

*Our House, was our castle and our keep  
Our House, in the middle of our street  
Our house, that was where we used to sleep.<sup>1</sup>*

## The Issues

- 2.1 The Committee recognises that there are a number of factors to be taken into consideration in determining the best solution for the Pierces Creek settlement. On the one hand, the Committee recognises that there is an undeniable moral obligation to allow the former residents of Pierces Creek to return home.<sup>2</sup> This obligation raises issues of cost for the ACT Government, which has a responsibility to the taxpayer and the wider ACT community. However, the Committee also has a duty to uphold the values and integrity of the National Capital Open Space System which, it has been argued, would be threatened by the kind development being proposed by the ACT Government.<sup>3</sup>

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1 *Our House* by Madness.

2 This issue of a moral obligation to allow for the original residents to return was also raised by a number of people who participated in the inquiry. See, for example, Mrs Ruth Burgess, *Transcript of Evidence*, 13 August 2004, p. 6, and Mr Tony Powell, *Transcript of Evidence*, 13 August 2004, p. 18. See also Non-Urban Study Steering Committee, November 2003, *Shaping Our Territory, Final Report: Opportunities for Non-Urban ACT*, ACT Government Publishing Services, Canberra, p. 101.

3 See, for example, Powell, ACT Rural Lessees' Association, Submissions.

## Moral obligation to residents

2.2 The Non-Urban Study Steering Committee stated that the moral obligation to allow for the return of those residents whose homes were destroyed in the bushfires is “extremely strong”.<sup>4</sup> In its sustainability study for the Pierces Creek settlement, the Shaping Our Territory Working Group stated that one of the main aims of the study is “to enable the residents to go home and to do this in a way that meets community goals for financial and socially responsible solutions”.<sup>5</sup> When residents from Pierces Creek appeared before the Committee and were asked for their views on how the village could be redeveloped in a financially viable manner, Mrs Ruth Burgess, stated that:

In a way, the moral obligation is so high that it overrides some of that.<sup>6</sup>

2.3 The residents of Pierces Creek made it clear to the Committee that they would like to see the settlement rebuilt as close as possible to its former self, but that their top priority was simply to return home. If doing so meant some expansion of the settlement, the residents recognised that, while things would be different, it was an outcome they could tolerate.<sup>7</sup> The willingness of the residents to compromise on a modest expansion (most felt 50 houses would be too many) was largely due to the fact that a draft amendment to the National Capital Plan altering the land use would present an opportunity for residents to purchase their homes.<sup>8</sup>

2.4 While the residents have no particular expectations about the type of housing they would like to see re-established, Mrs Burgess, conveyed the residents’ hopes to “keep the general feel of the place the same”.<sup>9</sup> She pointed out that prior to the fires, the Pierces Creek settlement was a stable community where people did not have to worry about

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4 Non-Urban Study Steering Committee, November 2003, *Shaping Our Territory, Final Report: Opportunities for Non-Urban ACT*, ACT Government Publishing Services, Canberra, p. 101.

5 Shaping Our Territory Working Group, May 2004, *Shaping Our Territory, Sustainability Study: Pierces Creek*, ACT Government Publishing Services, Canberra, p. iii.

6 Mrs Ruth Burgess, *Transcript of Evidence*, 13 August 2004, p. 6.

7 See, for example, Mrs Judith Reardon, *Transcript of Evidence*, 13 August 2004, p. 8.

8 Current and Former Residents of Pierces Creek Settlement, Submissions, p. 20.

9 Mrs Ruth Burgess, *Transcript of Evidence*, 13 August 2004, p. 3. See also, Shaping Our Territory Working Group, May 2004, *Shaping Our Territory, Sustainability Study: Pierces Creek*, ACT Government Publishing Services, Canberra, p. 26.

locking their doors.<sup>10</sup> The residents also said they were approached with the option of moving to Uriarra, but Mrs Margaret Reardon responded that:

The lifestyles at Pierces Creek and Uriarra are totally different and always have been.<sup>11</sup>

- 2.5 The ACT Rural Lessees' Association noted that the only justification for rebuilding the forestry settlements is "a legitimate compassion" for those who lost their homes in the January 2003 bushfires.<sup>12</sup> The Association argued that the ACT's plans for expansion are at odds with the major reason for redeveloping the settlement in the first place – the return of the displaced residents.<sup>13</sup>

## Protecting the integrity of the National Capital Open Space System

*One of the greatest attractions is the nearness of spectacular mountain and river scenery. The preservation of the character of these areas is a principle against which all development should be measured...*<sup>14</sup>

- 2.6 One of the key objectives of the National Capital Plan, as supported by Parliament, is to protect the undeveloped hill tops and the open spaces which divide and give form to Canberra's urban areas.<sup>15</sup> In his 1977 review of the role of the open space system for Canberra, Mr George Seddon argued that:

Canberra needs, deserves and can afford a generous open space system, and it should reserve open space for the future needs of a major metropolis. The system should be integrated, sometimes physically, always in terms of policy, management and design.<sup>16</sup>

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10 Mrs Ruth Burgess, *Transcript of Evidence*, 13 August 2004, p. 3.

11 Mrs Margaret Reardon, *Transcript of Evidence*, 13 August 2004, p. 4.

12 Dr Tony Griffin, *Transcript of Evidence*, 13 August 2004, p. 25.

13 Dr Tony Griffin, *Transcript of Evidence*, 13 August 2004, p. 26.

14 National Capital Development Commission, 1964, *The Future Canberra*, Angus and Robertson, Canberra.

15 National Capital Authority, *Consolidated National Capital Plan*, February 2002, p. 5.

16 Seddon G., *An Open Space System for Canberra – A Policy Review*, National Capital Development Commission, Canberra, 1977.

2.7 Mr Tony Powell argued that in any consideration of options for the redevelopment of Pierces Creek, protection of the National Capital Open Space System should be paramount.<sup>17</sup> Although he expressed much sympathy for the former residents of Pierces Creek, Mr Powell suggested that, if the National Capital Authority allowed rural residential development in the open space system, it would “start a process of destroying it”.<sup>18</sup> Mr Powell stated that:

Unless you are going to junk the National Capital Open Space System and commit it to rural and residential development, which, from an environmental point of view, is the most unsustainable form of development that you can imagine, then unfortunately those people will have to be given accommodation that is not the same but in other respects might have advantages.<sup>19</sup>

The ACT Rural Lessees Association stated that it did not object to the former residents of the Pierces Creek settlement returning home but considered that the ACT Government’s proposals to expand the settlements were “misguided and potentially damaging to the integrity of the ACT”.<sup>20</sup>

2.8 Mr Powell and the Rural Lessees Association raised concerns with the extent to which the settlements would continue to grow if redeveloped in accordance with the ACT Government’s proposals. Mr Powell described the Territory’s assertions that the villages would be finite settlements as “wholly misleading”.<sup>21</sup> He added that the ACT Government would inevitably approach the Authority in the future with plans for further expansion if the settlements proved to be profitable.<sup>22</sup> These sentiments were echoed by Dr Tony Griffin, who stated:

We believe that if the Uriarra and Pierces Creek proposals go ahead there will be mounting pressure to make them even larger and to develop more villages throughout rural Canberra...Starting to expand (Pierces Creek) will be the thin

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17 Mr Tony Powell, *Transcript of Evidence*, 13 August 2004, p. 21.

18 Mr Tony Powell, *Transcript of Evidence*, 13 August 2004, p. 21.

19 Mr Tony Powell, *Transcript of Evidence*, 13 August 2004, p. 18.

20 Mr Harold Adams, *Transcript of Evidence*, 13 August 2004, pp. 23-24.

21 Mr Tony Powell, *Transcript of Evidence*, 13 August 2004, p. 16.

22 Mr Tony Powell, *Transcript of Evidence*, 13 August 2004, p. 16.

edge of the wedge. Once that approval is given, who is to say when it will stop?<sup>23</sup>

- 2.9 Mr Sandy Hollway described the ‘thin end of the wedge’ argument as “a complete furphy”.<sup>24</sup> He pointed out that the statutory processes provide the necessary checks and balances against this, and that ultimately, the Commonwealth powers would preclude it.<sup>25</sup> The ACT Government argued that a village of 50 houses at Pierces Creek “seems entirely appropriate and in keeping with the National Capital Open Space System”.<sup>26</sup> Whilst acknowledging that the proposed blocks for Pierces Creek are larger than urban blocks, the Territory refuted claims that the proposed village development is rural-residential development.<sup>27</sup>
- 2.10 The ACT Government also argued that Pierces Creek was “virtually out of sight” and is not visible from the Parliamentary Zone.<sup>28</sup> Mr Hollway pointed out the irony of Canberra’s suburban sprawl being acceptable but 50 houses at Pierces Creek being open to question.<sup>29</sup> The National Capital Authority dismissed this view as:

...a simplistic understanding of the National Capital Open Space System and its importance to the landscape, setting and environmental value of the capital.<sup>30</sup>

## Issues of sustainability

- 2.11 As discussed in Chapter One, the Non-Urban Study’s final report, *Shaping Our Territory, Final Report: Opportunities for Non-Urban ACT* made recommendations that the three settlements be re-established and expanded.<sup>31</sup> These recommendations were accepted in-principle by the ACT Government, which asked that more detailed

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23 Dr Tony Griffin, *Transcript of Evidence*, 13 August 2004, pp. 26-27.

24 Mr Sandy Hollway, *Transcript of Evidence*, 11 August 2004, p. 7.

25 Mr Sandy Hollway, *Transcript of Evidence*, 11 August 2004, p. 7. Section 26 of Act

26 ACT Government, Submissions, p. 13.

27 ACT Government, Submissions, p. 43.

28 ACT Government, Submissions, p. 12.

29 Mr Sandy Hollway, *Transcript of Evidence*, 11 August 2004, p. 7.

30 Ms Annabelle Pegrum, *Transcript of Evidence*, 13 August 2004, p. 38.

31 Non-Urban Study Steering Committee, November 2003, *Shaping Our Territory, Final Report: Opportunities for Non-Urban ACT*, ACT Government Publishing Services, Canberra, pp. 246-247.

sustainability studies be completed.<sup>32</sup> As a result, a series of sustainability studies were carried out by the Shaping Our Territory Working Group and a team of 15 experts, in consultation with government agencies and other stakeholders.<sup>33</sup> They were supported by members of the Shaping Our Territory Implementation Group.<sup>34</sup> Mr Hollway, who chaired the Working Group, emphasised that the studies:

...were not precooked to provide analysis to support pre-existing policy positions. They were a genuine effort to probe the issues.<sup>35</sup>

2.12 The ACT Government adopted a three dimensional approach to the concept of sustainability, as set out in *People Place Prosperity: a Policy for Sustainability in the ACT* (2003):

- **People:** individuals and community
- **Place:** the natural and built environment that people live in and protect
- **Prosperity:** flourishing, thriving, successful community<sup>36</sup>

This provides a framework in which policy options can be judged against social, environmental and economic factors.

## Social Sustainability

2.13 The main features of social sustainability proposed by the ACT Government were summarised as follows:

- A vibrant social mix including returned and new residents.
- Robust spirit and enriched social capital.
- Mix of public and private housing.
- Subsidised rents where eligible for public housing.
- Ability to apply to purchase the house for public tenants.
- Improved self-reliant living in the ACT.
- New concepts for self-governance.
- Participation in volunteer bushfire brigade.
- Community development worker.

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32 ACT Government, Submissions, p. 7.

33 ACT Government, Submissions, p. 16.

34 ACT Government, Submissions, p. 16.

35 Mr Sandy Hollway, *Transcript of Evidence*, 11 August 2004, p. 4.

36 Shaping Our Territory Working Group, May 2004, *Shaping Our Territory, Sustainability Study: Pierces Creek Settlement*, ACT Government Publishing Services, Canberra, p. 4.

- Provision of a flexible choice of rural/urban options for ACT homeowners which has never existed before.<sup>37</sup>
- 2.14 The former residents of Pierces Creek have a different view to the ACT Government as to what constitutes a viable community. According to Mrs Burgess, a viable community develops over time and achieves stability, and is not determined by a formula based on statistics and socio-economic factors.<sup>38</sup> Mrs Judith Reardon also argued that the ACT Government's social sustainability policies should not determine the extent to which the settlement should be redeveloped. She noted that:

Pierces Creek was not representative of typical government housing. The community was stable, self-reliant and functioned with very little input from government agencies. The social mix should therefore not be used as an argument to determine the future size of Pierces Creek.<sup>39</sup>

## Financial Sustainability

- 2.15 The Non-Urban Study Steering Committee acknowledged that the cost of reconstruction of houses at Pierces Creek may be able to be partly offset by insurance payments.<sup>40</sup> However the Steering Committee noted that this would not offset the ongoing lack of facilities and services and the need for the Territory Government to provide services at a 'subsidised rate'.<sup>41</sup>
- 2.16 Mr Sandy Hollway noted that the idea behind redeveloping the three settlements "is to cover infrastructure and service costs but at the same time be responsible to the ratepayer and the community with a reasonable net revenue".<sup>42</sup> This net revenue would cover the cost of the houses themselves as well as wider costs such as contingency for uncertainty and bushfire abatement.<sup>43</sup> ACT Chief Minister, Mr Jon Stanhope MLA, stated that the Government "could not justify

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37 ACT Government, Submissions, p. 8.

38 See Pierces Creek Houses Matter, Letters to the Editor, *The Canberra Times*, 23 August 2004.

39 Mrs Judith Reardon, *Transcript of Evidence*, 13 August 2004, p. 2.

40 Non-Urban Study Steering Committee, August 2003, *Shaping Our Territory, Options and Opportunities for Non-Urban ACT*, ACT Government Publishing Services, Canberra, p. 89.

41 Non-Urban Study Steering Committee, August 2003, *Shaping Our Territory, Options and Opportunities for Non-Urban ACT*, ACT Government Publishing Services, Canberra, p. 89.

42 Mr Sandy Hollway, *Transcript of Evidence*, 11 August 2004, p. 5.

43 Mr Sandy Hollway, *Transcript of Evidence*, 11 August 2004, p. 5.

spending substantial amounts to re-build public housing without the prospect of any real returns on the investment”.<sup>44</sup>

2.17 Table 2.1 which was provided by the ACT Government, shows that if the Territory’s proposal was to proceed, there would be net receipts of \$6.8m – which the ACT Government considers are “already low”.<sup>45</sup> If the National Capital Authority’s restrictions on redevelopment were to be applied, and Uriarra were to be redeveloped to 75 houses and Pierces Creek 13, the ACT Government advised that net receipts would drop to \$1m. If, as a result of the Authority’s restrictions, the ACT Government opted not to rebuild at all at Pierces Creek, the net receipts would be \$300,000.

Table 2.1 Estimated Fiscal Impacts of Village Redevelopment

Item	ACT Government Decision			Total ACT Govt	NCA Decision Version 1	NCA Decision Version 2
	<i>Stromlo</i>	<i>Uriarra</i>	<i>Pierces Creek</i>			
Site					<i>U = 75 PC = 13 S = 40</i>	<i>U = 75 PC = 0 S = 40</i>
Total No of blocks	40	100	50	190	128	115
No of blocks to Housing ACT	20	23	13	56	56	56
Net receipts from land development	\$2.1m	\$2.8m	\$1.9m	\$6.8m	\$1.0m	\$0.3m
Net fiscal impact	\$(3.9)m	\$0.8m	\$(1.6)m	\$(4.7)m	\$(8.7)m	\$(8.9)m

Notes: 1. Receipts from land sales less development costs for all blocks including Housing ACT blocks.  
2. Net fiscal impact: village development compared to suburban development.  
3. Figures in brackets ( ) are a cost.

Source ACT Government Submission

2.18 The ACT Government stated that, if redevelopment of Pierces Creek was restricted to the pre-existing 13 houses, the Territory “felt unable to proceed with such an unsustainable proposition”.<sup>46</sup> Mr Hollway stated that:

44 Jon Stanhope MLA, Media Release, New ACT rural villages to be world class, 3 June 2004.

45 Mt Sandy Hollway, *Transcript of Evidence*, 11 August 2004, p. 7.

46 ACT Government, Submissions, p. 14.



...any proposition to rebuild the villages only at their pre-existing scale without the capacity to generate revenue through some additional land sale and without the capacity to spread the infrastructure and service costs across a range of dwellings, not just a few, renders the proposition uneconomic.<sup>47</sup>

## Environmental Sustainability

### Bushfire Risk Management

2.19 It was acknowledged by witnesses who appeared before the Committee that any redeveloped settlements would be at risk of damage by bushfires again. The Non-Urban Study Steering Committee also recognised the need for preventative measures to combat fires to be incorporated into any new settlement. The Steering Committee noted that:

It would be irresponsible to establish rural villages where fire risk is unacceptably high or without necessary fire precautions. Though existing villages have lived and coped with fire over the years, the tragedy of January 2003 obviously underlines the importance of this factor.<sup>48</sup>

2.20 The Committee received evidence which suggested that there are significant ways in which a re-established Pierces Creek community could be better prepared for bushfires. Mr Powell, for example, suggested that the subdivision pattern, the construction of perimeter roads and the layout of houses and their associated landscaping could all be improved to protect a redeveloped settlement.<sup>49</sup>

2.21 The ACT Government argued that the creation of an expanded village would be a net plus in terms of bushfire mitigation, largely due to the residents providing a point of firefighting capacity for all of the Territory.<sup>50</sup> Mr Hollway pointed out that residents had traditionally provided early warning and firefighting services for decades.<sup>51</sup> The ACT Rural Lessees acknowledged that this would be true in the case of the returning residents but warned that urban dwellers who were

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47 Mr Sandy Hollway, *Transcript of Evidence*, 11 August 2004, p. 5.

48 Non-Urban Study Steering Committee, August 2003, *Shaping Our Territory, Options and Opportunities for Non-Urban ACT*, ACT Government Publishing Services, Canberra, p. 80.

49 Mr Tony Powell, *Transcript of Evidence*, 13 August 2004, p. 21.

50 Mr Sandy Hollway, *Transcript of Evidence*, 11 August 2004, p. 5.

51 Mr Sandy Hollway, *Transcript of Evidence*, 11 August 2004, p. 5.

relocating to the bush would not necessarily have the same desire to be involved in a volunteer bushfire brigade.<sup>52</sup>

- 2.22 Regardless of the extent to which the Pierces Creek settlement is re-established, the Committee strongly supports the implementation of any measures being considered by the ACT Government which will help to mitigate bushfire impact on the settlement in the future. The Committee encourages the Federal Government to cooperate with the ACT authorities in bushfire mitigation measures for the future redevelopment of Pierces Creek.

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52 Dr Tony Griffin, *Transcript of Evidence*, 13 August 2004, p. 29.