodged after the New South Wales planning minister makes the master plan.

Madam Chair, I would not complete this opening statement without some brief and enormously complimentary words about the community consultation process that followed the public meeting in 1996. It was this meeting that signalled the start of the process; many communities would be jealous of the partnership that has since developed. I will not go into the detail about the numerous aspects of that consultative process; I am hopeful that will become self-evident through the course of the hearing today. The Ermington Residents Committee has delivered something special on this project, realising real benefits for the Ermington community. Because of the committee's success, I understand it has been asked by other communities to assist them in similar land development opportunities. The out-turn cost of the work is \$31.6 million. Defence appreciates that all works are subject to your consideration of the evidence and testimony today, and your subsequent recommendation to parliament.

CHAIR—Thank you very much. We will move straight into questions. From our point of view, the main questions seem to arise around the restoration of the dilapidated seawall and you have just said that Defence will contribute 50 per cent of the cost of that. The other issue is whether impact studies have been done to determine any downstream impacts of filling of the Ermington site on the Parramatta River.

Mr Tooker—Yes, in terms of flooding impacts?

CHAIR—Well, any impacts at all: polluting impacts, flooding, and also possible further erosion, because you have got that bank. I have noticed that on the earlier plan you showed us you were banking above the fill level of the site. What might be the impact and what have you done to demonstrate what the impact, if any, would be of this work?

Mr Tooker—Let us take those issues separately. In terms of the water quality, runoff from the site will be treated through a series of measures on the site, and in fact we will treat not only runoff from the site but from external areas of the site. The treatment measures will encompass naturalistic creek lines, where we can, through the site, to enhance not only the water quality but the visual and ecological benefits. We will have gross pollutant traps, which will be underground structures and which will take out the gross solids, the debris and the litter; and then, lastly, the water pollution control ponds, which will take out the fine sediment, the nutrients and the bacteria. So, in the end, the outcome will be an improved water quality running into the Parramatta River. So, from that point of view, there will be an improvement.

In terms of the flooding issue, there will be fill in an off bank storage area for floods in excess of say, the 50-year up to the 100-year conditions, so on rare occasions. That is a minor storage area compared to the flow, and will have negligible impact on the flood levels in Parramatta River.

CHAIR—Just outside the flood level, I suppose what I am driving at is that you will have filled the top part of this site with fill and it will be a cutback arrangement retaining wall. That is what appeared on the diagram you showed us this morning. What impact will that have on infrastructure off the Defence site on infrastructure development on the foreshore level, for example, which will be the responsibility of the council?

Mr Tooker—The actual filling will stop at our boundary and, in fact, while earlier we showed a schematic, there will be various treatments of that edge. Where we have our open space, we will have a gradual transition from the fill down to the foreshore, so the public can get ready access into the site.

CHAIR—Have you specifically looked at this issue of how the treatment of the edges of the newly filled and compacted area will impact on infrastructure below the level of this site?

Mr Tooker—In terms of infrastructure on the foreshore, there is no infrastructure on the foreshore there at the moment. The infrastructure on the site relates mainly to the sewerage carrier that runs in the top half of the site.

CHAIR—There is a roadway, though, below that site. Is that going to be retained?

Mr Tooker—There is a cycleway below the site. That will be retained and embellished as part of the overall development; that is right. So, in terms of impact, we will be actually embellishing that whole foreshore, not only just the seawall but the cycleway and the landscaping within that to match the embellishment that will occur on the site itself.

CHAIR—Can you actually demonstrate that there will not be an impact on the site below?

Mr Tooker—An impact from what point? There is no infrastructure in that foreshore area, other than the seawall, and we will be upgrading that.

CHAIR—And the road.

Mr Tooker—Essentially, we will rebuild that cycleway.

CHAIR—But you do not expect ongoing problems emanating from the filled and compacted site above?

Mr Tooker—No. As part of the works, the idea is that the filling will be compacted over the period of time that we have the fill, or the temporary fill, on site. All that settlement will be taken up, and then beyond that, we do not expect any significant settlement to occur, either on the site or external to the site.

CHAIR—You do not expect it, but have you had experts to take a look at that?

Mr Tooker—Yes, we have. We have geotech engineers who have actually designed the whole process.

CHAIR—Thank you.

Mrs CROSIO—Mr Blackley, may I thank you for the briefing we have had before, as well as the opportunity to physically inspect the site, and also the prior briefings. But I think for the public record we need to have on record as to what type of tender process you went through in selecting, for example, Thiess, or their company, to be the managing contractor in site filling, as well as the tender process. I do not mean things of a confidential nature, but just so that the public record knows there were certain steps that were taken to be able to look objectively at the tendering in choosing the people that you have chosen. And I would particularly like to also have it for Patterson Britton and Partners regarding the infrastructure management of the site.

Mr Blackley—The tendering for the site filling was a public tender, openly contestable by any party, from which a shortlist was derived and a preferred tenderer was appointed. It went through the normal Commonwealth tender process, if there is one, of determining the methodology and the selection criteria in advance and matching the submissions against that, and determining the outcome on a value-for-money basis. So that is the way Thiess competitively won the contract. Patterson Britton have been involved in the project since 1996, since we started work, and that was not an open tender. That was, I suppose, a select tender from a number of consulting engineering companies, on a basis of a fee proposal and an understanding of a scope of works—in effect, like a tendering situation, except it was not an open tender, it was a select tender. And again, Patterson Britton won it on the basis of value for money.

Mrs CROSIO—I suppose the question that needs to be asked, and would be asked in the outside, is: would it have been more value for the Commonwealth if a single tenderer were to do both works?

Mr Blackley—No, I do not think that select projects is a good practice for the Commonwealth to enter into. It might work once or twice, but then if companies knew that the company was just going to ask you for a price and then appoint them without the threat of competition, I suspect that the Commonwealth would not actually be getting value for money in the end.

Mrs CROSIO—I suppose my question was more directed to whether either company could have done both jobs, rather than two different companies doing two different jobs?

Mr Blackley—No, I think they have got different skills. One is a contracting organisation and the other one is a consulting engineering organisation, so they are quite different, but are working quite well together.

Mrs CROSIO—Also for the public record, after the briefings we have had on the site and looking at the landscaping, is it viable for Commonwealth money to be spent on landscaping at a particular site like this?

Mr Blackley—It is integral to the marketing of the site. It is an absolutely fundamental part. Landscaping arguably is more important than the roads. It is the urban amenity that is going to create this new suburb at the end of the day. So, yes, it is a very viable part of the project, without which the community do not get the assurance that what we say we are going to deliver is what we are going to deliver. So, it is important from that process.

Mrs CROSIO—And we are also able to see very visibly today, and also on previous designs, and I know the area, that there were no existing mangroves there. There was never any thought, in looking at the future development of this site, given to looking at the restructuring of the site with landfill to allow mangroves to come back to that site eventually. Was that ever given consideration?

Mr Tooker—Yes, that was given consideration. In fact, as part of the foreshore upgrade, it has been considered that maybe some growth, but not necessarily, mangroves could be established because the wave climate there is particularly aggressive.

Mrs CROSIO—I haven't been there for years.

Mr Tooker—The idea was to establish some salt marsh behind the wall in the drainage areas as a sort of compromise. Salt marsh is a community which is relatively rare in Sydney and could provide some ecological benefits if it could be established in that area.

Mrs CROSIO—Could or will?

Mr Tooker—Establishing salt marsh is not necessarily at this stage a well-defined activity or proven activity. Both fisheries and a number of biological consultants are endeavouring to establish salt marsh areas. So, I cannot say that yes, it will be successful, but it certainly will be somewhat of a demonstration project.

Mrs CROSIO—The old wharf that we looked at that was going more to the west of the site is going to be demolished, isn't it?

Mr Tooker—That is right, correct.

Mrs CROSIO—Was costing looked at as far as, perhaps, rebuilding it for a future amenity for the particularly developed area—once the area is developed?

Mr Tooker—Yes, there were a number of options examined. There are a number of constraints in terms of water usage in the area, and I am talking about recreational craft usage on the river. There is the ferry which runs along the river, and there are concerns in terms of safety for navigation of that craft. Going west from Silverwater Bridge, the ferry slows down considerably; coming east of Silverwater Bridge is its acceleration area where it gains its top speed of 30 knots. That was one concern. The other concern was water depths— being able to establish a wharf or a jetty close to the shoreline without impinging upon navigation, but giving adequate water depths for various recreational craft to use the facility. And because of the very shallow slopes, it means we have to go out a fair way with our structure to establish a mooring or a set down point. In the end, what was considered the best compromise was a boat skid, for use by small craft—row craft or canoes—which would enable access from the foreshore down into the water.

Mrs CROSIO—And would that be structured where the existing old wharf is now, or further up?

Mr Tooker—No, actually further west where the site conditions are more conducive to it.

Mr FORREST—Just to clear up a question in my mind about the amount of fill on the site, in the brief in December, the report to the committee said it was 250,000 cubic metres, but today you have told us it is only 192,000. I am asking the question because it is a pretty sensitive cost item. Have you done better surveys since the December report?

Mr Macdonald—The reason for that variance is: at the point where that report was prepared, the Thiess tender was still being assessed and the Thiess tender for the works has the inclusion of a borrow pit within the site, which has the effect of reducing the amount of fill that needs to be imported to the site by using fill which is currently within the site. So, on acceptance of Thiess's tender, the actual figure is 192,000 cubic metres that need to be brought to the site and it takes advantage of a borrow pit within the site, hence the difference in those two numbers.

Mr FORREST—That is fairly innovative—good stuff. Tell me about the headworks charges. I got a bit confused this morning; you presented figures of \$5,000 per lot and there was another figure of \$1,000 per lot for headworks costs to council. Then you told us about the potential liability to improve traffic works back into the city, and I have forgotten the name of the intersection. Are you confident that we are not being asked to pay for infrastructure works that are already problems and not necessarily going to be due to this development? How do you manage those discussions with council?

Mr Tooker—There are a number of issues in terms of headworks. I think the one you are referring to might be sort of road-related headworks, where, yes, there is some debate about the degree of impact the site has on the road network. It has, certainly, through the consultant's experts engaged by Defence, been the case that the problems north of Begonia Street are basically related to a regional problem and not a local problem, and that the impact of the development on the site will not be significant.

Mr FORREST—Well, we got stuck on that intersection this morning, or one of them, didn't we?

Mr Tooker—No doubt. There are existing problems with the road system, that is right. The other infrastructure is more straightforward in terms of the impact of the site on it. For instance, with the sewer there is a need to upgrade some external services to cater for the site development. It is the same with water, and power and gas are relatively straightforward. In terms of drainage, obviously we need to cope with the flow onto the site, and so there are works we need to do to cater for that external flow.

Mr FORREST—There were two figures. There was one for \$4,000 per lot and another for \$1,000 per lot. Those are substantial sums being paid to council. I know that recreation and all those other things are part of it; they are a normal part of a subdivision. But surely from those sorts of figures, council has the revenue to fix its other problems elsewhere without asking Defence's development of this land to pay for infrastructure works, particularly on road works.

Mr Tooker—The number you are talking about was a section 94 contribution to council, where there are well-established guidelines in terms of the demand that a development creates on the community services. And there are plans which have been approved—section 94 plans, which enable you to estimate or to calculate the contribution that is required. They are for library facilities, for community building facilities and the like.

Mr FORREST—I am satisfied with that; what I am not satisfied with is that on top of that, they are asking for extra capital spend, way beyond this site. That is my question. Why aren't they happy with the established headworks charges per lot?

Mr Tooker—I think what we are proposing is that we meet the section 94 contribution requirements and that, external to the site as far as council is involved, it deals with roads, and we are providing an upgrade of the road in front of our lot on Spurway Street, and we are going just one step further and providing a roundabout at the intersection between Spurway and Begonia. But we are not doing anything beyond that, and I think that is a reasonable sort of investment to make for this development.

Mr FORREST—All right, but then we get to the discussion about the improvements to the seawall—we are a long way from the sea, but that is what it is called. Are you concerned at all that it is not an easy hit for everybody to say, 'Let us get Defence to fix up all the problems with the region.' When it has been there a long time, why does this development have to bear the cost of making substantial improvements for substantial amounts of money. Is that a reasonable thing for a developer to have to do?

Mr Blackley—Quite unreasonable, Mr Forrest, but it happens, unfortunately, fairly frequently. But it is the basis of negotiation and consultation with the council and you have got to work through the process.

Mrs CROSIO—Surely it would have been a condition of consent to changing the zoning?

Mr Blackley—Yes, there are requirements as a part of rezoning that are perceptions of not just the council here. In the case of roads, Victoria Road is not the council's responsibility; it is the New South Wales Roads and Traffic Authority's. Council often take the brunt of complaints about Victoria Road, but in fact it is clearly not their problem; they inherit the problem. But I suppose it is fair game for Defence to be targeted by people to fix problems that have been either pre-existing or perceived to be the result of development. But it is a matter of being realistic and objective about it. In the case of the seawall, we did not build the seawall; it was there long before Defence came—it was built back in 1923. So, although Defence has had the benefit of it over those years, I do not believe that Defence should bear the full cost. So we have been to the council quite openly and collaboratively with the New South Wales Waterways Authority—it is going to have a considerable benefit, a marketing benefit to the site. So it is only fair, I believe, that Defence should contribute to it, but not pay all of it.

That comes down to all sorts of things—about headworks and roadworks and what have you. You have just got to work through these things. People start—I suppose we all do—pounding the desk, saying, 'You're not going to get this unless you pay for that' but it is a matter of reasoned discussion. We have had a good relationship with Parramatta Council. With the properties that Defence is disposing of in Sydney we are working with 20 councils, and you have only got to look, if you recall, how quickly this rezoning process went through Parramatta Council for that to show you that there is a pretty good relationship there. They took the rezoning process very comfortably and, in fact, in rezoning it for 700 developments, we are not producing anything like that. So it is a relationship thing and you have just got to work through it.

Mr FORREST—I have got some questions about the mangroves, but I would like my colleague from North Queensland to ask about mangroves; he knows all about them.

Mr HOLLIS—It seems, from all we have heard and been told, that there has been fairly good PR in consultation with the community, but with a project this size there will inevitably be community concerns raised during the construction stage, whether it is traffic movements or noise or dust. You have probably heard them all. What sort of mechanism will there be in place for the community to raise their concerns and, more importantly, what will be the response of the group to those concerns?

Mr Blackley—Doug Moss is the contractor in charge; it is his head that will roll at the end of the day. On other projects—and you have been exposed to one other project that we have had, at Neutral Bay—there are newsletters and constant advising of staff when things are about to happen. In windy conditions we do not work; there are particular hours of the day when people can actually expect to see trucks or noise or dust or whatever. But Doug will have the details.

Mr Moss—We propose, firstly, to maintain dialogue with the existing community groups which have been established by Defence prior to us coming to the site. We really propose just to simply keep everybody informed of the progress of the works on a sort of day-to-day basis. We will establish a phone line for any complaints in terms of dust and noise, those sorts of issues. We will be very, very strict in terms of how we control the works and in terms of controlling the amount of dust coming off the site, particularly truck movements. We will be enforcing the requirement for trucks to enter the site from Silverwater Road, for example, on the temporary access. Basically, the biggest impact to a community like this probably will come via the trucks, and if we can maintain the trucks coming in off Silverwater Road, I think it will go a long way to ensuring that there are no complaints. We will just try and be as sensitive as we can, I guess, to the works. There will be impacts; obviously there will be dust and noise particularly; it is a very large-scale job. But I think, in my experience, we can manage it to a very small impact, and by maintaining dialogue with the existing community groups we think that we can maintain a good relationship with them.

Mr HOLLIS—On the site there are seven pads, or seven floorings, where the sheds used to be. What is going to happen to those?

Mr Moss—Those slabs will be demolished and crushed on site; we will crush that material up. It will be used then as part of that drainage layer which we spoke about earlier today, across the top of the site. So as the water comes up through the big drains, it will then flow out through the crushed concrete towards the river. That has two advantages, I guess: we do not take materials off the site, so there is no disposal of the concrete off the site, and we also get the added advantage of beneficially reusing that material on site.

Mr HOLLIS—Was any thought ever given to having the wharf there? I know the argument that the ferries do not pay, but it would be an attractive feature, and we are talking very much about enhancing the seascape or the waterscape there. It would seem to me, to my untrained eye, that an attractive wharf, which maybe in later years could be used but which also would add considerably to the visual impact of that place.

Mr Blackley—And in fact the location for a future ferry wharf, should the demand exist at some point in the future, is there. There is also an area—as I said in my opening statement—adjacent to the wharf where future car parking could be included. But that is not a decision for Defence; that is a decision for Sydney Ferries. And, from my discussions with Sydney Ferries, the demand is not there yet and it would be pre-emptive to construct a wharf in advance of demand. The state government does not do that; neither does the Commonwealth government. So, it is a matter of having the provision there and allowing it to develop in the future if the demand arises.

Mrs CROSIO—Yes, but you do not have to knock down buildings to build a wharf, do you? If it comes up in the future, you do not have to clear land.

Mr HOLLIS—On a site like that that has been used fairly extensively from 1929 or so, there is no rare flora there?

Mr Blackley—No, there is not too much on the site at all—there is lots of concrete. There are, in fact, some trees. I do not know their condition.

Mr Macdonald—We have had a flora/fauna study on the site and there really are no species of any significance that have been identified for retention, apart from obviously some trees which are a feature that we would like to retain. But there are no rare flora or fauna that have been identified on the site.

CHAIR—Mr Lindsay, you are the mangrove expert, coming from the sunshine state.

Mr LINDSAY—Gentlemen, regarding the import and placement and compaction of fill, is a permit required? Under city council ordinances in Queensland, if you import soil and build the land up, you need a permit from the council.

Mr Blackley—The assessment and works have been subjected to Environment Australia under the federal government, and that is where the environmental clearances have been obtained. That does not apply to the site—

Mr LINDSAY—This is not an environmental clearance I am talking about; it is a council permit to fill land.

Mr Moss—Normally in New South Wales it is part of the development application process and rezoning of the site—

Mr LINDSAY—So you are confident that that is not a problem?

Mr Moss—That is correct.

Mr LINDSAY—You say that work will commence at one end of the site and progress across. Is there economy of scale in doing the whole job at the same time?

Mr Moss—We looked at several different options for how to stage the works. The one which has been selected by Defence as their preferred scheme involves the lowest cost to the Commonwealth. This comes about primarily because of the handling of the temporary fill. As you can recall from this morning, there was a temporary fill layer placed on top of the permanent fill. The way we are doing the job is simply to sort of roll that fill from being temporary to being permanent, so it goes from the first stage to the second stage. We then import more fill, which becomes the temporary fill on the second stage; it then becomes the permanent fill on the third stage, and so forth. Our balance there is that we keep the amount of double handling of the earthworks to the minimum, and this gave Defence the lowest price. We gave several prices, several different schemes. They all have program implications, so there are different timings versus costs, but the scheme which has been selected by Defence is the lowest cost option.

Mr LINDSAY—Is that an ongoing scheme, or do you do one stage and then stop, and then start the second stage?

Mr Moss—There will be some stopping from stage to stage, not because of the requirement to handle the fill but primarily because of the requirement to allow the soil to settle. Once we have placed the temporary fill on the surface of the site, there could then be between six and twelve months for the settlement to occur in the clays. So any delays in the program from stage to stage due to the settlement period which is required to get that settlement to occur, before we can then take the temporary fill off and then put it as a permanent fill on the next stage.

Mr LINDSAY—Are you proposing to construct Central Avenue in its entirety in the first stage?

Mr Moss—No. We do not need anything but a temporary access for our works. If you picture the site, we were proposing to hand the site over in stages, working from the east back to the west. But the trucks are coming in from the west, from Silverwater Road, okay, so we only need a temporary access to the current filling area at any one time.

Mr LINDSAY—You initially expected the master plan to be formally made in December 2000. Now you are suggesting April, I think it is, 2001. Is it your evidence that you are in the hands of the minister, that you cannot confirm that it is April 2001, that it is open-ended? And if that is your confirmation, does that constitute a risk to the project?

Mr Blackley—Yes, it constitutes a risk. All time costs, but our program is sufficiently flexible to move according to that approval. So if we do not receive approval until June, the entire program as we have presented to you—it is, I suppose, the same if we do not get parliamentary approval—shifts to the right.

Mr LINDSAY—Is there a contingency built in for that risk in the figures that you have presented to us?

Mr Macdonald—Could I comment on that. The impact of the master plan being delayed is that the development applications for the infrastructure works would be delayed, and therefore the infrastructure works would be delayed. However, in the program we have, in the time for the master plan being made, which is projected to be April, there is a significant amount of float between the making of the master plan, the application for developments and the commencing of the infrastructure. So, while I would have to refer to the program to be absolutely precise, there is a significant amount of float in that process. The critical path, in fact, runs through the filling process, which is not subject to the master plan. I would guess that we could let the master plan, dare I say, slip by six months and it would not have any impact whatsoever on the infrastructure works. I would have to confirm that by the program.

Mr LINDSAY—In relation to the stabilisation measures, there has been heavy buildings on the site for 50 years, and I assume that there has been no sign of settling of the buildings; there has been a lot of weight stored. Why then are you proposing to do anything further to the site if it has apparently been satisfactory for 50 years?

Mr Tooker—Firstly, the buildings are not heavy buildings; secondly, we are proposing to fill the site to get it above the one-in-100-year flood level. So that adds additional load to areas that have not been loaded in the past. So that is basically where it is required.

Mr Macdonald—I will just add to that answer. There is actually evidence of the slabs cracking from the load and from the settlement of the ground conditions. So there is evidence there at the moment.

Mrs CROSIO—They were only corrugated iron type huts, weren't they?

Mr Macdonald—Yes, but it would have been the load of the material that was stored in them.

Mr LINDSAY—Regarding the form of subdivision that you have decided on, is there sufficient flexibility in that, if a developer comes along and buys a section or proceeds with a section, to do what that developer wants to do?

Mr Macdonald—Yes, the proposed subdivision subdivides the gross lot into the smallest number of lots that we think would be reasonable, given the current market knowledge. If a future developer wished to consolidate lots to make larger lots—or possibly subdivide some of the lots to smaller lots, though I think that would be an unlikely outcome—it would mean an application to council or to the state government to either subdivide or to consolidate. But given that we would already have an approval in place for the greatest number of lots, we believe that would be a fairly straightforward process.

Mr LINDSAY—Okay, you confirm flexibility then?

Mr Macdonald—Yes.

Mr FORREST—Ask about the mangroves, will you please?

Mr LINDSAY—I think I saw about four mangroves this morning. It is not likely that mangroves will establish in front of a new seawall at all, in my view; is that correct?

Mr Tooker—That is correct. The mangroves you see actually exist behind an old stone wall that used to be an historic jetty.

Mr LINDSAY—Yes. You comment about the salt marsh. Mr Tooker, you are not really going to establish some kind of a salt marsh, are you? Just say no.

Mr FORREST—It is like talking about seawalls, 20 kilometres off the river.

Mr Tooker—I would like to think that we could establish a small section of seagrass, yes.

Mr LINDSAY—You said 'sea marsh'?

Mr Tooker—Sorry, I should say 'salt marsh'.

Mr LINDSAY—Great answer. You would like to think that you could establish it. We know what that means. In relation to electricity, can you confirm that all electrical services, including high voltage, will be underground on the development?

Mr Tooker—Yes, we can.

Mr LINDSAY—With regard to gas, in your evidence, you said that, 'AGL would negotiate with the site developers at a later stage to assess the likely degree of gas and hence its viability.' Does that throw into question whether in fact gas would be provided?

Mr Tooker—Yes, it is common practice that AGL adopt. In discussions with them, they have been supportive, but have been unable to provide a formal guarantee that gas would be provided.

Mr LINDSAY—Regarding the crushed concrete that you are talking about, I think it's admirable, Mr Moss, but are you going to crush it to such a size that it could not ever be considered in the future to be land contamination?

Mr Moss—It will be crushed down to about 20 millimetres.

Mr LINDSAY—Okay, that is fine. Would you confirm that it would be your expectation that ultimately there would be a permanent access off Silverwater Road into the development?

Mr Blackley—Very much so. I would like to clear up any misconceptions about this. We initially approached our roads and traffic authority to get permanent access, and they have agreed that they will provide permanent access for a three-year period, and they have undertaken to review the outcome of that. We have taken all forms of safety audits along Silverwater Road to ensure that it is safe, and what we now need is a couple of years of experience with trucks, which will certainly test the viability of that entrance, and I do not have any doubt that there will be a landslide of support for something like that to remain.

Mr LINDSAY—Okay, thanks.

Mrs CROSIO—Just for the record, it is strictly left-hand turning all the time—left-hand turning in and left-hand turning out?

Mr Blackley—Yes, you cannot cross the median strip.

Mr LINDSAY—Just coming back to the section 94 contributions in your earlier presentation, I wrote down that you had said that the council may not accept contributions. Can you confirm that section 94 contributions are clear-cut, well understood and there is no risk of that changing?

Mr Tooker—In terms of the formulation and the calculation, that is true, but in any development where there is provision of facilities the same as related in the section 94 plan, there is some negotiation about credits. And in terms of my comment earlier, it was really about that credit and how far that went.

Mr LINDSAY—On the contingencies, there is \$100,000 for acid sulphate soil, possibly. There seems to have been extensive investigations of the site and you report that it is clay. Do you expect to find any acid sulphate soil?

Mr Tooker—Acid sulphate soils occur mainly in finer particle sizes and typically with clays. The estuarine nature of the foreshore would suggest that yes, there may be some acid sulphate soils, obviously related to sands, but nonetheless at the sand-clay interface.

Mr LINDSAY—There is \$100,000 to protect the Telstra cable; I think that runs down the western boundary, is that right?

Mr Tooker—That is correct.

Mr LINDSAY—What is the nature of the protection?

Mr Tooker—The nature of the protection is relatively simple: it is to encase the facilities in concrete. It is the extent to which that protection is needed which is being negotiated.

Mr LINDSAY—Why is that your responsibility? Is the Telstra cable in a public area? Is it in the road reserve? Is it in an easement? Why are you standing the cost?

Mr Tooker—It is not in an easement, and I think that before 1995 Telstra could place the facilities anywhere they liked, and we had to deal with those—

Mr LINDSAY—Why isn't it their cost?

Mr Tooker—As I say, since 1995 Telstra have to place their facilities in an easement. Previous to that time they did not need to, and if in fact it is through the middle of a development site the developer is responsible for dealing with that facility.

Mr LINDSAY—At law?

Mr Tooker—At law.

Mrs CROSIO—I am very impressed with the wick type of drainage system you are going to put in to gradually drain all of the water. I also understand and appreciate seeing on site what you are doing as far as the purification of the water that is a runoff from the existing development is concerned. In your submission to us, you show that you are forming a drainage layer at the top of the prepared ground level of the drainage and installing vertical, prefabricated band drains. What other action are you taking, when, in that wick development, the permanent level of soil goes on and squeezes the water out? What other level of purification is going to occur so that there are proper flows going into the Parramatta River? And how are we going to overcome any other problems?

Mr Moss—This is from the—

Mrs CROSIO—From the wick drains from the site. Plus purification—the action you have got to take further up.

Mr Tooker—There are two different stages which you have to keep apart. One is the construction phase, which is a set of controls particular to the construction phase. Then there is the post-development phase, which is the separate types of treatments.

Mr Moss—With the construction phase, we will build a number of swales along the foreshore, silt fences, hay bales, all the sorts of controls which are required by the council in these sorts of works to control any sort of surface runoff from the site. Into that system we will connect the drainage from that sand drainage layer, so it will go into a number of ponds on the site. The ponds will be moved as the works are completed. There will be overflows from those ponds in to the river. It will be tested in accordance with EPA requirements prior to being discharged.

Mrs CROSIO—Do you expect any problems with fresh water flow?

Mr Moss—No. This water in the ground is in fact very saline, just like the river. It is basically the same sort of water that is in the river now, and so it will be much the same sort of material. It also flows through the drainage layer and that will have the effect of filtering out any of the clay or any other sort of turbid materials. So what we will get will be basically clean water coming out of that system—it will be salty, but otherwise clean. But it will then go to the river.

Mr FORREST—I would like to congratulate Mr Blakely for the work you have done. You have come to the committee with many of the questions already answered. Thank you for that. We do not have to go off searching for unanswered questions. But there is one that is nagging me. I am wondering if you have thought into the future: building developers buy these sites, they want to scrimp and save on foundation costs; it means someone ends up having their dream home full of cracks. How will you propose to cover the litany of potential liabilities of all the different professional people who have been involved in giving advice right through this case? How does Defence propose to cover the liability for future foundation problems that may be caused for whatever reason? And the vagaries of soil mechanics with all this technology, wick drains and everything—it is Murphy's law.

Mr Macdonald—I am not sure if I am going to answer your question absolutely directly but, at the end of the soil stabilisation process the geotechnical engineers involved in the monitoring and management of that process will effectively give Defence a sign-off of the foundation characteristics of the ground in such a way that it can be handed on to future purchasers to guarantee the type of load conditions that they can impose on the ground. So I am not sure whether that will answer that in a legal sense, but in a practical sense, Defence will rely on the sign-off from its independent geotechnical engineers before passing that on to any private sector owner.

Mr FORREST—That will give some cover for Defence, but at the end of the day there has to be some sort of formal covenant. It might be 50 years before someone actually builds on one of the sites there. So that information has to be secured and stored and attached to that title so

that purchasers can know that there are certain things they cannot do with that particular foundation and that it must be of certain proportions.

Mr Blackley—Again, only partly answering your question, it is probably better we just take it on notice and give you some comments. But one of the other benefits is that because it will be a staged development over time, starting from the east and working to the west, you will get some experience of that over time. But it is not going to extend over 50 years, so frankly I cannot answer the question off the top of my head. I would rather take it on board and get back to you.

CHAIR—I think that one of the concerns of the Public Works Committee over the last couple of years has been the level of public consultation and the process around that. I have to say that the work you have done here to ensure a proper process for public consultation is exemplary and it is good to see. Thank you.

WEARNE, Ms Lorraine, Lord Mayor, Parramatta City Council

BAGLEY, Mr Craig Charles, Distinctive City Outcomes Manager, Parramatta City Council

CHAIR—I welcome you both to this hearing on behalf of the committee. I also welcome Mr Ross Cameron MP, the member for Parramatta, in whose electorate this hearing is being conducted. We have received a very comprehensive submission from you, Lord Mayor. I wonder now if you would just give us a short statement in support of the submission you have given us and then we will proceed to questions.

Ms Wearne—Thank you, Madam Chair, and welcome to the committee to our city of Parramatta. Firstly, I would like to say that I confirm the good relationships that have existed between us, the department and Mr Blackley in relation to the rezoning of this site and a number of other matters that have gone on. There are of course always areas in which we will agree to disagree, or we will all try to do a little better!

I would also like to point out that, as far as we are concerned, what we have at the moment in the area in which we sit at this community centre, is some 600-odd residents. This site, which is about that same area again, plans to introduce some 1,400 or more new residents. So in fact what we are looking at is a 200 per cent increase in the number of residents who will occupy that area bordered by Silverwater Road, Spurway Street and Victoria Road. So perhaps that is why, with regard to the issues that have been raised by the gentlemen in relation to section 94, they might take on board the fact that we will have a 200 per cent increase in the number of people who will live in this area and who will then be looking for those community benefits.

In relation to our submission, there is an issue that is actually not listed, but I would just like to draw it to the committee's attention. It is the standard of the foreshore works below the flood line. It is very apparent that what Defence is doing is building, effectively, a second seawall, above which they are going to fill and compact the site, and all of the foreshore works of a public nature are below that 100-year flood line. The entry way to the parks, the cycleway and so on were raised in the questions before and they are in fact below the flood line, so they will be subject to flooding. So one of the issues we are concerned about, apart from the things in our submission, has to do with the standard of those works to ensure that they will in fact remain intact if in fact the site floods. We have had this experience with the river in Parramatta and the pathways we have had to build in there, because they are clearly below the flood line and will not be built above the flood line because the fill starts at the edge of the Defence site, so the public works are below it.

The other thing is about the site connectivity through to the rest of Ermington through Hilda Road. An issue that we have discussed with Defence and that I believe they are looking at is the purchase of a property that would establish the connectivity through from the top of Ermington down in through this development, because what we see is, hopefully, an integrated Ermington that this development will be part of. I think it has become fairly obvious from our submission to you that we would like to see that continue. The cycleway and the foreshore works are of dramatic concern to us outside of our current submission.

The question was raised about demand for the ferry service. I question the response that there is no demand. I would suggest that, yes, there is demand. What there is with the ferry service, unfortunately, is an inability at this stage to be able to run it profitably. The demand is there, and it will be increased by some 1,400 new people who will live ultimately on this site. So I can but recommend to you the construction of a ferry wharf as an issue right at the beginning here, because that then gives leverage in terms of creating a stop for the ferries, if in fact it is there. If you have to create the desire for them to stop as well as the wharf, then you have got the double whammy of trying to get the ferry stop there. There is demand for that.

I would also like to make a comment on the seawall. No council has responsibility for seawalls and never has had. And at this point our council sees no good reason why it should be requested to contribute to the construction of the seawall. You will see from our submission that we are more than happy to take on responsibility for the seawall once the seawall is constructed and restored, but not to accept responsibility in fact for its construction or contributing to the cost of its construction.

I think there is probably not much else I would like to add at this stage. I am happy to take questions, and Mr Bagley, I am sure, would be more than delighted to take questions. He is our professional here today.

CHAIR—All right, thank you. Clearly, there are issues which are going to be ongoing in terms of finding resolutions as this development proceeds. Are you satisfied, though, that you can work cooperatively with Defence to sort out some of these issues? The committee has to look at what can reasonably be expected of the Department of Defence in doing this development in providing facilities outside the development itself. But you raise in your submission issues such as the local traffic, particularly the intersection of Spurway Street and Victoria Road, which we have heard is a New South Wales state government responsibility. And there is also the issue you have just mentioned regarding the dilapidation of the seawall, which again is the responsibility of the particular department under the New South Wales state government. But are you satisfied that Defence is doing all they can to resolve the issues that they can resolve, and that they are responsible for?

Ms Wearne—We have at this stage worked fairly cooperatively with the department. The issue of the traffic is a major concern to the residents of this area and to council. One of the difficulties with that intersection is that Victoria Road is a Roads and Traffic Authority controlled road but Spurway Street is a council controlled road, so it is in fact the intersection of two roads. Notwithstanding that, its control in terms of lights and things is in the hands of the RTA. We have had little success, after numerous approaches to the RTA, to put in measures that we believe would alleviate some of the existing problems which will be exacerbated by 1,400 new residents. Perhaps the department has a greater capacity to pressurise the RTA than council has, and we can but encourage them to do that.

CHAIR—You're obviously hopeful.

Mrs CROSIO—That is a left-hand turning light now, isn't it?

Ms Wearne—Yes, there is. A right-hand turn is one of the issues.

CHAIR—But that is a problem now, isn't it?

Ms Wearne—It is.

CHAIR—At this point in time—that is not something that has been created by the proposed development?

Ms Wearne—That is correct.

CHAIR—But I can understand you are hopeful that this might act as a further assistance to you in getting something done about that intersection.

Ms Wearne—Yes, we would hope so, Madam Chair. Also we think that it will be exacerbated, and that is one of our major concerns in the matter.

Mrs CROSIO—I have a couple of questions. The first would have to be regarding an understanding and appreciating of section 94 contributions. But, wearing another hat of a long time ago, it does not necessarily mean that a section 94 contribution made by this particular development is going to be spent in this particular area. Ironically, we have found with councils in the past that when the section 94 contribution comes in it does not necessarily come back to the area where it is raised. So are there any definite goals in future development by the Parramatta City Council to spend this section 94 contribution in the immediate areas?

Ms Wearne—There has to be a nexus between the expenditure and the raising of the funds. We cannot take funds raised on this site and spend them in North Parramatta. There must be a nexus. Having said that, our section 94 plans are worked out some five to six years in advance. We would now be looking at how we would allocate the spending of these funds with a view to formation of a section 94 plan to be actually expended in some five years time. I would like to be able to give you my personal guarantee on that, but I cannot. What I can say to you is: we are obliged to carry out works with those fundings that have an established nexus to the development from which they are raised, not necessarily adjoining but certainly showing that nexus.

Mrs CROSIO—Yes, but also it does not have to be within about four or five kilometres either, does it?

Mr Bagley—The current planning legislation in this state requires that councils actually prepare a section 94 plan which has a work schedule attached to it, and that work schedule lists every works the council intends to spend its section 94 contributions on.

Mrs CROSIO—When would be the last time you prepared a section 94 work schedule to cover this area? In other words, it is going to look to the future and you will have to submit a change or amend.

Mr Bagley—The current date of the open space plan is 1996, and it has a 20-year time horizon, so effectively that is the length of that plan. The plan will be reviewed over that time. In fact, council has just commissioned consultants to actually do a comprehensive review of its two section 94 plans, and that will come forward to us probably in the next 12 months.

Mrs CROSIO—Also with your Hilda Road concern, looking at the overall plan already put into place by Defence, obviously there is a continuation there in the plan for if and when it is required and they build a road if that property is acquired. So does council have any concern or do they want to see that already done and that property acquired and virtually road constructed before the development commences?

Ms Wearne—We would perhaps like some comfort zone statements in relation to the purchase. It is my understanding that the house that would need to be acquired to do the connection belongs to the department of housing. What we would just like is some commitment that that house would be acquired, so that the connectivity between that road could be ensured.

Mrs CROSIO—And why, in your submission, are you worried about having that major road with the beautiful median strip and landscaped? Why do you wish to have that taken out?

Mr Bagley—The main purpose behind that is that council is very much trying to push the fact that this development is strongly integrated with the rest of the local Ermington community. I guess that council—

Mrs CROSIO—Yes, but you can have integration without assimilation, and you do not have to say that something was not existing in an older area so therefore the new area should not have it either.

Mr Bagley—Certainly, but I guess the one thing that we are trying to avoid is that this area should look entirely different from the rest of the area. A lot of the gated communities, if you like, tend to have large brick walls, different sorts of signage and flagging, and so the local community tend to think that they cannot actually pass through that area, even though these streets may be public streets and the parks within the area are actually public parks. It is very important for Parramatta Council that the overall look and feel of this development is very much a part of the local community, that it is not actually seen to be something that is different. Sure, the buildings will be different, they will be newer; the streets will be new, the parks will be new, but in terms of the way the site functions and the way it looks, we would like it to be very much part of the existing community.

Mrs CROSIO—I would have to differ, for the record, Mr Bagley, just a little bit. The development of that particular area we are talking about now existing in Ermington went back to the early 1950s and also the type of development that was put there just after the war—whether by the Housing Commission or the Department of Defence—has been in existence for quite some time. The designs they used to do then were quite different to what we hope to see in the future. You are looking at a development that is going to occur in the next 10 years; surely we do not want it to go backwards, we want it to go forwards. With a development like this, with all the new planning and how it is going to be, wouldn't that only add to the overall valuation of the surrounding properties? I should imagine that the residents living around there, rather than asking the Department of Defence to conform to what they have now, would be welcoming the fact that 'we have got a new development that is going to add to the valuation of my property because I happen to be within the perimeter.'

Mr Bagley—I do not think the actual department of housing land is ever going to have something like such a grand entrance proposed for it. In some ways it seems to be a part of the

way that a lot of western Sydney development is actually taking place. I grant that there are a lot of current developments that actually take this approach. But I think within best-practice planning circles it is definitely seen that that is not an overall desirable way to go. The best efforts are to actually make the streets and their footpaths and the rest of the bits that actually link into the local community as similar as you possibly can.

Ms Wearne—The overall idea was an integrated community of Ermington, not specifically to do away with the nature of this development, but rather to ensure that the whole of the community of Ermington was able to feel part of one community. That was the thrust behind it.

Mrs CROSIO—But the whole of Ermington at the moment, looking at those locked fences and gates, certainly are not part of it. I think one of the encouragements should be to make sure those roads are built to such a capacity that people have a more direct access to that area and the open space land than what they have now, and to make sure that is available.

Ms Wearne—I agree with that.

Mrs CROSIO—And, to add one other thing, I understand and appreciate the council costs with the extra development and the population coming in, but that also will generate future rates for council that should certainly add to your income a little bit, would it not?

Ms Wearne—Can I just say that the increased rates to council is furphy. Council can only increase its rate at base by a fixed percentage every year. Whilst we may gain 700 properties that may have a certain amount of rates, commensurately every other property in council's area will get a reduction in rates because we can only increase by the three per cent or whatever is the margin every year across the whole of our local government area. So, no matter how many houses we build, be it 700 or a million, our rate base cannot rise by more than that three per cent, so we really gain nothing more than the statutory allowance every year, no matter how many houses are constructed.

CHAIR—We are going to have to move on. Mr Lindsay has some questions, I think.

Mr LINDSAY—I say you should move to Queensland; that is a ridiculous policy.

Ms Wearne—We agree!

Mr LINDSAY—I have one question. You mentioned earlier in your evidence about the flood prone bikeway area, right down the front. Why don't you do a deal with Defence in the development: that, at the same time as the land being developed is built up, you get the benefit of their being on site to do your public works in that area and build up that area as well?

Ms Wearne—I think the public works along the foreshore are proposed as a part of the whole proposal, but all I was saying was that I am concerned that they be constructed at a level that will ensure they are not dramatically impacted when the river does flood because that level will be below the one-in-100-year level.

Mr FORREST—What happens to the walkway now, if you get a flood?

Ms Wearne—At the moment there is only a walkway. There is nothing other than a concrete path, but if you look at the plan, there are some major proposals for open space paving, parks, et cetera, which may well wash away because they are below the one-in-100-year flood level if they are not done a certain way. My only concern is that they be constructed as well as possible to withstand that inundation if it happens.

Mr FORREST—That is talking about a one-and-a-half metre parapet wall at the river's edge—it looks awful.

Ms Wearne—I am not suggesting that. I am just talking about the nature of their construction. We have done it ourselves regarding the river in Parramatta—construction had to be done in certain ways to ensure they did not wash away. That is all I am concerned with.

Mr FORREST—You do not mean above flood level?

Ms Wearne—No.

Mr FORREST—Just about the rate, a 200 per cent in population is also a massive increase in rates.

CHAIR—Thank you very much for your evidence. We propose to incorporate your letter dated 15 February and also the draft submission on the draft master plan dated 13 March into the evidence today.

Ms Wearne—Thank you, Madam Chair.

It is proposed that the submission be received, taken as read and incorporated in the transcript of evidence. Do members have any objections? There being no objection, it is so ordered.

The document read as follows—

LARKIN, Mr William Bernard, Secretary, Ermington Chamber of Commerce

PERRY, Mr John, President, Ermington Chamber of Commerce

CHAIR—Mr Larkin and Mr Perry, welcome to this committee hearing. The committee has received a submission from you dated 8 January 2001. Do you propose any amendments to it?

Mr Larkin—No, Madam Chair.

CHAIR—It is proposed that the submission be received, taken as read and incorporated in the transcript of evidence. Do members have any objections? There being no objection, it is so ordered.

The document read as follows—

CHAIR—Once again, you have provided us with a very good, very clear submission, but would you like to make a short statement in support of that submission?

Mr Larkin—Yes, I would just like to say that I am a pharmacist. I have been in business at Ermington for 42 years. I have just recently sold my pharmacy. I have a very good knowledge of the area. I have been a member of the chamber of commerce for many years. Over the last 12 years, or a bit more, I have been the secretary, having also served as treasurer and vice-president at various times, and I have served on several committees in the area, including the Parramatta Council River Foreshores Committee, the electricity committee and the Silverwater expressway. I was on the citizens committee and I am also a member of the citizens committee for the naval land, that we are talking about.

I just want to say that the Ermington area developed as a housing commission area and is rather unique in that, right from the start, all the people in the area, including the shopkeepers, et cetera, are all tenants, with the Housing Commission as their landlord, so they had a common purpose, common goals, et cetera, so when anything needed to be done they often looked to the people in the shopping centre to articulate what they wanted. The chamber of commerce has over the years spoken for the community in many different ways to state, federal and local government. And with the citizens committees on the RTA on the construction of the Silverwater expressway and the naval land, the public meetings have been held here and the local citizens have elected various representatives from among themselves, and also included one of the members of the chamber of commerce to give voice to their opinions and concerns. And that is a rather unique and democratic sort of system, and I think it has produced a very good outcome. If the construction does go ahead that committee could also well help with problems of noise pollution, dust and that sort of thing, generated by the works on the site.

So that is about all I can say. The other thing is that with the section 94 money, the chamber of commerce would hope that that money is not sort of offset and that there is money there to upgrade the area, to strengthen the road, put footpaths in and perhaps do some work in the shopping centre itself to cater for the extra population.

We do feel that the local schools in the area are underutilised, that the primary and secondary schools in the immediate area could take any children from the depot development. There are work prospects in Silverwater, Parramatta and Ryde and the University of Western Sydney is just down the road here. We feel it is a very good development, it has plenty of prospects, it is waterfront land, it has got nice parks on either side—Primrose Park and Kendall Reserve, and opposite there is Wilson Park—so it is a very pleasant area. I am told that just recently a house in the next street parallel to Spurway Street sold for \$560,000. I read in the paper on Sunday that a house at Macarthur Street was for sale for \$330,000 and I am told that the land that the RTA use as their depot was being sold to put 23 townhouses on, which they hope to get about \$330,000 each for. So I know a lot of money is being spent on this work, but I believe that it will be recouped and that the federal government will get a handsome reward from the proposal going ahead.

I do think there are a lot of facilities in the area: doctors, a developed shopping centre, a library, a hall and a service station. There is all the infrastructure here without any problems to handle the number of people coming in. The chamber of commerce does actually support the proposal. The president may want to say a few words about this.

Mr Perry—I would just like to add a few things. We are totally supportive of this proposal, but aside from that we do have some concerns—a few of them have been raised here today. One of the major concerns is traffic, and the intersection of Spurway Street and Victoria Road has been mentioned. I might add that that road now is 200 per cent better than it has ever been since the flyover at Silverwater was built. But it is still a nightmare, particularly Spurway Street, which from our point of view has been neglected for the 20 years that I have been here. The extra generation of traffic that will occur from that development is going to create obvious nightmares in that vicinity that need to be addressed by council or someone.

The other concern we have, and it was mentioned here, that we had never heard before is the talk about offsetting section 94 funds with credits on the site. From being a councillor recently, my view of section 94 funds is that they should be spent in the nexus outside the site; that any upgrading and facilities on the site are the responsibility of the developer, and we would be most concerned if council goes down the path of offsetting section 94 funds at the expense of the residents to embellish the site work itself. We believe that money should be, and is desperately needed, within the area of the site to upgrade facilities that have been wanted for the 20 years that I have been in the Ermington area. Other than that, I am sure they are issues that can be overcome, but we totally support the process and we have been in partnership with it since it began.

CHAIR—Thank you very much. Your submission of course outlines clearly that you fully support this project and I certainly do not have any further questions.

Mr LINDSAY—There is a very small commercial component in this development; do you think it is adequate?

Mr Larkin—We look upon it as being a residential development but I understand there is going to be some small component there. I would imagine it would be mostly technological and I do not think it is going to make much difference. If it is technological, I just hope that Telstra put optical cables through and help the people who are going to use this new technology. We certainly would not like to see any manufacturing or anything like that take place down there, but if people want to set up some IT businesses in the area, that would be quite okay. I do not see any objection to that.

CHAIR—Thank you very much.

NEWMAN, Mr Kenneth Robert, Chairman, Residents Committee, Ermington Naval Stores Site

CHAIR—On behalf of the committee, Mr Newman, can I welcome you. The committee has received a submission from you dated 8 February. Do you wish to propose any amendment to that?

Mr Newman—No.

CHAIR—It is proposed that the submission dated 8 February 2001 be received, taken as read and incorporated into the transcript of evidence. Do members have any objections? There being no objection, it is so ordered.

The document read as follows—

CHAIR—You gave a very good submission to the committee in writing and would you now like to make a short statement in support of that.

Mr Newman—Thank you, Madam Chairman. A question was asked earlier of Defence by the committee about the residents committee having some continuing say in it. We were originally formed for the rezoning process and invited for the development of the site, and since the master plan is almost complete, Defence has invited our committee to stay on as a watchdog committee throughout the whole development. Our only concern is that we would like very much for Defence to stay part of the development throughout the process, so we can have direct contact and direct input. We are all aware of how outside developers are brought in and given the package to do what they want with it. We would like to stick very close. I know that you have got to vary times, slightly, but stick close to the master plan, the rezoning plans, because that is what the community has fought for all this time.

We have been fortunate to meet on middle ground with Defence and council and involve Defence and council with a lot of our community meetings to get 'right from the horse's mouth', as the saying goes, what is proposed and ask a lot of questions of them. A few things were put up at first and just were not on, where they were trying to maximise the site but things would not work. But we believe, and strongly support, the proposed master plan as it has now been presented and we support Defence in the development of the site and the nature of the development.

Mr FORREST—What do you mean by that, Mr Newman? Do you want Defence to build the houses? Is that what you are saying?

Mr Newman—No. It was indicated to us by the consultants and Defence that Defence would remain, maybe as a partnership behind the scenes, to make sure that the master plan as proposed was stuck to through its development. We are well aware, with some of the major names, what they did in other areas of Parramatta: coming in and completely changing the original proposals and rezonings, building very high rise and ruining an area—almost making ghettos out of them.

This is a beautiful site down here; it can only improve the area. They are proposing up to 700 residences, and we believe the present structure of our shopping centre and our medical and transport facilities can handle that site. But if you got another developer coming in and wanting to double the population, that could create a lot of problems.

CHAIR—So your concern would be if Defence undertook the work of filling and compacting the site and then sold it off to another developer: is that your concern?

Mr Newman—As long as they keep some interest in it, so we could still have the consultative process with them. We have been very successful to date. We do not want to see a good thing ruined.

CHAIR—Yes.

Mr FORREST—My understanding is that the master plan has a certain amount of statutory status and other than fiddling with the boundary a few feet or something, it has got to be adhered to. Why would you be worried about—

Mrs CROSIO—The population ratio would have to be adhered to as well.

Mr Newman—Well, I have seen other areas where that has been changed by application, by developers at a later date.

CHAIR—But that would be up to council and state planning wouldn't it, to approve any different plan for the area?

Mr Newman—Yes, we understand that, but Defence have indicated they may stay with some interest in the site just as a guide.

Mr LINDSAY—In relation to the consultation process, just so I understand what it is that you are after, you said that you would like to continue the relationship with Defence. Defence have said that Thiess will take over that role now on an ongoing basis.

Mr Newman—Yes.

Mr LINDSAY—Would you be happy with that arrangement or do you specifically want to consult with Defence?

Mr Newman—No, if a new group is formed, as long as we still have direct communications with them and input.

Mr LINDSAY—I think that will be the case.

Mr Newman—We would still achieve our aims.

Mrs CROSIO—It is a two-way street on communication.

Mr Newman—Yes, definitely.

CHAIR—Thank you very much, Mr Newman, and congratulations to you and your committee for the role you have played in working with the Department of Defence and the council in getting the best outcome here.

Mr Newman—Thank you.

ROLFE, Mr Michael Richard, Secretary, Sydney Harbour and Foreshores Committee

CHAIR—On behalf of the committee I welcome you, Mr Rolfe. The committee has received a submission dated 30 January. Do you wish to propose any amendment?

Mr Rolfe—Yes, my letter actually was dated 25 January.

CHAIR—Yes, we received it on 30 January.

Mr Rolfe—Okay.

CHAIR—It is proposed that the submission be received, taken as read and incorporated in the transcript of evidence. Do members have any objections? There being no objection, it is so ordered.

The document read as follows—

CHAIR—You did write to us and explain your position clearly but would you like to make a short statement in support of your submission?

Mr Rolfe—Yes. I would like to support the view of the Department of Defence that landscaping is important to sell developments and we believe that the establishment of that landscaping early on is very desirable. There was another issue in relation to the seawall, when Defence indicated a 50 per cent contribution to the seawall. Our experience around Sydney Harbour has been that in fact the landowners generally have been persuaded that when the land is rezoned and the open space is created along the harbour the landowner in fact pays the 100 per cent cost of establishing the new seawall, so that when the councils take the wall over they do not have any potential costs. Obviously they have got to take it over and maintain it, so they would like a new wall.

I can give examples. At Riverglade at Hunters Hill, the seawall there was reconstructed. The city council insisted that CSR redevelop its seawalls at Piermont and they are two examples that I happen to know about. The Commonwealth has had 60 years use of the seawall and it is obviously beyond its useful life and therefore has to be reconstructed.

Then there is the issue of the character of the open space. This 700-metre length of seawall breaks about three and a half kilometres of mangroves in various states to the west and about two kilometres to the east. Some people have asked me that, as I am an environmentalist, shouldn't I come to this committee and say can't we link all the mangroves right across the front of this site? However, the problem is that the mangroves along the river, because of the nutrients from various industrial activities, are very much more vigorous than they ever were before the Europeans arrived and they grow rather large. So if you do have mangroves you are going in fact to build a complete visual block between the river and the land. Therefore, I believe that in this situation there is a strong case for saying that, no, there should not be mangroves reconstructed across the boundary of the site. However, that is not to say that one cannot acknowledge that mangroves were part of this site. It would be possible, by making the seawall bend, not a very engineering solution, to create areas where some mangroves could be located close to parks where they do not obstruct primary views of the residents, because one of the problems the mangroves suffer along the Parramatta River is that if they get between a person's view and the river, their primary view, they tend to die.

The other thing about mangroves is that because they exist in flushed water, unlike salt marshes they don't generally breed mosquitoes. The work that has been done at Bicentennial Park and at Millennium Park on the other side of the river is that salt marshes are where the mosquitoes come from. Most people thought initially that they came out of the mangroves, but my understanding is that in fact the majority of them come out of the salt marshes. If you are going to have a small salt marsh, I just wonder whether it would be regarded as environmental tokenism and maybe it would be better to create a water body which is oriented to polishing the stormwater to make it better quality than flying a flag to say we have some environmental interest.

The other issue is related to design of the seawall. Professor Underwood, who is Professor of Experimental Ecology at the Commonwealth special research centre on the ecological impacts of coastal cities at Sydney University, has been doing some work on seawalls around Sydney Harbour to make them environmentally friendly, because he believes that if they are made more

natural and create crevices and places that the bio can live on, it is far better than making a straight-faced seawall. I am unaware as to whether the seawall here is going to be a random rubble one, which is environmentally friendly, or whether it is going to be a slab of concrete. What I am going to say is that if it is going to be a slab of concrete then the surface has to be dealt with. So that is basically my opening statement.

CHAIR—Thank you very much. I think we will go straight to questions.

Mr FORREST—Have you been involved in the consultation process, or have you just sort of sort of responded to the advertisement?

Mr Rolfe—I responded to the advertisement.

Mr FORREST—So you haven't been involved in the details—

Mr Rolfe—No, no.

Mr FORREST—Because you would be aware that some of the questions you asked in your own opening statement are already answered in the evidence we've got.

Mr Rolfe—Yes.

Mrs CROSIO—I was just curious: when you gave the Hunters Hill example of what happened with 100 per cent construction of the seawall, how long was that in area?

Mr Rolfe—Let me think.

Mrs CROSIO—Was it a quarter of this site? Was it half of this site?

Mr Rolfe—I think that the whole wall was slightly less than this site. It was part of Gladesville mental hospital when it was sold by the department.

Mrs CROSIO—Yes, I know the area. So when that development took place it was actually paid for by the private developer who took over the land, was it?

Mr Rolfe—No.

Mrs CROSIO—By the state government?

Mr Rolfe—It was paid for by the state government, who then sold it. It was just one of the characteristics as landowner, because when people buy sites they like to know what in fact the amount of money they are up for—if you can do it yourself, it is better.

Mr LINDSAY—Mr Rolfe, on seawalls, you said that your desirable outcome was a rubble wall—was that it?

Mr Rolfe—Yes, like the one that's there.

Mr LINDSAY—I heard this morning—somewhere in the evidence—that apparently the desirable outcome was a sandstone wall. Are you happy with that?

Mr Rolfe—My pet hate is a concrete one. If you have a sandstone one, if the sandstone is cut in a way that it is friendly for the animals and the river, I am perfectly happy.

Mr LINDSAY—Are you happy with having a wall that is the same as what is on the opposite bank currently of the Parramatta River—the step down type?

Mr Rolfe—Yes, sure.

VICE CHAIR (Mrs Crosio)—On behalf of the committee we thank you, Mr Rolfe, for taking the time to come forward. I think it is opportune at this stage, because so many people have given up their time to submit evidence here to this inquiry, that we re-ask the Department of Defence representatives to come forward to perhaps answer any questions that are now being raised in the issuing of fresh evidence we have received. I believe Mr Craig Kelly wishes to come also.

[12.39 p.m.]

BLACKLEY, Mr Bernard, Director, Defence Estate Organisation, Department of Defence

MACDONALD, Mr Nigel, Director, National Project Consultants Pty Ltd and Project Manager, Department of Defence

MOSS, Mr Doug, NSW Environmental Services, Thiess Services Pty Ltd

TOOKER, Mr Mark, Director, Patterson Britton Pty Ltd

KELLY, Mr Craig, Lawyer, Minter Ellison

VICE CHAIR—Mr Blackley, we would like to throw the hearing open to you and your team to make further statements if you would like to, due to the fact that evidence has been submitted here today by community concerned people as well as local government.

Mr Blackley—Thanks for that opportunity. I would just like to put on the record that I have not actually had the benefit of seeing the Parramatta Council submission. We went out and briefed the council a week or so ago and I would just like to take that on notice, so I could make some comments and forward those on to you.

VICE CHAIR—Could I ask the council, seeing they are still here, can we actually furnish Mr Blackley with a copy of your submission even though it is tabled now or do you have a spare one? We can do it through the secretary. That will be provided to you; if you wish to come back with further answers to that to the committee.

Mr Blackley—I do not want to go on about these points; I just have very brief comments on each of them. The first is about the standard of the foreshore and the flooding of the foreshore strip that the Lord Mayor mentioned. In short, what she said is that she wanted it to be like the foreshore strip in Parramatta, and I can ensure you that is precisely what it will be like. The height of the seawall has been, or will be, determined by the New South Wales Waterways Authority, but for all intents and purposes what she knows in Parramatta will be what she is getting on this site.

In regard to the acquisition of a house in Lindsay Street, the particular house that they are talking about, there are a number of ways that this house could be acquired without putting it onto Defence. There may be a community benefit to that and I am yet to realise that benefit. And that benefit itself has to be costed to come up with a cost benefit of whether Defence should proceed. But there are also another couple of options without necessarily relying on Defence. The first is the state government. If it is interested about increasing permeability into the site, that is an option. The state government has the option, and the Department of Housing, and they could do that by dedicating the house to council or whomever to provide that access.

Secondly, Parramatta City Council could acquire it, either through its section 94 contributions or whatever. So the objective of section 94 contributions is to apportion the hurt of these things across the community and the stakeholders, and that is one way that Parramatta Council could

do it: by either acquiring it or at least contributing to its acquisition. So regarding the suggestion that Defence is a soft touch I do not like that idea and all these things have a dollar value at the end of the day.

The third point is about the ferry wharf. As I mentioned in the opening statement, there might be 600 people living in the vicinity, as the Lord Mayor said, but I am not convinced that there are, and I am not the one to convince that there is a need for a ferry wharf at this time. If there were a need, that is not a need that would be perceived by me in any event—it would be perceived by Sydney Ferries. It is a legitimate request for Parramatta Council to direct those facility requests to the appropriate authority rather than just put this on to Defence. I do not accept that there is a need there to start with. We have gone as far as we can in allocating the space, should it be required, but it is not a Defence problem. This is a problem that in fact may emerge and we are providing the facility and also the car parking provision. That finishes that point.

In regard to traffic, the traffic has been a problem, as we mentioned this morning particularly the turn-off from Spurway Street into Victoria Road. But it has been a problem probably long before my time—for many, many years. Again I do not think it is Defence's responsibility, although we are requested to do this on many sites around Sydney, to fix a problem that is pre-existing and that will not be aggravated a great deal more by this development. It is interesting that one of the witnesses this morning talked about the RTA with a block of land for 20 townhouses for which they are going to get \$330,000. They may be aggravating the servicing of that particular intersection. So I do not believe that it is a Defence responsibility. We have had expert traffic analysis of that intersection and, from our benefit, if we did perceive a need to upgrade it we would, but there is not a need, from our point of view.

Regarding the question I was going to take on notice from Mr Forrest, I have asked Craig Kelly if he could take that so that you could go away with an understanding of the answer rather than Mr Forrest taking it on notice.

Mr Kelly—There are three aspects in respect of the question. The question went to the possibility of ongoing liability for the Commonwealth in the event that the soil stabilisation, notwithstanding the expert advice and certification, resulted in a situation where a house was built and because of subsoil conditions the house was damaged or the foundations were found to be unsuitable.

The first point to make is that the state of the law in New South Wales at present would not make Defence liable for those conditions simply by reason of Defence having been a predecessor in title to this land. The position would be otherwise if Defence sold a house and land package, for instance, to a purchaser. But in circumstances where simply the land in its present state is sold, particularly where there are interposed successors in title between Defence and the ultimate purchaser of the home, the general state of the law in New South Wales is such as not to make Defence liable.

Of course, where one makes general statements like that it is always wise to look cautiously at the possible exceptions. The most likely exception to that general statement is the law of negligence. If, for any reason, Defence was found to be within the ambit of a duty of care to such a purchaser, then they would be liable in negligence. So one then needs to look at what could be done to discharge that duty of care and of course the only thing that is available to a person in this situation is to take expert advice, that is as to what ought to be done, carry out that work and then obtain expert advice as to whether or not the desired result had been achieved. And that is, of course, what has been done here.

Finally, what I would expect to be done as a routine matter is that there will be contractual provisions in the sale of the contract that will negative the existence of any collateral or unstated warranties between Defence as the vendor and the purchaser. Of course, such a statement in such a contract does not go to the existence of a duty of care between Defence as the owner of the land and a person with whom it does not contract, but nevertheless it will deal with the question between Defence and its immediate successor in title.

Mr FORREST—That was a lawyer's answer, but I will reread that in the *Hansard*, but I have raised the issue and clearly I would be looking for some sort of recommendation from our committee to make sure that that is covered. Whether you need to add to the answer, we would welcome any subsequent information you can provide. We would be wanting, as guaranteed as it possibly can be, an indemnity for the Commonwealth.

Mr Blackley—One issue that Mr Newman raised was that of Defence staying in. That is quite a possible outcome. It is not related to the soil stabilisation because, subject to your recommendations, we will be proceeding with that. We may or may not proceed with the infrastructure works, but I suspect what he is getting at is some form of joint venture arrangement where we would contribute the land or something like that into a commercial arrangement with a developer, and in that way we would be part of it. That would give the community some comfort, given the development of the relationship over several years, so that is a possibility. But the market at the end of the day will determine that.

Mr FORREST—Could you just note that I understood that the master plan has, once the minister has ticked off on it, some form of statutory status—in other words, you cannot fiddle with it.

Mr Kelly—That is correct and—

Mr FORREST—It was mentioned as a negative in the earlier briefing so—

Mr Kelly—Unless the minister changes his mind on the application of such a developer, that is absolutely correct. It is a possibility that the minister might do so—that is Mr Newman's concern.

VICE CHAIR—One question that has not been answered that was raised by both the council and also our foreshore development people is the seawall with regard to construction costs: 50 per cent, 20 per cent, 30 per cent, 100 per cent. The council, I think, were very adamant in their presentation about the costing and they were prepared to take it over after it is built but their expectation was that it be finished and built by the developer of the site, meaning Defence. Mr Rolfe, if I take him literally, was giving examples both of Hunters Hill and Pyrmont, where the actual developer or the state government built the seawall before it was handed over and the land was further developed.

Mr Blackley—I suspect, not knowing those developments, that it is a bit like the house in Hilda Street. But having said that, Defence has offered to contribute 50 per cent of the cost of the seawall, which is on land that it does not own. It is owned by the New South Wales Waterways Authority. The Waterways Authority have come from a position of not contributing to contributing 30 per cent, and it was my understanding that they were going to seek the extra 20 per cent from Parramatta Council. Defence has got its offer on the table and we have got to take that forward, and the way we have been working with Parramatta Council, we have got the relationship that will enable that to happen, so I cannot guarantee the outcome but that is where it stands at the moment.

VICE CHAIR—I particularly asked that to be put on the record because of knowing what occurred in the development of the old mental hospital site—it was owned by state government and it was developed by state government apparently.

Mr FORREST—Another question has arisen as a result of something Mr Rolfe has said about the seawall and so forth. It might help if I refer to the plan. The Creek Park region that is proposed, it would be nice to get a three-dimensional kind of birds-eye look at what is proposed there, but my iew of that is that this creek entrance is something very similar to what already exists over here on the eastern edge. Have I misread that, or is there going to be a wall across the front of that and then a relift station for a pump station or something? To me that would be just an ideal way to create that mangrove salt area you are talking about.

Mr Tooker—It creates some opportunity for that, that is right. There will be a wall across and there will be a width through it in terms of providing an outlet to that drainage channel, but there will be areas that will be lower lying and create an opportunity to develop vegetation of various forms.

Mr FORREST—Is it possible to put a bit of a wobbly leg in the wall there to give it a bit of character?

Mr Tooker—The reason there are not mangroves there at the moment and no seedlings even poking their head up is basically the aggressive climate that is there. And so we need to protect it to form any sort of area that might grow some vegetation. At the moment in the environment it is in, no, you won't get materials growing.

VICE CHAIR—As there are no further questions, on behalf of the chairman—who had to leave to catch a plane—it is now proposed that all submissions received by the committee and the Department of Defence's responses to them be incorporated in the transcript of evidence. Do members have any objections? There being no objection, it is so ordered. Before closing, on behalf of the committee, we would sincerely like to thank all witnesses who have appeared before the committee today and those who have assisted us in our inspection.

Resolved (on motion by **Mr Forrest**):

That, pursuant to the power conferred by subsection 2(2) of the Parliamentary Papers Act 1908, this committee authorises publication of the evidence given before it and submissions presented at public hearing this day.

Committee adjourned at 12.54 p.m.