



PREMIER OF NEW SOUTH WALES

SPEECH BY PREMIER MORRIS IEMMA WESTERN SYDNEY STATE OF THE REGION ADDRESS THURSDAY, JULY 31, 2008

(check against delivery)

Federal, State and local government colleagues
Consuls-General
Stephen Jenkins, President, Western Sydney Business Connection
Distinguished guests, ladies and gentlemen

I'm proud to stand here and report today:

- our region is strong and vibrant
- growing and successful.

You know all the statistics:

- the third largest economic region in Australia
- home to 1 in 10 Australians
- 240,000 businesses
- 30% of the nation's top 500 companies.

And what's behind those statistics?

A lot of hard work.

A lot of commitment.

And a lot of belief.

For too long, Western Sydney was a place where people lived ... existed you might say.

But the professional services, the facilities, the decent shops, the recreational opportunities, the cultural life always seemed to be somewhere else.

We've changed that.

Not by accident but by careful planning – piece by piece, project by project.

The biggest concentration of urban road expenditure in the nation.

New or rebuilt hospitals at Nepean, Blacktown, Camden, Campbelltown, to name a few, with Liverpool stage 2 and Auburn underway, together worth half a billion dollars.

The headquarters of the legal system and the police force – shifted to Parramatta from the Sydney CBD.

A new medical school in Campbelltown – the first time in 150 years of medical education that a kid from Western Sydney can study to become a doctor in Western Sydney.

Recycling and storm water harvesting projects worth \$350 million that will save 70 billion litres of water a year by 2015.

And on it goes.

But it's not just the "hard" infrastructure that counts.

It's the quality of life stuff that can really make a difference to the way people live and ultimately the whole feel and texture of a region.

That's why successive Labor governments have invested in top-class cultural facilities at Penrith, Casula, Campbelltown and other locations throughout Western Sydney.

For example, I had the privilege of re-opening the galleries in Campbelltown and Casula, both of which received substantial NSW Government funding to grow and expand.

In that same spirit, I'm proud to announce a major grant – \$5 million – to help Parramatta City Council realise their long-held dream of an art gallery for the people of Western Sydney.

The New Generation Gallery and Centre will be a landmark facility, a \$21 million gallery integrated with a library, heritage centre and media hub, in the heart of the Civic Place redevelopment, right next to the new Transport Interchange.

Amazingly, there is no major public gallery between the Nepean River and the Sydney CBD.

It's time that changed.

Ladies and gentlemen,

Another key part of lifestyle is the environment.

Western Sydney is providing more than its fair share of housing and employment lands.

But it also needs the open spaces that allow a city to breathe.

Places like Bicentennial Park, Rouse Hill Regional Park and the greatest piece of urban open space in Australia – the 5000 hectare Western Sydney Parklands, now coming into full public usage.

These are open spaces on an national scale.

They've taken years – even decades – to prepare.

And we should all be very proud of them.

But sometimes good open spaces don't always have to be large.

Think about Fairfield City Council's "Restoring the Waters" project or the Riverwood wetlands in my own electorate.

They're decent urban spaces.

And they're especially important in areas where people do it tough, giving you a chance to get out of the house and have a picnic or get some cool air on a summer's evening.

In April I went to Casula to open the gallery extensions, and Liverpool City Council showed me a plan to provide just such a park along the Georges River north of Casula – the Liverpool "River City Project".

It's a great initiative which I'm proud to support with a \$2 million grant from the NSW Government.

The Parramatta, Nepean and Georges Rivers weave their way through Sydney like precious threads.

Let's treat them that way.

Friends,

What's the point of these initiatives and announcements?

Let me state it again.

The Western Sydney we celebrate today is no accident.

It is the deliberate creation of good public policy.

Good policy that has supported – and has been supported by – good decision-making from local government and the business community.

I'm happy to say the planning and foresight continues.

In the Metropolitan Strategy we outlined a plan to provide land to sustain 280,000 new jobs for Western Sydney.

At the confluence of the M4 and M7 lies employment central:

- 2,450 hectares of employment lands, with the capacity for 36,000 jobs –
- plus up to 10,000 hectares potentially available in the Investigation Area next door.

And you can add this precinct – Olympic Park – Australia's premier mixed use economic, educational and residential zone.

We've made a good start with the Commonwealth Bank relocation and other developments.

But that's just the entrée.

The Government has just released a new vision for this area:

- the draft Sydney Olympic Park Masterplan 2030, which is on exhibition until August 18.

It's a bold vision because we believe this precinct can be driven harder to become a vibrant centre in its own right, not just somewhere you occasionally come to see the All Blacks get thrashed.

We don't want it half-empty.

We want it vibrant, alive.

That's why we're now projecting a daily population of 28,500 workers, 15,000 visitors, 14,000 residents and 5,000 students.

And that's why we want the private sector to pick up on our plans, because opportunities like this only come along every few decades.

Ladies and gentlemen,

Transport drives Western Sydney.

That's why in the recent State Budget we earmarked \$2.2 billion for infrastructure in Western Sydney, a sum that will only grow with time.

In roads, we're continuing the upgrading on Camden Valley Way, Cowpasture Road and Hoxton Park Road, duplicating the M4 overpass at Mamre Road and continuing the widening and upgrading of the Great Western Highway.

We're also investing \$45 million to provide an extra 4,000 car spaces at railway stations across Western Sydney.

And at the Mobility Forum in September, we'll also be exploring ideas like container truck curfews during peak hour to reduce congestion, especially on the M5.

But while all this is important, what Western Sydney really needs is the next generation of motorway projects:

- the missing link between the M4 and the city
- and more capacity on the M5.

Last month the NSW Government made its official submission to Infrastructure Australia on what we think are the priority projects for Australia largest city:

- the city John Howard so deliberately and ostentatiously overlooked.

The M4 extension and the M5 enhancement are both at the top of the list, and the NSW Government appreciates the money set aside in the last Federal Budget to study the M5 corridor.

We look forward to moving ahead on these vital projects for Sydney's future.

Same on rail.

I'm very proud of the North West Metro and the South West Rail Link.

Planning and design are already well underway, and we have declared both these projects as critical infrastructure.

Just last week we appointed the UK firm Interfleet Technology as the "shadow operator" for the North West Metro, meaning they will shape the planning and delivery of the line from the point of view of an experienced rail operator.

I wasn't kidding when I said we want to see trains running to the Hills Centre by 2015, and from Rouse Hill to the City by 2017.

Ladies and gentleman,

I want to stress something important today:

- the North West Metro, worth \$12 billion – is fully funded in the Budget forward estimates.

It doesn't rely on electricity.

It stands alone.

And it will be delivered.

But the second metro we have planned – from the city to Parramatta – is something we cannot do alone.

This can only happen with the support of Infrastructure Australia, and I am delighted by the interest shown in this project by Kevin Rudd and Anthony Albanese.

Again, we appreciate the Commonwealth funding made available in the recent Federal Budget for a feasibility study.

But this shouldn't just be left to the academics and consultants.

I want to see the whole Western Sydney community – MPs, councils, business groups, NGOs – all get behind this proposal because expanding capacity on the Western rail corridor is essential if we are to grow Sydney in line with the Metropolitan Strategy.

Ladies and gentlemen,

Growing Western Sydney.

That will be the theme of this region over the next 30 years.

In those years, 30 to 40% of Sydney's new housing will be located in the North West and South West Growth Centres – some 180,000 new homes.

To date we have rezoned four Precincts:

- Oran Park
- Turner Road
- Edmondson Park and
- Colebee

That's 20,000 lots in less than two years.

In fact, the Growth Centres Commission is making housing lots market-ready in record time.

Now greenfield releases are one thing.

But alone they cannot provide the answer to Sydney's housing problems.

The re-use of industrial sites is the other standard solution.

The problem is both greenfield and brownfield developments are vulnerable to high interest rates and sluggish market conditions, which is feeding the rental crisis we face today.

That's why today I want to float a third option – an option that will create more rental accommodation but delivered in a way that takes up no new land and does not create the visual impacts that come with high density apartments.

I refer to the idea of "secondary dwellings".

"Secondary dwellings" are small, self-contained homes on the same lot of land as a traditional home, sized in the order of 50 or 60 square metres.

I'm talking about things like a small one-bedroom flat built over a garage, dividing a 3 bedroom house internally into a 2 bedroom main residence and a small one bedroom flat or building a small flat out the back.

I am not talking about dual occupancy like we had in the 90s.

I want to stress that.

These homes would not be sub-divided.

They would not be sold separately.

And there'll be no relaxation of Floor Space Ratios or setbacks.

Ladies and gentlemen,

There are many benefits to this idea.

Secondary dwellings would be constructed on existing residential properties so there is no cost for land or servicing.

They are relatively fast to build, thus increasing the supply of rental properties fairly quickly.

Compared to new land releases or high density development, this is a very low cost way to provide new housing, and that means cheaper rents, which is an attractive option for singles and couples on low to moderate incomes.

Last – and best of all – it can allow working families who are buying their own home to gain an extra source of income:

- a great way to ease the pressure of rising petrol and grocery prices
- and it's also a good way for elderly people to afford to stay in their own homes.

We've seen it work, right here in Western Sydney.

The McClellands are a family in Short St, North Parramatta.

They had spare capacity so converted some of it into a small apartment and rented it out to local students, a 'win-win' situation.

The McClellands found it easier to pay off their mortgage, and the students had accommodation closer to the University of Western Sydney.

A small, practical and living example of our goal.

It was a model pioneered during the tenure of David Borger as Lord Mayor of Parramatta.

I pay tribute to him, now a valued colleague as the Member for Granville.

Ladies and gentlemen,

This is isn't just an idea out of the blue.

Local and international experience shows that secondary dwellings are highly effective.

Landcom, for example, has included secondary dwellings in some of their recent developments, which have proven to be hugely popular and successful.

Some Sydney councils have already adopted policies to allow secondary dwellings for example Parramatta (as I said), Camden, Kogarah and Ku-ring-gai.

And in Vancouver, Canada, more than 20% of the private rental market is supplied by secondary dwellings.

So there is every suggestion that this model can work in Sydney.

As a next step, I will be asking Planning Minister, Frank Sartor to lead community and local government consultations on modifying existing codes to ensure that secondary dwellings are permitted wherever possible.

I will also be asking the Commonwealth to lift Capital Gains Tax from privately rented secondary dwellings.

People should not be discouraged from adding a secondary dwelling because of a potential capital gains tax slug.

So today I want to kickstart a debate on whether Sydney is ready to consider secondary dwellings as a contribution to solving the rental crisis.

After all, we've got a growing city – and with record immigration levels that won't be changing any time soon.

In that context, Western Sydney will be the centre of gravity – the workhorse of the Sydney basin – as it has been ever since World War Two.

In a sense, the eastern side of Sydney represents the past.

The future lies to the west.

It is here that Sydney turned to stage the Olympics.

It's here we have turned for our Growth Centres.

It is here we are turning to anchor out three River Cities.

It is here in the employment lands where the investment of tomorrow will occur.

And it is here the next chapter of public transport – in the form of our new metros – will be written.

Be proud Western Sydney.

Your region is strong.

And your future is bright.

Thank you.

ENDS