

ABC INTERVIEW, WEDNESDAY 16 JAN 2008.

SUSAN: We've got a caller Chris. Chris, you want to make a point?

CHRIS: Yes, Frank Sartor when he was mayor was quite a leader of the community and when he was mayor he was famously quoted as saying "Private Certification Construction Certificates was legalised corruption". Now that he's the minister for planning he's promoting further private certification. What has changed, Mr Minister?

FRANK SARTOR: Look, it's an easy point for you to make, um, but I didn't actually say, I don't remember saying it was legalised corruption. I remember criticising it and saying that I had real difficulties with people hiring someone that is regulating them, and that remains a legitimate concern, it's the main concern of the Local Government Association. But private certification is unfortunately here to stay, fortunately or unfortunately depending on your perspective, here to stay.

There is no way anyone I can find apart from Local Government Association, ah, wants to go back to the days where you had the old, fat council building surveyor turning up when he felt like it to check your concrete pour, ah, and having a system that was itself quite corrupt. There is still corruption in Local Government now, one of the biggest levels of complaint to ICAC are in fact Local Government. So the fact that there are professional people out there who can certify something and do the job professionally, and most of them do it well, um, that is here to stay.

What I am genuinely looking at and Local Government has raised this, is to remove the incentive for conflicts of interest because, and one of the issues that canvassed in the paper for example, is that there is a limit to proportion of income a, um, certifier can get from the one client, so they don't become financially dependent on the one client. In most cases in suburban Sydney for example certifiers work for many clients so they are in a position to stand up to a builder who is being a fool, who is not doing the right thing. It's really in those cases where you tend to have very big builders or developers who use the same certify and then you get this thing called regulatory capture.

But I'm certainly looking at much tougher sanctions, much stronger auditing, in fact we've been hiring more auditors and toughing this issue up. Whether I agree with it or not the system of private certifiers is here and I have no choice but to pursue it and make it work well. Quite frankly, I think I can make it work quite well.