



The Electronic version of this report does not contain a list of participants at the conference nor a list of the conference program these are available from the Committee Office of the Legislative Assembly

Legislative Assembly for the Australian Capital Territory

THE 1998 NATIONAL CONFERENCE OF PARLIAMENTARY PUBLIC WORKS AND ENVIRONMENT COMMITTEES

Report No.5 of the Standing Committee on Urban Services

August 1998

Resolution of appointment

On 28 April 1998 the Legislative Assembly for the Australian Capital Territory resolved to establish a general purpose standing committee, called the Standing Committee on Urban Services, to inquire into and report on:

planning and lease management, road and transport services, housing and housing assistance, government purchasing and public utilities purchasing, electricity industry and regulation, construction industry policy, parks and forests, private sector employment inspectorate, building services, environment, heritage and municipal services and any other matter under the responsibility of the portfolio minister.

Committee Membership

Mr Harold Hird MLA (Chair)

Mr Dave Rugendyke MLA (Deputy Chair)

Mr Simon Corbell MLA (appointed on 25 June 1998, replacing Mr Wayne Berry MLA who was discharged on the same day)

Secretary: Mr Rod Power

REPORT BY THE STANDING COMMITTEE ON URBAN SERVICES ON
THE 1998 NATIONAL CONFERENCE OF PARLIAMENTARY PUBLIC
WORKS AND ENVIRONMENT COMMITTEES

1. The 1998 national conference of parliamentary public works and environment committees was held at Parliament House, Sydney, on 27-29 July 1998.
2. The ACT was represented by all members of the Standing Committee on Urban Services (Mr Hird MLA, Mr Rugendyke MLA and Mr Corbell MLA) and the committee secretary.
3. The host committee was the NSW Standing Committee on Public Works, which is a ten-person committee of the lower house. The chairman of that committee, Mr Paul Crittenden MP - along with his parliamentary colleagues and the committee's staff - organised a highly stimulating program of site inspections and guest speakers. In doing so, they had the full support of the Speaker of the NSW Legislative Assembly, Mr John Murray MP, who opened the conference.
4. All states, the Northern Territory and the Commonwealth were represented at the conference. Delegates were particularly pleased to welcome the attendance, for the first time, of representatives of the Western Australian parliament. The number of delegates from both Queensland and Tasmania was down on the past, reflecting political developments in both states (the Queensland parliament was meeting for the first time since the recent general election in that state, and the Tasmanian parliament had just risen for the imminent state election).
5. *A full list of delegates and the conference program, is shown at the end of this report.*

6. The conference was a great success. This brief report outlines some features of the conference which are relevant to members of the ACT Legislative Assembly and to the Canberra community. Members of the Urban Services committee will be pleased to elaborate in person on any matters raised in the report.

7. The conference is the only time that politicians serving on their state's public works and environment committees come together to discuss common themes.

8. A distinctive feature of the conference is the strong environmental emphasis in all public works projects in all states and at the commonwealth level. The most topical example of this environmental emphasis was demonstrated during the conference by a development that was wholly unanticipated, namely, the public outcry about the existence of bacteria in Sydney's water supply.

9. A number of speakers at the conference pointed to new trends in the way that environmental problems are being handled. Instead of relying on the traditional 'command' arrangement whereby governments regulated what was coming out of the end of a pipe or chimney, there is a move to other types of control. These include:

- using economic controls and incentives (for example, a waste levy licensing fee)
- stipulating that corporations report on their environmental impacts (so that their annual reports include environmental reporting along with the traditional financial reporting)
- facilitating cleaner production techniques (sometimes involving a partnership between industry and government).

10. Even with respect to the traditional regulatory type of control, there is a trend toward mandating careful thought at the start of a development proposal so that its full environmental effects can be identified in advance. This means that both industry and government can design the most appropriate economic, regulatory and technological measures to ensure environmental harm is minimised.

11. This sort of thinking permeates the ACT's new environmental legislation. The committee also is aware that the capital works process used by the ACT government includes a requirement that agencies consider environmental objectives in this light.

12. Still on the environment, the NSW Public Works Committee told the conference that it recently brought down a report which set out ways to improve the environmental impact of schools. The committee identified ways to reduce water use, to retain stormwater on the site by using retention basins, to improve solar orientation, to reduce electricity use, to improve the use of materials, to install spring-loaded taps and install smaller water pipes.

13. The NSW committee also pointed to the design of some Canberra schools as being an example of 'best practice' in the industry. The NSW committee visited the ACT to inspect our schools and recommended that similar features be used in NSW. Basically, the idea is to build school facilities that are light-weight in nature and which can be adapted to a wide range of other uses once the school peak has flowed through.

14. Two other broad themes featured prominently in the conference. The first concerns trains. The second concerns finances.

15. Obviously the very fast train between Sydney and Canberra aroused a good deal of interest. This extended to the technological aspects as well as to the considerable employment implications of the project.

16. Another train proposal is the Alice Springs-Darwin railway, which the South Australian Public Works Committee will soon examine.
17. In NSW, the new railway loop to the Olympic facilities at Homebush was observed first-hand by delegates, who were taken on a tour of inspection of the Olympic site.
18. Further train proposals were outlined by the NSW government authorities in relation to the Sydney network. These include the Central Railway/Airport line now being constructed, and the Chatswood/Carlingford line now being examined.
19. The final point on trains relates to the significant loss of government-provided jobs in rail. Delegates were told that in 1988 there were about 16,000 rail staff in NSW. At the time the NSW Rail Freight Corporation commenced operations on 1 July 1996, there were 7,000 staff. The present number is about 3,000 and, by the year 2000, it is expected that only 2,200 staff will be employed by the Rail Freight Corporation.
20. Before turning to financial matters of interest, the committee draws attention to the surprisingly wide use of surveillance cameras in Sydney, including in the new Homebush train station. Information provided to the committee after the conference was that, while legislation recently passed the NSW parliament regulating the use of covert (or hidden) surveillance cameras in the workforce, there is no specific legislation applying to the use of overt surveillance cameras. To the extent that these are regulated at all, it is by way of a voluntary Code of Practice introduced in 1997 and agreed to by some unions, employer groups and registered clubs.
21. In relation to financing public works, a number of matters were discussed.

22. The South Australian Public Works Committee told the conference that it is now insisting on a full cost evaluation of all proposals for large capital works. This involves two things in particular. The first is that the project's internal rate of return be clearly shown in the documents brought to the committee. The second is that the government include the recurrent cost of the works (not just the construction cost).

23. Again, the committee is aware that the government's capital works process in the ACT includes consideration of these measures.

24. Also on the financial theme, there was some discussion about the need to identify the true environmental cost of capital works projects. These are not always easy to find. Two examples that are relevant to Canberra concern water and transport. The first bears on proposals for a new dam; the second on proposals for a new motorway (such as the John Dedman Parkway). In both cases, it is desirable to know the true environmental cost of existing water and car use before undertaking an assessment of whether major new capital infrastructure is required.

25. A further theme of the conference was concern about the absence of parliamentary scrutiny of some large capital works projects. These are the ones which involve innovative contractual and financial arrangements involving the private sector (such as private motorways and joint state/private rail stations). These projects do not usually get the same level of scrutiny as traditional capital works projects. All delegates were concerned about this trend - and some States are considering changes to their legislation to permit parliamentary scrutiny where this is not allowed at present. (Interestingly, the NSW Public

Works Committee is permitted to 'inquire into the capital works plans of State-owned corporations and joint ventures with the private sector'.¹⁾

26. Before completing this report, the members of the ACT Standing Committee on Urban Services wish to draw attention to two features of the host committee and two features of the conference's organisation.

27. The NSW Public Works Committee can undertake inquiries at the request of the Minister for Public Works & Services, any other Minister, the Legislative Assembly (by way of resolution) or by resolution of the committee itself. The latter power is particularly pertinent. It has been a theme of recent conferences that the power to self-refer (or initiate their own inquiries) makes for a stronger committee performance.

28. The second interesting feature of the NSW Public Works Committee is that the state government expects it to identify efficiencies and economies in the delivery of capital works, as indicated in the following speech by the Leader of the Government in the Legislative Assembly:

The committee will seek to find savings in capital works programs whilst achieving a net reduction in environmental impacts by public sector developers. The committee's work is expected to provide incentives to the public sector to produce more robust cost-benefit analyses within the government budgetary process and to give more emphasis to least-cost planning approaches..²

29. In relation to the organisation of the conference, it is interesting that - for the first time - each delegate was charged a registration fee that covered the cost of the conference dinner and also some of the costs associated with refreshments and the Hansard recording of proceedings. The registration fee was payable in advance and hence facilitated planning by the host committee.

¹ Speech by the Minister for Police and Leader of the Government in the House, delivered to the NSW Parliament on 25 May 1995, quoted in a brochure about the NSW Standing Committee on Public Works distributed at the conference.

² *ibid*

30. The second organisation feature of the conference was opening up one day of the conference to the public. The particular day was that set aside to hear speeches by visiting experts in the field of public works and the environment. Some academics and members of lobby groups in NSW took advantage of the invitation to attend the conference. They closely questioned the speakers and mixed with delegates. Their attendance was on a cost-recovery basis, which eased the cost pressure on the host committee/parliament.

31. It seems to members of the Standing Committee on Urban Services that the ACT parliament can learn useful lessons from these features of the conference.

32. In conclusion, the Standing Committee on Urban Services commends the initiative of earlier public works and environment committees of the Commonwealth, state and territory parliaments in organising a conference devoted to analysing the experience of our parliaments in over-sighting the important area of capital works and the environment. The committee particularly thanks the Speaker of the NSW Legislative Assembly, the chairman and members of the NSW Standing Committee on Public Works, and the staff of that committee for arranging a splendid conference in Sydney in 1998.

Harold Hird MLA

August 1998